

NEXT MEETING

Monday,
January 19, 2009

Fort Stephenson
House
600 W. State St.
Fremont

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Happy Holidays



To YOU and Yours

Our SCAREIA Christmas Dinner will be held on
Monday, December 15th at 6:00 p.m. at Casa Fiesta
Mexican Restaurant, 2455 Hayes Ave., Fremont.

We will eat together but pay separately.

Please feel free to bring a significant other, friend, or
potential new member (or all 3).

Along with sharing a good meal and some fellowship
with our members, we can ask questions of each other
and share any real estate related stories, lies, or tales.



The Importance of a Guest Policy

If you don't already include one, consider adding a guest policy to your lease or rental agreements. Having a guest clause in the lease will ensure that tenants know you are serious about houseguests becoming permanent residents.

If a houseguest seems to have moved in, it will be easier for you to make them leave or terminate the lease if necessary, if your tenants have signed a guest clause.

Most guest policies state that no guest may stay longer than two weeks. Anyone staying longer is considered an additional resident who must be on the lease, paying rent and must be screened and approved by me.

Most policies also states that tenants are responsible for all guests' damages to the property. You may consider specifying the number of guests allowed at one time; typically allow one guest per person.



Handling Problematic Tenant Behavior

Once your tenants sign the residential lease agreement, they are bound by its provisions. But, as any landlord knows, not all tenants adhere to the rules, and some may engage in activities and behaviors in violation of the agreement.

Lease violations can often result in eviction. Criminal activity is always a violation and should lead automatically to lease termination. A tenant's disruptive behavior, or even offensive conduct, may also be cause for lease termination.

Standard lease forms, like those available at CompleteLandlord.com, prohibit a variety of conduct, including the following:

- Behaving in a loud or obnoxious manner**
- Disturbing or threatening the rights, comfort, health or safety of other residents and property employees**
- Engaging in or threatening violence**
- Disrupting business operations**
- Possessing or displaying a weapon in a common area**
- Tampering with electric and cable connections**
- Storing gas appliances in closets or other confined areas**
- Heating the unit with a portable cooking stove**
- Using windows for entry and exit**
- Drug possession or manufacture**
- Making libelous or slanderous allegations against the property owner or employees**

Not all disruptive behavior automatically results in a lease termination. Some lease requirements, such as the following, are issues that may be best handled with a reminder letter before further action is taken:

- Dispose of trash every week in the dumpster**
- Use passageways for entry and exit only**
- Use non-glass containers at the pool**
- Do not cook on balconies or patios**
- Do not operate a business on the premises, such as a daycare**

Though violating rules that merely limit behavior may not result in immediate termination of the lease, repeated lesser offenses may eventually cause you to consider eviction.

And remember, all limits on tenant behavior should also apply to the tenant's visitors and guests. Unruly conduct by a visitor or guest of a tenant could, at the landlord's discretion, result in eviction of the tenant.

Spirits of Organization: Past, Present, and Future

Ebenezer Scrooge may have spent a terrifying night struggling with the spirits of the Past and Future. We, on the other hand, can find ourselves wrestling with both Past and Future each day of our Present.

Living in the Present is becoming a lost art for many of us. Future tasks clutter our minds while physical clutter overwhelms our spaces. What has happened to make it so difficult to be present in the moment?

The Future and Cluttered Minds

Each day you are confronted by a lengthy list of pending tasks. In an attempt to accomplish as many as possible, you often resort to multitasking. With your mind firing in all directions, you are constantly thinking ahead to the many things still to be undertaken. The fact that multitasking is actually inefficient and that you get less done when you try to accomplish two or more things at once does not always deter you from trying. With the multiple demands on time, you are so busy thinking ahead and becoming stressed by the barrage that it is difficult to enjoy the present moment.

The Past and Cluttered Spaces

Two situations contribute to the accumulation of "stuff."

1. Not being fully present in the moment, you may need to keep reminders of the events.
2. Being so busy, you may not have time to sort and clear out the clutter of past possessions and activities.

You know that possessions are out of hand when you think about buying a bigger house to contain all of your things. If you are not able to move up in size, you may have a storage unit...or two...or more. You possess too much when you start feeling overwhelmed or guilty at not being as organized as you think you should be.

If the Future or the Past is affecting your Present, start to make changes. Clutter, whether it is mental or physical, is a result of postponed decisions. Resolve that you will:

Make a decision right away on every item or activity that comes into your life.

Mental Clutter

When do you have a reasonable chance of doing this?

Assign a date and place it in a tickler file, either paper or electronic.

What are your real priorities for today?

If you keep reassigning the action date, ask if it really needs to be done.

Physical Clutter

Do you need it?

Do you love it?

Does it have a home (a place where it fits into your space and life)?

Why are you keeping it?

When would you use it?



Three scenarios that occurred recently illustrate examples of clearing away clutter.

My friend, Abby, told me about her decision to give away her wedding dress after she was married. Family and friends were horrified. Where was her sentimentality? Would it bring bad luck? Yet Abby felt it had served its purpose, and she had wonderful photos of that day. Why should she keep it? It probably wouldn't fit her later. Did she want a daughter to feel required to wear it? Abby went ahead

Spirits of Organization: Past, Present, and Future (con't.)

with her decision, is still married sixteen years later, with two sons and a beautiful, uncluttered home.

Another friend, Jane, had two daughters getting married in big weddings the same year. That added to a backlog of organizing tasks she had put aside. With all daughters out on their own, Jane and her husband were determined to tackle the years of accumulated possessions. It was slow progress. Jane involved her daughters in some of the decision-making regarding mementos of their school years and found that they were decisive in tossing items that the parents had kept all those years.

After my mother died, my stepfather brought over artwork that had been done by my brother, sister and me in our early school years. None of us were gifted artists. We laughed together and later discarded the papers that had been stored for decades. I couldn't image passing on to my children the burden of my untalented artistic efforts.

Some of these situations may not reflect your thoughts and lifestyle, and there is nothing wrong with that. Certain mementoes are wonderful keepsakes. What you have to do is answer the questions for yourself and make decisions that correspond with your needs. The key is to:

MAKE THE DECISION. Do not let items accumulate just because you do not want to deal with them now.

GET STARTED WITH THE PRESENT. Do not worry about what has already accumulated. It is too big a job to expect to do everything at one time. Instead take each new item and give it a date or home. Later, as time permits, you can tackle other areas of disorganization bit by bit.

The admonition to "stop and smell the roses" needs to be recalled frequently. If you are struggling with the Spirits of Past and Future, make "ENJOY THE PRESENT" one of your goals for the New Year.

Paying for Construction - Common Mistakes and Solutions

Investing in a construction project for a landlord is not only an expensive undertaking, but time-consuming as well. In order to get the most bang for your buck, not only should you try to create a positive working relationship with your contractor, but you should also consider the following mistakes many landlords make regarding payment:

1. The first mistake most property owners make when having construction done on their rentals is not establishing their budget correctly. By creating a budget before you contact a contractor, you will save time, money and unpleasant surprises in the long run. Also, many landlords believe that you should never reveal your actual budget to a contractor in fear of having them over-charge you; however, this can actually have the opposite effect. If a contractor knows your budget and your goals of the renovation, he should have no problem working with you to complete the project not only within your timeframe, but also within your budget.
2. The second most common mistake property owners make is paying for the work before it is fully completed. Contractors focus on jobs they haven't been paid for yet. While you may think you are being responsible in paying for the construction ahead of its completion, this gives the contractor no incentive to finish the job well, on time or at all.
3. The third frequent mistake made by property owners is paying full price for late work. A contractor has a responsibility to complete your work on time, and failing to meet this obligation should carry consequences. Be sure to write into your contract a penalty clause: a fee, usually per day, for work done late. Just as you charge your tenants for paying their rent late, so should you penalize your contractor for his lateness. Failing to do so will significantly slow down your project, costing you valuable time and money.

DOES YOUR BUYER'S CREDIT MATTER??

If you are considering seller financing the sale of your real estate or business, you should obtain a credit report on your prospective buyer.

Without factual knowledge of your buyer's credit standing, you cannot make an informed judgment about accepting or rejecting your buyer's offer.

After all, you will create a note that extends a large amount of credit to your buyer. No bank or mortgage company would extend similar credit without a credit check.

Don't be reluctant to ask for a buyer's credit report for fear of seeming rude or untrusting. If there are problems, the time to find out is before you accept the buyer's offer. If you neglect this step and later discover problems with your buyer's credit, you may not be able to get a good price for your note if you ever need to sell it for cash. The easiest way to obtain a credit report on your buyer is to

ask the buyer to obtain his or her own credit report and then furnish you a copy. Credit reporting bureaus will not send your buyer's credit report to you because of privacy laws. However, for a small fee, they will send your buyer's credit report to the buyer. Here is what to ask your buyer to do: First, they should go to myFico.com or FreeCreditReport.com to get a copy of their most recent credit report. Then, have the buyer ask for his or her own credit report. Last, ask the buyers to give you a copy.

If the buyer refuses to provide a credit report, refuse to sell.

No credit report, no sale.



Special thanks to our November speakers: Donna Thatcher with Habitat for Humanity, and Margaret Weisz with Liberty Center. Your Board has, for a long time, discussed the need for our group to get involved in a community project, and one that is housing related. We learned enough about these two organizations and determined that we would like to get involved with both.

SCAREIA has decided to sponsor a day for the Liberty Center, at a cost of \$225. The check was presented to Margaret just a few days ago.

Please contact Harry Aspacher (419-334-8846) for a volunteer form for Habitat for Humanity which needs to be filled out and mailed or dropped off to them so they can contact you to work. Filling out the volunteer form does not obligate you to do any particular job or participate on any particular day. They will contact you if they can use your help in an area you have indicated.

This is a great way to learn a new skill for your own properties.

Please make sure you put our organization on the form and please keep track of the hours that you donate and let us know what they are. We can total up all our members time donated and use that in future press releases to help our organization gain credibility in the community.

They may be starting as early as some time next week on the home to be built on Kentucky Ave. so please get your volunteer forms in ASAP.

It really only takes a little extra effort to actually do something instead of just talking about it. Let's be an organization of do-ers and not just talkers. We guarantee you will get more out of it than you could ever put in.

2008 S.C.A.R.E.I.A. Board Members

President: Scott Welty
419-332-7275

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Treasurer: Mary Methner
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419-265-8274

Membership: Chuck Williams
419-547-8127

Social Director & OPHP Cert:
Kathy Burkin
419-334-9586

Newsletter: Mary Methner

Programs: Harry Aspacher

For further information,
you may contact
any of the
Board Members
at any time

About Our Organization...

SCAREIA was organized in October 2005. Our primary focus is to share information, to help educate and to motivate our members in their successful real estate endeavors.

Anyone interested in Real Estate Investing, whether you are just beginning or a seasoned investor, are welcome to join.

SCAREIA meets the 3rd Monday of every month at 7pm. Meetings are located in the basement of the Fort Stephenson House, 600 W. State St., Fremont, Ohio.

SPECIAL THANK YOU TO FIRST AMERICAN TITLE FOR PROVIDING THE MONTHLY EVICTION AND FORECLOSURE REPORTS



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