

REAL ESTATE

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E1
Classified Ads

Thursday, January 3, 2002

Condo group
may be liable
for lose dogs



REAL ESTATE
QUERIES
ROBERT M.
MEISNER

The dog next door to me in our condominium continually runs loose and the association chooses to do nothing about it. I am concerned for the welfare of my family and don't know what to do.

The association says call animal control, but I'm not convinced that they will help. Do you have any suggestions?

Depending upon what the restrictions say in the condominium bylaws, more than likely the association has a duty to ensure that the restrictions which prohibit dogs running loose on the common elements are enforced.

To the extent that the association is remiss in its responsibility, it may have legal liability if that dog causes harm to any co-owner or interested persons. This is particularly of concern in Michigan where we have strict liability for dog bites.

I would simply advise the association of the potential liability which it is incurring in not enforcing its restrictions while at the same time it is breaching its fiduciary duty to enforce such restrictions and may be accountable on that legal basis.

Robert M. Meisner, a lawyer, concentrates his practice in the areas of condominiums, real estate, corporate law and litigation. His e-mail address is bmeisner@mich.com

REAL ESTATE BRIEFS

Write: Real estate briefs, Observer & Eccentric Newspapers, 36251 Schoolcraft, Livonia, 48150. Our fax number is (734) 591-7279.

BUY HOME CLASS

Rosemary Firestone, a Realtor with RE/MAX 100 in Novi, and her financial services team present a free, no-obligation class for home buyers, 7-9 p.m. Tuesday, Jan. 8, at Westminster Title, 39500 High Point, west off Haggerty north of Eight Mile in Novi. Presenters include: Michael Firestone, Flanagan Bank; Craig Lee, Home Team Inspection; David Riemann, Farm Bureau Insurance; Michael Rich, attorney; and Rosemary Firestone.

To register, call (734) 420-9600.

HOME SEEKER'S CHECK LIST

- ✓ SELLER DISCLOSURE STATEMENT (REQUIRED BY LAW)
- ✓ LEAD DISCLOSURE STATEMENT (REQUIRED BY LAW)
- ✓ HOME SUMMARY FEATURE SHEET (ROOM DIMENSIONS, ETC.)
- ✓ SCHOOL DISTRICT SERVING NEIGHBORHOOD (WHERE EXACTLY ARE BUILDINGS, BUS STOPS)
- ✓ AGE OF MAJOR MECHANICAL/STRUCTURAL COMPONENTS (FURNACE, WATER HEATER, SHINGLES, WINDOWS, ETC.)
- ✓ APPLIANCES INCLUDED?
- ✓ PROPERTY TAXES (BASED ON SELLING PRICE, NOT CURRENT RECORDS)
- ✓ MUNICIPAL SERVICES PROVIDED (TRASH COLLECTION, LEAF PICK-UP, SNOW REMOVAL, LIBRARY)
- ✓ CONDITION OF NEIGHBORING PROPERTIES

■ In fact, the notion that year end/year start is a quiet time in home sales might be just that — a notion.

REALTORS OPTIMISTIC ABOUT HEALTHY



BY NORMAN PRADY
SPECIAL WRITER

How many times in recent days did you wish someone a happy and healthy New Year?

Well, if the someone works in residential real estate sales, you might have saved your breath. You see, according to a group of agents in the area, 2002 promises to be many good wishes come true.

In fact, the notion that year end/year start is a quiet time in home sales might be just that — a notion.

Yes, perhaps just an old idea that November's and December's holiday times and January's gray days dampen the enthusiasm of both sellers and buyers.

Consider Charles Hromek's view that "November through January has always been pretty good." Hromek is with RE/MAX Crossroads, Canton.

"Some agents back off for personal reasons" during this period, choosing to work less, he said. But December was "a good month and I think it's going to be a great year."

Hromek said his big sellers these days are homes under \$250,000, with about half bought by first-time buyers and half by homeowners moving up.

Hromek also is seeing some downsizing by empty-nesters and by families wanting to economize. But if January is supposed to be a quiet time in home sales, you won't be able to prove it by Mike Root's outlook.

Root, of Century 21 Hallmark West, Clarkston, said that while

some persons might think we're headed into a slowdown, "our office is setting records over a year ago and January looks like things will continue."

"We've had exceptional months ... a good flow," he said.

Root said he's seeing a lot of activity in the \$100,000 to \$225,000 range, much of it with move-up buyers in the same area they've been in for some time.

If there's any thought that this might be quiet time, Dee Singh thinks the opposite, that "the momentum is there."

Singh, of Jack Christensen Realtors, Troy, said, "No pep talk will be needed" to keep her active in the coming days.

Singh's customers include first-time buyers at the high \$200,000 mark. "Some locals, some transfers, some new Americans."

For Linda Rundel at Real Estate One Southfield, there's no talk of slowed sales. There's talk to the contrary. "Our Southfield markets are above projection," she said.

Rundel said she sees multiple factors in her active markets. "Low interest rates, mild weather and concerns people might have about next year which encourages them to make the big purchase now rather than waiting."

Also fueling her company's brisk sales, she said, is that "we're very proactive. All our agents are in training seminars and we've got a group on the Internet. About 60 to 70 percent of our agents have their own Web sites."

"Our national association says that about 85 percent of home buy-

ers go to the Web first before even looking for an agent. They can apply for mortgages get information."

Working mostly with new construction, James F. Duggan doesn't hesitate about the New Year's real estate market. "I'm very optimistic," he said.

Duggan of American Classic Realty, Livonia, said that he believes "the recession scare is just that — a scare."

He's selling \$260,000 condos and \$350,000 houses as his evidence that "I think it's looking good."

Looking for a January slowdown? Not Carol Frick of Ralph Manuel Real Estate One, Birmingham.

"We had such a dramatic slowdown after Sept. 11. Now you're seeing a recovery and I see our market continuing to improve. We're getting the sales we would have had."

According to Frick, the lower end of the housing market, less than \$200,000, never really slowed "because there are first-time buyers" who have to have housing.

The higher end — \$500,000 to \$2.5 million — had been slow, she said, since August, well before the attacks.

"The upper end of the market in metro Detroit and the northern suburbs responds to the stock market because they're heavily invested," Frick said. "For these people, making a move is optional and they pulled in their horns when the stock market weakened."

Now, like others in her business, Frick clearly sees that happy and healthy New Year.

'Up-Front Advantage'



TIM TIMBO
PHILLIPS

few.

Of late, I have seen a renewed interest in many of the adjustable rate mortgages, or ARMs. These mortgages are attractive to borrowers because the first part of the mortgage is discounted, thus offering them a better monthly cash flow during the early part of the loan.

The unfortunate down side to ARMs, however, is that they are linked to indices that could rise in the future. Accordingly, these products make great sense for buyers who want a better interest rate for a relatively short term.

Richard Wittor, the president of Dynasty Funding Corp. in Farmington Hills, explains that borrowers can now have the best of both worlds — a discounted introductory rate and long-term security — with a program he calls the Up-Front Advantage.

Wittor explains, "Unlike most hybrid ARMs, which start with a fixed interest rate, then later begin to adjust on a regular basis, sometimes up to 2 percentage points annually, the Up-Front Advantage mortgage normally adjusts up only 1 percentage point, then remains fixed thereafter."

If on a given day a 30-year fixed rate mortgage went for 7 percent, a borrower may expect a one-year Up-Front Advantage program to get them a starting interest rate as low as 6-1/8 percent, instead. Their long-term interest rate would be only 1 percentage point higher than that for the remaining 29 years.

In this scenario, the borrowers would be ahead for about eight years by taking the discounted rate without the risks associated with traditional ARMs.

The "cost" of having your starting interest rate so discounted comes in the form of a slightly higher interest rate for the latter fixed-rate portion of the mortgage. However, the low introductory interest rate makes the loan's effective interest rate feel good for several years.

Tim Phillips is a mortgage loan officer in Plymouth. He can be reached at wittor.blender.com /p/philipshp or (734) 797-5522. Home buyers should always consult a professional for guidance specific to their situation.

HOT SPOTS	
Number of residential units sold in 2001 vs. 2000 (percentage change)	
DENVER.....	34.1
DALLAS.....	8.8
MIAMI.....	6.7
CINCINNATI.....	6.2
CHICAGO.....	4.7
DETROIT.....	4.5
MILWAUKEE.....	3.7
SAN FRANCISCO.....	3.6
CLEVELAND.....	3.6
LOS ANGELES.....	3.3
Source: U.S. HOUSING MARKETS	
NATIONAL AVERAGE	

www.observerandeccentric.com

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