

# Are you really ready to buy?

With low interest rates, plenty of available housing and an abundance of affordable mortgage plans, first-time buyers may be thinking more and more about making a purchase.

But are you really ready? There are many factors to consider before taking the plunge. Doug Stranahan, divisional president for Century 21 Great Lakes, offers the following advice.

■ **Begin by examining your finances.**

Saving for a down payment is only the beginning. There are closing costs, insurance, moving expenses and property taxes to consider.

Will your income support your monthly mortgage payments? A general guideline is that no more than 28 percent of gross monthly income should go to house payments which includes principal, interest, taxes and insurance.

Also, take into consideration

other outstanding bills such as credit cards and car payments. Additional obligations and housing together shouldn't exceed a third of monthly gross income.

Estimate your new monthly utility bills. And remember, you'll no longer have a landlord to mow the lawn and fix leaky faucets. It's important also to have a cash reserve for unexpected emergencies such as broken pipes and a new lawn.

■ **Check your credit history?**

Past delinquent payments stay on your credit record for seven years and can affect your eligibility for a mortgage. Check your credit record and clear up any discrepancies before applying for a loan.

■ **Determine how long you plan to live in the home.**

The length of your stay affects the type of mortgage you should choose. For example, if you anticipate starting a family and moving into a larger home in five to seven

years, an adjustable rate can mean lower monthly payments during the first few years.

■ **With your finances in order, determine your new place of residence.**

Can you afford to buy where you currently rent? Do you want to? If not, are you sure you're ready to locate in a new area away from familiar people and places? Are you willing to commute a longer distance to work?

■ **It's a good idea to rent in your new community before committing to a purchase.** That way, you can check out the neighborhood and what it has to offer.

■ **You may find the homes you can afford and the communities in which you'll live not what you had envisioned.**

■ **Be reasonable in your expectations.**

Waterfront properties and extras such as large lots and multiple bedrooms and baths are nice,

but not worth it if you must over-extend yourself financially. Not only does a larger home mean larger monthly payments, it may mean larger utility bills.

Examine the home's layout, appliances and decorating. Will you have to come up with even more money to replace floor coverings or kitchen and bathroom appliances and fixtures?

■ **What about the furnace, hot water heater, washer and dryer? These are major purchases that can set you back financially.**

■ **An experienced real estate agent can help you decide whether you are really ready to buy and determine how much house you can actually afford.**

Although now is the best time to buy — the affordability index is the strongest it's been in 20 years — purchasing a home probably is the biggest investment you'll ever make. Don't walk in with your eyes closed.

# Misdeeds can cost brokers their fees

A broker selling her home has created various misdeeds in my opinion. She is in conflict of interest and impeded my ability to close, although it finally took place. Do I have to pay her commission?



ROBERT M. MEISNER

Not necessarily. It is a well-established rule that a broker forfeits the right to compensation by misconduct, breach of duty or willful disregard, in a material respect, of an obligation imposed by the law or agency.

In addition, the law will generally not permit an agent to act in a dual capacity unless it is agreed upon by both parties.

The broker may not be entitled to commission and may be subject to other remedies and penalties including rescission of the transaction, a claim for money damages and discipline under the occupational code.

I want to leave my condominium to my son and I don't want to go through probate. Someone suggested that I execute a quit claim deed now, conveying my interests to him and give it to him for recording after I die. Is this a good idea?

It is not a good idea. For several reasons. First, you should consult with an attorney to help you prepare the quit claim deed. The attorney would advise you that if your son dies before you or the deed is lost, conveyance will not be effective to accomplish your goal.

You might consider an inter vivos trust or otherwise a transfer of your present inter-

est in the property to you and your son as joint tenants with rights of survivorship.

It will be necessary for you to ensure that your rights as the present owner are protected with respect to any conveyance.

Can you give me a list of the statutes that apply to underground storage tanks in Michigan?

There are three main state statutes regulating underground storage tanks. The Underground Storage Tank Regulatory Act, the Leaking Underground Storage Tank Act and the Michigan Underground Storage Tank Financial Assurance Act.

These are supplemented by federal acts.

Does the Family Leave Act apply to our Cooperative Association? We are very large and have over 30 employees.

With the new federal Family and Medical Leave Act, effective Aug. 5, any employer with 50 or more employees during each of 20 or more calendar work weeks in the current or preceding calendar year, is covered by the act.

Employees include all employees maintained on the payroll during the week, including part-timers, those on paid or unpaid leave and employees not eligible for leave. The 20 weeks need not be consecutive.

However, temps count as employees for purposes of determining whether the employer has 50 or more employees, but the temp agency and not the employer is responsible for providing leave and maintaining benefits for the temps.

Robert M. Meisner is a Birmingham attorney concentrating his practice in the areas of condominiums, real estate and corporate law.

# No DOC, the low-hassle loan

Don't forget now, bring your W-2s, paycheck stubs, income tax records, savings account and other asset records, a list of outstanding debts, credit card bills, and so on.

It isn't always finding the right house that's a pain to potential house buyers. It's getting qualified and approved for the loan.

There's a remedy for all this pain. It's called a No DOC mortgage loan, and it's available in one location in Michigan: Shore Mortgage in Birmingham.

With a No DOC, nothing is verified, not income, assets or employment. That's the good news.

The bad news, for many, is that you need to put 40 percent down.

But this service, offered by Shore, is designed for those who deal in a cash world. This includes people who have borrowed down payments (like many first-

time buyers do), young professionals and others with insufficient assets, small business owners who can't demonstrate current profitability, executives who aren't willing to disclose their assets, those who accumulate unacknowledged cash, multiple families who pool money to buy a house and buyers who have a short time to close.

So, buyers who put 40 percent down, or refinancing homeowners with 40-percent equity, can get fixed or adjustable loans with a greatly reduced version of the mortgage approval process. The only requirement is an excellent credit record and appraisals of the house.

Leasing agent named John Catalano and Greg

135 naturally wooded acres and accommodations users and developers who are looking for fully-improved building sites, build to suit or speculative opportunities.

Three existing buildings combine contemporary and functional designs with professional landscaping. Land parcels are available ranging in sizes from 2.5 to more than 10 acres.

Call Grubb & Ellis for leasing information, 350-9500.

**CareerTrak designation**

Dan Boycott of Century 21 Today Inc. in Redford was designated a VIP Specialist and is now recognized as specially trained in residential properties and handling the real estate needs of relocating families.

The training Boycott received was part of Century 21's CareerTrak program.

**ROUNDUP**

■ **20-Percent Down:** Offered by 100 percent of lenders, everything must be verified (income, assets, business records).

■ **10-Percent Down:** Offered by 60 percent of lenders, everything must be verified.

■ **5-Percent Down:** Offered by less than 10 percent of lenders, everything must be verified.

■ **40-Percent Down:** Offered by one lender (Shore Mortgage), nothing is verified.

Kloiber of Grubb & Ellis has been named leasing agent for one of the Midwest's premier industrial parks — the Huron Commerce Center in New Boston.

Developed by The Prudential Realty Group of Southfield and managed by Premisys Real Estate Services, the park encompasses

## THE Observer & Eccentric NEWSPAPERS

# CLASSIFIED ADVERTISING

REACH MICHIGAN'S FINEST MARKET

BUY IT. SELL IT. FIND IT. CLASSIFIED.

Where You Will Find...

Autos For Sale	SECTIONS	F,G
Help Wanted	SECTIONS	F,G
Home & Service Guide	SECTIONS	F
Merchandise For Sale	SECTIONS	G
Real Estate	SECTIONS	D,E
Rentals	SECTIONS	E,F

DIAL CLASSIFIED DIRECT

Wayne County 591-0900  
Oakland County 644-1070  
Rochester/Rochester Hills 852-3222  
Fax Your Ad 953-2232

FOR THE LATEST INFORMATION ON OPEN HOUSES - CALL: **HOMELINE 953-2020**

OFFICE HOURS: 8:00 A.M.-5:30 P.M. MONDAY-FRIDAY  
AFTER HOURS: Use Our 24-Hour Voice Mail System

Ask About AD SITTER  
Your very own talking classified ad and voice mailbox service.

EQUAL HOUSING OPPORTUNITY

All real estate advertising in this newspaper is subject to the Federal Fair Housing Act of 1968 which makes it illegal to advertise any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin or intention to make any such preference, limitation or discrimination. This newspaper will not knowingly accept any advertising for real estate which is in violation of law. Our readers are hereby advised that all dealings advertised in this newspaper are available on an equal opportunity basis.

## INDEX OF CLASSIFICATIONS

335 Time Share	422 Wanted to Rent	609 Brngs	738 Household Pets
336 Southern Property	423 Wanted to Rent - Resort Property	610 Cards of Thanks	740 Pet Services
337 Farms	424 House Selling Service	612 In Memoriam	744 Horses, Livestock Equipment
338 Country Homes	425 Commercial/Residential Homes	614 Death Notices	
339 Lots & Acreage	426 Home Health Care		
340 Lake River Resort Property	427 Foster Care		
341 Lake Front Property	428 Services for the Aged		
342 Cemetery Lots	429 Garages/Man Storage		
343 Mortgages/Land Contracts			
344 Money to Loan/Borrow			
345 Real Estate Wanted			
346 Listings Wanted			

**HOME & SERVICE GUIDE # 1-299**  
An alphabetical directory of all your service needs. See Above For Section.

**COMMERCIAL/INDUSTRIAL SALE OR LEASE # 365-372**  
365 Business Opportunities  
366 Office Business Space Sale/Lease  
367 Business & Professional Buildings/Sales/Lease  
368 Commercial/Retail  
369 Industrial/Warehouse  
370 Money to Loan/Borrow  
371 Industrial/Commercial Vacant Property  
372 Investment Property

**EMPLOYMENT/INSTRUCTION SERVICES # 500-524**  
500 Help Wanted  
501 Help Wanted - Dental/Medical  
502 Help Wanted - Office/Clerical  
503 Help Wanted - Sales/Service  
504 Help Wanted Sales  
505 Help Wanted Part Time  
506 Help Wanted Domestic  
507 Help Wanted Couples  
511 Entertainment  
512 Jobs Wanted Male/Female  
515 Child Care  
516 Elderly Care & Assistance  
517 Summer Camps  
518 Educational/Instructors  
519 Nursing Care  
520 Secretarial Business Services  
521 Professional Services  
522 Attorney/Legal Counseling  
524 Tax Service

**REAL ESTATE RENTALS # 400-436**  
400 Apartments  
401 Furniture Rental  
402 Furnished Apartments  
403 Rental Agency  
404 Houses  
405 Rent Option to Buy  
406 Property Mgmt.  
407 Mobile Homes  
408 Duplexes  
410 Flats  
412 Townhouses/Condominiums  
413 Time Share  
414 Southern Rentals  
415 Vacation Rentals  
416 Halls  
417 Residences to Exchange  
418 Mobile Home Space  
419 Homes  
431 Living Quarters to Share

**ANNOUNCEMENTS # 600-614**  
600 Personals  
601 Wedding Chapels  
602 Lost & Found (by the word)  
603 Health, Nutrition, Weight Loss  
604 Announcements/Meetings/Seminars  
606 Legal Notices  
607 Insurance  
608 Transportation/Travel

**PETS/LIVESTOCK # 738-749**  
738 Household Pets  
740 Pet Services  
744 Horses, Livestock Equipment

**WE ACCEPT**  
VISA MasterCard

**PLEASE CHECK YOUR AD**

The Observer & Eccentric will issue credit for typographical or other errors only on the first insertion of an advertisement. If an error occurs, the advertiser must notify the Customer Service Department in time to correct the error before the second insertion.

**POLICY**

All advertising published in The Observer & Eccentric is subject to the conditions stated in the applicable rate card, copies of which are available from the Advertising Department, Observer & Eccentric Newspapers, 36251 Schoolcraft Road, Livonia, MI 48150, (313) 591-2300. The Observer & Eccentric reserves the right not to accept an advertiser's order. Observer & Eccentric Ad-Takers have no authority to bind this newspaper and only publication of an advertisement shall constitute final acceptance of the advertiser's order.