

Contracts for deeds, medical assistance make for complicated situation

SENIOR CITIZENS’ LAW PROJECT

A legal question and answer line for seniors.

Dear Senior Legal Line: I live in a home that I own and I also own another house that I am selling to my sister Ruth on a Contract for Deed. Ruth has been making faithful payments under the contract for years, but the final payoff is still years off. I’m starting to think about long term care needs and I am wondering if the Contract for Deed will affect my ability to get Medical Assistance. Ruth doesn’t want to go a get a traditional mortgage. What can I do? — Signed, Aletha

Dear Aletha: Contracts for deeds and Medical Assistance make for a complicated situation.

A contract for deed is a sales contract where, in this instance, Ruth is the buyer and you are the seller of your other house. At the end of the payments, you as the seller, will provide a deed to Ruth. At that point, Ruth will be the owner. A contract for deed is similar to a mortgage, but a private person (you), rather than a bank, owns the contract for deed. Also, the seller under a contract for deed can often sell the contract for deed to a third person or business. People feel like a contract for deed is less formal, but actually, Minnesota law has strict rules about their formation, enforcement, and termination.

While a contract for deed can be a convenient way to sell real estate, it can become complicated when the seller is facing long term care costs and wishes to get Medical Assistance. The County, who administers Medical Assistance, will treat a contract for deed in two ways:

1. The County treats the principal balance owed to the seller as a liquid asset. In other words, the County will count the balance as an available asset to you and count it against your asset limit unless you provide proof of making reasonable efforts to sell the contract for deed, or provide proof that there is no market value for a sale of the contract interest. In other words, you will have to do at least three things:

a. You will have to shop the contract around to at least two businesses that buy and sell contracts for deeds.

b. You will have to advertise the contract for deed for sale in the newspaper (the official county newspaper, the newspaper with the largest circulation in the county, or the local shopper

newspaper).

c. Finally, you have to find out from a knowledgeable source (e.g. bank, real estate brokers) if the contract for deed could sell at more than 2/3 of its value. If the source says it will not sell for more than that, you can accept an offer of 2/3 the value.

As long as you making reasonable efforts to sell the contract for deed, it will not count against your asset limit.

2. The payments from Ruth to you will also cause problems. The interest part of the Contract for Deed is treated as income in the month of receipt and must be spent on care or medical expenses. The principal payment is treated as a conversion of assets and won’t be treated as income, but could put you above asset limits to qualify for MA benefits if it builds up your available assets. Unless your income and assets are very low and you spend the payments so that they do not build up, the payments could cause you problems.

You had talked to Ruth about getting a traditional mortgage, but she didn’t want to do that. Why would she? You and Ruth entered into a contract between one another and she is holding up her end of the bargain. You cannot do anything to force Ruth to pay early or to get a traditional mortgage. If Ruth misses a payment or otherwise defaults on the contract for deed’s requirements, then you have to follow Minnesota’s strict guidelines about terminating the contract. For example, you have to provide proper notice and give Ruth a chance to cure the default. If you wanted to be done with the contract for deed on your end, the only control you have is to sell the contract for deed to someone or a business that buys them, following the Medical Assistance rules. I do not know if it will sell. You can talk to the financial worker at the County for their opinion about you selling the contract for deed or keeping it.

This column is written by the Senior Citizens’ Law Project. It is not meant to give complete answers to individual questions. If you are 60 years of age or older and live within the Minnesota Arrowhead Region, you may contact us with questions for legal help by calling: 218-623-8100 and complete the intake process. Senior Citizens’ Law Project, Legal Aid Service of Northeastern Minnesota, 302 Ordean Bldg., Duluth, MN 55802. To view previous articles, go to: www.lasnem.org.

Public Notices

PUBLIC NOTICE

14-096063

NOTICE OF MORTGAGE FORECLOSURE SALE

THE RIGHT TO VERIFICATION OF THE DEBT AND IDENTITY OF THE ORIGINAL CREDITOR WITHIN THE TIME PROVIDED BY LAW IS NOT AFFECTED BY THIS ACTION.

NOTICE IS HEREBY GIVEN, that default has occurred in the conditions of the following described mortgage:

DATE OF MORTGAGE: June 1, 2012

ORIGINAL PRINCIPAL AMOUNT OF MORTGAGE: \$30,400.00

MORTGAGOR(S): Andrew D. Dault, a single person

MORTGAGEE: Mortgage Electronic Registration Systems, Inc.

TRANSACTION AGENT: Mortgage Electronic Registration Systems, Inc. MIN#: 1000739-8220681094-6

LENDER OR BROKER AND MORTGAGE ORIGINATOR STATED ON THE MORTGAGE: Bremer Bank National Association

SERVICER: JPMorgan Chase Bank, N.A.

DATE AND PLACE OF FILING: Filed June 5, 2012, Koochiching County Recorder, as Document Number A000274663

ASSIGNMENTS OF MORTGAGE: Assigned to: JPMorgan Chase Bank, National Association; Dated: February 14, 2014 filed: February 19, 2014, recorded as document number A000279857

LEGAL DESCRIPTION OF PROPERTY: Lots 10, 11, 12 and 13, Block 10, Plat of Holler’s Addition to Koochiching

PROPERTY ADDRESS: 1816 3rd Ave E, International Falls, MN 56649

PROPERTY IDENTIFICATION NUMBER: 92-120-10100

COUNTY IN WHICH PROPERTY IS LOCATED: Koochiching

THE AMOUNT CLAIMED TO BE DUE ON THE MORTGAGE ON THE DATE OF THE NOTICE: \$29,617.27

THAT all pre-foreclosure requirements have been complied with; that no action or proceeding has been instituted at law or otherwise to recover the debt secured by said mortgage, or any part thereof;

PURSUANT, to the power of sale contained in said mortgage, the above described property will be sold by the Sheriff of said county as follows:

DATE AND TIME OF SALE: October 7, 2014, 10:00am

PLACE OF SALE: Sheriff’s Main Office, Courthouse Complex, West End, 4th St. and 8th Ave., International Falls, MN 56649

to pay the debt secured by said mortgage and taxes, if any, on said premises and the costs and disbursements, including attorneys fees allowed by law, subject to redemption within 6 months from the date of sale sold by the mortgagor(s) the personal representatives or assigns.

TIME AND DATE TO VACATE PROPERTY: If the real estate is an owner-occupied, single-family dwelling, unless otherwise provided by law, the date on or before which the mortgagor(s) must vacate the property, if the mortgage is not reinstated under section 580.30 or the property is not redeemed under section 580.23, is 11:59 p.m. on April 7, 2015, or the next business day if April 7, 2015 falls on a Saturday, Sunday or legal holiday.

THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR’S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE WEEKS IF A JUDICIAL ORDER IS ENTERED UNDER MINNESOTA STATUTES SECTION 582.032 DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED FOR AGRICULTURAL PRODUCTION, AND ARE ABANDONED.

Dated: August 8, 2014

JPMorgan Chase Bank, National Association Assignee of Mortgagee

SHAPIRO & ZIELKE, LLP

BY
Lawrence P. Zielke - 152559
Diane F. Mach - 273788
Melissa L. B. Porter - 0337778
Randolph W. Dawdy - 2160X
Gary J. Evers - 0134764
Attorneys for Mortgagee
12550 West Frontage Road, Ste. 200
Burnsville, MN 55337
(952) 831-4060

THIS IS A COMMUNICATION FROM A DEBT COLLECTOR

**The Journal
August 16th, 23rd, 30th, &
September 6th, 13th, 20th, 2014**

Public Notice

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF KOOCHICHING

NINTH JUDICIAL DISTRICT

CASE TYPE: OTHER CIVIL

Bremer Bank, National Association, Plaintiff,

vs.

George M. Franko, Susan Franko, Es-sentia Health, Midland Funding LLC, John Doe and Mary Rowe, Defendants.

NOTICE OF SHERIFF’S SALE UNDER JUDGMENT AND DECREE

Court File No. 36-CV-14-71

NOTICE IS HEREBY GIVEN, that under and by virtue of the Findings of Fact, Conclusions of Law, and Order for Judgment and Judgment dated August 15, 2014, in the above entitled action, a certified copy of which has been delivered to me directing the sale of the premises hereinafter described to satisfy the amount found and adjudged and due to said Plaintiff in the above entitled action from Defendant’s George M. Franko and Susan Franko, the Sheriff of Koochiching County, will sell at public auction to the highest bidder for cash, on October 16, 2014 at 10:00 a.m., at the Koochiching County Sheriff’s Office, Law Enforcement Center, Courthouse Annex, 715 Fourth Street, International Falls, Minnesota 56649, said county and state, the premises and real estate described in said Order located at 2883 Highway 11 South, Loman, Minnesota 56649 to wit:

The North Five Hundred Feet (N 500’ of the South One Thousand Fifty Feet (\$ 1,050’) of the Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4), Less the East Five Hundred Seventy Five Feet (E 575’; and The South Five Hundred Fifty Feet (S 550’) of the Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4); Section Thirty-four (34), Township One Hundred Fifty-Nine (159), Range Twenty-Five (25), Koochiching County, Minnesota.

Dated on this 27th day of August, 2014.

SHERIFF OF KOOCHICHING COUNTY, MINNESOTA

By: /s/ Kris Jackson, Deputy Sheriff

MESSERLI & KRAMER P.A.

/s/ Creig Andreassen
Creig Andreassen #334832
1400 Fifth Street Towers
100 South Fifth Street
Minneapolis, MN 55402-1217
Telephone: 672-3600
File No. 15845-2151

ATTORNEY FOR PLAINTIFF

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

**The Journal
September 6th, 13th, 20th, 27th
& October 4th, 11th, 2014**

Public Notice

NOTICE OF MORTGAGE FORECLOSURE SALE

THE RIGHT TO VERIFICATION OF THE DEBT AND IDENTITY OF THE ORIGINAL CREDITOR WITHIN THE TIME PROVIDED BY LAW IS NOT AFFECTED BY THIS ACTION.

NOTICE IS HEREBY GIVEN, that default has occurred in conditions of the following described mortgage: DATE OF MORTGAGE: February 9, 2005

MORTGAGOR: Joseph H. Martinez and Trena L. Martinez, husband and wife.
MORTGAGEE: Mortgage Electronic Registration Systems, Inc.
DATE AND PLACE OF RECORDING:..... Recorded March 24, 2005 Koochiching County Recorder, Document No. A000251382.
ASSIGNMENTS OF MORTGAGE: Assigned to: The Bank of New York Mellon fka The Bank of New York as Trustee for the Certificateholders of the CWABS, Inc., Asset-Backed Certificates, Series 2005-1. Dated November 29, 2011 Recorded December 9, 2011, as Document No. A000273326.

TRANSACTION AGENT: Mortgage Electronic Registration Systems, Inc.
TRANSACTION AGENT’S MORTGAGE IDENTIFICATION NUMBER ON MORTGAGE: 100155400000221872
LENDER OR BROKER AND MORTGAGE ORIGINATOR STATED ON MORTGAGE: Michigan Fidelity Acceptance Corp dba Franklin Mortgage Funding
RESIDENTIAL MORTGAGE SERVICER: Green Tree Servicing LLC
MORTGAGED PROPERTY ADDRESS: 2909 Pleasant Avenue, International Falls, MN 56649
TAX PARCEL I.D. #: 92.125.02080
LEGAL DESCRIPTION OF PROPERTY:

EXHIBIT A
That part of Lot 2-8-A, Auditor’s Plat No. 30, described as follows: Beginning at a point on the North line of Lot 8, Block 2, Plat of Pleasant Acres, In the Village of South International Falls, 371.0’ westerly of the northeast corner of said Lot 8, thence left 104°23” a distance of 103.24’, thence right 104°23” along a line parallel to and 100’ southerly of the north line of Lot 8 to the easterly right-of-way of Trunk Highway No. 53; thence northwesterly along said right-of-way to the north line of said Lot 8; thence easterly along the North line of said Lot 8 a distance of 300’, to the place of beginning, Koochiching County, Minnesota. COUNTY IN WHICH PROPERTY IS LOCATED: Koochiching
ORIGINAL PRINCIPAL AMOUNT OF MORTGAGE: \$124,220.86
AMOUNT DUE AND CLAIMED TO BE DUE AS OF DATE OF NOTICE, INCLUDING TAXES, IF ANY, PAID BY MORTGAGEE: \$179,306.60
That prior to the commencement of this mortgage foreclosure proceeding Mortgagee/Assignee of Mortgagee complied with all notice requirements as required by statute; That no action or proceeding has been instituted at law or otherwise to recover the debt secured by said mortgage, or any part thereof; PURSUANT to the power of sale contained in said mortgage, the above described property will be sold by the Sheriff of said county as follows: DATE AND TIME OF SALE: October 23, 2014 at 10:00 AM
PLACE OF SALE: Sheriff’s Office, Law Enforcement Center, International Falls, MN to pay the debt then secured by said Mortgage, and taxes, if any, on said premises, and the costs and disbursements, including attorneys’ fees allowed by law subject to redemption within six (6) months from the date of said sale by the mortgagor(s), their personal representatives or assigns unless reduced to Five (5) weeks under MN Stat. §580.07.

TIME AND DATE TO VACATE PROPERTY: If the real estate is an owner-occupied, single-family dwelling, unless otherwise provided by law, the date on or before which the mortgagor(s) must vacate the property if the mortgage is not reinstated under section 580.30 or the property is not redeemed under section 580.23 is 11:59 p.m. on April 23, 2015 unless that date falls on a weekend or legal holiday, in which case it is the next weekday, and unless the redemption period is reduced to 5 weeks under MN Stat. Secs. 580.07 or 582.032.

MORTGAGOR(S) RELEASED FROM FINANCIAL OBLIGATION ON MORTGAGE: None
THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR’S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE WEEKS IF A JUDICIAL ORDER IS ENTERED UNDER MINNESOTA STATUTES, SECTION 582.032, DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION, AND ARE ABANDONED.

Dated: August 13, 2014

The Bank of New York Mellon f/k/a The Bank of New York, as Trustee Mortgagee/Assignee of Mortgagee

USSET, WEINGARDEN AND LIEBO, P.L.L.P.
Attorneys for Mortgagee/Assignee of Mortgagee
4500 Park Glen Road #300
Minneapolis, MN 55416
(952) 925-6888
8 - 14-005329 FC

THIS IS A COMMUNICATION FROM A DEBT COLLECTOR.

**The Journal
August 30th, September 6th, 13th, 20th, 27th, & October 4th, 2014**

Public Notice

NOTICE OF MORTGAGE FORECLOSURE SALE

THE RIGHT TO VERIFICATION OF THE DEBT AND IDENTITY OF THE ORIGINAL CREDITOR WITHIN THE TIME PROVIDED BY LAW IS NOT AFFECTED BY THIS ACTION.

NOTICE IS HEREBY GIVEN:

That default has occurred in the conditions of the following described mortgage:

DATE OF MORTGAGE: June 10, 2010

MORTGAGOR: Christopher Van Heel, a single person

MORTGAGEE: Bremer Bank, National Association, a national association organized under the laws of the United States of America

DATE AND PLACE OF RECORDING: Recorded June 11, 2010, in the office of the County Recorder, as Document No. A000268917, Koochiching County, Minnesota.

MORTGAGED PROPERTY ADDRESSES: 3511 Highway 11 E, International Falls, Minnesota 56649

TAX PARCEL I.D. NOS. 98-005-02021 & 98-005-02031

LEGAL DESCRIPTION OF PROPERTY:

Parcel 1

Lot 2, Block 2, Riverside Park, except-

ing therefrom that portion of said Lot 2 described as follows: Beginning at the Northwest corner of said Lot 2, thence Southeasterly on the West line of said Lot, 200 feet; thence Northeasterly to a point on the East line of said Lot 2 which is 227 feet Southeasterly of the Northeast corner of said Lot 2; thence Northwesterly along said East line to the Northeast corner of said Lot 2; thence Southwesterly along said North line of said Lot to the Northwest corner thereof, which is the point of beginning.

Parcel 2

Lot 3, Block 2, Riverside Park, excepting that portion of said lot lying Northerly of a line extending from a point on the Westerly lot line which is 202.5 feet Northwesterly of the Southwest corner of said lot to a point on the Easterly lot line which is 198 feet Northwesterly of the Southeast corner of said lot (said line also being the approximate center of the sewer line easement which traverses said lot). All according to the recorded plat thereof, and situate in Koochiching County, Minnesota.

COUNTY IN WHICH PROPERTY IS LOCATED: Koochiching

ORIGINAL PRINCIPAL AMOUNT OF MORTGAGE: \$24,000.00

AMOUNT DUE AND CLAIMED TO BE DUE AS OF DATE OF NOTICE, INCLUDING TAXES, IF ANY, PAID BY MORTGAGEE: \$26,366.68

INTEREST RATE AND PER DIEM: Current interest rate is 5.5%, with a daily per diem of \$3.62.

That prior to commencement of this mortgage foreclosure proceeding Mortgagee complied with all notice requirements by statute; That no action or proceeding has been instituted at law or otherwise to recover the debt secured by said mortgage or any part thereof;

PURSUANT to the power of sale contained in said mortgage, the above described property will be sold by the Sheriff of said county as follows:

DATE AND TIME OF SALE: October 23, 2014, at 10:00 am.

PLACE OF SALE: Koochiching County Sheriff’s Office, Law Enforcement Center, Courthouse Annex, 715 Fourth Street, International Falls, Minnesota 56649, to pay the debt then secured by said Mortgage, taxes, if any, on said premises, and the costs and disbursements, including attorneys’ fees allowed by law subject to redemption within six (6) months from the date of said sale by the mortgagor(s), their personal representatives or assigns.

DATE AND TIME MORTGAGOR MUST VACATE THE PREMISES: April 23, 2015, at 11:59 p.m.

“THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR’S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE (5) WEEKS IF A JUDICIAL ORDER IS ENTERED UNDER MINNESOTA STATUTES, SECTION 582.032, DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION, AND ARE ABANDONED.”

Dated: August 29, 2014

MESSERLI & KRAMER P.A.


By: /s/ Creig Andreassen
Creig Andreassen (Lic. #334832)
1400 Fifth Street Towers
100 South Fifth Street
Minneapolis, MN 55402-1217
(612) 672-3600
Attorney in Fact for
Bremer Bank, National Association

IMPORTANT NOTICE

This communication is from a debt collector and is an attempt to collect a debt. Any information obtained will be used for that purpose.

11604-227

**The Journal
September 6th, 13th, 20th, 27th
& October 4th, 11th, 2014**



There once was a man named Fred,

Who spent all his mornings in bed,

Then he spied a boat in Classified,

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