



## Delaware INC.

Delaware Inc. is a blog of The News Journal. Join the conversation at [delawareonline.com/delawareinc/](http://delawareonline.com/delawareinc/)

### » RETAIL

#### New Talleyville Wawa celebrates opening today

Wawa Inc. has opened a new store in Talleyville and plans to celebrate today with local and state officials and a hoagie-building competition between Delaware State Police and the Talleyville Fire Company.

The festivities start at 10 a.m. at the store at 4030 Concord Pike. "Each department will be challenged to build as many hoagies as they can in the traditional Wawa way in three minutes," Wawa said. "On behalf of the winning and runner-up teams, Wawa will donate \$1,000 to the charities of choice of both the winner and runner-up."

Wawa also is expected to show support for the Siegel JCC's new Exercise and Walking Path by making a donation of \$2,000 for the the J-Loop fitness trail.

— Cori Anne Natoli

### » GROCERY

#### Giant Food on Concord Pike holds grand re-opening

Giant Food on Concord Pike is holding a grand re-opening, as they call it, today to give customers a taste of something new.

From 3 to 7 p.m. Friday and noon to 4 p.m. Saturday and Sunday, customers will be handed tasting passports to explore changes throughout the store at 4301 Concord Pike, Concord Square. Passports also carry a chance to win a month's supply of free groceries.

Expect to see an upgraded and expanded produce section with a salad bar, cafe, redesigned bakery, large natural and organic section, gourmet cheese island with more than 200 domestic and international cheeses and upgraded full-service meat and seafood departments.

A ribbon-cutting ceremony will take place at 8:30 a.m.

Giant also plans to make a donation to West End Neighborhood House to make a difference in the community, according to a press release.

— Cori Anne Natoli

### » FUNDRAISER

#### Capital One 360 head to chair autism benefit

Jim Kelly, head of direct banking for Capital One 360, was named honorary chair of the 2013 Auction for Autism.

Kelly is a long-time supporter of Autism Delaware, the organization behind the event, and has taken part in several other fundraisers. His spouse, Michele Cross, will be helping him with the chair duties, the organization said.

About 300 people are expected to attend the black-tie option event, but "with a nod to this year's theme — Superheroes for Autism — superhero accessories are encouraged."

The auction will be held Nov. 16 at World Cafe Live at The Queen. Tickets will be \$150 and will include dinner, drinks and entertainment. The event raised about \$120,000 last year. More information is at [autismdelaware.org](http://autismdelaware.org).

— Wade Malcolm

### » AGRICULTURE

#### Horse infected by mosquitoes dies

A Sussex County horse that had tested positive for Eastern Equine Encephalitis, the third such case involving a mosquito-borne disease this year, has been euthanized, the Delaware Department of Agriculture said.

The yearling filly was showing signs of severe neurologic disease and was under the care of a veterinarian, but had shown no signs of improvement, the department said.

Two horses previously diagnosed with West Nile Virus have recovered. The last case of Eastern Equine Encephalitis in Delaware was in 2005 and West Nile Virus in 2003.

"With the large mosquito population this year, we continue to urge equine owners to have their horses vaccinated and consult with their veterinarians about maintaining a vaccine program," said Dr. Heather Hirst, state veterinarian. "Prevention is still cheaper than care, and far better than having a horse suffer or die."

Unvaccinated horses are at greatest risk of developing clinical signs of both diseases. Both horses and humans can contract the diseases if bitten by a mosquito carrying the virus, but they are not transmitted between horses or from horses to people, the department said.

For more information, contact the agriculture department at 698-4500.

— Cori Anne Natoli

### BANKS

# Chase to refund \$309M

## Credit card business hit for illicit charges

By Wade Malcolm

The News Journal

As part of a series of massive enforcement actions taken against JPMorgan Chase Thursday, the bank's Delaware-based credit card business will be forced to refund customers \$309 million for illegal practices, according to the Consumer Financial Protection Bureau.

In a separate action earlier Thursday, the Office of the Comptroller of the Currency put the bank under a consent order for its debt collection practices and for violating a law that caps interest rates and fees for active duty military personnel on consumer debt, including credit

cards and auto loans.

The Consumer Financial Protection Bureau said the credit card practices that drew the large fine involved Chase charging for "add-on" products like identity theft protection or credit monitoring without written authorization from customers.

Chase stopped enrolling new customers in the add-on products last year and will end the products by the end of this year, said head of operations for consumer and community banking Bill Wallace, calling the mistakes "regrettable."

The bank already has credited or refunded all of the more than 2.1 million customers impacted by the add-ons, Wal-

lace said.

The bank also has compensated most of the customers affected by the debt collection practices and the issues that led to overcharging military personnel, a Chase spokesman said.

The bank said it stopped filing credit card collections lawsuits in the second quarter of 2011. It also changed its policies to better comply with regulations under the Servicemembers' Civil Relief Act.

"We have taken extensive steps over the past two years to remediate the issues that affected customers and redesign our practices," Wallace said.

USA Today contributed to this report.

Contact Wade Malcolm at 324-2386, on Twitter

@WadeMalcolm or wmalcolm@delawareonline.com.

### TRAVEL INDUSTRY



The reception desk at the new Hyatt Place hotel in Dewey Beach features a kitchen and dining area nearby. GARY EMEIGH/THE NEWS JOURNAL

# DEWEY HOTEL OPENS

## Hyatt Place includes 108 rooms on 3 floors

By James Fisher

The News Journal

A Hyatt Place hotel at Dewey Beach's Lighthouse Cove block, formerly known as Ruddertowne, opened for business Thursday, with several fall weekends already booked solid.

The 108-room hotel, at Del. 1 and Dickinson Street, is the first completed portion of the Lighthouse Cove redevelopment project overseen by developer Dewey Beach Enterprises. Its rooms occupy three floors of a new building on the footprint of a former parking lot, with a parking garage on the ground floor and luxury condominiums, still under construction, getting the highest views.

The building, erected after a years-long legal fight between Dewey Beach Enterprises and the town, was approved after town government and the developer inked a detailed contract in 2011 that allowed a structure taller than the 35-foot height limit in the town's code, but not as tall as the 68-foot building DBE sought. As concessions, the developer

agreed to build some public amenities, including a bayfront walking path, gazebo, public restrooms and meeting spaces, along with added street parking.

A lawsuit filed by some Dewey property owners to challenge the legality of that contract was dismissed by the Delaware Supreme Court in March. Sussex County and the town have issued temporary occupancy certificates allowing the building to start accepting guests, with fuller permits required by mid-October once finishing touches to some rooms have been completed.

"It's been a six-year odyssey that we've been on, to finally have our vision come to fruition," said E. Thomas Harvey III, DBE's president. "The one benefit we had with all the time we spent in litigation was: We got a lot of time to think about what we wanted this building to look like. So we didn't throw it together, that's for sure."

The ground-floor entrance to the hotel leads to a second-floor foyer and

See HOTEL, Page A9



The hotel at Del. 1 and Dickinson Street opened Thursday for guests.

### REAL ESTATE

# Del. ranks 4th for shady property deals

## The study measured Mortgage Fraud Index

By Wade Malcolm

The News Journal

Real estate transactions in Delaware showed signs of a higher rate of potential illegal activity compared with most other states in 2012, according to a new study.

Analysts at LexisNexis Risk Solutions compiled data on real estate transactions using public records from every state to create indexes measuring fraud risk. The First State had the fourth-highest score in the study's Mortgage Fraud Index and the sixth-highest score on a Collusion Indicator Index.

The collusion measure looked at real estate deals in which the buyer and the seller had a family or business relationship that was not disclosed during the transaction. While that does not guarantee fraud occurred, it makes the possibility much more likely.

"If I bought a house for \$300,000, and I sell it to my sister for \$150,000, that's sus-

picious," said Tim Coyle, senior director of financial services at LexisNexis and a co-author of the report. "It's a red flag."

In 2012, sellers in Delaware transferred 247 properties to family members or other close associates at a 50 to 95 percent loss, compared with 229 in 2011. In fact, Delaware was the only state in the country where such transactions increased.

Such activity often leads to fraud and can be used as a money-making scheme, Coyle said. For example, if a seller owes \$300,000 on a home, the property could not be sold without the lender's approval. More often recently, banks eager to get homes off their books have been willing to allow sales to go through for less than the amount owed on the mortgage, sometimes even agreeing to lower the principal due.

If a seller had an offer for the full \$300,000, he could sell the home to a family member instead for less, then ask the bank to forgive the amount remaining on

**"If I bought a house for \$300,000, and I sell it to my sister for \$150,000, that's suspicious."** TIM COYLE, senior

director of financial services at LexisNexis

the loan, only to turn around and have the family member resell the property for the full \$300,000, essentially pocketing the same amount the bank forgave.

In that scenario, the artificially low price paid by a relative or business associate depresses the price of every other home in the neighborhood, Coyle said.

Delaware's No. 4 position in the Mortgage Fraud Index suggests that bankers, underwriters, appraisers and other professionals in the state could still be cutting corners during the mortgage origination process, said Jennifer Butts, manager of data insight at LexisNexis.

New regulations have disrupted but not stopped such behavior, Butts said.

Contact Wade Malcolm at 324-386, on Twitter

@WadeMalcolm or wmalcolm@delawareonline.com.

MARKET WATCH

Sept. 19, 2013

<b>Dow Jones industrials</b>	<b>-40.39</b>	15,636.55
<b>Nasdaq composite</b>	<b>+5.74</b>	3,789.38
<b>Standard &amp; Poor's 500</b>	<b>-3.18</b>	1,722.34
<b>Russell 2000</b>	<b>-1.70</b>	1,075.27

  

**NYSE diary**

<b>Advanced:</b>	1,276
<b>Declined:</b>	1,801
<b>Unchanged:</b>	102
<b>Volume:</b>	3.7 b

  

**Nasdaq diary**

<b>Advanced:</b>	1,133
<b>Declined:</b>	1,361
<b>Unchanged:</b>	120
<b>Volume:</b>	1.7 b

SOURCE: SunGard AP

# Gold strikes a high number

By Ken Sweet  
Associated Press



Get updated stock quotes by text messaging a stock ticker (e.g. **MSFT**) or fund ticker (e.g. **AGTHX**) to **44636 (4INFO)**.

NEW YORK — The stock market paused Thursday as investors tried to figure out what to do next following the Federal Reserve's decision to hold steady on its stimulus for the economy.

The Dow Jones industrial average and Standard & Poor's 500 index pulled back from their record highs the day before. Gold, historically a haven for nervous investors, had its biggest one-day jump since the onset of the financial crisis in September 2008.

Many investors had expected the central bank scale back its \$85 billion in monthly bond purchases, but the Fed said it first needed to see more evidence that the economy was improving.

The question now is whether stocks can continue their strong run-up given the Fed's dimmer outlook on the economy. The stock market is up 21 percent for the year, and 155 percent since a recession low in March 2009. And, after a tough August, the S&P 500 has risen 11 of the last 13 days.

Wednesday's rally extended that surge, but raised a deeper concern for Julius Ridgeway, an investment adviser at Medley Brown, a financial-advisory firm in Jackson, Miss.

Ridgeway said the rally showed that investors believe the economy still

needs Fed's help, even after more than two years of modest economic growth.

"The market wants the economy to be healthy and on life support, and it can't have both over the long term," he said.

On Thursday, the Standard & Poor's 500 index fell three points, or 0.2 percent, to 1,722.34. The Dow Jones industrial average slipped 40 points, or 0.3 percent, to 15,636.55.

The Nasdaq composite index rose six points, or 0.2 percent, to 3,789.38, helped by Apple's stock price.

The price of gold surged \$61.70, or 4.7 percent, to \$1,369.30 an ounce.

The Dow set an all-time high of 15,767.93 on Wednesday following the Fed's decision. The S&P also closed at a record high - 1,725.52.

STOCKS OF LOCAL INTEREST

52-week		Sales		High		Low		Last		Chg	
High	Low	Name	Mkt	00s	High	Low	Last	Chg			
49.35	35.38	Agilent	n	165722	53.47	50.75	50.98	+1.66			
24.43	19.78	ArtesRes	o	259	22.32	21.95	22.21	-.08			
93.67	67.16	Ashland	n	3966	94.00	92.88	93.00	-.42			
53.45	44.17	AstraZen	n	11835	52.34	51.75	51.82	-.26			
15.03	8.70	BkofAm	n	771720	14.83	14.58	14.61	-.11			
32.36	22.42	BkNYMel	n	57379	31.57	30.69	31.08	-.30			
20.60	13.66	Barclay	n	29289	18.05	17.81	17.88	-.17			
119.52	69.03	Boeing	n	57189	120.38	118.81	119.04	+.64			
70.00	50.21	CapOne	n	18985	69.76	68.85	69.04	-.24			
60.08	41.17	ChesUtl	n	244	53.86	52.34	52.88	-.86			
53.56	31.88	Citigroup	n	249075	52.88	51.90	51.95	-.26			
46.33	34.72	Comcast	o	78277	44.78	44.23	44.41	+.14			
54.80	30.15	CompSci	n	9751	53.63	52.73	52.74	-.58			
53.18	37.00	Discover	n	29337	53.36	52.61	52.67	-.15			
2.75	1.22	DoverDG	n	583	1.41	1.37	1.41	+.02			
2.75	1.30	DoverMot	n	285	2.56	2.42	2.44	-.01			
60.57	41.67	DuPont	n	32419	60.86	60.27	60.33	-.11			
94.38	70.64	DuPont pfA	n	4	72.79	72.00	72.20	-.58			
110.50	87.08	DuPont pfB	n	11	90.00	89.00	89.74	-.54			
108.50	67.68	Energizer	n	2669	96.20	95.57	95.76	-.02			
37.80	28.40	Exelon	n	47713	31.18	30.56	30.84	-.18			
13.08	9.22	FultonFnd	o	12226	11.84	11.57	11.69	-.15			
26.88	16.35	Gannett	n	12627	25.94	25.33	25.62	-.21			
11.27	6.41	GrafTech	n	9421	8.90	8.73	8.77	-.02			
25.00	19.25	HSBUs pfG	n	471	20.25	19.81	19.99	-.07			
56.93	38.83	JPMorgCh	n	222563	53.75	52.53	52.75	-.66			
43.15	24.75	JohnsnCtl	n	25740	43.33	42.72	42.95	-.11			
58.76	42.00	KraftFGp	o	37257	55.51	53.80	53.98	-.15			
119.54	93.03	M&T Bk	n	10018	114.07	111.39	112.60	-.87			
39.38	27.93	MeadWco	n	4710	39.10	38.72	38.79	-.06			
29.50	15.95	MorgStan	n	154050	29.29	28.58	28.60	-.42			
29.19	19.15	NRG Egy	n	51727	28.25	27.72	27.80	-.11			
92.57	72.43	Occipet	n	29757	92.89	91.80	92.11	-.80			
45.50	20.15	PBF Egy	n	7869	23.24	22.20	22.23	-.26			
77.93	53.36	PNC	n	19222	74.82	73.42	74.05	-.35			
167.98	113.19	PPG	n	4577	168.97	167.20	167.99	+.18			
32.55	12.12	Penney	n	171482	13.50	13.01	13.14	-.31			
22.72	18.04	PepcoHold	n	27584	18.87	18.68	18.76	-.04			
83.67	48.17	Prudntl	n	45084	80.70	78.03	78.69	-.15			
37.00	29.05	PSEG	n	31639	34.22	33.70	33.90	...			
26.17	15.56	SLM Cp	o	44341	25.49	25.20	25.31	+.02			
68.77	38.40	SearsHldgs	o	13167	60.30	56.61	58.11	-.51			
122.45	97.34	Siemens	n	2837	122.64	121.89	122.30	-.11			
54.31	40.51	VerizonCm	n	114230	48.89	48.22	48.51	-.21			
63.66	40.23	WVSFS	o	55	61.54	60.62	61.27	-.32			
79.96	67.37	WalMart	n	70503	76.53	75.62	76.21	-.21			
55.73	31.88	Walgrn	n	57777	56.26	55.47	55.99	+.36			
44.79	31.25	WellsFargo	n	158438	43.83	42.74	42.96	-.35			
18.75	9.28	WstnAllib	n	4439	17.99	17.65	17.81	-.05			

CURRENCIES

	Yesterday	Pvs Day
Britain-Pound	1.6034	1.6119
Canada-Dollar	.9744	.9800
Euro-Euro	1.3526	1.3508
Japan-Yen	.010068	0.010210
Mexico-Peso	.078709	0.078838
Switzerlnd-Franc	1.0982	1.0946

MONEY RATES

	Yesterday	Wk Ago
Prime Rate	3.25	3.25
Discount Rate	0.75	0.75
Fed Funds close	.00-.25	.00-.25

TREASURYS

	Yesterday	Wk Ago
3-month	0.01	0.02
6-month	0.04	0.03
5-year	1.49	1.72
10-year	2.76	2.91
30-year	3.80	3.85

COMMODITIES

	Today	Yesterday
Chicago No. 2 soft wheat	6.52	6.41
Chicago No. 1 yellow soybeans	13.39	13.48
Chicago No. 2 yellow corn	4.79	4.76

METALS

	Yesterday	Wk Ago
Gold (troy oz)	\$1369.40	\$1330.40
Silver (troy oz)	\$23.242	\$220991
Copper (pound)	\$3.3500	\$3.2125

BUSINESS IN BRIEF

Senate tries to avert shutdown of federal helium reserve

The Senate has approved a bill to avert an impending shutdown of the federal helium reserve, a key supplier of the lighter-than-air gas used in a wide range of products, from party balloons to MRI machines. The Federal Helium Program, which provides about 42 percent of the nation's helium from a storage site in Texas, is to shut down Oct. 7 as a result of a 1996 law requiring the reserve to pay off a debt by selling its helium. The debt is paid, but billions of cubic feet of helium remain. Closing the reserve would cause a worldwide helium shortage.

Home Depot, others cut medical coverage for workers

Home Depot Inc. plans to end medical coverage for about 20,000 part-time employees and direct them to government-sponsored exchanges scheduled to open next month as companies revamp benefits to fit the U.S. Affordable Care Act. United Parcel Service Inc., Trader Joe's Co. and other employers have been cutting benefits

ahead of the Oct. 1 roll-out of government exchanges designed to give uninsured Americans a chance to buy taxpayer-subsidized medical coverage.

Wells Fargo shrinks its mortgage department

Wells Fargo plans to lay off an additional 1,800 employees from its mortgage department, after cutting about 2,300 jobs from the same unit in August. Spokesman Alfredo Padillo said Thursday that the bank is cutting jobs in the mortgage department because fewer people than it expected are refinancing their mortgages. The jobs are in locations across the country.

Man who ran Nintendo for more than 50 years dies

Hiroshi Yamauchi, who ran Nintendo for more than 50 years and led the Japanese company's transition from traditional playing-card maker to video game giant, has died. He was 85. Kyoto-based Nintendo said Yamauchi, who also was known for owning the Seattle Mariners major league baseball club, died Thursday of pneumonia.

## Hotel: First Del. location for a Hyatt

Continued from Page A8

reception desk, with a kitchen and dining area nearby. There's a saltwater pool which some of the hotel rooms overlook, and a small fitness room.

David Sills, a DBE partner and president of Daystar Sills, Lighthouse Cove's general contractor, said the capital cost of the hotel and condo building was about \$18 million.

The hotel's booking calendar already is full of reservations for six of the weekends from now to December, Harvey said. Daily rates for rooms on October weekends were at about \$200 a night on the Hyatt Place website, matching the standard rate of the Best Western across the street. The Hyatt Place

rates offered online climb by next Memorial Day, about \$50 more than the Best Western's.

"We're hoping to become more of a destination than a transient hotel. I think we'll have a little transient business here, but not a lot," Harvey said.

Owners of the condos on the top floor will be able to use the hotel's pool and gym, Harvey said. To date, 10 of the 16 luxury condos have been sold, with the priciest corner units, listed at \$1.2 million, still on the market. Harvey said the purchased condo units will start being finished and delivered to their owners in October.

The hotel is operated by Meyer Jabara Hotels, a hospitality company with headquarters in Florida and Connecticut. It is the first Delaware location

for a Hyatt Place hotel, a lodging brand the Hyatt Hotels Corp. launched in 2006 to cater to upscale vacationers and business travelers. The spring and summer's wet weather pushed back the hotel's opening date by several months; it originally was envisioned to open as early as May.

Dewey Beach Mayor Diane Hanson, who spearheaded early opposition to the project before agreeing to the compromise that let it proceed, said she toured the hotel this week and came away impressed.

"It looks very nice. I wish them well," Hanson said. "It looks like it will bring new clientele to Dewey."

Contact James Fisher at 983-6772, on Twitter @JamesFisherTNJ or jfisher@delawareonline.com.

"The *only* carpet with built-in stain and soil resistance that will *never* wear or wash off"

resisted **2x** more regular house hold soil than leading nylon carpets

SmartStrand<sup>®</sup> starting at just **\$1.99** sq.ft.

SmartStrand<sup>®</sup> with DuPont<sup>™</sup> Sorona<sup>®</sup> renewably sourced polymer\*  
No Stains, No Worries, No Kidding.

Carpet & Tile Mart offers you **Whole House Installation** with any SmartStrand<sup>®</sup> product\*\* for only **\$59**

**AIRBASE CARPET & TILE MART FLOORING SUPERCENTERS**

Bring this in for a **Mystery Discount** of **10-40%** off your order!†

Remnants priced at **50% off\***

\*Compared to special order pricing

Visit one of our three Delaware Carpet & Tile Mart locations today!

<b>NEW CASTLE</b> 230 N. DuPont Hwy 302-328-1597	<b>DOVER</b> 756 Little Creek Rd. 302-678-0970	<b>MILLSBORO</b> 28587 DuPont Blvd. 302-297-0334
--	--	--

APPLY FOR FINANCING, SPECIAL OFFERS & MORE AT CARPETMART.COM

\*\*Valid on select in-stock rolls and special order carpets. Includes local deliveries and basic installation. Minimum sq.ft. purchase required with CrushMaster pad or better. Custom work charges may apply. See store for details.

†Save off product only, excludes doorbusters, clearance items, liquidation rolls, labor, and custom work charges. Cannot be combined with other special offers, including financing.

NJ-000691447

**replenish**  
A PROJECT OF EDEN DELMARVA

EDEN Delmarva would like to thank George Danneman of Danneman & Danneman LLC And Members of the Downtown Newark Partnership For PIONEERING the REPLENISH Program among Restaurants in Newark, Delaware.

Al DuPont Childrens Hospital  
Capriotti's  
Chipotle  
Home Grown Cafe  
Margarita Pizza  
MIZU  
SAS Cupcakes

REPLENISH A Project of EDEN Delmarva trains owners how to capture organic materials from restaurants and other commercial facilities, diverting this material from the landfill to create a valuable soil supplement known as compost, which helps farmers to grow better crops.

REPLENISH offers restaurants and other commercial facilities FREE Training, Containers, and Guided Implementation to satisfy state requirements under SB 234 "The Universal Recycling Act" that all commercial establishments have a Comprehensive Recycling Program in place by Jan. 1, 2014.

Following the REPLENISH training gives owners a pathway for savings associated with the reduction of monthly trash removal service.

CONTACT US TODAY TO LEARN MORE  
WWW.EDENDELMARVA.ORG  
302-542-3400

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL