



GEORGIA HEIRS PROPERTY
LAW CENTER

Building Generational Wealth Webcast

Homeownership Protection:
Property Taxes
Foreclosure Prevention
Avoiding Home Scams

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Funded by Eversheds Southerland and Home Depot

BUILDING GENERATIONAL WEALTH WEBCAST

❖ Part of the **Generational Poverty Law Project**, a partnership between Atlanta Legal Aid Society, Georgia Heirs Property Law Center, and Pro Bono Partnership of Atlanta.

❖ Project Goals:

- Utilize joint resources to create pathways out of generational poverty for low-income families in metro-Atlanta.
- Provide free and vital legal services to help multigenerational families in Atlanta:
 - Retain ownership of their homes;
 - Ensure they are living in safe and habitable environments;
 - Avoid predatory practices; and
 - Leverage their homes to create generational wealth, reduce neighborhood blights and transform underserved communities.
- Conduct outreach and education to metro-Atlanta families living in poverty and the nonprofits serving them by providing tools to help families remain housing stable and transform underserved communities.



*Generational Poverty Law Project
is generously funded by The Junior
League of Atlanta.*

Part 1:

Fulton County Property Tax assessment Appeals and Exemptions

2018 assessments are reflecting real estate market increases. This is likely to lead to **dramatic property tax increases** for low- and fixed-income homeowners.

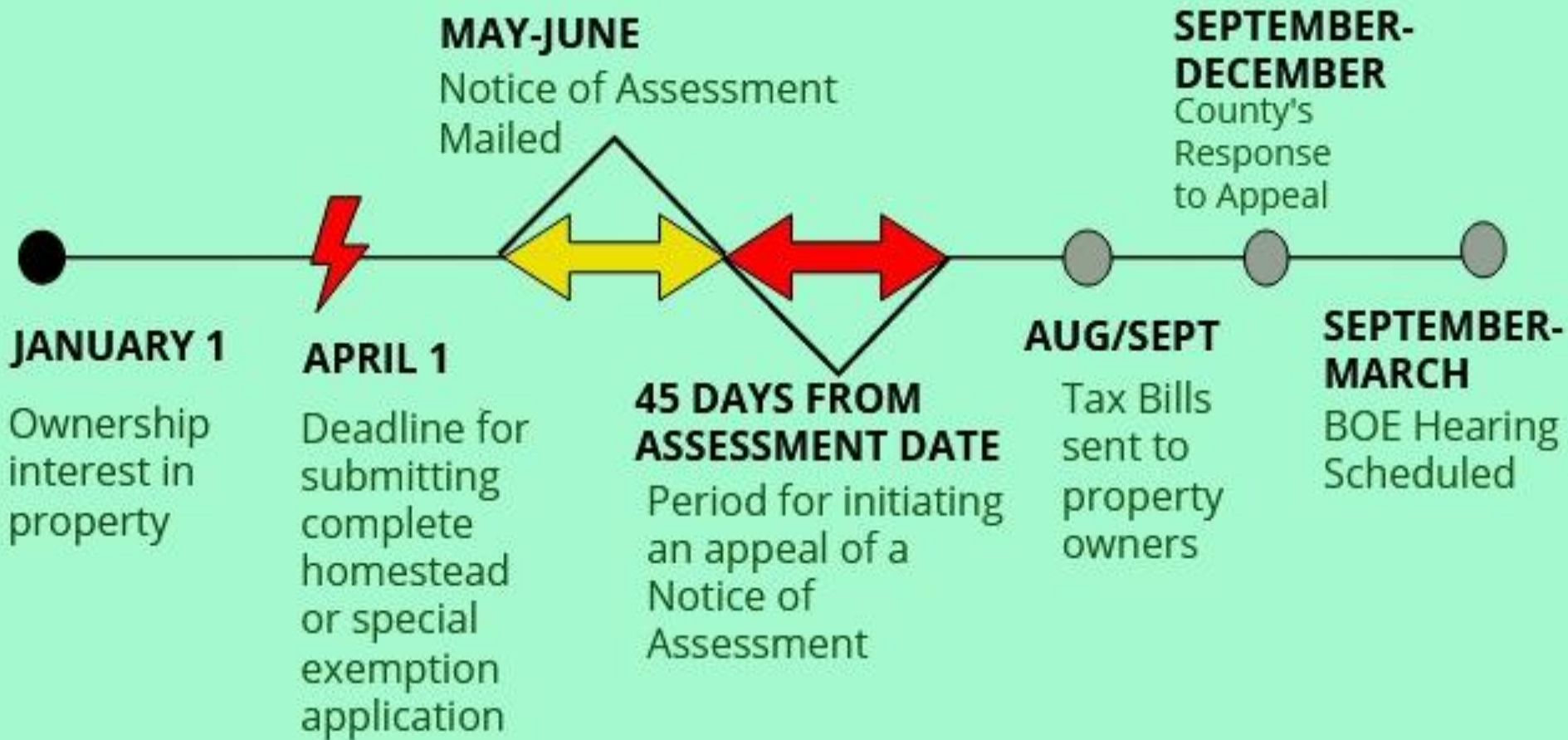
ESCROW SHORTAGES

TAX LIENS

TAX FORECLOSURE

PREDATORY PRACTICES

Timeline for Property Tax Exemption and Appeal Activity



DEADLINE:

CALENDAR TABLE
www.CalendarTable.com

JULY 2018

SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

FULTON COUNTY BOARD OF ASSESSORS
235 PEACHTREE STREET, N.E., SUITE 1200
ATLANTA, GA 30303
404-612-6440



APPEAL OF ASSESSMENT FOR DIGEST YEAR: 2018

Property Owner's Name:		Home Phone:	
Address:		Work Phone:	
		Cell Phone:	
Email Address:			
Property / Appeal Types (Check One)			
Real <input checked="" type="checkbox"/>	Personal	Motor Vehicle	Manufactured Home
Property ID Number:			
Property Description:			
Specify Grounds for Appeal:		Check all that apply	
Value <input checked="" type="checkbox"/>	Uniformity <input checked="" type="checkbox"/>	Taxability	Exemption Denied <input checked="" type="checkbox"/>
			Breach of Covenant
			Denial of Covenant
You must select one of the following options:			
<input checked="" type="checkbox"/>	BOE: Appeal to the County Board of Equalization with appeal to Superior Court (any / all grounds)		
	ARBITRATION: To non-binding arbitration with an appeal to Superior Court (valuation is only grounds that may be appealed to arbitration) Additional fees may apply		
	HEARING OFFICER: For non-homestead real property or wireless personal property account(s) with an aggregate FMV in excess of \$750,000, with appeal option to Superior Court (value and uniformity only) Additional fees may apply		
Billing Preference:	85% <input checked="" type="checkbox"/>	100%	
Pursuant to Georgia Law, all parcels in appeal will be billed at 85% of the assessed value listed on your assessment notice. However, you may elect to be billed at 100% of the assessed value instead. This selection must be made at the time of your appeal and will not be changed after the appeal is submitted.			
Property Owner Comments:			
Owner's Opinion of Value: \$ <input type="text"/>			
Signature of Property Owner or Agent: _____			
Note: If you are not the owner a Letter of Authorization is required			
Print Name Owner/Agent _____			
Agent's Address: _____		Agent's Phone #: _____	
Agent's Email Address: _____			
Note: Filing of this document will create a review of the county's value of the property being appealed. Reasonable notice is hereby provided that an onsite inspection by a member of the county appraisal staff may be required.			
Date Received: _____		Received by: _____	



Grounds for Appeal:

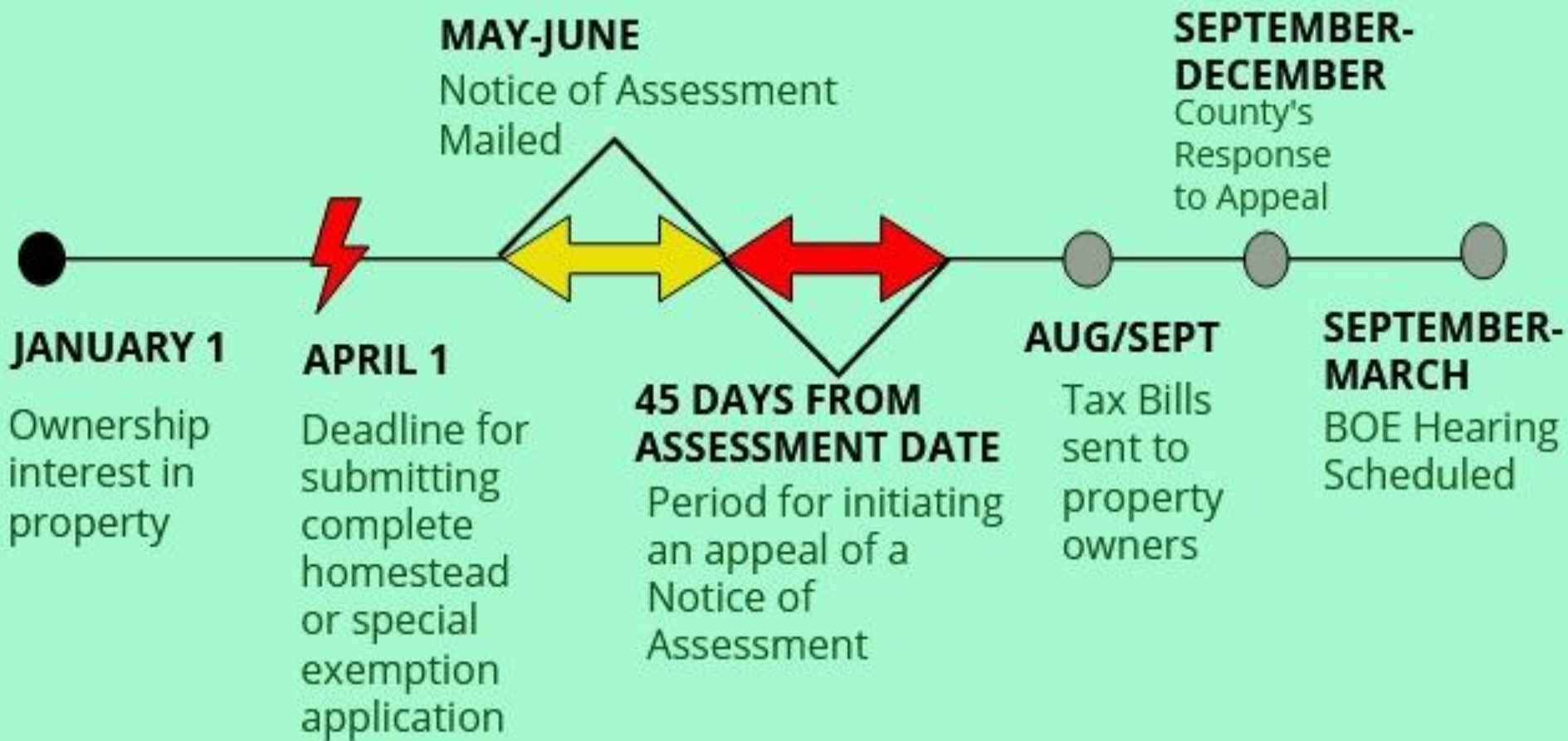
1) **Value:**

- Incorrect or incomplete **property information** was used
- The value is too high (**Recent sales** represent upgraded homes compared to subject property.)

2) **Uniformity:** **Compare similar homes** (in age, square footage, and condition) to the subject. If you find homes in the neighborhood are being **assessed at a lesser value**, this is good grounds for a uniformity argument.

3) **Exemption Denied:** Homestead exemption applied for, but **not listed** on assessment notice **or incorrect exemption** appears.

Timeline for Property Tax Exemption and Appeal Activity



Preparing an Appeal:

- **Best Practice:** Assemble all supporting documentation (list of comparables, photographs, appraisal, etc.) and include it with the appeal.
- **Minimum submission:**
 - ✓ Basis of claim (value, uniformity, exemption denial)
 - ✓ Proposed valuation for property
 - ✓ Select BOE hearing
 - ✓ Select 85% or 100% billing (we recommend 85%)



Submitting the Appeal:

- **Deliver In Person** (Bring a copy for date stamp.)
- **Send via Mail:** **Certified, Return Receipt**
235 Peachtree Street, NE
Suite 1200
Atlanta, GA 30303
- **Online:** Appeal can be submitted through the [Tax Assessor's new filing system](#). They encourage online submissions. This requires a login.

Board of Equalization Hearing

- Reach out to the county's appraiser ahead of time.
- If you and the appraiser can come to an agreement, that can be presented to the board for approval.
- Burden of proof on the Assessor's office. This means that they will have to prove that their value is based in fact.
- Be sure to bring evidence of the value you are asserting.
- Outcome of this hearing is frozen for 3 years, including the tax year that was appealed.

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PROPERTY TAX EXEMPTIONS

Basic Homestead Exemption

- Owners who live in their homes

Additional Exemptions for:

- People over 62
- People over 65
- People over 70
- People who are Disabled
- Disabled Veteran or their unremarried surviving spouse or minor children
- Unremarried Spouses of U.S. Servicemembers Killed in Action
- Unremarried Spouses of Peace Officers or Firefighters Killed in the Line of Duty



EXEMPTION DEADLINE

Failure to file for exemptions by **APRIL 1st** waives the right to the exemption for that year unless:

- the absence is due to health reasons and a friend or immediate family member notifies the tax receiver; or
- the absence is due to duty in the armed forces and a friend or immediate family member notifies the tax receiver; or
- failure to file by a surviving spouse where waiver arises because of an administrator's or executor's deed and the surviving spouse makes the application within 30 days of the notice of the intent to deny the homestead exemption.

Who is eligible to apply



A person **must live in the home** to get the homestead exemption unless:

- the absence is due to **health reasons**; or
- the absence is due to **duty in the armed forces**; or
- the absence is due to the home being **uninhabitable** due to fire, flood, storm, or other unavoidable accident that occurred within a year; or
- the owner's **spouse or children live in the home** and it is maintained for their benefit.

Who is eligible to apply



A person with a “**bona fide claim to ownership**” in the residence including:

- Homeowner with deed in his or her name, whether solely or jointly owned.
- A person with a Life Estate in the home.
- A person who resides in the home owned by a parent who died or became incapacitated regardless of whether the estate is distributed.
- A person who resides in the home he or she will inherit, but is vested in the Administrator or Executor of the estate.
- A person who resides in a home that is in a trust and that person is a beneficiary under the trust.
- The spouse of a homeowner who lives in the home.

Part 2:

Mortgage Trouble

*Understanding Mortgages and
Avoiding Foreclosure*

A close-up photograph of a person in a grey suit and white shirt, holding a black pen over a document. The document has text overlaid on it. The person's hands are visible, and the background is a plain, light-colored surface.

WHAT IS A MORTGAGE?

Two documents:

- Promissory Note**
- Security Deed**

SIGNATURE

Promissory Note

Contract that establishes a borrower's **personal** obligation to pay

Contains:

- Amount of loan and interest rate
- How much to pay and when
- Prepayment charges, if any.

“Secured” by the Security Deed

STATE OF GEORGIA
FHA ADJUSTABLE RATE NOTE

3038' BOTANY DRIVE, JONESBORO, GA 30236
(Property Address)

1. PARTIES
"Borrower" means each person signing at the time of this Note, and the person's successors and assigns. "Lender" means National Mortgage Investments Co., Inc. and its successors and assigns.

2. BORROWER'S PROMISE TO PAY; INTEREST
In return for a loan received from Lender, Borrower promises to pay the principal sum of Eighty Three Thousand Nine Hundred Forty Seven Dollars and no/100 Dollars (U.S. \$ 83,947.00), plus interest, to the order of Lender. Interest will be charged on unpaid principal, from the date of disbursement of the loan proceeds by Lender, as a rate of Seven and One / Half percent (7.5000 %) per year until the full amount of principal has been paid. The interest rate may change in accordance with Paragraph 5(C) of this Note.

3. PROMISE TO PAY SECURED
Borrower's promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the "Security Instrument." That Security Instrument protects the Lender from losses which might result if Borrower defaults under this Note.

4. MANNER OF PAYMENT
(A) Time
Borrower shall make a payment of principal and interest to Lender on the first day of each month beginning on April 1, 1995. Any principal and interest remaining on the first day of March 2925, will be due on that date, which is called the maturity date.
(B) Place
Payment shall be made at P. O. Box 149, Griffin, GA 30224 or at such other place as Lender may designate in writing by notice to Borrower.
(C) Amount
Initially, each monthly payment of principal and interest will be in the amount of \$ 586.97. This amount will be part of a larger monthly payment required by the Security Instrument that shall be applied to principal, interest and other items in the order described in the Security Instrument. This amount may change in accordance with Paragraph 5(E) of this Note.

5. INTEREST RATE AND MONTHLY PAYMENT CHANGES
(A) Change Date
The interest rate may change on the first day of JULY 1996, and on that day of each succeeding year. "Change Date" means each date on which the interest rate could change.
(B) The Index
Beginning with the first Change Date, the interest rate will be based on an Index. "Index" means the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. "Current Index" means the most recent Index figure available 30 days before the Change Date. If the Index (as defined above) is no longer available, Lender will use as a new Index any index prescribed by the Secretary (as defined in Paragraph 7(B)). Lender will give Borrower notice of the new Index.
(C) Calculation of Interest Rate Changes
Before each Change Date, Lender will calculate a new interest rate by adding a margin of Two and Three / Quarters percentage points (2.7500 %) to the Current Index and rounding the sum to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Paragraph 5(D) of this Note, this rounded amount will be the new interest rate until the next Change Date.
(D) Limits on Interest Rate Changes
The interest rate will never increase or decrease by more than one percentage point (1.0%) on any single Change Date. The interest rate will never be more than five percentage points (5.0%) higher or lower than the initial interest rate stated in Paragraph 2 of this Note.
(E) Calculation of Payment Change
If the interest rate changes on a Change Date, Lender will calculate the amount of monthly payment of principal and interest which would be necessary to repay the unpaid principal balance in full at the maturity date at the new interest rate through substantially equal payments. In making such calculation, Lender will use the unpaid principal balance which would be owed on the Change Date if there had been no default in payment on the Note, reduced by the amount of any prepayments to principal. The result of this calculation will be the amount of the new monthly payment of principal and interest.

683269981NTE

ISCMARKNOTE*///193/04921-L PAGE 1 OF 3

FHA Case No. 101-7150787-729 492

Security Deed

Secures promise to pay by **attaching it to the property.**

Contains “covenants” between you and the lender *in addition to* the obligation to pay the note, such as

- how lender applies payment
- when payment is due
- escrow
- insurance
- occupancy

“Waiver of Borrower's Rights” allows non-judicial foreclosure

Recorded in county deed records

Trey Inman & Associates, P.C.
51 Lenox Point
Atlanta, Georgia 30324
LOAN # 6578988900
PL 9-700-8101

JACKSONVILLE POST CLOSING
BANK OF AMERICA
9000 SOUTHSIDE BLVD.
BLDG 700, FILE RECEIPT DEPT.
JACKSONVILLE, FL 32256

Prepared By:
GLORIA E CHAPLIN
BANK OF AMERICA, N.A
9000 SOUTHSIDE BLVD
JACKSONVILLE, FL 322560000

Deed Book 16025 Pg. 351
Filed and Recorded Apr-15-2004 08:46am
2004-0033795
Georgia Intangible Tax Paid \$418.50

Linda Carter
Linda Carter
Clerk of Superior Court DeKalb Cty. Ga.
1000 0000 0000 0000 0000 0000 0000 0000 0000 0000

(Space Above This Line For Recording Data) LOAN # 6578988900

SECURITY DEED

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.


(A) "Security Instrument" means this document, which is dated MARCH 16, 2004 together with all Riders to this document.


(B) "Borrower" is

Borrower is the grantor under this Security Instrument.
(C) "Lender" is BANK OF AMERICA, N.A

Lender is a NATIONAL BANKING ASSOCIATION organized and existing under the laws of THE UNITED STATES OF AMERICA

GEORGIA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3011 1/01

 eSAL 0000
Page 1 of 15 Initials: *T-I*
VMP MORTGAGE FORMS - 080821-7201



CVDA 03/16/04 11:09 AM 6578988900

STRUGGLING TO PAY YOUR BILLS?

1. **Prioritize paying the mortgage.** This should be top priority. Look for ways to cut other expenses from your budget and increase your household income.
2. **Contact your lender right away** and explain your situation. They may offer loss mitigation options.
3. Contact a nonprofit, **HUD-approved housing counseling agency.** Housing counselors can explain your options and help you apply for assistance *for free*.
4. **Open all mail** from your mortgage company or law firms hired by your mortgage company. Those notices may contain important information about your options and when a foreclosure is scheduled. *Avoiding it won't help.*
5. **Don't just walk away.** Evaluate your options and get advice.

GET HELP EARLY—DON'T WAIT UNTIL FORECLOSURE!



Behind on Your Payments? *Tips and Pitfalls*

- Beware of making **incomplete payments** if you do not have an approved forbearance plan.
- Servicer may **refuse to accept** less than the total amount due.
- Federal **120-day rule**: Servicer cannot initiate foreclosure proceedings until a borrower is at least **120 days delinquent**.

GET HELP EARLY—DON'T WAIT UNTIL FORECLOSURE!

Options for Keeping Your Home

Check to see what type of loan you have. FHA, VA and loans owned by Fannie Mae and Freddie Mac have loss mitigation options your mortgage company must offer you if you qualify. If you do not have one of these kinds of loans, your lender may still have options available to you.

- **Forbearance: Paying less than your regular payment.** At the end of the forbearance period you *must catch up the missed payments*. This might be done through a repayment plan or loan modification (if available). *Use the forbearance period to increase your income if possible.*
- **Repayment Plan:** You will typically need to pay the regular mortgage payment plus an extra amount each month (typically for 3-6 months) to catch up missed payments in order to bring your loan current.
- **Loan Modification:** Your mortgage company may be able to change the terms of your loan. The modification may involve capitalizing the delinquent payments, reducing the interest rate, extending the loan term, and/or putting some of the loan balance in a non-interest bearing balloon (known as “principal forbearance”).

If the Home Can't be Made Affordable, *Now What?*

- **Sell:** If there is equity, get a real estate agent and try to sell the home **before it is scheduled for foreclosure**. The money from the sale will go to the owner, after your mortgage, any liens, and real estate agent commission are paid. Properties sold at foreclosure sales are almost always sold for less than they are worth, and the homeowner rarely receives any proceeds. **Beware of cash offers and “rescue” scams.**
- **Short Sale:** If there **isn't any equity (a.k.a. the house is “underwater”)**, the mortgage company may agree to allow a sale of the home for less than the mortgage balance, collect the proceeds, and then *forgive the rest of the mortgage debt*.
- **Deed in Lieu of Foreclosure:** If there **isn't any equity**, the mortgage company may agree to take title to the home instead of foreclosing, and *forgive the rest of the mortgage debt*.
- **Note:** If your mortgage company agrees to a short sale or deed in lieu, in some cases it may agree to pay you a small amount of money to help you move.

BEWARE: PREDATORY PRACTICES

Stay Away from Rescue Scams!

**NEVER PAY ANYONE TO HELP YOU
APPLY FOR A LOAN MODIFICATION**



**DON'T ACCEPT "LOANS" FROM
PEOPLE OR COMPANIES CLAIMING THEY
WILL SAVE YOU FROM FORECLOSURE—THEY MAY TRY TO
TAKE YOUR HOME, STEALING YOUR EQUITY.**

Resources:

- Atlanta Legal Aid Home Defense Program: 770-817-7520
- HUD-Certified Housing Counselors: www.hud.gov

GET HELP EARLY—DON'T WAIT UNTIL FORECLOSURE!

In Georgia, almost all foreclosures are **non-judicial**, which means **the mortgage company does not need to take you to court in order to foreclose.**

Georgia Foreclosure Law Basics

First Tuesday of the Month. Foreclosure sales in Georgia occur *on the first Tuesday of each month* on the courthouse steps of the county where the property lies between the hours of 10:00 AM and 4:00 PM.

30-Day Letter. For most mortgages, notice must be sent to the borrower no less than *30 days before the foreclosure sale* date by certified or registered or overnight mail.

4-Week Legal Ad. The foreclosure sale must be advertised in the local legal newspaper *once a week, four consecutive weeks prior to the scheduled foreclosure sale date.* The notice must include the name, address, and telephone number of the individual or entity who has the full authority to negotiate, amend, and modify all terms of the mortgage.

FACING FORECLOSURE? CALL ATLANTA LEGAL AID!

If you know someone struggling to maintain their homeownership, tell them to contact Legal Aid!



Fulton

54 Ellis Street, NE
Atlanta, GA 30303
(404) 524-5811

DeKalb

246 Sycamore Street, Suite 120
Decatur, GA 30030
(404) 377-0701

Cobb

30 South Park Square
Marietta, GA 30090
(770) 528-2565

South Fulton/Clayton

77 Cleveland Avenue, SW
Suite 410
Atlanta, GA 30315
(404) 669-0233

Gwinnett

324 West Pike Street, Suite 200
Lawrenceville, GA 30046
(678) 376-4545

Senior Legal Hotline (Age 60+)

(404) 657-9915 OR 1(888) 257-9519



Part 3:

Home Scams and Predatory Practices: *What to look for and how to avoid becoming a victim*

Predatory Home Purchase Instruments



LEASE AGREEMENT WITH OPTION TO PURCHASE

This Lease Agreement ("Lease") is entered by and between Colorado Rural Housing Development Corporation ("Landlord") and ("Tenant(s)") on 2007, (Date). Landlord and Tenant may collectively be referred to as the "Parties". This Lease creates joint and several liability in the case of multiple Tenants. The Parties agree as follows:

PREMISES: Landlord hereby leases the _____ (number of bedrooms) bedroom premises located at: _____ (complete address of Premises) to Tenant.

LEASE TERM: The lease will start on _____, 2008 (begin date) and will end on _____, 2009 (end date) (Lease Term).

LEASE PAYMENTS: Tenant agrees to pay to Landlord as rent for the Premises the amount of \$ _____.00 ("Rent") each month in advance on the first day of each month at: 1016 West Avenue, Box #1, Alamosa, CO 81101 (address for rent payment) or at any other address designated by Landlord. If the term of this lease does not start on the first day of the month or end on the last day of a month, the rent will be prorated accordingly.

LATE CHARGES: If any amount under this lease is more than 5 days late, Tenant agrees to pay a late fee of \$60.00.

INSUFFICIENT FUNDS: Tenant agrees to pay the charge of \$25.00 for each check given by Tenant to Landlord that is returned to Landlord for lack of sufficient funds.

SECURITY DEPOSIT: At the signing of this Lease, Tenant shall deposit with Landlord, in trust, a security deposit of \$500.00 as security for the performance by Tenant of the terms under this Lease and for any damages caused by Tenant, Tenant's family, agents and visitors to the Premises during the term of this Lease. Landlord may use part or all of the security deposit to repair any damage to the Premises caused by Tenant, Tenant's family, agents and visitors to the Premises. However, Landlord is not just limited to the security deposit amount and Tenant remains liable for any balance. Tenant shall not apply or deduct any portion of any security deposit from the last or any month's rent. Tenant shall not use or apply any such security deposit at any time in lieu of payment of rent. If Tenant breaches any terms or conditions of this Lease, Tenant shall forfeit any deposit, as permitted by law.

OPTION TO PURCHASE: Landlord grants Tenant the exclusive right to an option to purchase _____



Current Predatory Home Purchase Instruments

- A. Predatory rent to own agreements
 - Lease agreement with separate part of agreement allowing tenants the option of purchasing the property
- B. Predatory land contracts
 - Land installment contract: contract to purchase real property through installments where seller retains title to property
- C. Other scams to watch for:
 - Foreclosure rescue scams: when homeowner is facing foreclosure they are approached by lots of people offering “help”. Most times, they are only trying to scam you out of money, your home, OR both.

How to Identify Fraudulent/Predatory Terms

In land contracts:

- Inflated prices
- Puts families in homes they cannot afford to fix
- High interest rates
- Targeting vulnerable populations
- Failure to disclose true conditions
- Arbitration provisions
- Large down payments

In rent-to-own agreements:

- Making tenants responsible for repairs
- Inflated prices
- Large down payments
- Quick evictions
- Failure to disclose true conditions



What can you do if you find predatory terms?

- Walk away from the transaction. In GA, and most states, buyers are bound to contract absent fraud (difficult to prove) or some other affirmative defense for canceling a contract
 - Possible some pushback but ultimately better than going through with transaction. If worried, approach attorney and access situation.
- If already a victim, contact attorney ASAP because statute of limitation issues
- Possible legal claims:
 - Attorneys may be able to bring claim under the Georgia Residential Mortgage Act, the Fair Business Practices Act, rights under Georgia's Landlord Tenant laws, possibly violation of federal law.
 - Please contact an attorney to find out what remedies are available in your specific situation.

Takeaways

- **Don't wait:** call a lawyer if you feel that you have been a victim of predatory lending, fraud, and scams.
- **Read the contract carefully** and keep all the documentation and correspondences related to the home. This information may be extremely helpful to attorney and may help support additional legal claims
- **Community education** materials are forthcoming. We have created brochures for organizations and community groups to distribute.

If you meet someone facing any of the issues we have mentioned today, send them to Legal Aid!



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