

# Division of Real Estate Warns Homeowners About 'Equity Skimming' Schemes

By now, we should all be wary of people offering to "help" us financially, usually via the internet or email, but also by phone. As the saying goes, "If it sounds too good to be true, it probably is."

Last week the Colorado Division of Real Estate (DRE) issued a warning about scammers cheating homeowners out of their home's equity on the pretext of helping them pay HOA liens on their home.

Yes, an HOA can place a lien on your home for failing to pay your HOA assessments or fines, and an HOA lien takes priority even over the lien of your mortgage lender.

It is possible for an HOA to foreclose on your \$600,000 home because of unpaid dues or fines, no matter how small. But if you can't pay, what do you do? Those liens and subsequent foreclosure actions become public records, making you an easy-to-find target for a scammer wanting to "help" you.

I have a link to the full DRE warning in the posting of this article

## REAL ESTATE TODAY



By JIM SMITH, Realtor®

on our blog, [GoldenREblog.com](http://GoldenREblog.com). It describes several scamming scenarios. According to the DRE's warning, those scenarios "can leave a homeowner losing their property, becoming a renter in their own home, having their credit rating severely damaged, and having the possibility that the lender may pursue a deficiency judgment against them if the property is foreclosed upon, as well as the HOA pursuing a personal judgment against them for unpaid HOA dues."

Homeowners are urged to look for the following red flags:

- ◆ Anyone wanting you to act fast with a quick-fix to your financial difficulties.
- ◆ Promises to resolve your financial problems and to leave your cares behind.
- ◆ Someone wanting you to transfer your ownership in the property to them.
- ◆ Anyone asking you to sign a power of attorney for them to act on your behalf.
- ◆ Proposing that you'll be a tenant in the home that you now own.
- ◆ Someone telling you that there is no need to consult with an attorney, accountant, real estate broker, lender or anyone else.

Feel free to contact me (my contact info is below) if you find yourself in this or a similar situation. My

intention is not to convince you to list your home with me. I just want to give you my own layman's feedback on what others may have told you, and I can, if appropriate, refer you to a trusted real estate attorney. First, however, visit our blog, as mentioned above, to read the full DRE warning, which has lots of useful information and links for reporting suspected scams or getting other advice.

And, as I like to say, remember that "Google is your friend." When contacted by someone you suspect could be a scammer, do a web search for the person and/or company and/or email address and/or phone number. Also, we have a special app called "Forewarn," only available to licensed Realtors like myself, where I can instantly search by name or phone number. My broker associates and I use that app to check out people who want to do business with us, instantly learning their age, properties owned, bankruptcies or liens, criminal charges, and even cars they own. I'm happy to do such a search for you, too.

Lastly, I'd like to put in a good word for my cell carrier, T-Mobile. My previous cell carrier was AT&T, which didn't provide Caller ID on people not in my contact list, but I

do get Caller ID with T-Mobile. If a number does not have a name associated with it, I let it go into voicemail, and those callers rarely leave a message, suggesting, I believe, that it was a "spoofed" number by a solicitor or scammer. Thank you, T-Mobile! I'm wasting a lot less time than I used to on answering unwanted calls.

## Related Topic: Equity Sharing

A reader brought to my attention a company called Noah (formerly Patch Homes) which offers an alternative to the Home Equity Line of Credit (HELOC). What they offer is a way of tapping into your home's equity for needed cash in return for a percentage of your home's equity — reportedly between 15 and 40%. You don't pay for this "loan." Rather, Noah shares in your home's appreciation (or loss of value) when you sell.

While I don't consider Noah's offer a scam, I think it should only be considered as a last resort. In the long run, a HELOC is a much better way to access the equity in your home, and credit unions are the best places to secure such a loan, in my experience. You can find a link to a 3rd party review of Noah's product on our blog, or Google it yourself.

## Solar Tax Credit Expires Dec. 31

If you have been contemplating the installation of solar on your home, it's time to get off the fence, since the 22% federal tax credit expires Dec. 31st. Look for the posting of this topic on our blog [www.GoldenREblog.com](http://www.GoldenREblog.com) for some tips.

## Just Listed: Half Duplex Patio Home Near Belmar

Legally a condo, this half-duplex patio home in a quiet cul-de-sac has been in the same family since it was built. Despite its quiet location, this home is super-convenient to shopping, entertainment, restaurants, schools and government, with high scores for transit access, walkability and bikeability. Downtown Denver and the foothills are both just 15 minutes away by car. An expansive, landscaped common area is behind this home's 300-sq. ft. covered patio, which the HOA would allow you to enclose. (Plans for doing so are provided.) There's a door to the oversized 2-car attached garage from that patio. Upstairs, there are 2 master suites, each with its own balcony. Beautiful engineered hardwood floors cover the entire main level. The full basement has a family room, laundry and storage room. You'll appreciate the abundant kitchen storage and Corian countertops with under-cabinet lighting. A whole-house attic fan and central A/C cool the home in the summer. Find more details, interior photos and a narrated video tour at [www.LakewoodPatioHome.info](http://www.LakewoodPatioHome.info), then call your agent or Jim Smith at 303-525-1851 for a showing. **Open house this Saturday, 11-2.**



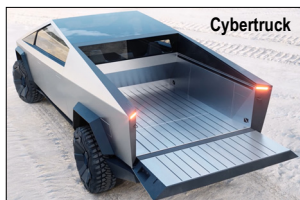
## 2021 Will Be the 'Year of the Electric Pickup'

The best selling vehicle in America for many years has been the Ford F-150 pick-up, so 2021 is bound to be a watershed year, given the number of electric pick-up trucks expected to hit the market — including, by the way, an electric F-150, which has been teased for at least a year.

Rivian is furthest along and will beat Tesla's entry by several months. Rivian is simultaneously releasing an SUV and 4-door pickup, which appeal to the same demographic. The company is backed by Amazon, which has boosted Rivian's financial situation by ordering 100,000 delivery vehicles to replace the blue Amazon vans we see every day in our neighborhoods. Some of them are already in service, but not in the Denver market. You may have seen an Amazon commercial featuring the new van.

The F-150 electric begins production this year. Tesla's Cybertruck may be in production by year's end but certainly in 2022.

Also coming this year (or soon) are GM's Hummer EV, the Atlys XT, Bollinger's B2, and more. You can find links to them and other electric pickups at [www.GoldenREblog.com](http://www.GoldenREblog.com).



Every article in this ad is also posted at [GoldenREblog.com](http://GoldenREblog.com)

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