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## Protect North Carolina's homes from predatory practices

Homeowners and homebuyers are at risk from shady dealings. Here is how lawmakers can help.

■ BY ALFRED RIPLEY, STAFF ATTORNEY

### EXECUTIVE SUMMARY:

SENATE BILL 1015 WOULD PROTECT HOMEOWNERS AND HOMEBUYERS BY:

-  CREATING REASONABLE STANDARDS for rent with an option to purchase or and contracts for deeds
-  PROHIBITING FORECLOSURE RESCUE SCAMS that gouge consumers

### Losing their homes

THE AMERICAN DREAM IS TO OWN A HOME. In North Carolina, helping working families realize that dream is a building block to prosperity for all.

Sadly, certain unscrupulous practices enable a select few to take advantage of hardworking North Carolinians who just want a piece of the dream. Shady dealings in the real estate industry allow companies to take advantage of everyday people struggling to pay their mortgage.

Because North Carolina lacks even the most basic common-sense regulation on issues like foreclosure rescue scams, "rent to own" contracts and contracts for deeds, consumers can be manipulated into bad deals that devastate families and undermine the economic well-being of us all.

North Carolina lawmakers have an opportunity to put a stop to this. Senate Bill 1015, Homeowner and Homebuyer Protection Act, is a wise and practical way to protect people who own or are looking to purchase a home. The bill, sponsored by Sen. Josh Stein, would offer valuable safeguards to the people who are investing in our common future.

That's what homeownership represents: an investment in North Carolina. Owning a home is a way to create prosperous communities and help families accumulate wealth across generations.

A North Carolinian who buys a home makes an investment that can be passed on to children, building prosperity and keeping it right here in North Carolina. As a state, it's in our best interests to help keep people in their homes.

If we want to encourage homeownership – and encourage the economic stimulus it represents – we need to crack down on misleading and dangerous practices.

**Senator Stein’s bill would do just that.**

This bill would prohibit foreclosure rescue scams, where fly-by-night operations offer to “help” struggling homeowners by robbing them of hard-earned wealth. It would also create reasonable regulation and standards for rent with an option to purchase contracts and contracts for deeds.

The unfair and unscrupulous use of these real estate transactions exploit and manipulate families struggling to pay a home loan or families who are having trouble obtaining a loan to purchase a home.

In these challenging economic times, as many North Carolinians face lost jobs and the threat of foreclosure, we must make sure that struggling homeowners and aspiring homebuyers are protected from predatory real estate practices. Supporting the Homeowner and Homebuyer Protection Act represents protecting the economic well-being of our communities – and the interests of every lawmaker’s constituents.

North Carolina’s people work hard to earn what they have. Especially in the greatest economic crisis since the Great Depression, we have to work as hard as we can to help our state’s families stay in their homes.

When the House Committee on Financial Institutions meets on Tuesday, May 25, those lawmakers will have an opportunity to offer that help.

We urge our representatives to vote “yes” on Senate Bill 1015 (the Homeowner and Homebuyer Protection Act) to help every North Carolinian achieve their own personal American dream.