

## **Family's loss of a lifetime: Home for three generations is lost to county tax foreclosure**

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By **Holly Klaft | Jackson Citizen Patriot**



**Katie Rausch | Jackson Citizen Patriot** • Annie Osborne stands in front of the house she has called home for more years than she can remember. Osborne lost her home to tax foreclosure after being unable to pay her taxes for two years. Though Jackson County officially took possession of her home in on April 1, Osborne stayed in the house until late July. She was unclear about whether or not she would be forced to move, regardless of the notices left on her door and the personal visit to her home made by the county treasurer.

Sitting on the front porch of her Damon Street home, Annie Osborne shook her head and watched with resignation as her possessions slowly filtered out the front door. More than 25 years of her life in the house — hastily compressed into cardboard boxes and bags — was being piled into a moving truck on an overcast late July afternoon. Whatever didn't fit stayed behind. The home, a neighborhood gathering place and haven for family members who needed shelter, became the property of Jackson County in March after Osborne fell three years behind on taxes. "I'm disgusted," Osborne, 71, said two days before workers were to board up and change the locks on the house. "I'm so upset." Although she complained about its torn screens, peeling paint, dented doors and bowed eaves, she never wanted to leave the home that has been in her family for at least three generations.

### **A home is lost**

Osborne's home was one of 226 properties countywide to be foreclosed on this year for unpaid taxes — the highest in the county's history. She was one of nearly 20 property owners who faced eviction this year because of it. "It's usually an emotional situation talking to them," said county Treasurer Karen Coffman, who visited Osborne's home in April to tell her the county had foreclosed on it. "Sometimes

they have a plan, sometimes they don't. "Osborne didn't. Eviction notices went unanswered months after Coffman's visit. Osborne stayed settled in the home, aware that she had to move but reluctant to leave. Then, in late July, a worker appeared at her door and told her they intended to change the locks in 24 hours. Panicked, she called her son, Ricky Hurst, who convinced them to give her a few days to move out.

### **Tips for avoiding foreclosure**

- Don't ignore the situation or be afraid to admit you're struggling. Contact the Jackson County Treasurer's Office to make them aware of your situation.
- Open and read all mail or notices.
- Seek free foreclosure or financial counseling through a number of local resources, including the Community Action Agency, to find out what you need to do to keep your property.

### **Resources:**

- Community Action Agency — 788-6495, [www.caajlh.org](http://www.caajlh.org)
- Central Michigan 2-1-1
- Jackson Affordable Housing — 788-4626, [www.jacksonaffordablehousing.org](http://www.jacksonaffordablehousing.org)
- Jackson County Department of Human Services — 780-7400 n
- Community Economic Development Association of Michigan's Foreclosure Task Force — 517-485-3588, [www.cedam.info/resources/mftf](http://www.cedam.info/resources/mftf)

Hurst said it was not until then that he understood the extent of his mother's tax troubles. Osborne said she fell behind after her income of about \$1,100 a month in Social Security and retirement wasn't enough to pay for utilities and help support some family members who stayed with her on occasion. She was hesitant to ask for help and questioned whether family members would if she approached them. Hurst was disappointed she didn't do so sooner. About \$1,600 in fees and back taxes from 2008 was owed on the home. "I had the money. We all had the money to help," Hurst said while sitting outside his mother's home while family members packed her possessions into a moving truck. "I didn't know they would put her out. I wish I would have known earlier." Osborne's new home, at least temporarily, was to be with her sister on Commonwealth Avenue. Many of her belongings went to a storage facility. A few years ago, her situation would have been relatively rare in Jackson, which foreclosed on about 50 or fewer properties annually before 2009. That's when rates began to rise at an alarming pace that has snared the attention of local officials and housing advocates. The volume of tax foreclosures has more than doubled in the last two years. Sometimes property owners willingly walk away, Coffman said. They are not followed by long-term repercussions. "People are struggling," Coffman said. "People have lost their job and the income to allow them to pay taxes on time. It's a multitude of things."

### **Help is available**

For those facing the possibility of losing their home to unpaid taxes, help is available. However, it was harder to find this year after federal funding set aside to help residents stay in their homes dried up. Coffman said it is key for residents to get in touch with the county when they begin falling behind on taxes, so staff can try to work out a payment plan or make them aware of hardship hearings that take place at the start of each year. This year, the county granted 21 property owners a one-year extension through the hearings to pay taxes. There is little else the county can do for others, and it must by law, foreclose after March 31 on properties with unpaid taxes dating back three years, Coffman said. In previous years, more financial assistance was available through local nonprofits.

The Community Action Agency used about \$32,000 in federal money in 2010 to help 18 homeowners pay off their taxes. But that money was gone by 2011. Jackson Affordable Housing also had \$12,500

available in foreclosure assistance in 2010, but lost that funding because it was underutilized. The only other option for property owners was to apply for aid through the Department of Human Services for state emergency relief funds. The money — up to \$2,000, which is as much as an individual can receive in a lifetime — can be provided to those who are behind on property taxes, but they must prove they have the income available to keep their home once assistance is granted. About \$16,753 in relief funds was awarded to 13 property owners in Jackson County for tax payment assistance from October through June, said Department of Human Services Program Manager James Tippin.

Though less help was available at a time when more property owners are struggling, Timothy Klink, a housing specialist for the Community Action Agency, said tax foreclosure could be prevented through quick communication with the county and foreclosure counselors. Homeowners should not be afraid to admit they need help and many wait until it is too late to ask for assistance, he said. “They shouldn’t be ashamed,” Klink said. “There’s a lot of people in the same situation, and they’re afraid to ask for help.” The agency is working to fight a foreclosure crisis on two fronts. Mortgage foreclosures still comprise the vast majority of foreclosures, though the rate of property loss for unpaid taxes is increasing. Klink said the agency offers free foreclosure counseling, budgeting classes and referrals to other nonprofits or programs that could help homeowners facing either mortgage or tax foreclosure. For many, the prospect of losing their home is so devastating that they feel powerless to prevent it, said Kate Lambert Lee, an AmeriCorps member and foreclosure intervention specialist for CAA. “The whole thing is so overwhelming for people that they just give up,” she said. “It’s not that they aren’t wanting to do anything. The sooner they seek help, the better it is.”

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