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## New biz helps banks sort out property values

By Lisa R. Schoolcraft  
STAFF WRITER

A Marietta real estate agent has formed a new company around the increasingly popular task of working with banks and counties on trying to strike a balance on the property values and taxes of foreclosed homes.

Jude Rasmus, owner of Rasmus Real Estate Group Inc. in Marietta, formed the company in December after her client banks kept asking for her help in seeking property tax reassessments on their new bank-owned homes.



**Rasmus**  
Rasmus Real Estate  
Group Inc.

Real Property Tax Appeals Group LLC “is processing reassessments, appeals and board of equalization hearings for our REO (real estate owned) portfolio properties,” she said.

Some banks want the reassessments because they have more of a long-term strategy and plan to hold some properties, Rasmus said.

But even those banks that plan a quicker disposition on their foreclosed homes want the reassessments to make the homes more marketable to the future owner, she said.

At a home closing, property taxes are prorated “and they are being prorated at the higher assessed values, if an appeal hasn’t been made,” Rasmus said.

Only the owner of a property can file a tax appeal beginning Jan. 1.

Banks use appraisers when they evaluate home loans, but they also use them for REOs “to account for the value of that loan on the books,” said David Oliver, spokesman for the Georgia Bankers Association. “That is where we are seeing significant decline in values, depending on the market. Banks want the values of their properties to be maintained and upheld because that maintains the value on the books, but they also want the fair assessment of taxes.”

Real Property Tax Appeals Group grew out of a demand from an investment firm that was purchasing a large pool of non-performing notes, Rasmus said. “They were concerned about ridiculous inflated assessed values in all metro counties on assets they are purchasing. We worked on reassessments last year on a far smaller scale but the response this year is growing.”



SPECIAL

**Values way off:**  
2010 will probably be another active year of property owners seeking property tax reassessments, said Calvin C. Hicks Jr., chief appraiser for DeKalb County.

Deutsche Bank has signed with Rasmus’ company to help reassess their Florida and Georgia assets, she said.

Foreclosures continue to be a big issue for the residential real estate market.

Georgia ranked seventh in the nation in 2009 in foreclosure filings — default notices, scheduled auctions and bank repossessions — with 106,110, meaning in Georgia there was one foreclosure filing for every 37 homes in 2009, according to Irvine, Calif.-based RealtyTrac Inc.

As Rasmus looks at the foreclosed homes the banks want her to sell “some of the values were way off.”

One foreclosed home in Rockdale County was assessed at \$1.7 million “but nothing in Rockdale County sold for more than \$500,000 last year. Another home in the same subdivision is for sale for \$450,000.”

In Gwinnett County, she’s trying to sell a home for \$199,000 that is assessed at \$587,000, she said.

“That’s just one property,” Rasmus said. “Every bank and servicer we’ve talked to has the same problem.”

Counties know there have been problems with property tax assessments.

“In 2009, this office was bombarded with people filing returns to have the value of their property reviewed,” said Calvin C. Hicks Jr., chief appraiser for DeKalb County. “We are not out of the woods on that issue yet.”

The problem is trying to determine if a foreclosure sale is the true value of a home, he said. And some areas of the county have home values

that are stable, while others are still in distress, he added.

Nevertheless, 2010 will probably be another active year of property owners seeking reassessments, Hicks said. “It’s going to be a challenge.”

Most neighborhoods in metro Atlanta are not seeing complete devaluation of homes, said Shea Zimmerman, president of Atlanta Board of Realtors and senior vice president and managing broker with Harry Norman, Realtors.

“North Atlanta has probably held up better than most, until you get into extreme North Atlanta, like Alpharetta, where there has been a lot of new construction that sold at a discount and affected those prices.”

The housing market is starting to stabilize, Zimmerman said, but metro Atlanta homes are probably back at 2001 price levels now, not the 2006 peak of the market.

“Property valuations are an issue across the board for banks, property owners and counties,” Oliver said. “Everyone is working hard on finding something fair.”

Rasmus said her company’s goal is not to bulldoze reassessments through counties.

There is a process to the appeal, but she hopes that by working with banks and counties, she can strike “a balance and a price that makes sense, without devaluing a neighborhood,” she said. “Just because someone dumped five lots in a subdivision for \$5,000, you can’t expect a tax assessor to reassess all property in there at \$5,000. We’re trying to find a compromise.”

Reach Schoolcraft at [lschoolcraft@bizjournals.com](mailto:lschoolcraft@bizjournals.com).