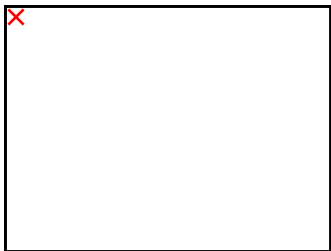


THE NATIONAL HOMEOWNERS ADVOCATE GROUP, LLC and THE TEXAS HOMEOWNER'S ADVOCATE GROUP

Going head to head with homeowners' associations

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If you own your home, you may belong to a homeowner's association. They're supposed to work to keep up the neighborhood.



KHOU-TV

Bidding at auction of foreclosed homes.

But some of them may be out of control.

There's a continuing controversy over powerful associations that have the ultimate weapon: the ability to take your home.

What's in these letters kept this homeowner awake, they raised his blood pressure and made one woman want to hire a lawyer?

"That night, I couldn't go to sleep," said condo owner Yehya Chreidi.

Condo owner Shirley Schuett, who wanted to hire the lawyer, said, "It'll cost a lot of money and I don't have that kind of money, but I have to do something to save my home from these people."

These are neighbors living in the condominiums on the west side.

As owners, they have an association that collects monthly fees to pay for maintenance, garbage pickup, cable TV.

And the law in Texas says if you don't pay the homeowners' association has a right to take your home and to foreclose on it which is exactly what some letters threatened.

But these residents aren't ready to give in that easily.

"I never miss a payment," said homeowner Gus Souayed.

His homeowners' association claims there are times he hasn't paid.

"No, it's not correct. I have all the receipts here, from the bank," he said.

"They don't have their paperwork correct," said Schuett.

But fighting means going up against a law firm, hired by the homeowners' association.

It's not a fair fight says a Houston legislator who's tried to outlaw it

It's not a fair fight, says a Houston legislator who's tried to outlaw it.

“When you get that letter from the lawyer, that’s when you finally realize, ‘now I’m trying to negotiate with the guy has the gun.’ That never works,” said Houston Rep. Harold Dutton.

The thought of losing your house is enough to scare any homeowner. But that rarely happens. What does happen is what some homeowners say amounts to nothing short of extortion.

Does Harvella Jones think they actually want to take the homes? “I don’t think they do, I think they want the money. It’s extortion. That’s what we call it,” said Jones.

How would she know?

Jones has become an expert after losing her home in Kingwood.

She fought back, countersued and then formed a group.

But after years of trying to change it, Texas law remains the same.

And Jones says some homeowners’ associations are now learning ways to use it not just to collect fees, but to enforce what may sound like nit-picking rules.

“How they do that is, if you don’t cut your lawn in a certain amount of time, they cut it for you. If you don’t pay it, they’ll add it to your maintenance fees. The key is to add it to your maintenance fees. Then they can foreclose, take your house,” Jones said.

And while relatively few homes are actually sold at auction, the homeowner’s associations are ready.

For example, in the case of these condos the lawyer the association hired to send those threatening letters has represented some 15 different homeowner associations.

We found that out by running his name through the county’s data base of people registered to bid on foreclosed homes.

In other words, your neighbors through the association can not only foreclose on your home, they can then bid on it at auction, using what’s eventually recovered from its sale to pay lawyers thousands of dollars in fees.

It’s all perfectly legal but some homeowners say it’s no way to be settling disputes in the neighborhood.

If this happens to you, there’s little you can do but hire your own lawyer.

The Houston Better Business Bureau tried to set-up an arbitration program a few years ago, but it fell apart when homeowner associations refused to participate.

Neither the condo association nor its lawyer responded to our calls.