

# PERSPECTIVE

Rothman & Tobin, P.A. | Quarterly | October 2014

## Greetings!

Just as those summer memories have faded, and the kids are fully back to school, the real "real estate" season is upon us - obviously, from a sales perspective, but also from a property tax standpoint. This quarter, we focus on property taxes. Valuations, exemptions, addresses for notice and billing are all booked as of January 1st. Check to confirm Homestead eligibility, billing address as well as all other property information with the tax rolls. Be certain that you receive your tax bill in early November - and pay early to receive the maximum discount.

In this issue, we also review mortgage financing: the pros and cons of refinancing your property. Lastly, we discuss brokerage commission disputes and the recourses available to realtors who find themselves in need of counsel.

## Notes:

### Foreclosure Crossroads

Recently, local court filing statistics were released demonstrating the easing of the mortgage foreclosure backlog in South Florida. The accounts are primarily from a steady stream of short sales, online foreclosure auction sales and permanent loan modifications over the past two years as well as a huge increase in property values. While we continue to see new filings and to



## Property Taxes: Get Your House in Order

November is just about here. As we gear up for the holidays, property tax bills will be sent out. As they say, being forewarned is being forearmed: Now is the time to review your TRIM (Truth in Mileage) notice from the Property Appraiser's Office. This is the Property Appraiser's way of notifying you of your property's valuation - its assessed value as well as its estimated market value.

In Miami-Dade County, you can visit the Property Appraiser's Office to view your estimated taxes. Official property tax statements are mailed from the Tax Collector's Office. It is wise to check your statement to make sure your tax assessments, tax exemptions and payment information are clearly demarcated and up to date. On the County's website you can also find information about budget hearings, compare your taxes for the current and previous years as well as file for a Homestead Exemption.

If the property is your Homestead, this year's taxes should look similar to last year's. If not, there are laws governing the tax increases. Should you need to appeal your TRIM notice or to contest your home's valuation, make an appointment with the Value Adjustment Board. FYI: Have patience. The appeals process can take upwards of a year.

With most conventional mortgages, property taxes are paid from escrow directly from the bank to the County. Check with your lender.

litigate existing mortgage foreclosure cases, the courts have certainly gotten a handle on how to move them through the judicial process with more efficiency.

Read this [article](#) for more details.

### Lawyer-ese

Words: Ad Valorem v. Non-Ad Valorem Taxes

Definition: Ad Valorem taxes are taxes based on a property's assessed value; Non-Ad Valorem taxes, which include fees for municipal services like fire and garbage, are not.

### Of Interest in Miami

Miami's MiMo/Biscayne Boulevard Historic District is undergoing a resurgence. Long abandoned by the vacationers of yore in favor of the beach, and more recently known for its hourly no-tell motels, this stretch of Miami's Upper East Side is being transformed by real estate investors and local business owners/operators. Because of its affordability, its accessibility and its once lustrous past, MiMo is drawing wanted attention and investments.

## Your Mortgage: To Refinance or Not to Refinance?

Miami's cash-heavy real estate market indicates that it's a good time to consider available mortgage financing. Interest rates are low, and banks are lending. It's not the easy-lending of years ago, but it is an optimistic lending environment. Opportunities for mortgage financing are available from small private banks, institutional and hard-equity lenders.

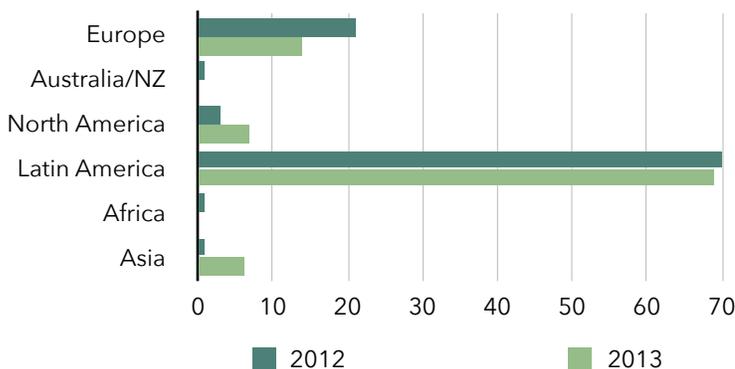
However, every transaction warrants a cost-benefit analysis. Mortgage financing agreement costs and loan terms must be reviewed to ensure against any harmful impact. An attorney involved from loan origination, and who works closely with lenders, will be able to assist in producing a successful loan closing.

## Brokerage Commission Disputes

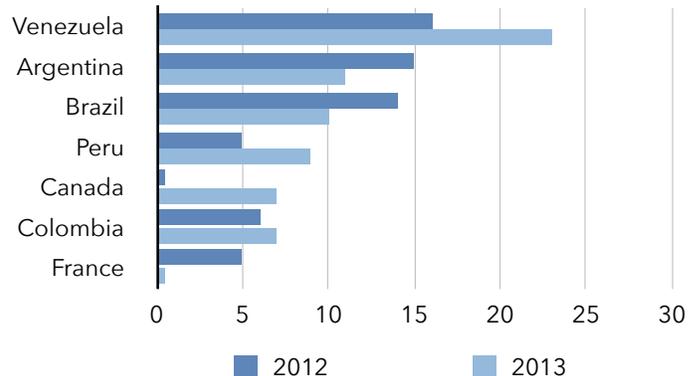
In strong markets like the current one, real-estate agents occasionally become involved in commission disputes over procuring cause, disclosure claims and ethics cases. These disputes warrant legal representation.

Recently, we had a case wherein an agent wasn't getting paid on commissions due to her by her broker. The agent's commissions were locked in escrow and she couldn't collect, so she hired us. We filed a complaint for a prejudgement writ of garnishment, which is an order granted to a third party to hold or attach the property of a defendant or a judgement creditor. This writ secured our client's unpaid commissions, allowing her to collect on commissions due to her regardless of her brokerage company's financial condition at the trial's close. One year later, we won the case - and our client was paid the remainder of two years' worth of commissions.

International Home Buyers in Miami & Miami Beach by Region



Top International Home Buyers in Miami & Miami Beach by Country (% share)\*



\*source: National Association of Realtors