



Code Enforcement Division

Foreclosed / Vacant Property Registry

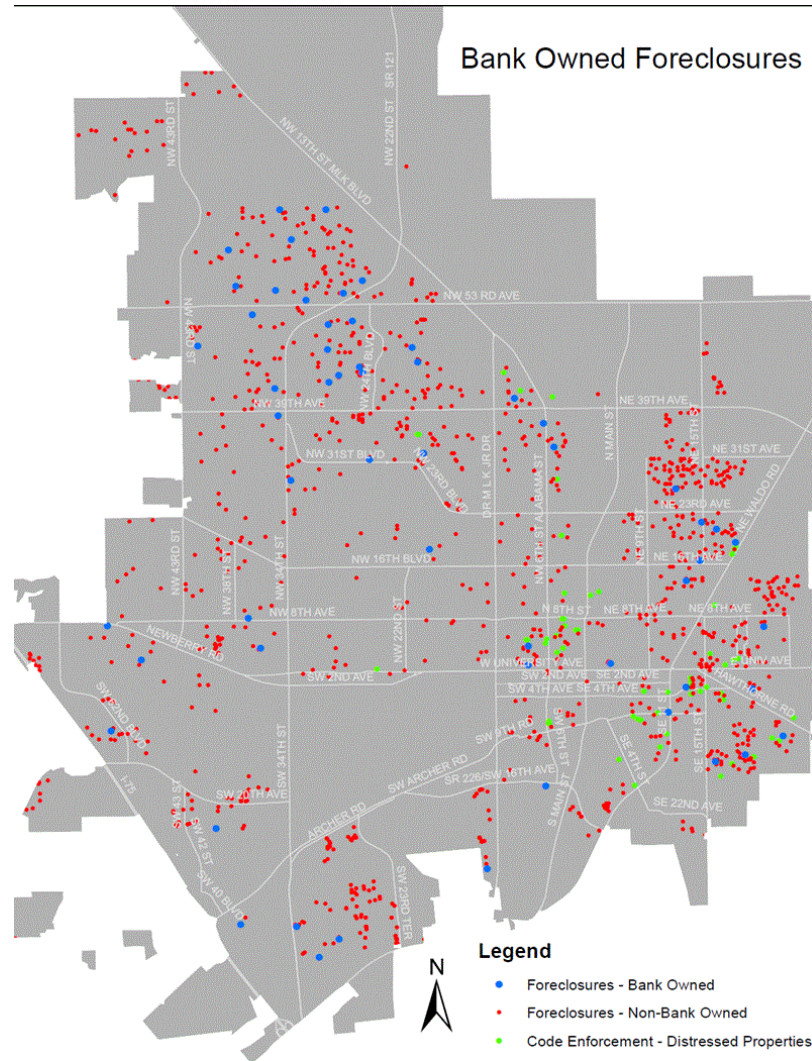
Audit, Finance & Legislative Committee

March 31, 2014

Vacant / Foreclosed Properties

- 562 foreclosed properties (2012)
 - Majority are not bank owned (Lis pendens)
 - 50-100 are bank owned
 - Majority of non-bank owned are occupied
- One identified dangerous building in foreclosure.

Bank Owned Foreclosures



Foreclosure Enforcement Process

- Owner of record cited
- Other interested parties may be notified
 - Banks
 - Property Preservation Companies (PPC)
 - Heirs
- All Property Preservation Companies contacted via email
- Normal timeline followed

Property Preservation Companies (PPC)

- Under contract with financial institutions to maintain and secure properties throughout foreclosure process
 - Exterior during lis pendens
 - Total property once foreclosure complete
- All PPCs emailed when property is found to be in foreclosure
- Takes time to gain compliance due to approvals, contractors, etc.

Challenges

- Getting property owner to correct a violation once property goes into default
- Contacting lending institutions during default
- Property Preservation Companies ability to correct violations quickly
- Getting a timely response from lending institutions once they take ownership

Foreclosed / Vacant Property Registry

- Approximately 123 registries in Florida
 - Over half require registration within 10 days
 - Registration fee \$0-\$250 annually
- Financial institution are required to register properties once foreclosure process begins
- Registrants must meet standards established in ordinance
 - Regular inspections
 - Upkeep and maintenance
 - Provide contact person/company
- Does not alter enforcement process

Foreclosed / Vacant Property Registry

- What to register (in default, bank owned, vacant)
- When to register
 - 10 days from date of default or identification as vacant
- Regular inspections by mortgagee
 - More frequent inspections for vacant properties
- Designate local property contact
 - Within city, county, region?
- Annual registration
- Registration fee

Foreclosed / Vacant Property Registry

- Internally managed program
 - Requires additional resources
 - Enforcement staff, administrative staff, and billing/collection staff
 - IT needs
- Contractor managed program
 - Notifies stakeholders and provides outreach
 - Relationships with major mortgage servicers
 - Enforcement assistance
 - Manages fee collection (retains ½ of fee)
 - Manages registrations and updates
 - Provides data tools

Recommendation

- Decide if a foreclosed / vacant property registry should be implemented and provide guidance to staff on the requirements and structure of a foreclosure / vacant property registry.
- In additional input is needed direct staff to provide opportunities for stakeholder input and bring the item back to the Audit, Finance and Legislative Committee for additional discussion.