



# PISGAH LEGAL SERVICES

*Pursuing Justice, Restoring Hope, Improving Lives*

Quarterly Newsletter

Second Quarter 2007 Edition

## Pisgah Legal Services Receives National Consumer Law Fellowship

### Fellow to Address Rent-to-Own Scams and Other Consumer Issues Across WNC

Pisgah Legal Services received a grant for a two-year John G. Brooks Consumer Law Fellowship from the National Legal Aid and Defender Association and the National Consumer Law Center to expand its practice of consumer law. **PLS is one of seven legal services providers across the country to be awarded this fellowship for 2007-2009.**

Through its practice of consumer law, **PLS seeks to protect low-income consumers' legal rights, save their homes and help them develop the best solutions to their financial crises.** PLS attorneys assist clients with legal remedies and also connect them to social services, public benefits and other resources to produce lasting solutions to their problems.

### Fellowship Doubles PLS' Consumer Law Capacity

The Consumer Law Fellowship nearly doubles Pisgah Legal Services' capacity to address consumer law cases. Prior to receiving the fellowship, PLS had just one staff attorney, Bill Whalen, to focus on consumer cases. Bill is a statewide expert in predatory lending, consumer protection and foreclosure prevention, and has been at PLS for more than 26 years. Volunteer lawyers with the Mountain Area Volunteer Lawyers Program also greatly assist PLS clients with consumer issues.

Attorney Laura Collins began the fellowship in April and joined Bill to form a consumer law unit within PLS. Laura worked in various support positions at PLS in 2000-2001 and then left to attend Northeastern Law School in Boston. She returned to PLS as a staff attorney in 2004. Laura is fluent in Spanish and Portuguese. PLS Director Jim Barrett notes, "Laura is a highly capable and dedicated attorney."

With this fellowship, PLS will conduct outreach and provide services in seventeen WNC counties. PLS expects to handle an additional 200 consumer law cases per year.



Helene Greene and her son Reggie say that without help from PLS attorney Bill Whalen, she would be "homeless and destitute." Ms. Greene was in poor health when a relative caring for her forged her name to get four credit cards and ran up over \$20,000 in debt. When Reggie came to take care of his mother, the credit card collectors were hounding Ms. Greene by phone and threatened to take her home if she did not pay. Bill quickly intervened to stop the collectors' unlawful harassment, and persuaded several creditors to drop their claims. When one credit card company filed suit, Bill's intervention resulted in dismissal of the claim. **PLS helped Ms. Greene preserve her home and other assets.**

PLS addresses the following consumer law problems for low-income clients:

- Foreclosure prevention and home preservation,
- Unfair lending, contracts and other business practices,
- Creditor harassment and debt collection,
- Bankruptcy,
- Tax issues and identity theft,
- Student loans and other federal debts, and
- Problems with utility services.

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# PLS Protects Vulnerable Consumers from Abuse



John Reynolds and his wife Faye almost lost the home they have lived in since 1964. They were doing fine until John was diagnosed with cancer and congestive heart failure and Faye had to quit work to care for him. The couple needed every dime they had to live on and pay for health insurance so John could continue receiving medical treatment. They could no longer make credit card payments. Creditors hounded the Reynolds with threats and several lawsuits.

The Reynolds contacted Pisgah Legal Services and learned that their home and essential assets could not be taken by creditors. PLS helped them end the creditor contacts and connected them with a volunteer MAVLP attorney for a bankruptcy to eliminate the credit card claims and protect their home. **With free legal help, the Reynolds were able to remain in their home and continue health insurance coverage, and they were relieved of debilitating anxiety about their financial situation.**

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## Focusing on Help for Vulnerable Groups and Rent-to-Own Home Scams

Many PLS' consumer law clients are senior citizens, persons with disabilities or other vulnerable people who are at risk of losing their homes or suffering creditor harassment due to their financial crises. According to Bill Whalen, what these distressed clients need, and greatly appreciate, is careful legal guidance to understand their rights and obligations so they can find the best solution to their crisis.

A focus of the Consumer Law Fellowship will be outreach to African-Americans and Latinos who may be especially vulnerable to abuse because of discriminatory practices and language and cultural barriers.

Laura will also educate consumers to avoid rent-to-own home scams and provide legal assistance to help victims of these illegal practices. There are many ways that consumers are vulnerable to abuse in rent-to-own deals, particularly when purchasing a mobile home. Sellers may sell homes without providing buyers with a legitimate title to the property. Sellers may also enter into a rent-to-own agreement for real estate without telling the buyer that there is an outstanding mortgage on the property and then allow the property to be foreclosed upon.

Laura explains, "In rent-to-own scams, people are losing their homes and, in many cases, losing thousands of dollars in payments that they thought they were making toward owning the home. Many of our cases involve people who lost their life's savings when their rent-to-own deals fell through." One PLS client lost an \$8,000 deposit and the value of significant improvements she made to the home she thought she was purchasing.

## Training a New Generation of Attorneys

The Consumer Law Fellowship expands PLS' current staff capacity to help consumers and provides an opportunity for consumer law expert Bill Whalen to pass on his knowledge to junior attorneys in the firm and preserve PLS' ability to solve complex consumer issues well into the future.



Consumer Law Fellow Laura Collins recently joined Senior Attorney Bill Whalen to expand PLS' practice of consumer law. Through the fellowship, PLS will extend its consumer law practice to help low-income consumers in 17 WNC counties.

# Local Attorneys Receive Statewide Award

## Mountain Area Volunteer Lawyers Program Honored for Exemplary *Pro Bono* Service to Pisgah Legal Services Clients

The Mountain Area Volunteer Lawyer Program (MAVLP) has been awarded the N.C. Bar Association's Chief Justice Award for exemplary *pro bono* service to PLS clients. Through MAVLP, which is administered by Pisgah Legal Services, private attorneys volunteer to assist PLS clients by taking on legal cases and providing advice through the *Pro Bono* Hotline.

More than 300 area attorneys from Buncombe, Henderson, Madison, Polk, Rutherford and Transylvania Counties participate in the program. Since 2000, MAVLP volunteers have boosted the number of *pro bono* cases accepted by 42.6 % to 743 in 2006.

**Without volunteer attorneys PLS would have to turn away hundreds more clients.**

**Many thanks to all of the local attorneys that contribute time and money to help PLS' low-income clients** and, especially to attorney James Ellis of Stone and Christy, P.A. in Black Mountain, who chairs the *pro bono* committee of the 28th Judicial District Bar (Buncombe) and provides leadership to MAVLP.



MAVLP volunteers accept the Chief Justice Award for exemplary *pro bono* service to PLS clients. L to R in front row are: Ward Scott (Madison), David Neumann (Transylvania), C. Mark Feagan (Polk), and D. Clark Smith, Jr. (NC Bar Association). Back row: J. Christopher Callahan (Rutherford), James Ellis (Buncombe), William J. Whalen (Pisgah Legal Services), and Jason R. Hayes (Henderson). **In 2006, MAVLP attorneys donated more than 2,250 professional hours to help PLS clients meet basic needs, a service modestly valued at \$337,500.**

## PLS Attorney Provides Leadership To Local Bar

Pisgah Legal Services Senior Attorney Bill Whalen (pictured on previous page) recently completed his term as the 2006-2007 President of the 28th Judicial District (Buncombe County) Bar. As President, Bill led a year-long planning process to update the district bar operations to serve the future needs of the quickly growing 28th Judicial District Bar, currently with over 600 members.

Under Bill's leadership, the district bar revised its bylaws and operating procedures, developed a monthly e-newsletter, and funded a new operating plan to hire an

administrator and rent an office for the Bar. Bill notes that during his term he focused on promoting the Bar's unique traditions of collegiality, professionalism and community service.

Attorney Carleton Metcalf of The Van Winkle Law Firm and Secretary of the 28th Judicial District Bar said, "I have been proud to serve with Bill over the last three years. It is clear that Bill cares deeply about the Bar as an organization and, just as much, about the attorneys that it serves. The effects of his hard work and leadership will benefit the Bar for years to come."

## PLS Programs

- **Children's Law Project:** Helps disadvantaged children avoid abuse and meet basic needs.
- **Disability Assistance Project:** Helps individuals with disabilities access health care and secure subsistence income.
- **Elder Law Project:** Helps low-income seniors remain independent in their homes and avoid abuse and harassment, and assists with end-of-life planning.
- **Health Education and Legal Support Project:** Helps Mission Hospitals and MAHEC patients improve their health by addressing socio-economic issues, such as domestic violence and substandard housing.
- **Homelessness Prevention Project:** Helps families and individuals avoid homelessness and secure decent, affordable housing.
- **Justice For All Project:** Helps low-income immigrants increase self-sufficiency.
- **Mountain Violence Prevention Project:** Helps families escape domestic violence and rebuild their lives.

# Make a Lasting Impact: Improve Lives for Generations to Come

## Consider a Gift to Pisgah Legal Services' Endowment



Eleanor and Charlie Owen are generous supporters of Pisgah Legal Services and have made a planned gift to PLS. Eleanor says, "Planned gifts are an important way to ensure that the compelling work of Pisgah Legal Services that we support today can be sustained in the future. We have made a planned gift to PLS' endowment at The Community Foundation of Western North Carolina because we see the difference that free legal services makes in the lives of low-income people. We know that PLS and the Community Foundation will be good stewards of these funds for many years to come."

Pisgah Legal Services has established endowment funds at The Community Foundation of Western North Carolina and The Community Foundation of Henderson County to ensure that we can provide legal assistance to our low-income neighbors far into the future. An endowment fund is permanent – gifts to the fund remain intact while the investment income is available each year to fuel PLS' mission.

Please consider a planned gift to PLS' endowment funds. **Planned giving options range from a simple bequest in your will to a tax-free gift from an IRA to a complex trust arrangement.** Through planned giving you may enjoy increased income and generous tax savings.

PLS Director Jim Barrett comments, **"It's counterintuitive. Most people don't realize they can give their money away and still receive an income stream from it."**

By making a gift to one of PLS' endowment funds you will:

- Provide a reliable funding stream to secure PLS' future;
- Create a lasting legacy of caring and compassion for your family and community;
- Ensure exceptional stewardship for your gift; and
- Endow your annual giving to PLS forever.

To learn more about providing a planned gift to PLS, please contact Executive Director Jim Barrett at 828-210-3408 or [jim@pisgahlegal.org](mailto:jim@pisgahlegal.org). Your attorney or financial planner or staff at local community foundations can also advise you about how philanthropic planning fits your personal circumstances. Visit [www.cfwnc.org](http://www.cfwnc.org) or [www.cfhcforever.org](http://www.cfhcforever.org) to learn more about community foundations in our service area.

### Are you 70 1/2 or older? Now you can make tax-free contributions from your IRA

New IRA rollover legislation can benefit you and Pisgah Legal Services. The "Charitable IRA Rollover" is a provision of federal legislation that allows certain donors to make gifts directly to charities from their IRA accounts and avoid paying tax. Previously, if a donor wanted to use IRA funds for a charitable contribution, he/she had to withdraw money from his/her IRA and then contribute it. The amount withdrawn was taxable, and the charitable deduction for the contribution may or may not have offset the tax.

Under the new law:

- The donor must be age 70½ or older on the date they make the gift.
- The transfer must be made from a traditional or Roth IRA to a qualified charity.
- The maximum gift per donor is \$100,000 for 2007.

There are important benefits to you as the donor. The charitable distribution counts toward the donor's Required Minimum Distribution (RMD) amount. The distribution does not generate taxable income or a tax deduction and is not subject to withholding. Contact PLS Director Jim Barrett (828-210-3408 or [jim@pisgahlegal.org](mailto:jim@pisgahlegal.org)) to find out how you can use an IRA rollover to help ensure that our low-income neighbors can meet their basic needs.

**Act now! This law only applies to gifts made by December 31, 2007.**

# THANK YOU TO OUR DONORS & VOLUNTEERS



## PLS Donors Challenge You to Make a Difference for Vulnerable Children

Special thanks to Bill and Heather Lee, PLS donors who have made a generous challenge gift to raise funds to provide legal services to children and their families. The Lees will match your gift dollar for dollar up to \$10,000. As of June 30, PLS raised \$3,940 towards this challenge. Please make a gift today and **help children living in poverty reach their potential.**

Pisgah Legal Services helps disadvantaged children access essential services, meet basic needs, such as housing and health care, and avoid abuse and neglect. In 2006, PLS positively impacted the lives of more than 3,400 children.

Twelve-year-old "Caroline" (pictured above, names changed) avoided potential abuse by her stepfather because of Pisgah Legal Services' assistance. Caroline's mother "Monica" contacted PLS because her husband was touching her adolescent daughter inappropriately. PLS attorney Judi Bertrand helped Monica secure a court protective order forbidding her husband to contact Caroline. Judi also advised Monica about seeking a divorce from her husband.

## Thank You, Donors! 2007 Campaign Nearing its Goal!

PLS greatly appreciates all of the individuals and groups that have contributed to our 2007 Annual Campaign. Since November 1, 2006, we have received more than \$201,450 in donations and pledges. **THANK YOU!**

Our goal for the overall 2007 Campaign is \$242,000. We have raised more than 83% of the goal amount, including \$86,743 from the PLS Attorney Campaign, \$93,491 from the PLS Community Campaign and \$21,216 from communities of faith.

THANKS to Bob Deutsch and Ingrid Friesen, Attorney Campaign Co-Chairs, and Adelaide Key and Dershie McDevitt, Community Campaign Co-Chairs.

PLS donors are helping to secure three challenge gifts:

- a \$10,000 challenge from Bill and Heather Lee (noted above) for services to benefit children,
- a \$20,000 challenge grant from the N.C. Interest on Lawyers Trust Account (IOLTA) for multiple projects,
- a \$10,000 challenge grant from IOLTA to expand the Mountain Area Volunteer Lawyers Program.

Please help us meet these challenges and leverage more funds for PLS programs.

THANK YOU again to the more than 560 donors who have made a gift to Pisgah Legal Services this year.

## Your Gift Makes a Difference in the Lives of Our Neighbors

**Your gift will get results for families and individuals in crisis.**

**PLEASE MAKE A GIFT TODAY!**

If you have not made your donation yet this year, or if you would like to make an additional gift, you can contribute by mail (PO Box 2276, Asheville, NC 28802) or on the internet ([www.pisgahlegal.org](http://www.pisgahlegal.org)). For more information, contact Beth Maczka at 210-3430 or [bethm@pisgahlegal.org](mailto:bethm@pisgahlegal.org).

Pisgah Legal Services programs are funded in part by:



United Way of Asheville/Buncombe County  
United Way of Henderson County  
United Way of Transylvania County  
United Way of Rutherford County  
United Way of Madison County



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828-692-7622 - Hendersonville

[www.pisgahlegal.org](http://www.pisgahlegal.org)

*INSIDE... Local attorneys win statewide award for exemplary pro bono service.*

*Save the Date!*

## **2007 Jazz for Justice**

**Pisgah Legal Services'  
29th Anniversary Celebration**

**Awards Reception**

**Wednesday, November 7, 2007**

**6:30 pm to 8:45 pm**

**The Grove Park Inn**

Please join us as we honor some of our most outstanding volunteers and their exemplary contributions to Pisgah Legal Services' mission of providing free civil legal assistance to low-income people in WNC.

### **Pisgah Legal Services Leadership**

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