

LAWRENCEVILLE



UNITED



# Avoiding predatory practices against homeowners + knowing the worth of your home

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9/7/24, 1-1:30 PM

LAWRENCEVILLE



UNITED

# About us

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Lawrenceville United works to **improve** and **protect** the quality of life **for all** Lawrenceville residents.

We envision a **welcoming, diverse,** and **empowered** community that **works together** to ensure all residents have what they need to **thrive**.



# About us

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Created in 1984 as a fair housing advocacy organization that conducts investigations and testing, advocacy and legal assistance, as well as education and outreach.

FHP supports equal housing choice and opportunity in our community.

# We love our Wisdom Keepers



- We have a significant population of older homeowners
- This population is getting older
- Poverty is *increasing* among older adults



# Common challenges we see

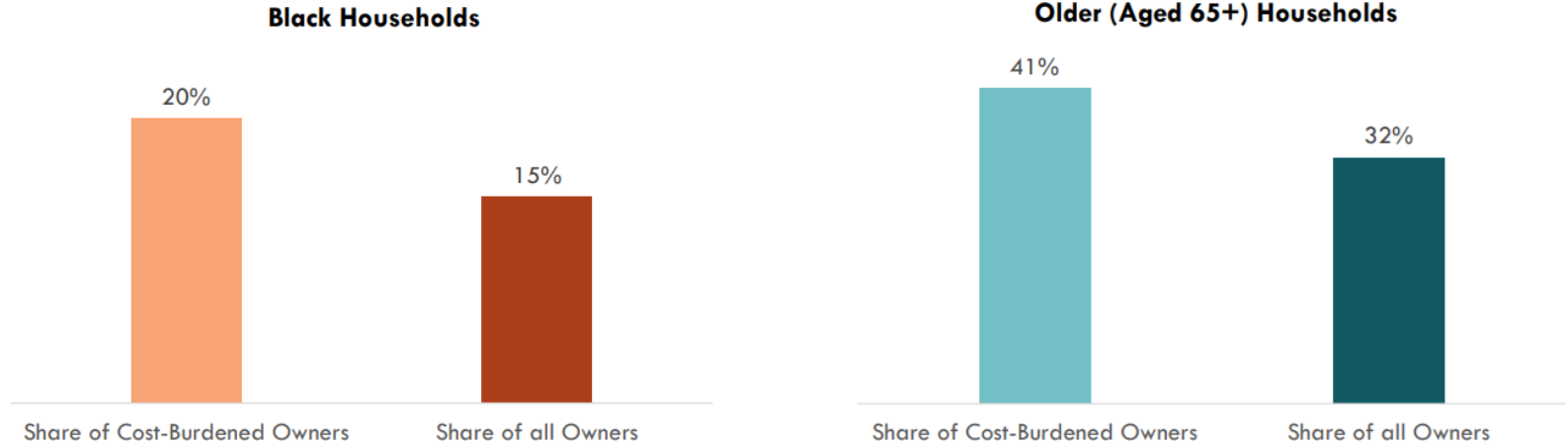
- Transitioning into fixed incomes & dealing with benefit programs
- Keeping up with old homes
- Dealing with property code violations
- Getting around the home as accessibility needs change
- Desire to downsize & stay in community, but uncertainty about affordable options
- Fear of property reassessments



# Black and older households are disproportionately cost-burdened.

Compared to their share of all owner households, Black households and older households aged 65+ make up a disproportionate share of cost-burdened households.

Share of Cost-Burdened Renter Households and All Renter Households



Note: Cost-burdened is defined as spending 30% or more on housing, while extremely cost-burdened is defined as spending 50% or more of income on housing  
Source: American Community Survey PUMS data

# Displacement: not just tenants



- City of Pittsburgh lost 950 Black homeowners earning under \$75K/year, 2015-2019
- City lost more Black homeowners than Black renters, proportionally
- Lawrenceville: 31% loss of homeowners who lived here 35+ years in just 3 recent years

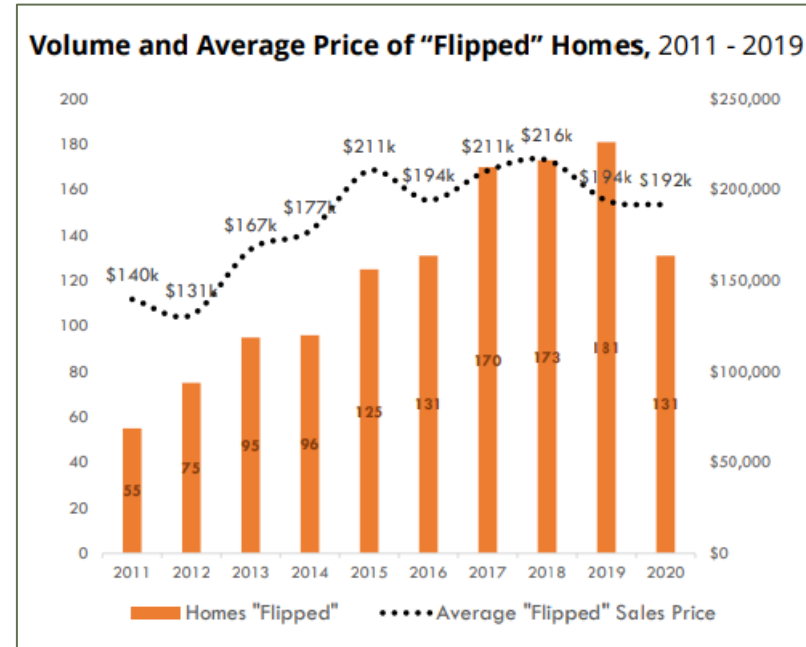
**To support homeownership, Pittsburgh will need to stabilize and protect existing owners and expand access to homeownership to a wider number of residents.**



# Increased corporate ownership



- From 2010 to 2021, the share of houses sold to corporate entities or real estate investors in the City of Pittsburgh increased from 15.5% of sales in 2010 to 24.8% of sales in 2021
- Annual home “flipping” more than tripled. In 2019, 3x as many homes were “flipped” as built new, though more than half of flipped homes are sold to investors.





# Corporate buying in Lawrenceville

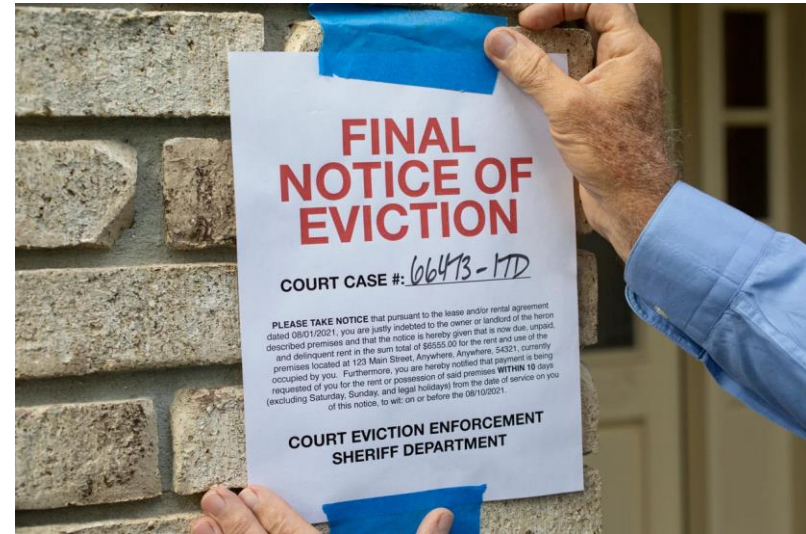


- Nearly 800 sales to corporate entities & investors, 2010-2021
- Upper Lawrenceville = 2nd highest City neighborhood for total corporate sales
- 27% of total sales in Upper & Lower Lawrenceville

Tract	Neighborhood/Municipality	City/County	Population (2020)	Minority Pop	Corp. Sales	Total Sales	Corp. to Total Sales	Total Sales per 1,000 Residents	Avg. Corp. Sale Price	Avg. Sale Price	Corp. to Avg. Sale Price
462600	Stowe Township	Allegheny County	3,902	43.6%	304	818	37.2%	219.01	\$30,200	\$42,358	71.3%
300100	Knowville	Pittsburgh	3,617	64.8%	298	683	43.6%	182.28	\$25,251	\$29,338	86.1%
481000	Mount Oliver Borough	Allegheny County	3,473	52.0%	274	663	41.3%	194.83	\$35,611	\$38,952	91.4%
523200	Penn Hills Township	Allegheny County	3,743	68.5%	272	894	30.4%	227.94	\$47,396	\$67,732	70.0%
101100	Upper Lawrenceville	Pittsburgh	2,394	15.7%	270	969	27.9%	363.06	\$100,864	\$190,743	52.9%
170200	South Side Flats	Pittsburgh	4,000	14.7%	270	1,229	22.0%	329.93	\$167,180	\$232,298	72.0%
509400	Turtle Creek Borough	Allegheny County	5,114	39.8%	269	801	33.6%	149.75	\$31,931	\$41,328	77.3%
523400	Penn Hills Township	Allegheny County	5,012	52.4%	269	1,275	21.1%	256.69	\$56,084	\$80,657	69.5%
180300	Allentown	Pittsburgh	2,657	42.0%	248	492	50.4%	196.80	\$29,819	\$46,170	64.6%
523501	Penn Hills Township	Allegheny County	4,744	59.5%	247	1,022	24.2%	219.41	\$56,977	\$85,503	66.6%

# Concerns with this trend

- More than half of flipped homes are unpermitted
- Squeezing out families of modest mean who are looking to buy homes
- Increased evidence that corporate entities are more prone to:
  - File evictions
  - Raise rents
  - Fail to upkeep their properties
- Loss of equity
  - LV homeowners selling to investors earned 54% of average home sale price -- compared to 70% citywide



# Predatory practices in Lawrenceville



CityLab | Housing

## The House Flippers of Pittsburgh Try a New Tactic

As the city's real estate market heats up, neighborhood groups say that cash investors use building code violations to encourage homeowners to sell.



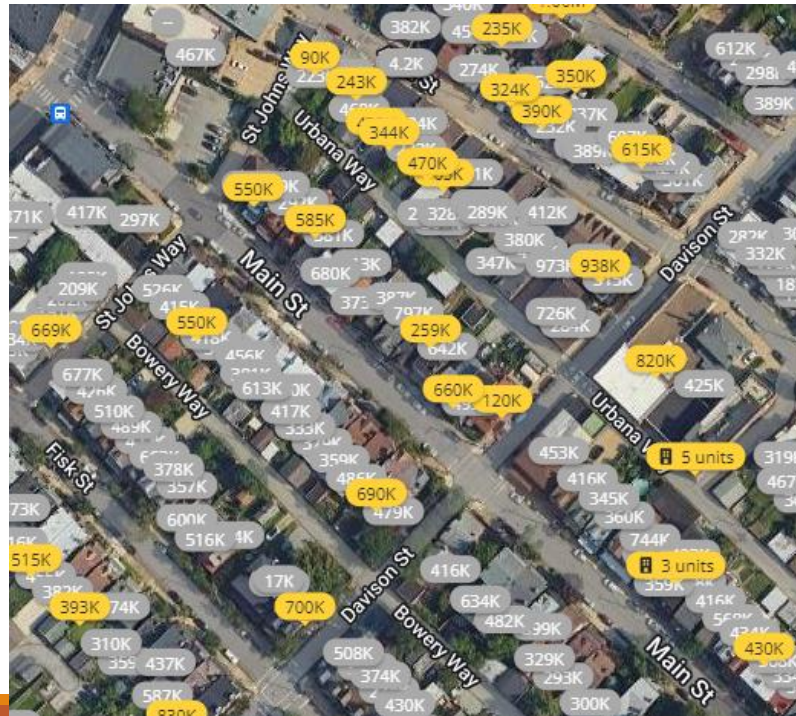
A vacant home sits beside a new rehab in Pittsburgh's rapidly transforming North Side. *Michael Swensen/Bloomberg*

# Example #1: Code Violation

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# Example #2: High Pressure Sales Tactics





# Tips for avoiding predatory practices



- Don't rush into anything - take your time, consult help
- Beware of high pressure sales tactics
- Don't sign anything you don't understand
- Three day "cooling off" rule:
  - Contracts entered at your home or via phone can be cancelled within 3 days
- Get an appraisal
- Conduct estate planning with a trusted attorney & your loved ones
  - Contact LU for help finding one!
- Talk to a HUD certified housing counselor



# If you get a property violation



- Don't panic
- Talk to the inspector to clarify what's in violation, how to correct it, timeline
- You have time, but don't delay
  - Most inspectors & judges will work with you if you're showing that you're working on the issue
- Programs are available to help if you can't complete or afford repairs yourself
- Contact LU for help

CITY OF PITTSBURGH  
DEPARTMENT OF PERMITS,  
LICENSES, & INSPECTIONS



200 Ross Street  
3rd Floor  
Pittsburgh, PA 15219  
Ph: (412) 255-2175

## INITIAL NOTICE OF VIOLATION AND ORDER

PLI Case No.  
07/20/2017  
Date of Notice

### Property In Violation:

Dear Sir/Madam:

On 07/18/2017 the Department of Permits, Licenses and Inspections (PLI) conducted an inspection/investigation of the above property and found it in violation of the City of Pittsburgh Code of Ordinances. The results of the inspection are included in the violation section below. A re-inspection will be conducted on or about 08/04/2017 to determine compliance with this order.

Your rights to appeal and applicable penalties are identified at the end of this Notice. If you have any questions regarding this notice please contact Inspector Roberta Bullock, 412-509-0750 or the PLI offices at (412) 255-2175.

**YOU ARE ORDERED TO CORRECT THE FOLLOWING VIOLATIONS PRIOR TO THE NEXT REINSPECTION DATE INCLUDED ON THIS NOTICE:**

### VIOLATION:

302.4 Weeds

2003 IPMC Chapter 3 - General Requirements SECTION 302

### LOCATION:

THROUGHOUT PROPERTY

### CORRECTIVE ACTION NEEDED:

OVERGROWN WEEDS: ALL EXTERIOR PROPERTY AND PREMISES SHALL BE MAINTAINED FREE FROM

OVERGROWN WEEDS.

RE-INSPECTION DATE, ON OR ABOUT: Friday, August 4, 2017

### RIGHT TO APPEAL

You have the right to appeal the violation(s) herein described within 30 days of the date of this Notice. Appeals must be submitted in writing, along with the appropriate application fee, on approved forms to the City of Pittsburgh, Department of Permits, Licenses, and Inspections at the address referenced above. The appeal form can be downloaded from the PLI website at: [www.pittsburgh.gov/plipermitsappeals](http://www.pittsburgh.gov/plipermitsappeals).

Note that the appeal process will not result in a determination as to guilt or an assessment of any particular penalties. An appeal will result only in a determination as to whether the Notice of Violation was correctly issued by PLI. If you have any questions about the appeal process, call (412) 255-2175.

### PENALTIES AND FEES

Fines shall be imposed from the date of this notice and can be assessed in the amount of \$1 to \$1000 per violation each and every day the violation remains uncorrected. A third failed inspection for a particular property will result in the City taking the matter to Court in order to address the Code violations described above.

Additionally, your failure to correct any of the violations described above may result in the revocation or suspension of certain licenses and permits. Your failure to correct any of the violations described above may also result in the City filing a legal action against you to obtain compliance, including but not limited to an injunction (or other equitable relief), and the imposition of fees and/or fines (if applicable).



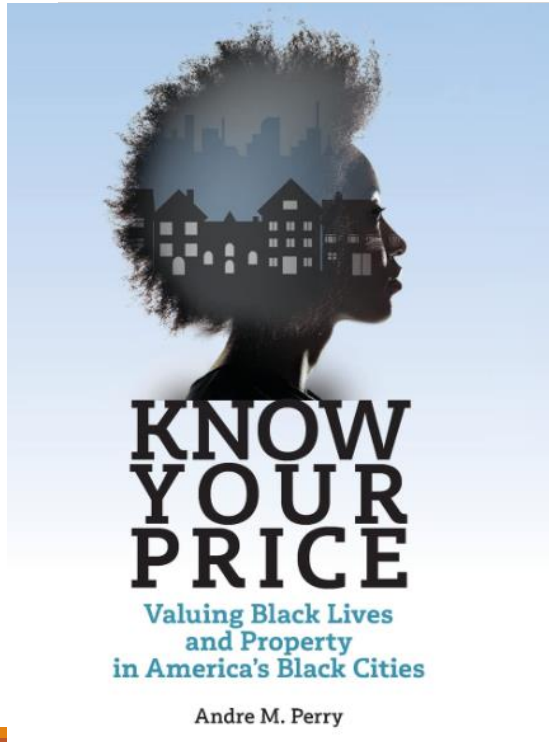
# “Sed Valorem”

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- Sed Valorem
  - An art exhibit by Harrison Kinnane Smith at the Mattress Factory from 2021-2022
- Property appraisals can result in devaluing Black owned homes for the homeowner’s equity AND subjecting the homeowner to higher property taxes
- Harrison’s exhibit showed that in Pittsburgh:
  - Most expensive homes are taxed at 65% of their sale price
  - Lease expensive homes are taxed at 193% of their sale value

# “Know Your Price”



- “Know Your Price: Valuing Black Lives and Property in America’s Black Cities”
  - By Andre M. Perry, who grew up in Wilkinsburg, PA
- Inspired by Two Trains Running
  - A play by August Wilson
  - Takes place in 1968 in Pittsburgh’s Hill District
  - Memphis refuses to sell his building to the City of Pittsburgh unless “...they got to me meet my price”

# Thank you! Questions?

