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Class Action Aims to End Exploitative Eviction Practices by Collection Lawyers

Philadelphia – In an innovative class action lawsuit filed today, a Philadelphia grandmother seeks to use federal consumer law to give meaning to the legal protections Philadelphia enacted to protect vulnerable renters from unsafe housing.

The suit was filed by the Public Interest Law Center, Chimicles & Tikellis LLP, and the National Consumer Law Center, on behalf of a low-income tenant named Cassandra Baker and others like her. The complaint alleges her landlord's collection lawyer, like many landlord lawyers, used misleading debt collection practices while attempting to evict her and force her to pay rent she did not owe, and that those practices violated federal law.

Ms. Baker is a lifelong Philadelphian who now lives with her daughters and their families in Germantown. Shortly after moving into her Hunting Park apartment in 2014, Ms. Baker notified her property manager that there was no heat in one of the bedrooms, making it unusable during the winter. The heating system in the rest of the house also regularly malfunctioned, causing her utility bills to skyrocket. After repeated demands to her landlord to fix these problems, she received a letter from Glenn M. Ross, her landlord's attorney, demanding back rent, late fees, legal fees, and threatening to file an eviction lawsuit against her.

Like thousands of low-income tenants, Ms. Baker did not have an attorney to represent her. Last year, for example, more than 24,000 Philadelphians were sued in Landlord-Tenant Court. And while 81% of landlords had lawyers to guide them through proceedings, over 90% of tenants did not. This lack of access to representation leaves tenants without power to complain about poor conditions in their homes, or make landlords follow Philadelphia law. And, as happened to Ms. Baker, it lets collection lawyers sue for money that tenants do not owe.

"Once I moved in, I realized there were a lot of problems," Ms. Baker said. "To get heat I had to turn the thermostat to ninety degrees, and my gas bills went through the roof. A bedroom did not have any heat at all, no matter what I did. And so I had to share a bedroom and even a bed with my teenaged daughter. My landlord just told me to buy an electric heater."

Philadelphia Code states that a landlord must provide tenants with a Certificate of Rental Suitability when they sign a lease. These Certificates, which are issued by the Department of Licenses & Inspections (L&I), require landlords to affirmatively verify their properties are suitable to be lived in, and can only be issued when L&I determines there are no outstanding code violations. When a landlord fails to comply with this requirement, renters do not owe rent. And, according to the complaint, when collection lawyers demand this rent, they violate the federal Fair Debt Collection Practices Act (FDCPA).

Ms. Baker herself did not owe her landlord any money, but was sued anyway. "Even before I went to Court," she said, "I came home one night, and we could not get back in. I realized that

the lock was changed. I could not believe it. All we had were the clothes we were wearing that day."

"Public records demonstrate there are thousands of rental properties where a Certificate of Rental Suitability has never been issued," said Dan Urevick-Ackelsberg, staff attorney with the Public Interest Law Center. "When a landlord fails to provide this Certificate, neither he nor his lawyer can demand rent from a tenant or evict her for not paying rent. Too often, however, the law is ignored. Unlawful evictions disrupt families, communities, and the health of Philadelphia's citizens. We're determined to stop them."

"This lawsuit will give meaning and teeth to the city's laws governing rental housing by ensuring landlords and their representatives follow the law before they collect rent or file for eviction," said Alison Gabe Gushue, attorney with Chimicles & Tikellis LLP.

"Consumers in general deserve to be protected from debt collectors who seek illegal charges or amounts that aren't owed," said Charles Delbaum, Senior Staff Attorney with the National Consumer Law Center. "This suit seeks to remedy these improper practices as they impact hundreds of low-income renters in Philadelphia."

This is the second suit in Philadelphia currently being pursued against a collection lawyer for his conduct in landlord tenant court. The first suit, an individual case, was filed by the Public Interest Law Center and Flitter Milz, P.C.

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