



HAPCO NEWSLETTER

Serving Philadelphia's Investment & Rental Property Community

President's Message

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We've followed the rules. We've paid our taxes. We've...



Greg Wertman

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The Pitfalls of "Professional Tenants" and How to Spot Them Early

In Philadelphia's increasingly tenant-friendly legal environment, landlords must be especially cautious when screening prospective tenants. One of the most damaging mistakes a housing provider can make is renting to a so-called "professional tenant." These are individuals who know how to exploit the legal system—from delaying evictions by filing last-minute L&I complaints to dragging out court proceedings and avoiding rent payments for months.

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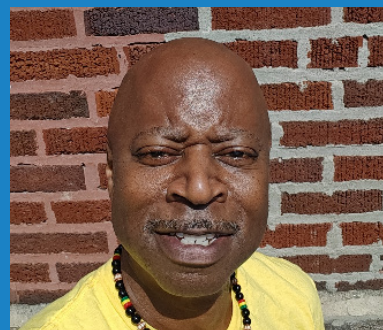
When Your Tenant Moves Someone In Without Telling You

Imagine this: your tenant is still under lease—or maybe they quietly moved out—but now someone else is living in your unit. You never approved it, never screened the new occupant, and certainly never signed a lease with them. Whether your tenant sublet the unit without permission, or simply handed over the keys to someone else entirely, the end result is the same: someone is living in your property without your consent or a legal agreement. For landlords, this isn't just frustrating—it can become a serious legal and financial issue...

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Member Spotlight

Steve Smith



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Later, as an adult, he realized a common thread among the wealthiest people in the world: they all owned...

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PA 2025-2026 State Budget Update

As we approach the summer months, significant progress on Pennsylvania's 2025–2026 state budget remains uncertain. According to the...

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WHAT TO DO WHEN YOUR TENANT JUST STOPS COMMUNICATING

By Lauren Andreoli, Communications Coordinator

Every landlord dreads the moment when a tenant goes silent. No response to emails. Ignored phone calls. Rent is late — and there's no explanation. Whether it happens suddenly or builds up over time, unresponsive tenants can put landlords in a serious legal and financial bind. So what should you do when a tenant stops communicating?

First and foremost, document everything — every text, email, voicemail, and written notice. If you call and don't get a response, leave a message and make a note of the date and time. Always send written notices using certified mail or another method that confirms delivery. Why? Because if the issue ends up in court, documentation matters. Bottom line: if it's not documented, it didn't happen.

Next, try every available method of contact. Sometimes a tenant may have changed their number or simply fallen behind and is avoiding communication out of stress or embarrassment. Use all known points of contact: phone, text, email, and mail. Stay professional, and use a respectful tone that encourages a response. For example, "Hi [Name], I wanted to check in and make sure everything is okay. I haven't heard from you and just want to see how things are going. Please reach out when you can."

If you begin to worry about the tenant's well-being, a wellness check may be appropriate — but do not enter the unit without proper notice unless it's an emergency. If you're seriously concerned, contact local authorities and ask them to perform the check.

When it comes to rent payments and notices, many leases waive the legal requirement to send a formal Notice to Quit before starting the eviction process. However, as attorney Paul Cohen advises, landlords should send this notice anyway. Doing so provides a formal reminder to the tenant, creates a vital paper trail, and gives the tenant a clear opportunity to resolve the issue before legal action becomes necessary. This simple step can help prevent escalation and protect landlords if the matter ends up in court.

But even if the unit appears empty, never assume the tenant has abandoned the property. Pennsylvania law outlines specific steps for determining abandonment. Skip these steps, and you could be the one in legal trouble.



If communication remains cut off, don't hesitate to seek legal support. This is often the beginning of a longer process, and it's better to involve a legal expert early. Hapco members have access to legal referrals, a customizable lease package, and our "Ask the Attorney" sessions — all designed to help landlords protect themselves.

When the dust settles, use this experience as a learning moment. Strong leases, clear tenant expectations, and thorough screening can prevent problems before they start.

But what if your tenant stops communicating during the eviction process? It happens more often than you'd think. In that case, the key is to stay the course. Silence does not mean the tenant has given up — many reappear at the last minute to file appeals or delay hearings. Don't stop moving forward. Keep showing up to court, file every required document, and follow all legal procedures to the letter.

Even if the unit appears abandoned, don't change the locks or enter the property until you have a formal court judgment and go through the proper lockout procedure. In Philadelphia, only the Sheriff's Office can carry out legal lockouts. Self-help evictions — where landlords change locks or remove tenant property themselves — are illegal and can lead to serious legal consequences.

Keep documenting everything. Make note of each missed communication, court appearance, and any follow-up you pursue. If the tenant doesn't appear at the hearing, you may receive a default judgment. But if you don't show, your case could be dismissed — so always show up, even if you think the tenant won't.

Again: never attempt to take possession yourself, even if the unit is empty and the tenant is unresponsive. It's not worth the risk.

Dealing with a silent tenant is stressful, but you're not alone. Acting calmly, legally, and methodically will protect you in the long run. And as always, Hapco Philadelphia is here to support you every step of the way.

DO YOU HAVE TO SHOW TENANTS THE LICENSES OF WORKERS COMING IN?

Here's What You Actually Need to Do

By **Lauren Andreoli**, Communications Coordinator

If you've ever scheduled a repair, inspection, or maintenance visit—whether it's a contractor, mold specialist, handyman, or other service provider—you may have had a tenant ask to see the worker's license or credentials before allowing them inside. While this type of request is becoming more common, it's important to know that landlords in Philadelphia are not legally required to provide license documentation to tenants.

As long as the person entering the unit is performing legal work—and is licensed when the law requires it—you're under no obligation to hand over personal documentation. What you can and should do is provide the company or individual's business website, so the tenant can review their qualifications independently. Many licensed professionals have public websites or listings with basic details, including services offered and contact information.

If the tenant still wants to confirm the person is licensed, you can direct them to the City of Philadelphia's official license search tool at <https://eclipse.phila.gov/phillylmsprod/pub/lms/Default.aspx>. This is the City's public database where anyone can look up contractors, businesses, and trade professionals registered with Licenses & Inspections (L&I).

More importantly, landlords must provide at least 24 hours' written notice before entering a tenant's unit for a non-emergency repair or inspection. That notice can be sent by email or text if that's how you normally communicate. Additionally, either the landlord or a representative must be present during the visit—tenants should not be left alone with workers, nor are they required to be home for the visit to happen.



Bottom line: You are not required to provide license documents for every worker who enters the property. If a tenant has concerns, giving them the company website and pointing them to the City's public license database is more than sufficient. As long as you follow Philadelphia's 24-hour notice rule and ensure someone from your team is present during the visit, you're fully compliant—and in control of managing your property responsibly.

PRESIDENT'S MESSAGE

When Is Enough, Enough?

By [Greg Wertman](#), President, Hapco Philadelphia

Landlords across Philadelphia have reached a breaking point. Every month, it feels like there's a new bill, a new regulation, a new mandate that adds another layer of red tape, another hindrance to conduction business, and another expense for property owners — the very people providing the city's housing stock, whether entry level, market rate, low and moderate income.

We've followed the rules. We've paid our taxes. We've made repairs, worked with tenants through tough times, and stayed afloat through COVID moratoriums and inflation. But when does it end? When do we see a bill that goes after bad tenants the way so many bills have gone after landlords?

Let's be clear — we're not talking about the good tenants, the families who care about their homes, pay rent on time, and want a safe, clean place to live, and appreciate the fact that that is precisely what most landlords do. We're talking about the individuals who game the system. The ones who damage property, refuse to pay rent for months — sometimes years — and know the law protects them more than it protects the people footing the bill.

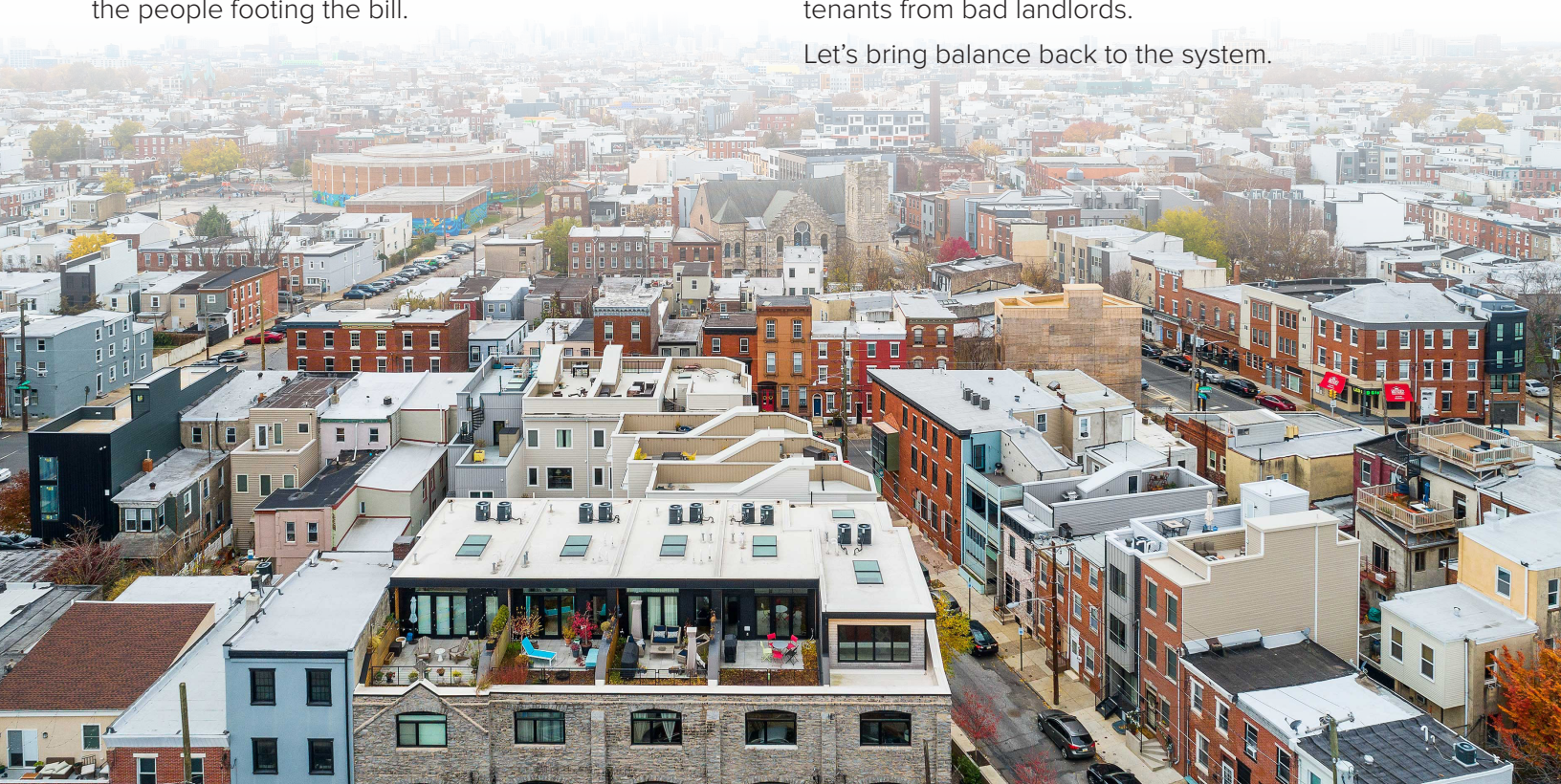
At Hapco Philadelphia, we've spoken loud and clear to City Council: enough is enough. The rental market only works when it's fair to everyone. That means accountability on both sides — not just landlords.



We need a legislative shift. One that acknowledges the countless hours spent toiling, untold dollars spent, and emotional toll taken in terms of stress and frustration that property owners shoulder and absorb. Representatives need to recognize that landlords are the backbone of growing and solid neighborhoods for both affordable housing and market-rate — not the enemy.

Our city deserves better than one-sided policymaking. We're calling on all elected officials to draft legislation that finally protects good landlords from bad tenants — just as much as we've all agreed to protect good tenants from bad landlords.

Let's bring balance back to the system.



"I HAD ANGELS ON MY SIDE"

Landlord Recounts Squatter Scare in Vacant Unit

By [Lauren Andreoli](#), Communications Coordinator

A Hapco Philadelphia member recently experienced a disturbing squatter situation that highlights the risks landlords face when managing vacant properties in the city. The property in question was partially occupied—the second floor had a tenant, while the first floor was empty. The landlord and his contractor visited the building after a second suspected break-in. As they arrived, they called out to see if anyone was inside. When no one responded, they popped open the rear door, which had been barricaded from the inside.

After knocking and calling out again, the landlord was shocked when a woman suddenly jumped out of a closet. Startled but composed, he firmly told her not to move and asked her to step outside so they could talk. Once outside, the woman claimed she had a right to be there, said she knew him personally, and insisted he'd be in trouble for confronting her. She argued that the property was empty and that meant anyone could claim it.

As luck would have it, officers from the 15th Police District had just finished a traffic stop in front of the building and were still nearby. The landlord approached them and explained what was happening. When the officers confronted the woman, she continued to insist she had rights and didn't have to leave. The police asked the landlord if he wanted to press charges, but he said no—he just wanted her gone. The situation took a turn when police ran her information and discovered she had an active warrant. She was immediately arrested and removed from the property.

"I had some angels on my side that day," the landlord said, reflecting on how fortunate it was that police were already there. "If it weren't for the warrant, who knows how the conversation would've gone." The officers helped perform a full walkthrough of the property to confirm no one else was inside. After talking to neighbors, it became clear the woman had been living there for about a week. Some neighbors had seen her coming and going but hadn't reported anything.

The landlord noted that the woman did not fit the stereotypical image of a squatter and didn't look like a homeless person. She seemed to be dealing with mental health issues and was likely bouncing from one place to another, looking for shelter. Still, the



experience underscored how vulnerable landlords are—especially those trying to sell or manage vacant units. "This could've really been a problem," he said. "I'm trying to sell the building. It's hard enough out here without dealing with something like this."

He also reflected on the broader difficulties facing landlords today. "After COVID, you couldn't evict anyone. Now you're told not to screen tenants based on past evictions. It's a gift and a curse being in a public-service business," he said. "I don't even know if being a landlord is the way to go to create income anymore."

When asked what advice he would give to other landlords, he emphasized three things. First, always have a security system installed, whether the property is vacant or occupied. Cameras and alarms can make all the difference. Second, maintain a good relationship with neighbors. "You want them to feel comfortable reaching out if something seems off," he said. Finally, be extremely patient and thorough when screening tenants. "Once they're in, they're hard to get out."

His story is a sobering reminder that the squatter issue is real—and growing. But with vigilance, preparation, and strong community ties, landlords can better protect their properties and themselves.

MEMBER SPOTLIGHT

Steve Smith

By Lauren Andreoli, Communications Coordinator

Steve Smith didn't start out with a burning passion for real estate. "I had some interest—it just seemed kind of cool," he says. As a kid, he remembers someone on his street buying a house at a sheriff's sale, and it left an impression. Later, as an adult, he realized a common thread among the wealthiest people in the world: they all owned substantial real estate holdings. "Those two things together pushed me in that direction," he explains.

Once Steve began digging into real estate, he was drawn in by the concept of leverage. "If you have \$10,000 and you invest it in anything else, you'll have \$10,000. But with real estate, that \$10,000 gives you access to something much bigger because of mortgages," he says. "I can't think of any other investment where you have the ability to leverage like you can in real estate."

Steve bought his first property in 2004 while living in Newark, New Jersey. The home was located in nearby South Orange. At the time, he was working as an actuary in the insurance industry. While the job had its pros and cons, he knew he didn't want to spend his life trading time for money. "The key to the best life I could live was to buy investments that make money for me, versus me making the money for myself with my time."

Steve's philosophy as a landlord is grounded in the Golden Rule: "Do unto others as you would have them do unto you." When a tenant reports a problem, he makes it a high priority. "It's easy to put things off as an investor," he says, "but I recognize that this person is paying my bills. I need to treat them accordingly." Over the years, he's built strong tenant relationships. "Sometimes I wonder, am I the best landlord they ever had? Because they treat me so good."

In screening tenants, Steve looks for financial stability—ideally with more than one income in the household. He also tries to get a sense of the person's honesty, though he admits that judgment calls aren't always perfect. He's had tough experiences, including one tenant (in a property he was managing for someone else) who hadn't paid since early 2023, appealed the eviction case, and caused serious damage to the house. "It's been horrendous," he says. But those experiences are rare. "Mostly good, occasionally bad, but mostly good. People get scared from horror

stories, but if it were really that bad, nobody would be doing it."

Steve's preferred exit strategy is to offer homes on a rent-to-own basis.

"They eventually get sold, so I don't have the large portfolio of buy-and-hold properties other investors have," he explains. This model also reduces the need for hands-on management. "They kind of manage themselves," he says. Rent-to-own tenants are responsible for maintenance and repairs, something Steve values. He often suggests that traditional landlords consider adding some rent-to-own properties to lighten their management load.

This approach has shaped how and where he invests. Today, Steve owns about six rent-to-own properties, primarily single-family homes in Philadelphia. He prefers investing in the Northwest section of the city, which he sees as a strong, stable area where people want to live. However, some of his properties lie in other areas because, despite his location preference "the properties sometimes find you."

In addition to being a landlord, Steve rehabs homes and does some wholesaling. His biggest challenge is marketing, specifically being effective enough to maintain a steady flow of new deals coming his way.

When tenants fall behind on rent, Steve keeps the conversation open. He sends reminder texts with clear explanations of how late fees accumulate and what the total will be if they pay by a certain date. "I've been able to make bad situations better that way—just by being warm."

He builds strong relationships with tenants by staying approachable and responsive. "It's not uncommon for tenants to want to avoid the landlord, but I do a good job of developing good relationships so they tell me things instead of avoiding me. That makes a big difference."

He recalls a tenant from when he was living in New Jersey who always gave advance notice when he



was going to be late with rent. “After a few times of that happening, I realized—he didn’t want to disappoint me.” Steve believes some tenants carry trauma from past landlord experiences. “Being warm makes a big difference.” Steve found out about Hapco through a representative who regularly attends DIG meetings. “They talked about how Hapco lobbies and advocates for landlord interests. That made me want to join.”

For those new to real estate, Steve recommends getting out to events. “Come to meetings and talk to more experienced investors. There are so many different areas within real estate—a newbie won’t know all that.” He encourages beginners to listen to speakers and network with long-time investors to help shape their direction. “Nothing that you get early on should cost you a lot of money. You can’t buy experience—you have to get experience.”

What Steve enjoys most about being an investor is the freedom it offers. “My bills are covered by the rent that the tenant pays. I can take the day off and do this or do that. I have a flexible schedule.” That flexibility allows him to care for his aging mother, something he’s especially grateful for.

When he’s not working on real estate, Steve enjoys spending time with friends and family. While he doesn’t have what some might consider a “traditional hobby,” he finds that time with loved ones is just as meaningful. When he first went full time in real estate, the shift from constantly being around people to working mostly on his own was a jarring transition. But over time, he’s come to truly enjoy the flexibility and the opportunity to stay connected with the people who matter most.

THE PITFALLS OF “PROFESSIONAL TENANTS” AND HOW TO SPOT THEM EARLY

By [Lauren Andreoli](#), [Communications Coordinator](#)

In Philadelphia’s increasingly tenant-friendly legal environment, landlords must be especially cautious when screening prospective tenants. One of the most damaging mistakes a housing provider can make is renting to a so-called “professional tenant.” These are individuals who know how to exploit the legal system—from delaying evictions by filing last-minute L&I complaints to dragging out court proceedings and avoiding rent payments for months. By the time a landlord regains control of their property, the financial loss can be substantial, often accompanied by property damage and legal fees.

The key to avoiding this situation is recognizing the warning signs early—before a lease is signed. A strong screening process is your first and best line of defense. Always start by running a full eviction history, not just a basic credit report. Tenants with multiple filings or patterns of eviction-related disputes—even if no formal judgment was entered—should raise red flags. Also, be meticulous in verifying income and employment. Professional tenants often forge documents or provide



vague details. Call employers directly and make sure everything checks out.

Pay close attention to how the applicant behaves during the application process. Tenants who immediately question lease terms, reference legal protections, or become confrontational early on may be setting the stage for conflict. While every tenant has rights, these types of interactions—when they happen before anyone has moved in—can signal trouble ahead.

Look out for rushed or inconsistent applications as well. If an applicant pressures you to approve them quickly or provides incomplete information, be cautious. Frequent address changes or an unwillingness to answer follow-up questions can be another sign that something isn't quite right. And always call former landlords—not just the current one. A previous landlord may be more candid about a tenant's behavior, especially if they had issues with nonpayment or property damage.

Professional tenants can be extremely difficult to remove once in place—especially in tenant-friendly court systems like Philadelphia, where local laws strongly favor tenant protections. This makes it more important that landlords screen carefully and stay fully compliant with applicable laws right from the start.

The Hapco Handbook is an invaluable resource to help you understand best practices and your legal rights and obligations as a housing provider. If you find yourself dealing with a professional tenant, Hapco Philadelphia can offer guidance as to your rights and next steps. We also encourage members to attend our monthly Ask the Attorney sessions, which are free of charge, to get answers to burning legal questions and to stay informed. Taking a proactive approach is the best way to protect your property, your finances, your nest egg investment... and your peace of mind.

WHEN YOUR TENANT MOVES SOMEONE IN WITHOUT TELLING YOU

By Lauren Andreoli, Communications Coordinator

Imagine this: your tenant is still under lease—or maybe they quietly moved out—but now someone else is living in your unit. You never approved it, never screened the new occupant, and certainly never signed a lease with them. Whether your tenant sublet the unit without permission, or simply handed over the keys to someone else entirely, the end result is the same: someone is living in your property without your consent or a legal agreement. For landlords, this isn't just frustrating—it can become a serious legal and financial issue.

Unauthorized subletting or occupant “replacement” is a growing problem in Philadelphia and beyond. Some tenants assume they can find someone to take over their lease without notifying the landlord. Others move out early and allow a friend, partner, or even a stranger to move in to avoid penalties for breaking the lease. Either way, the landlord is left in the dark—and a stranger is living on their property, potentially without paying rent or honoring the original lease terms.

This is where things get tricky. If the original tenant is still paying rent and hasn't broken any visible rules, the situation may stay hidden for weeks or even months. But once rent stops or a maintenance call reveals the switch, landlords often discover they now have an unauthorized occupant with no lease on file.

Importantly, this person is not a legal tenant in your eyes—even if the original tenant gave them permission. In most cases, if someone is living in



your unit without a signed lease and without your knowledge or approval, they're considered a squatter. That means the proper legal process for removal isn't eviction—it's ejectment.

Ejectment is a legal action filed in civil court, not landlord-tenant court. Because you never had a formal landlord-tenant relationship with the person living in the unit, the court will treat it as a property possession issue, not a lease dispute. This process can take longer and often requires legal representation, especially if the unauthorized occupant tries to argue they were “allowed” to live there.

In some cases, it may be faster and less expensive to offer cash for keys—a voluntary agreement where the unauthorized occupant agrees to leave in exchange for a financial incentive. While it may feel like rewarding bad behavior, it's often cheaper and quicker than pursuing legal action, especially if you need to reclaim your property fast.

To protect yourself, always include strong lease language prohibiting subleasing or replacing tenants without written approval. Make it clear that any violation of this clause can result in legal action. Regular inspections and open communication with your tenants can also help you catch red flags early—like strange names on packages or unfamiliar people in the unit.

At Hapco Philadelphia, we know landlords can't be everywhere at once—but you don't have to deal with this alone. If you're facing a situation like this, we're here to help you understand your legal options, connect with qualified attorneys, and protect your investment.

PA 2025–2026 STATE BUDGET UPDATE

Courtesy of the Pennsylvania Residential Owners Association (PROA), Harrisburg

As we approach the summer months, significant progress on Pennsylvania's 2025–2026 state budget remains uncertain. According to the Pennsylvania Residential Owners Association (PROA), which is the lobbying arm of professional landlord and real estate management operations throughout the State of Pennsylvania. Hapco Philadelphia is the single largest cohort.

the General Assembly is not expected to remain in session through the July 4th weekend, and the earliest possible enactment of the budget is projected for mid-July.



Here's a brief overview of the typical budget process to keep Hapco Philadelphia members informed:

1. The Governor, along with House Democrats and Senate Republicans, must agree on an overall spending target. This year, the total is expected to fall between \$50 billion and \$52 billion.
2. A general framework is created that outlines spending and revenue plans, including allocations for major items such as mass transit and gaming revenue.
3. Budget staff then work to detail individual line items.
4. Simultaneously, "code" bills are prepared and negotiated. These bills are necessary to implement the budget, including any legislative changes to the Tax Code.
5. Discretionary legislative funding decisions are typically finalized after the General Fund budget is settled.
6. During these negotiations, no legislation unrelated to the budget is usually advanced.

Hapco Philadelphia will continue monitoring budget developments closely and will keep members updated as more information becomes available. We thank PROA for providing this timely update and their ongoing advocacy on behalf of Pennsylvania housing providers.

EVICTIION HELP WHEN YOU NEED IT

At Hapco Philadelphia, we know landlords value good tenant relationships. But when issues arise, legal action may be necessary. Eviction is a last resort—costly and time-consuming—which is why members get access to experienced attorneys and streamlined support.

Exclusive Member Rates

Diversion Program (Mediation): \$185

Municipal Court Hearing (includes one filing and representation by one attorney): \$495

Writ of Possession: \$355

Alias Writ: \$55

Rescheduling Lockout: \$50

Petition Hearing (each additional attorney appearance in Municipal Court)
— Payable directly to the attorney: \$225

No refunds after filing.



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