



30 North 3<sup>rd</sup> Street, Suite 920 | Harrisburg, PA 17101  
1-866-389-5654 | Fax: 717-236-4078 | TTY: 1-877-434-7598  
aarp.org/pa | pa@aarp.org | twitter: @AARPPA | facebook.com/AARPPA

December 13, 2022

Honorable Jamie R. Gauthier  
Chairperson  
Committee on Housing, Neighborhood Development and the Homeless  
Philadelphia City Council  
City Hall, Room 586  
Philadelphia, Pennsylvania 19107-3290

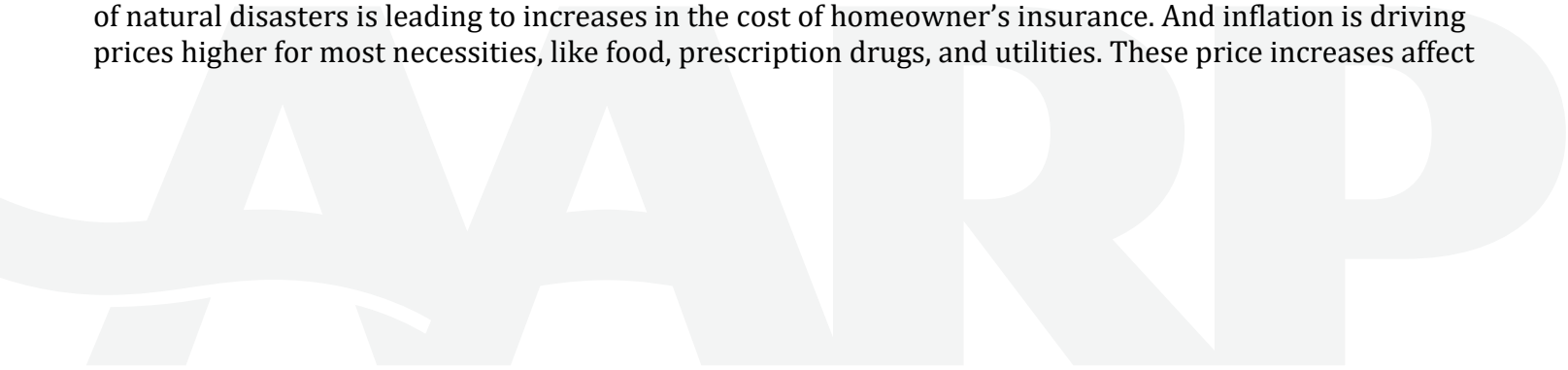
Re: Resolution #220819

Dear Chairperson Gauthier:

On behalf of our 1.8 million members – including nearly 300,000 Philadelphians – we write to commend Philadelphia’s City Council for taking the proactive step of scheduling a public hearing on December 14 to examine MV Realty of Pennsylvania LLC, their Homeowner Benefits Agreement, and the impact these agreements may have on Philadelphia homeowners. As you prepare for this hearing and the Housing, Neighborhood Development and the Homeless Committee meeting that will occur immediately following its conclusion, AARP Pennsylvania desires to underscore that for many Philadelphians, their home is their most important asset and the cornerstone of their financial stability. They rely upon federal, state, and local policymakers to safeguard them against fraud, deception, and unfair practices. Straightforward business practices, marketing materials and contracts empower consumers to understand both the benefits and risks of products and services so they can make informed choices – including engaging in an agreement for future services.

MV Realty’s apparent practice of offering Pennsylvania homeowners a nominal upfront monetary compensation in exchange for a 40- year agreement for future services has become a real issue for many older Philadelphians, particularly persons who reside in black and brown communities and live on a fixed or limited income. Complaints about MV Realty have been made to legal service organizations, investigative journalists, the Better Business Bureau, and Attorney Generals Offices in several states – including Pennsylvania, North Carolina, Ohio, and Florida. There appears to be a common thread woven throughout MV Realty’s approach: ‘homeowner benefit agreements’ are binding future successors and adding cost, complexity and barriers to transferring or financing their property.

Older homeowners are not immune from the effects of recent economic trends and the resulting stress placed on family budgets. Rising home values are leading to higher property taxes. The greater frequency of natural disasters is leading to increases in the cost of homeowner’s insurance. And inflation is driving prices higher for most necessities, like food, prescription drugs, and utilities. These price increases affect



older people more deeply since they are more likely to be retired and live on a fixed income. We know that older adults want to stay in their homes and communities as they age, yet many already face tremendous challenges as property taxes soar beyond their reach; and as they search for the supportive services that will enable them to live with dignity and independence in their own homes, many are now being confronted with the offer of a homeowner benefit agreement promising quick cash as a marketing technique. Older adults can be especially vulnerable and need extra safeguards in order to be protected from such an unfair, deceptive, and abusive practice.

We urge you to seize this situation as an opportunity to help educate and inform Philadelphia homeowners who have been or are being approached to sign a homeowner benefit agreement to contact an attorney before signing anything and report the matter to the Pennsylvania Office of Attorney General. AARP stands ready to work with you to educate consumers and to explore the potential for a state law to protect and preserve the financial security of older Pennsylvanians. If you have any questions, feel free to contact me or have your staff contact our State Office Advocacy Director, Teresa Osborne, at 717-237-6482 or [tosborne@aarp.org](mailto:tosborne@aarp.org).

Sincerely,



Bill Johnston-Walsh  
State Director  
AARP Pennsylvania

cc: Members of the Committee on Housing, Neighborhood Development and the Homeless  
cc: Council President Darrell Clarke