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New Requirements & Fees for Foreclosure Actions in Erie

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On January 18, 2023, Erie City Council passed “Erie City Official Ordinance 3-2023” which will create a new series of requirements and fees for lenders instituting foreclosure actions and owners of vacant houses located in the City of Erie. Below is a basic overview of this new ordinance.

Effective Date

This Ordinance will be effective March 1, 2023.

Who Will Be Registering?

Mortgage holders, lenders, and/or owners of vacant properties and/or properties subject to foreclosure proceedings located in the City of Erie, Pennsylvania.

Registration

Vacant Properties

- Each owner of any building or structure located on real property that has been vacant for more than 180 consecutive days shall register the property with the Office of Code Enforement, or designee on forms or websites provided by the city.
- Nonrefundable registration fee of $300, with an additional $300 fee due every six months
- Registration must contain the name and direct mailing address of the owner of the property
- Subject properties remain on the registry until the property is sold or transferred to new owner.

Foreclosure Properties

- With the filing of a Complaint in Mortgage Foreclosure involving real property in the City of Erie, the lender/mortgageholder shall perform an inspection of the property to determine whether the property is occupied. Within ten (10) days of the inspection, the lender will register the property with the Office of Code Enforcement.
- If the property is occupied, it must be inspected monthly by the lender to verify continued occupancy.
- If the property becomes vacant, lender shall update property registration within ten (10) days of the inspection and update the property’s registration status to vacant.
- Both vacant and foreclosure properties will have their own registries.
- Nonrefundable fee of $300 per foreclosure property shall accompany the registration form, with an additional $300 every six (6) months thereafter until the foreclosure process is completed or withdrawn and/or the property sold to someone other than the lender.

- All registration fees must be paid directly by the lender.
- This section also applies to properties where title has been transferred to the lender pursuant to a deed-in-lieu of foreclosure.

Maintenance Requirements

- Property shall be kept free of weeds, overgrowth of foliage, trash, debris, junk materials, and all discarded personal items, including appliances.
- No graffiti shall be permitted. If such graffiti is applied to the premises, lender shall have it painted over in a manner that matches the exterior of the property.
- Maintenance of all lawns, and landscaping on the premises. This is including, but not limited to, watering, irrigation, cutting and mowing, as well as the removal of all trimmings and all pools and spas shall be maintained.
- Property is required to be maintained in accordance with the City Code.
- A failure to maintain the property is subject to fines and the City can take any necessary action to ensure compliance and place a lien on the property for the City's costs.

Security Requirements

- Property shall be maintained in secure manner so as to not be accessible by unauthorized persons.
- This includes but not limited to, the closure and locking of windows, doors, gates and other openings of such size that may allow a small child to access the interior of the property or structure. Any such damage must be repaired.
- If a foreclosed property becomes vacant, lender shall designate a property manager to perform repairs required to bring the property into compliance. Property manager must also perform regular inspections to verify compliance with this Ordinance and the City Code.

Additional Provisions

- Code enforcement officer shall have the authority to secure the property at the expense of owner/lender.
- Code enforcement officer shall have the authority to require owner or lender to implement additional maintenance and security measures, including, but not limited to securing doors windows and other openings, employment of an on-site security guard or other measures as may be reasonably required to prevent further decline of property.
- Code enforcement officer shall have the authority to recommend that the City abate the property, at the expense of the owner /lender.
- New owners shall also be responsible for prior and existing violations of the City Code.

Penalties

- $500.00 per violation.

Conclusion

While this was a summary to highlight certain provisions and requirements of the Ordinance, a copy of the full Official Ordinance No. 3-2023 can be found below, as a PDF file.

Please contact Mark Claypool with any questions or comments or to obtain additional information.

- Erie City Council Ordinance 3 2023



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Mark Claypool's practice is concentrated in creditors' rights, bankruptcy and commercial litigation. He is Board Certified in bankruptcy law by the American Board of Certification.

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