

FOR IMMEDIATE RELEASE: May 17, 2017

PRESS CONTACTS: Jason Tarricone / (650) 391-0362 / jason@clsepa.org
Daniel Saver / (650) 391-0345 / dsaver@clsepa.org

**FAMILY AND SUPPORTERS PROTEST \$1,050 RENT INCREASE IMPOSED BY
FEDERALLY INDICTED SPECULATOR**

Activists Urge Repeal of 20-Year-Old State Law That Restricts Local Renter Protections

East Palo Alto, CA – Supporters of Saia and Malina Fetuu and their children will protest a \$1,050 rent increase imposed by corporate landlord Working Dirt LLC. The Fetuu family used to own the single family home that they now rent, but in 2011 they were forced to sell the house to Working Dirt LLC after a predatory loan left their mortgage underwater. This afternoon the Fetuus and their supporters will demand that Working Dirt LLC rescind the rent increase so the family is not displaced from their home of more than 13 years.

“This \$1,050 increase took us completely by surprise,” said Saia Fetuu. “We already lost the house once during the foreclosure crisis. This sort of unjust rent increase adds insult to injury. We’ve raised our four children in this home. We don’t want to be priced out of our community.”

Although East Palo Alto limits rent increases for tenants in multi-unit buildings, under the statewide Costa-Hawkins Act, families like the Fetuus have no protection from egregious rent increases because they rent a single family home.

“The Costa-Hawkins Act is an outdated, industry-backed law that protects landlord profits, not people,” said Stewart Highland, a community organizer with Faith in Action Bay Area. “Corporations and speculators have started to dominate the rental market since the foreclosure crisis. Hundreds of houses in East Palo Alto have been snapped up and middle-income renter families need real protection. We need to repeal Costa-Hawkins so that cities can protect our families from displacement by vulture investors.”

Working Dirt LLC is part of a web of companies connected to or owned by Palo Alto businessman Abraham Farag. In 2014, Farag was indicted on federal charges of bid rigging and fraud schemes at foreclosure auctions. Business entities connected to Farag have flipped dozens of post-foreclosure homes in and around East Palo Alto since 2010, according to records from the San Mateo County Recorder’s Office. Working Dirt and affiliated entities currently own roughly 30 properties on the Peninsula, including at least 18 single family homes in East Palo Alto.

“We are determined to fight back when corporations and speculators use our community as their personal ATM machine,” said Shanna Uhilamoelangi, an activist helping to plan the protest.

“This case is just one egregious example of a broader problem in East Palo Alto, and indeed across California,” said Jason Tarricone, Directing Attorney for the housing program at Community Legal Services in East Palo Alto. “We need policy reform in Sacramento so that this can’t keep happening, especially in lower income communities and communities of color. We need our elected officials to prioritize homes for people, not profit.”

The protest will begin at 4 pm at the corporate office of Working Dirt LLC, located at 801 High Street, Palo Alto, CA 94301.