***Newsletter of the***

***St. Louis Real Estate Investors Association***

**Not-for-profit: Serving Missouri & Illinois since 1977**

[www.STLREIA.COM](http://www.STLREIA.COM)

**February 2023**

Monthly meeting the 3rd Tuesday of each month (except December)

**1st Friday each month**

**↮ Ask the Attorney LIVE ↮**

**Davis and Travaglini, LLC**

Are you a landlord? Do you have tenants? Do you have non-paying tenants? Do you have a contract question? Maybe you just don’t want a problem or want to know what’s going on with your courts.

Watch your email or visit STLREIA.com

for details on all events!

Space is limited.

Register in advance - [www.STLREIA.com](http://www.STLREIA.com)

\*Missed an episode?

Replays are available on STLREIA.com

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**Main Event**

**February 21, 6:30PM CT**

Why Do Smart Investors Get Better Opportunities?

Have you ever wondered why some real estate investors seem to have the Midas touch? Why are they finding better deals than then everyone else? It’s because they know where to look.

One little known secret is the Neighborhood Vacancy Initiative (NVI) and knowing Peter Hoffman and his team of highly concerned advocates. Peter is a local attorney that works directly with Legal Services of Eastern Missouri.

There are more than 25,000 vacancies in the St. Louis area and ranks 3rd highest in the country. Investors can capitalize by knowing where these opportunities lie, and at the same time making a huge impact filling these vacancies.

Peter will be joining us on Tuesday the 21st at our main event. He’ll be sharing the many opportunities including Problem Property Litigation, Problem Property, Title Clearance, Community Education & Technical Assistance.

*Be sure to mark your calendar for* ***Tuesday the 21st*** *at* ***6:30pm CT****. Arrive early and bring your business partners. Why? Because we want you to scale, upgrade, and grow your business together with us in 2023!*

Plan on being On Location this month. It’s worth it!

Our Main Event will be Live On Location at:

**\*Moolah Shrine Center -- *Oasis Room***

**12545 Fee Fee Road**

**St. Louis, MO 63146**

**~ RSVP to attend via zoom at STLREIA.com ~**



**Every Friday @ 11:00AM**

**STLREIA *Continues* LIVE on Zoom**

**Buy Sell Here**

**Haves & Wants**

Network. Buy, sell, and connect with Local & International Investors. Off market investment properties, financing, contractor needs and wants. What do you have? What do you want? You are also welcome to ask questions or just come and listen.



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Helping Neighborhoods Tackle Vacancy

What can be done with nearly 25,000 abandoned and vacant properties across the St. Louis region? Do you ever see these types of properties and imagine the possibilities some of these buildings might serve? Peter Hoffman and his organization, Legal Services of Eastern Missouri (LSEM), are actively working to help neighborhoods tackle these questions and more through a program called the Neighborhood Vacancy Initiative (NVI).   
 Since 1956, LSEM has provided free legal representation, advice and counsel, public education programs, referrals, outreach, and legal clinics for more than one million low-income individuals and families. LSEM provides help with civil issues impacting housing, family law, domestic violence, public benefits, consumer fraud, health and health care access, children’s well-being and special education needs, and elder law. Recently, LSEM expanded efforts to address the specific needs of immigrant and refugee families, veterans, small business owners, entrepreneurs, nonprofit startups, community organizations, and neighborhood associations.  
 The NVI was launched by LSEM in 2018 to provide legal assistance to place-based St. Louis community organizations to address vacant and abandoned property in the urban core. NVI’s purpose is to improve the quality of life for residents of disadvantaged St. Louis neighborhoods by providing geographically concentrated legal aid that supports equitable development and empowers communities to transform vacant property into safe and affordable housing.  
 NVI’s approach is to provide legal support to resident-led community organizations through long-term partnerships with large-scale law firms. NVI’s goal is more than service delivery; it is to equip neighborhoods with the tools they need to drive equitable and inclusive recovery and growth. NVI’s program design is simple – create partnerships between the St. Louis region’s largest, best-resourced law firms and economically disadvantaged St. Louis neighborhoods. Since its launch in 2018, NVI has grown to support five partnerships between urban North St. Louis neighborhoods and large, local law firms.  
 These partnerships fulfill the unmet legal needs of neighborhood residents and empower community groups to tackle some of their biggest challenges: disinvestment, displacement, and vacancy. NVI and its pro bono partners provide the following categories of direct legal services to neighborhood groups and their residents: 1) organizational assistance: assist community groups with legal organization (incorporation, tax exemption, bylaws, etc.); 2) problem property litigation: file lawsuits on behalf of group clients to compel absentee owners of vacant, run-down properties to make repairs, sell, or in the alternative seek legal control on behalf of the group client so that repairs can be made; and 3) vacancy prevention and title clearance: help low-income homeowners access home repair funding by clearing titles and protect family wealth through beneficiary (transfer on death) deeds.  
 Although, pro bono contributions through casework would in and of itself be enough to make NVI a success, community development is such a broad umbrella, that pro bono volunteers are finding new ways to become involved in other types of larger, systemic efforts. For instance, mortgage lending is essentially non-existent in most of the neighborhoods served by NVI. This presents an enormous challenge for neighborhoods looking to attract badly needed investment. Because there are so few “conventional” home sales in low-income neighborhoods, lenders are unable to find adequate comparable sales to support making a loan. The difference between the values that the comparables support, and the amount needed to bring that property to habitability is known as “the appraisal gap.” A coalition of banks, community development financial institutions (CDFI), government agencies, and nonprofit service providers, including Legal Services of Eastern Missouri, began meeting in 2019 to discuss possible solutions. After months of research, the coalition decided what was needed was a two-loan system similar to Detroit’s Home Mortgage program, where each bank would lend up to the appraised value, and a separate fund could be drawn from to support the additional costs of rehabilitation and protect the borrower through a loss reserve.  
 While Legal Services is typically the subject-matter expert in the pro bono relationship, here it was clear that a law firm with specialized expertise in banking and finance was needed to help structure the arrangement. NVI contacted its pro bono partners and found an interested and qualified volunteer in the Stinson law firm. Stinson took on representation of the CDFI and provided the legal assistance needed to establish the Gateway Neighborhood Fund (www.gatewayneighborhoodfund.com). This same team at Stinson is now working with another St. Louis CDFI, after connecting through NVI staff, to re-establish the Minority Contractor Loan Fund and the Small Developer Loan Fund that will increase the availability of capital for women and minority-owned small contractors. (Continued on page 3)

**NEW STLREIA EVENT!!!**

**MONTHLY NETWORKING BREAKFAST FEB. 14 at 7:00am**

**WHEN**: 2ND TUESDAY OF EACH MONTH STARTING FEB. 14 AT 7:00 AM

**WHERE**: THE SHACK CREVE COEUR -- 12521 OLIVE BLVD in CREVE COEUR (63141)

**COST**: FREE TO ATTEND {PAY FOR YOUR OWN MEAL}

**WHY**: NETWORK WITH OTHER INVESTORS, EAT BREAKFAST, SEE WHAT’S GOING ON IN OUR CITY, SWAP STORIES, SHARE YOUR EXPERIENCES, ENJOY THE COMPANY OF FELLOW INVESTORS, DID WE MENTION BREAKFAST!!!

**CHECK OUT THE MENU**

https://www.eatatshack.com/

This addresses another systemic hurdle to bringing badly needed investment to impoverished neighborhoods. These investments bring new life and new hope into long-struggling neighborhoods and reduces taxpayer burdens to pay for things like demolitions and board-ups. By putting abandoned, tax delinquent properties back on tax rolls, increasing property values neighborhood-wide through redevelopment and revitalization, and protecting the equity of existing homeowners, NVI’s partnerships are bringing significant and lasting economic benefits for both individual clients and for entire neighborhoods.   
 The outcomes achieved by Legal Services of Eastern Missouri’s Neighborhood Vacancy Initiative, along with Legal Aid of Western Missouri’s Adopt-a Neighborhood project, demonstrate that place-based, community-driven pro bono programs can be transformational for the neighborhoods they serve. NVI has been featured at national subject-matter specific conferences including the Center for Community Progress’ Reclaiming Vacant Properties Conference, and the Strategic Code Enforcement Management Academy Lecture series. NVI has participated in state-wide exchanges, one a Universities Exchange with colleagues in Kansas City, and another with the Community Partnership of the Ozarks in Springfield, Missouri, where NVI programming was considered in the rural context and NVI staff and pro bono volunteers are now assisting Memphis Area Legal Services to develop a neighborhood based pro bono community development project, so that the benefits of place-based pro bono can have an impact not just on the St. Louis region, but everywhere there is a need.

Underlying the physical blight – the broken windows, the sagging gutters, and overgrown lawn, is usually some sort of legal blight – a title problem, an unreleased lien, or a deceased owner. The NVI can assist with the necessary professionals to clear the legal blight so that a property can be returned to productive use, but lawyers alone aren’t enough to meet the challenge. To solve a complicated problem like vacancy, collaboration between partners of unique skillsets is essential: 1) neighborhood organizations with the on-the-ground knowledge to identify, prioritize, and promote interventions for its worse properties; 2) lawyers representing neighborhoods to use the legal system to resolve the legal barriers to redevelopment; and 3) development partners willing to work with neighborhoods to eliminate the physical blight and return the property to productive use. Through consistent collaboration we not only eliminate vacancy house-by-house, but we can begin to restore a healthy housing market that encourages investment, reduces property abandonment, and creates the housing opportunities so badly needed for the St. Louis region.

If you would like additional information on LSEM or to discuss strategic partnerships with NVI you can contact Peter Hoffman Managing Attorney, Neighborhood Vacancy Initiative: Telephone: 314-256-8744 / Email: pjhoffman@lsem.org



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**Membership is *Still* only *10 cents* per day!**

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