

ZERO PRICE TRANSACTIONS

We extracted two datasets from www.visionappraisal.com: DVA and HISTORY. DVA contains information on the most recent transaction for 26,798 properties in the city of New Haven. On the other hand, HISTORY contains information about some previous transactions for each of those(26,798) properties. HISTORY has 64,794 records. Table 1 shows that there are 9,475 properties with only one transaction in HISTORY, 6,556 with two transactions, and so on.

Number	1	2	3	4	5	total
Properties	9,475	6,556	4,460	2,708	3,599	26,798

Table 1. Table of number of properties per number of transactions

Almost half of all transactions in the DVA have a sale price of zero dollars. In fact, 49 percent of all the properties have 0 sale price for their most recent transaction and 54 percent of all transactions in HISTORY are 0 sale transactions. Before fitting any model involving sale price, we need to understand more about the nature of these transactions.

A few rows of HISTORY are given in table 2. It gives information on transactions involving two properties (one on 149 Fort Hale Rd and the other on 285 Lombard St). Actually, HISTORY also has information on fields such as Construction Style, Model, Land Description, Living area etc but here show only the fields MBLU, Owner, Sale Date, Price and Address for brevity. The MBLU is a unique identifier for a property. The Owner name for a transaction gives the name of the person/institution who bought the property in the transaction. For example, from the first row of table 2, we see that JOHN A PETRILLO bought the property on 149 Fort Hale Road for a sale price of \$0 on 5th May, 2006. Similarly, the second row says that DENISE A PETRILLO bought the same property a sale price of \$0 on 18th January, 1995.

Owner Name	Sale Date	Price	Address
PETRILLO JOHN A	5/5/2006	0	149 FORT HALE RD
PETRILLO DENISE A	1/18/1995	0	149 FORT HALE RD
BOUFFARD GERMAINE	10/25/1994	70,000	149 FORT HALE RD
UNKNOWN	5/25/1993	0	149 FORT HALE RD
LANGLOIS MAURICE & DONNA L	11/3/2005	295,000	285 LOMBARD ST
CREVECOEUR DORDY & ADELINE J	6/22/2004	0	285 LOMBARD ST
CREVERCOEUR DORDY	7/30/2002	138,000	285 LOMBARD ST
CONNECTICUT HOUSING COMPANY	3/1/2002	66,500	285 LOMBARD ST
CITIFINANCIAL MORTGAGE COMPANY	1/25/2002	55,000	285 LOMBARD ST

Table 2. A few rows of HISTORY

Now, if we assume that there was no transaction involving 149 Fort Hale Road between 1/18/95 and 5/5/06 (we feel this is a reasonable assumption since if there were a

transaction in between, we trust that it would have been recorded at www.visionappraisal.com), then it would mean that Denise Petrillo sold the property to John Petrillo on 5/5/06. Since both have the same last name, it is very likely that this property changed hands from wife to husband because of divorce or death and hence the sale price is zero. A similar story can be made up for the zero price transaction involving 285 Lombard Street on 6/22/04 as well.

Our main point here is that by looking at a zero price transaction in HISTORY and the owner name of the previous transaction involving the same property (if available), we can designate a buyer and a seller for the transaction. By looking at the seller and buyer for zero price transactions, we can say something about the nature of the zero price transaction. We have found out, for example, that not zero sale price transactions arise due to transfers between apparent spouses (table 3 and table 4).

Owner Name	Sale Date	Price	Address
AMERICAN MORTGAGE NETWORK INC	5/25/2006	0	495 FORT HALE RD
DELUCIA FRANK A	8/29/2003	180,000	495 FORT HALE RD
FEDERAL NATIONAL MORTGAGE	6/14/2006	0	31 WILSON ST
ELGHARBAOUI BERTHA E & MOHAMED	9/16/2002	58,000	31 WILSON ST

Table 3.

In table 3, the reason for the zero prices might be that the owners (Frank Delucia and the Elgharbaouis) defaulted on a mortgage loan and so the companies (American Mortgage Network Inc and Federal National Mortgage) seized the properties. The reason for zero prices in table 4 is not so clear. Veronica Kosko sold her properties on Burwell Street to the City of New Haven for a zero price on the same day: a day before the new year 2004. It could be a donation or seizure or something else. Note that Veronica also acquired these properties for a zero price, again all on a single day in 1992. However, we cannot say anything about these zero prices since we have no information on the previous transaction (before 1/8/92) involving these properties.

Now we shall explain our most interesting finding about the zero price transactions. Table 5 gives some transactions (not all) for properties on 155 Chatham St, 571 Quinnipiac Av and 21 Alton St respectively. We see that Anthony Perrotti got two of these properties for 0 price from Connecticut Housing Company LLC and he sold the third property to the same company, again for 0 price. These transactions happened at different times.

Owner Name	Sale Date	Price	Adress
CITY OF NEW HAVEN	12/30/2003	0	186 BURWELL ST
KOSKO VERONICA	1/8/1992	0	186 BURWELL ST
CITY OF NEW HAVEN	12/30/2003	0	182 BURWELL ST
KOSKO VERONICA	1/8/1992	0	182 BURWELL ST
CITY OF NEW HAVEN	12/30/2003	0	178 BURWELL ST
KOSKO VERONICA	1/8/1992	0	178 BURWELL ST
CITY OF NEW HAVEN	12/30/2003	0	174 BURWELL ST
KOSKO VERONICA	1/8/1992	0	174 BURWELL ST
CITY OF NEW HAVEN	2/9/2004	0	170 BURWELL ST
KOSKO VERONICA	1/8/1992	0	170 BURWELL ST

Table 4

We found that Perrotti is involved in transactions with Connecticut Housing Company LLC on many more properties (we shall present our findings later). We even found out a news article¹ which says that Perrotti actually owns Connecticut Housing Company LLC and also another company by the name Ottawa Enterprises.

Owner	Sale Date	Price	Address
PERROTTI ANTHONY	7/10/2003	0	571 QUINNIPIAC AV
CONNECTICUT HOUSING COMPANY	7/23/2002	85,000	571 QUINNIPIAC AV
CONNECTICUT HOUSING COMPANY	4/30/2001	0	21 ALTON ST
PERROTTI ANTHONY	4/30/2001	20,000	21 ALTON ST
PERROTTI ANTHONY	11/15/2004	0	155 CHATHAM ST
CONNECTICUT HOUSING COMPANY	9/3/2004	90,000	155 CHATHAM ST

Table 5

We shall say more about Perrotti and his real estate activity in New Haven in the next section. Now we shall describe how we came to know about Perrotti and his company from HISTORY. We considered all the zero price transactions in HISTORY.

Table 6 is a frequency table of the non bank owners who appear in most zero price transactions and Table 7 is the analogous table for banks.

¹ See the following website for more information: <http://planetizen.com/node/19480>

Name	Frequency
CONSTITUTION HOLDING	33
PERROTTI ANTHONY	33
HOSPITAL OF SAINT RAPHAEL	39
CITY OF NEW HAVEN PARK	45
UNITED ILLUMINATING COMPANY TH	49
BREEN CAPITAL INVESTMENT CORP	62
STEINBACH MICHAEL	70
CITY OF NEW HAVEN HOUSING AUTH	74
STATE OF CONNECTICUT	85
CONNECTICUT HOUSING FINANCE	115
SECRETARY OF HOUSING & URBAN DEVELOPMENT	136
YALE UNIVERSITY	297
CITY OF NEW HAVEN	1106
UNKNOWN	4259

Table 6. Table of non bank owners involved in most zero price transactions

Name	Frequency
PEOPLES BANK	23
WEBSTER BANK	27
NEW HAVEN SAVINGS BANK	46
GREAT COUNTRY BANK	58
FIRST UNION NATIONAL BANK	81
Others	996
Total	1231

Table 7. Table of banks involved in most zero price transactions

We clearly cannot do much about the transactions where the owner name is UNKNOWN. Apart from City of New Haven and Yale University, most owners involved in zero price transactions are banks: which is not surprising because banks possibly seize properties if people default on loans. However, it is surprising that two individuals: Anthony Perrotti and Michael Steinbach appear in the table. We then looked at the transactions that these people were involved in and considered the buyer and seller for these transactions.

Table 8 gives a frequency table for the seller for properties that Perrotti bought as well as the frequency table for the buyer for properties that Perrotti sold. Table 9 gives the analogous table for Michael Steinbach.

Seller	Frequency	Buyer	Frequency
OTTOWA ENTERPRISES	17	OTTOWA ENTERPRISES	7
CONNECTICUT HOUSING COMPANY	10	CONNECTICUT HOUSING COMPANY	3
PERROTTI ANTHONY	2	PERROTTI ANTHONY	2
Others	21	Others	7
Total	50	Total	19

Table 8. Sellers and buyers for properties involved Perrotti

We clearly see that Perrotti does most transactions with Connecticut Housing Company LLC and Ottawa Enterprises, which supports our finding that he actually owns or in business with these two companies. It is therefore likely that most of these transactions correspond to a zero sales price. Table 8 shows that, on the one hand, he bought 17 properties from Ottawa and 10 properties from Connecticut Housing Company among 50 properties he have obtained. On the other hand, he sold 7 properties to Ottawa and 3 properties to Connecticut Housing Company. Interestingly, he sold two properties to himself.

Also, Michael Steinbach does most transactions with Constitution Holdings LLC from which it is plausible to infer that he is somehow related to them. In specific, about 50 percent of properties were bought by Constitution Holding LLC and about 30 percent of properties were sold to the same company.

Seller	Frequency	Buyer	Frequency
CONSTITUTION HOLDING	52	CONSTITUTION HOLDING	14
STEINBACH MICHAEL	4	STEINBACH MICHAEL	4
DAWSON JANET	1	DAWSON JANET	4
Others	54	Others	20
Total	111	Total	42

Table 9. Sellers and buyers for properties involved Steinbach

We put Janet Dawson in table 9 since we found that Janet Dawson is somehow related to Constitution Holding LLC.

Table 10 shows that Janet Dawson and Constitution Holding are related to each other.

Seller	Frequency	Buyer	Frequency
CONSTITUTION HOLDING	19	CONSTITUTION HOLDING	7
STEINBACH MICHAEL	3	STEINBACH MICHAEL	1
DAWSON JANET LEE	1	DAWSON JANET	1
STEINBACH MICHAEL J & DAWSON *	1	-	0
Others	26	Others	7
Total	50	Total	16

Table 10. Sellers and buyers for properties involving Janet Dawson

More on Anthony Perrotti:

In this section, we take a closer look at the way Perrotti runs his real estate business in New Haven. To do this, we need to look at individual properties whose transactions he was involved in and then with time see what he does with his property. Looking at every such property one by one will be an impossible task since he is involved in hundreds of properties all across New Haven.

We came up with an idea of a plot that allows us to do this. Figure 1 is an example of such a plot.



[Figure 1]

We will explain the left plot only. Each horizontal line in the plot corresponds to one property. The property address is given on the y-axis. The x-axis represents the time scale. Perrotti or one of his companies is involved in at least one transaction on every

property in the plot. We have used colors to represent the buyer in a transaction and the size of a point is a function² of the sale price. Zero prices have been plotted with a *. For example, the first horizontal line in the plot refers to the property on 75 Woodward Av. The plot shows that somebody acquired this property at some time in 2003 and sold to somebody else almost immediately for a zero price. Then Connecticut Housing Company (indicated by black color) got it for a price similar to the price paid by the first person. And finally, in the beginning of 2005, Connecticut Housing Company sold the property for a much higher price. Table 10 gives the rows of HISTORY involving this property confirming the accuracy of the plot.

Owner Name	Sale Date	Price	Address
MCDEVITT ROBERT P & ARLENE P	6/2/2005	259,900	75 WOODWARD AV
CONNECTICUT HOUSING COMPANY	2/19/2004	22,500	75 WOODWARD AV
MUNSILL WM F SR (EST)	2/19/2004	0	75 WOODWARD AV
CONNECTICUT HOUSING COMPANY	2/19/2004	22,500	75 WOODWARD AV
MUNSILL WILLIAM F JR 1/2 &	4/18/1983	0	75 WOODWARD AV

Table 10

We see that although three transactions involving this property have occurred on the same day: 2/19/2004, our plot shows them as if they happened on different (but nearby) dates. The reason for this is that we have jittered the times (making sure that the order of the transactions is unaltered) a little so that we do not plot dots one on top of another. Another point about the plot is that although this property is involved in 5 transactions, only four have been shown in the plot. This is because the plot only shows those transactions that have happened after 1998. The reason for this is that Perrotti and his companies are not involved in transactions prior to 1998.

Using these plots, we can give examples of some real estate activities of Perrotti:

1) *Transferring a property between himself and his companies for a zero price:* He does this with most of his properties. We give two examples in table 11.

Owner	Sale Date	Price	Address
PERROTTI ANTHONY	10/13/2004	0	571 QUINNIPIAC AV
OTTOWA ENTERPRISES	8/25/2003	0	571 QUINNIPIAC AV
PERROTTI ANTHONY	7/10/2003	0	571 QUINNIPIAC AV
CONNECTICUT HOUSING COMPANY	7/23/2002	85,000	571 QUINNIPIAC AV
CONNECTICUT HOUSING COMPANY	7/7/2006	0	776 GRAND AV
OTTOWA ENTERPRISES	3/2/2006	0	776 GRAND AV
CONNECTICUT HOUSING COMPANY	10/3/2005	175,000	776 GRAND AV
NEW ENGLAND REALTY BUILDERS LLC	2/28/2002	0	776 GRAND AV
REALTY DEVELOPMENT LLC	4/9/2001	0	776 GRAND AV

Table 11

² We have used the following function : size of dot = 0.15*((price)^(1/4))

2) *Transferring a property between himself and his companies for a non-zero price:* We found this in only one case (table 12). Perrotti transferred his property on 1375 Chapel St from Connecticut Housing Company to Ottawa Enterprises for a price of \$65000. Interestingly, this is the same price for which Keith Williams got the property in 1999. We would like to mention here that the news article we found at <http://planetizen.com/node/19480> has some news on this property: "Police were called [to 1375 Chapel St.] more than 200 times between January 2005 and March 2006--an average of more than three times a week, or more than 10 times for each of the building's 20 apartments. City housing inspectors know the building well, too. A sweep on Jan. 30 turned up 25 housing code violations, from a leaking sewer line to missing smoke detectors to piles of debris. And yet the landlord, Anthony Perrotti of Milford-based Ottawa Enterprises, declares: 'They're not violations. We have no violations.'

Owner	Sale Date	Price	Address
OTTOWA ENTERPRISES	4/1/2002	65,000	1375 CHAPEL ST
CONNECTICUT HOUSING COMPANY	2/1/2000	0	1375 CHAPEL ST
WILLIAMS KEITH	10/28/1999	65,000	1375 CHAPEL ST
NEW HAVING SAVINGS BANK	1/4/1999	18,000	1375 CHAPEL ST
NEW HAVING SAVINGS BANK	12/18/1998	0	1375 CHAPEL ST

Table 12

3) *Getting a property for a low price and then quickly selling it off at a much higher price:* This is what every investor tries to do. Table 13 shows a few cases where Perrotti makes a huge profit in a very short time.

Owner	Sale Date	Price	Address
BERRYMAN REGINA B	9/2/2003	139,000	41 SHEFFIELD AV
CONNECTICUT HOUSING COMPANY	7/29/2003	0	41 SHEFFIELD AV
BRUNO RALPH A	11/20/2001	115,000	126 CEDAR ST
CONNECTICUT HOUSING COMPANY	8/16/2001	0	126 CEDAR ST
CREVECOEUR JOSEPH	10/15/2002	130,000	271 EXCHANGE ST
CONNECTICUT HOUSING COMPANY	5/15/2002	26,000	271 EXCHANGE ST

Table 13

4) *Getting a property for a low price, selling it for a higher price and then getting it back for zero:* We have no idea how he manages to pull these off. Table 14 gives a list of such cases.

Owner	Sale Date	Price	Address
OTTOWA ENTERPRISES	3/13/2003	0	456 POPLAR ST
SUMPTER JOHN	8/27/2001	119,000	456 POPLAR ST
PERROTTI ANTHONY	4/2/2001	0	456 POPLAR ST
CONNECTICUT HOUSING COMPANY	4/2/2001	56,000	456 POPLAR ST
CONNECTICUT HOUSING COMPANY	1/29/2004	0	317 EXCHANGE ST
RIVERA JOSE L & CRUZ EVA	12/7/2001	125,000	317 EXCHANGE ST
CONNECTICUT HOUSING COMPANY	6/28/2001	0	317 EXCHANGE ST
PERROTTI ANTHONY	12/22/2003	0	353 ORCHARD ST
COLEMAN JOHN KIEREN	2/7/2003	103,000	353 ORCHARD ST
OTTOWA ENTERPRISES	2/6/2003	0	353 ORCHARD ST
PAGAN ARTURO	12/14/2005	136,000	293 GREENWICH AV
CONNECTICUT HOUSING COMPANY	4/29/2005	0	293 GREENWICH AV
WHITAKER BETTIE J	11/27/2002	97,000	293 GREENWICH AV
CONNECTICUT HOUSING COMPANY	10/9/2002	50,990	293 GREENWICH AV

Table 14

5) *Similar transactions in nearby properties:* Sometimes Perrotti does very similar transactions on properties that are physically near. For example, he sold his three properties on Sheldon St (table 15) to John Sumpter at almost the same time and also for exactly the same price. What is also interesting is that he acquired all these properties at the same time and at exactly the same price.

Owner	Sale Date	Price	Address
SUMPTER JOHN	8/3/2001	129,900	107 SHELDON TER
CONNECTICUT HOUSING COMPANY	1/3/2001	41,250	107 SHELDON TER
JOHN SUMPTER	6/29/2001	129,900	111 SHELDON TER
CONNECTICUT HOUSING COMPANY	1/3/2001	41,250	111 SHELDON TER
SUMPTER JOHN	6/29/2001	129,900	117 SHELDON TER
CONNECTICUT HOUSING COMPANY	1/3/2001	41,250	117 SHELDON TER

Table 15

We found similar behaviour on three properties at Poplar St (302, 304 and 306) and Grand Av (257, 259 and 263).

6) *Getting properties for a 0 price*: We found that sometimes, Perrotti manages to get properties for free from people who own the property having paid a significant amount of money (table 16).

Owner	Sale Date	Price	Address
OTTOWA ENTERPRISES	6/9/2004	0	34 SALTONSTALL AV
GARCIA ALEXANDER	9/18/2001	100,000	34 SALTONSTALL AV

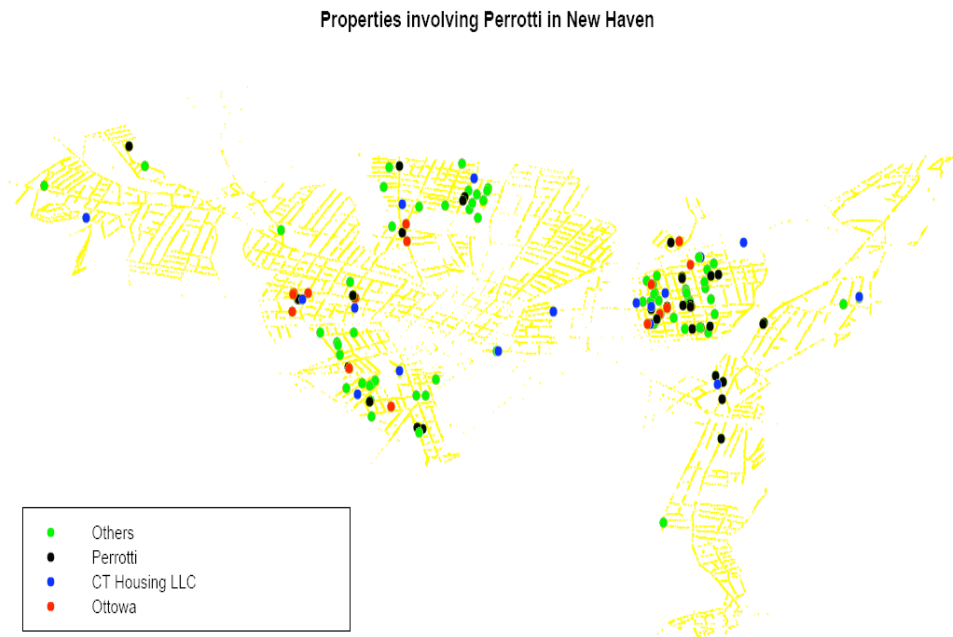
Table 16

7) *Other weird transactions*: Table 17 has some bizarre transactions involving Perrotti.

Owner	Sale Date	Price	Address
PERROTTI ANTHONY	5/10/2006	0	51 FARREN AV
PERROTTI ANTHONY	3/14/2006	0	51 FARREN AV
OTTOWA ENTERPRISES	12/11/2002	0	127 JAMES ST
OTTOWA ENTERPRISES	11/15/2002	0	127 JAMES ST
CONNECTICUT HOUSING COMPANY	1/11/2006	83,333	70 LAKE VIEW TER
CONNECTICUT HOUSING COMPANY & GOULD	1/11/2006	41,666	70 LAKE VIEW TER
GOULD NELSON 1/3	9/9/1976	0	70 LAKE VIEW TER
PERROTTI ANTHONY	1/14/2004	0	78 THIRD ST
SUSPENSE	8/5/2003	0	78 THIRD ST
CONN HOUSING COMPANY	3/19/2003	19,000	78 THIRD ST

Table 17

Now, we shall look at the exact locations of properties in New Haven where Perrotti does his real estate business. Figure 2 gives properties where Perrotti was involved. Black dots represent properties which Perrotti still holds and blue and red dots are those hold by Connecticut Housing Company and Ottawa Enterprises. Green dots are properties previously owned by these three. We found that there are three main transaction regions in New Haven.



[Figure 2]