

◆ The Real Estate Investor ◆

Volume 12 Issue 4

ACRE of Pittsburgh, Inc.

April 2008

Bankruptcy Law Meets Eviction Law

by Bradley S. Dornish

There was little in the Bankruptcy Reform Law of 2005 to be excited about, except if you were a credit card company. But tucked away in that law was a provision which has proven beneficial to landlords in certain eviction actions; Section 362 of the law provides the automatic stay which stops all actions against the debtor in state court the moment the Bankruptcy is filed. The amended law now provides in Section 362 (b)(22) that the absolute stay does not apply to continuation of eviction actions by landlords who have already obtained final judgments for possession against tenants before the tenant files for Bankruptcy, unless the tenant fol-

lows very strict procedures under the law.

Those procedures require the tenant, under subsection(1)(1) of section 362, first to pay to the bankruptcy court with the filing of the Bankruptcy Petition, all rent which would become due during the 30 days following the filing of the bankruptcy. Next, the tenant has to certify to the landlord and the court in writing, "under penalty of perjury" that under PA landlord tenant law, there are circumstances under which the tenant would be able to cure the monetary default which gave rise to the judgment for possession. That certification is easy to make when the eviction is solely for nonpayment of rent, but difficult to make if there is some non-monetary default, like damage to the property, violation of a no pet clause, or a misrepresentation in the rental application.

The first certification and payment are not the big benefit to landlords, however. The Bankruptcy Law next provides that within thirty days after filing the bankruptcy petition, the debtor must also file a certification under penalty of perjury, that the debtor "has cured, under applicable non-bankruptcy law applicable in the jurisdiction, the entire monetary default that gave rise to the judgment under which possession is sought by the les-

sor." This creates an unusual situation in Pennsylvania, where a magisterial judgment for money can be appealed for thirty days, while a magisterial judgment for possession can only be appealed for ten days.

Following the above quoted language of the Bankruptcy Law, if a tenant fails to appeal a judgment for possession in ten days, and that judgment becomes final, but appeals the money judgment against him within the thirty days allowed, and thereafter files for Bankruptcy protection, he has to pay the amount of the money judgment even though it is on appeal, to stay in the property during the bankruptcy.

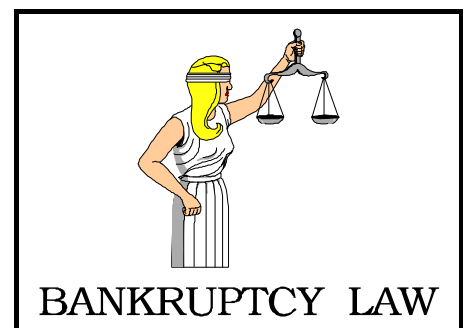
Is that a fair result for the landlord and tenant? Should there be another interpretation of the bankruptcy law for Pennsylvania's split judgment on possession and money damages?

These are questions which the Bankruptcy Court for the Western District of Pennsylvania is attempting to answer. The exact situation where a tenant failed to appeal as to possession, but ap-

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Board Member's Message

To the Members:

The Board of Directors of Pennsylvania Residential Owners Association met for its quarterly meeting on Thursday, March 6, 2008.

The meeting included a Legislative Report on the status of the Pennsylvania Residential Owners Political Action Committee "Pro Pac". Pro Pac has just over \$10,000.00 available in the Political Action Committee Account, which we will continue to use judiciously in attending functions for state legislators who support our goals and objectives. Look for more information on how Pro Pac funds are spent this year in subsequent reports. Many PROA groups are planning 50/50 ticket sales or other similar methods to raise additional funds for Pro Pac.

Next, the Board reviewed the current status of the Millersville lease transaction tax litigation and Senate Bill 763, designed to stop new lease transaction taxes. Originally, the Senate passed Senate Bill 763 with a grandfathering date of June 16th. The Grandfathering date meant that the Millersville Ordinance would be excepted from the prohibition on Lease Transaction Taxes, but that future such

ordinances would be disallowed in Pennsylvania.

Subsequent to June 16th, the municipality of Kutztown, where Kutztown University is located, also passed an ordinance like Millersville. The representative from Kutztown wants its ordinance as well to be granted grandfathered status. There may be five to six different grandfathered ordinances, depending on the date set by the legislature in the final law. The longer we wait to get Senate Bill 763 passed in the House of Representatives, the more likely that other towns in Pennsylvania, particularly college towns, will try to pass parallel ordinances and have

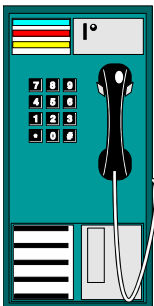
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ACRE is a member of
National REIA
 National Real Estate
 Investors Association
www.NationalREIA.com

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- | | | | |
|-------------------|------------------------------|----------------------|-----------------------|
| A Tax Sales | G Insurance | M | S Computer/Software |
| B Owner Financing | H Lease Option/Rent-to-Own | N Time Management | T Realtor |
| C Rentals | I Foreclosure/Sheriff Sales | O Business Ownership | U Legal |
| D Land Contracts | J Finding/Selling Properties | P Financing | V Property Management |
| E Retail (Rehab) | K Accounting | Q Mortgage Buying | W Asset Protection |
| F Wholesale | L Income Tax Prep | R Financial Planning | X Business Plan |

Board Member Message

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them exempted from the new law by grandfathering. Look for a push to get Senate Bill 763 passed by the House this Spring. Please respond to your PROA call to Action e-mail when you receive it, as this is an important law for real estate investors all over the state.

The next matter dealt with by the Board was Senate Bill 906, The Abandoned Property Legislation. This Bill was on the Senate Calendar for consideration on March 10th, but is being postponed to allow the sponsors of the bill to meet with both Landlords' representatives and Tenants' Union Lawyers. The tenants' groups want penalties and restrictions on landlords built into the Abandoned Property Bill; which was designed to give landlords finality in when property left behind by tenants can be considered to be abandoned. After spirited discussion, the PROA Board agreed that having no Bill would be better than the currently amended version of this Bill. If we are unsuccessful in working out a reasonable compromise with representatives of the Tenant Union, we will object to this bill and hopefully, it will not pass.

The Board considered that the legislative efforts to define abandoned property in Pennsylvania appear to be failing. In the event we are unsuccessful legislatively, it will be time for us to look for a court case from a member of one of the PROA groups which could make good case law on the issue of abandoned tenant property. If the law is ambiguous, the Courts are able to fill the gap with precedent from Appellate Courts, which can work as effectively as statutes all over Pennsylvania.

Next, the PROA Board was given a preview of new proposed legislation from Senator Rhoades office,

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April Details Worth Mentioning

Renewal Memberships. Please be sure to show your name badge to someone at the desk. If you do not have one, we will issue a name badge after checking your paid status. Members paid to April 30, 2008 or later are asked to renew their membership at this time, \$99.00 for an individual and \$25.00 for an associate **IF YOU RENEW PRIOR TO YOUR PAID-TO DATE. Renew after your due-date at \$109.** Look at the label on this Newsletter above your name for your paid-to-date. Please be prepared to renew at the monthly meeting, online or by mail. If you have email, you should be receiving reminders to renew. GUESTS may attend their first meeting free. Subsequent meetings attended by GUESTS, as well as any previous member who has not paid their dues, must pay a \$25 fee.

Last Minute Changes/Updates. Call our toll-free number at **1-888-4 ACRE 40** the day of a meeting or seminar to see if we have any last minute change or with questions regarding the newsletter, membership or registrations. Call to verify a workshop is still being held. We may have to cancel if we do not have enough pre-registrations. Remember, ALL workshops and seminars can be registered online at the ACRE STORE or a link from the NEWS page. By mail register on page 11 of this newsletter.

AcreWIRE (Women In Real Estate) will not be meeting for April. Future meetings will be scheduled in this newsletter.

ACRE Real Estate Listings are now viewed on our website at www.acrepgh.org. Properties for Sale and for Rent are viewed on the Classifieds tab. Monthly Newsletters will be posted in the Library.

Again, we have around 50 members with no email address. Please send your email address to office@acrepgh.org so you can gain access to the website.

Welcome New Members

March

| | |
|------------------------|---------------|
| Catherine Mukasa | Jeffrey Fry |
| Joseph Garlington | Edgar Folks |
| Charles Hendershot | Mike Crossey |
| Ryan Longeway | Sandra Asturi |
| Michael Graeb | John Schiavo |
| William Gregor | Joe Butter |
| Rachael Blank | |
| David & Jennifer Barry | |
| Sandhya Maheshwari | |

Now 800+ Members



Please remember to bring your **name badge** to the monthly meeting and workshops/seminars. If you lose it, a new one will be made for \$10.00.

ACRE is a proud member of
**Pennsylvania Residential
Owners Association
(PROA)**
www.PROAssoc.org

When Is A Contract Not A Contract?

By Bradley S. Dornish, Esquire

Sometimes, the cases on which I find myself going to court deal with issues which would be of great interest to real estate investors. That is the situation with a case I argued before the Pennsylvania Superior Court on March 19, 2008. In my case, a bank was the seller of property, and my client, a real estate investor, made an offer on the property. The offer was fully executed, and was sent to the bank through the bank's listing broker. The selling agent for the investor received a phone call back from the listing agent advising that the bank had signed the Agreement of Sale, and on that basis, the hand money was deposited and the parties moved forward. The listing agent subsequently advised that the bank was the agent for an incapacitated seller and as a guardian, had to have the final Agreement approved by the Court. However, they considered Court approval to be a mere formality, since the offering price on the two parcels involved was way above the assessed market values of the properties, and virtually the price at which the properties were listed by the listing agent.

The offer was made in March and closing was to occur after court approval in May. The court approval in May was postponed, when some third party represented that there would be another offer coming in for more money than the original agreement. At the time the contract was scheduled to be approved by the court again in June, the bank had sent a Release

of Agreement of Sale to my client buyer, which was already signed by a Vice President of the bank and which indicated that they were releasing an Agreement of Sale dated May 8th.

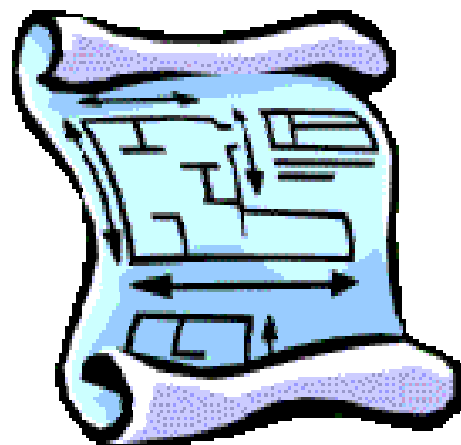
While the date on the release indicated a contract date almost two months after the date of the offer, that didn't appear to be too unusual to those who are familiar with bank transactions. My client refused to sign the release, but the court approved a higher offer which came in June and the property was thereafter sold to the person who made the higher offer. In the meantime, my client had a loss since the opportunity to make a profit on the property was taken away after we were at least led to believe there was a fully executed Agreement of Sale. We filed suit, attached a copy of the offer to the Complaint to prove the terms of the Agreement of Sale, and attached a copy of the Release of Agreement of Sale including the May 8th contract date, to show the court that we had lots of evidence of the existence of a signed written contract. Unfortunately, the Judge of the Court of Common Pleas ruled that since we did not have a fully signed contract with the signature of bank Vice President on the contract, we had no enforceable Agreement of Sale, and therefore no basis upon which to sue anyone. The Judge's position was based upon the Pennsylvania Statute of Frauds which provides that all contracts for the

sale of real property in Pennsylvania must be in writing. The trial court's position also reflected that the contract could not have been final without the approval of the Orphan's Court on behalf of the incompetent party.

Although the guardianship was a small factor in this decision, it is the other rationale in the trial court's opinion which I find so disconcerting. The trial court granted Preliminary Objections after the Complaint was filed, and did not even require the bank to file an Answer. That meant that my client had no opportunity to develop through discovery, (things like interrogatories, depositions and requests for production of documents), information which would have supported the existence of a contract. Based on the Judge's rationale, since we didn't have a fully executed written agreement in the beginning, we could not use the procedures available in court to show whether that contract really existed.

When the Judge threw us out on Preliminary Objections, we appealed to the Superior Court, and I made my argument to three

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Bankruptcy Meets Eviction

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pealed the money judgment and filed for Bankruptcy occurred in a case I am handling. Neighborhood Legal Services represented the tenant, and filed an action to enjoin the clerk of the Bankruptcy Court from sending out the required letter authorizing the tenant to be removed from the property for failing to pay the amount of the monetary judgment. Neighborhood Legal argued that since the money judgment was on appeal, the tenant shouldn't have to pay at all to stay in the property during the Bankruptcy under the above quoted language.

Judge Fitzgerald of the Bankruptcy Court denied the injunction against the clerk, but asked the Neighborhood Legal Services lawyers, our office, and the trustee of the bankruptcy court to get together with other landlords' groups and housing authorities, and come up with a joint proposal or, if that proves impossible, alternative proposals for court procedures to be followed in such cases. The procedures accepted by the Court will apply to all such cases in the Western District, and potentially in Bankruptcy Courts throughout Pennsylvania.

We are hosting Landlords, Housing Authorities, Neighborhood Legal Services lawyers and the trustee in meeting this month to work on such a proposal, and I will keep ACRE and PROA member groups updated on our progress toward these important procedures.

Contract Not a Contract

Appellate Judges. However, I think there is more than a fifty percent chance that I will lose the case in front of the three judges. They were simply concerned that without a fully executed agreement I couldn't even draft a Complaint that would allow me to engage in discovery. That would mean that my client would be completely out of luck, and we would never know if the bank had the fully executed Agreement of Sale or not.

I see the decision by the Common Pleas Judge and a possible decision by the Superior Court against me as being red flags for all real estate investors dealing with REO Companies. For too long, investors, real estate agents and brokers have tolerated the practice of the REO Companies and banks where they simply tell us they have executed an Agreement of Sale and do not send a fully executed copy of the agreement back. We as investors should insist that no hand money be deposited until we see a signed copy of the Agreement of Sale. Real estate brokers and agents should insist upon the same thing. There is no reason that everyone should not be held to the same standards when dealing with Agreements of Sale in Pennsylvania. The fact that REO Companies and banks in general have been able to avoid producing fully executed Agreements of Sale and are still able to enforce the transactions against the buyers of real estate creates a tremendous injustice,

as illustrated by the case which I just argued.

If we had a fully executed Agreement of Sale and my client and his agent had been given a copy of that agreement at the time the agreement was entered, we would not have spent all of this time in court, and we would have been able to focus on issues as to who should be responsible to my client under that agreement, and for what sum of money, instead of whether my client even had any opportunity whatsoever to get into court. Whether we ultimately win or lose this case, it is a warning to everyone who purchases real estate in Pennsylvania to make sure that you do not act upon a contract or move forward upon an oral representation that a contract has been signed. Instead, all buyers should insist upon a copy of a fully executed agreement by the seller at the commencement of the contract, and none of us should wait until the day of closing to find out if we have a contract.

Board Member Message

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on blight reduction. This Bill has not yet been released to the public, but the Senator had a Press Conference in front of a blighted house, and a Blight Task Force has been formed by a former Director of the State Department of Housing and Urban Affairs. The Board authorized our director Rita Dallago to work with the Pennsylvania Association of Realtors Public Relations Department on the blight issue, and other issues we have in common with Realtors. The Board also appointed a committee of five members of the board, including myself, to explore opportunities to de-

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Being Your Own Contractor

Location: Green Tree Radisson Hotel

\$99 Members Pre-registered

Date: Saturday, May 10, 2008

\$119 Members at the Door

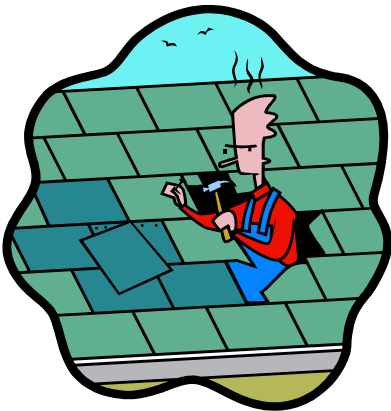
Time: 8:30 am to 12:30 pm

\$119 Non-Members

Register: 888-4ACRE40 or online at www.acrepgh.com or Page 11.

Presented By:

Charles Pupich



The Presenter has been a real estate investor for over 25 years in rehabbing and renting properties. His success in real estate is the **PROOF** of his ability to recognize the **REALITY** of what it takes to make real estate investing profitable.

This seminar is an interactive audience participation seminar that is meant to be both educational and entertaining as your presenter helps you to learn to deal with the dynamics of property rehabs.

You will learn: ... Do's and Don'ts of contracting
and ... How to find contractors
much ... How to evaluate contractors
more ... Recognizing a fair price from
from a contractor.

... How to **SAVE MONEY** on
renovation cost.
... How to make a **BUDGET** for
renovation projects.

PENNSYLVANIA AMENDS TRANSFER TAX REGULATIONS by Brad Dornish

In late December, the PA Department of Revenue issued changes to several regulations affecting the assessment of transfer taxes on the sale of real estate, many of which are directed at transactions by investors. The new regulations govern how the Department of revenue will interpret and enforce the existing transfer tax laws, and were immediately effective.

These regulations can be found at 61 PA Code Chapter 91, and are discussed with online examples at : [www.revenue.state.pa.us/revenue/lib/revenue/RTT 2008-01.pdf](http://www.revenue.state.pa.us/revenue/lib/revenue/RTT%2008-01.pdf). The first change in the regulations, Section 91.132 affects transactions where the agreement of sale is assigned by the buyer to a third party assignee. The Department of Revenue will impose transfer tax on the seller based upon the total paid to the seller on assignment, if not reflected on the deed. While the regulation clearly identifies the tax the seller is responsible for, the regulation does not explain what tax the buyer / assignee and assignor in the middle of the transaction are responsible for. At least one major title insurer in PA, First American Title, has issued a directive to its agents and approved attorneys that those parties should be responsible for the tax on the rest of the assignment consideration not paid to the seller. That means if you sign an agreement of sale to buy

for \$50,000.00, and assign that agreement for \$5,000.00, the transfer tax will be collected from the seller on any part of the \$55,000.00 total consideration paid to the seller, regardless of the price on the deed showing only \$50,000.00, and the buyer and assignor will be responsible for the tax on the rest of the \$55,000.00 total not paid to the seller.

This change is consistent with the underlying principle that transfer tax is due on the value of any transfer of interest, and the deed is only a mechanism for collection of the tax. It will, however, be confusing to see transfer stamps in amounts in excess of the amount which would be based on applying the tax rate to the price reflected on the deed. To show the correct taxable amount, affidavits of value should be attached to deeds being recorded on assignment transactions.

The next changes in the Department of Revenue Regulations involve transfers between principals and agents. Under Section 91.153, transfers from an agent to a principal, or transfers from a principal to an agent are transfer tax exempt if the transfers are without consideration, and the agent deals in the property for the exclusive benefit of the principal. The regulations make it clear that transactions by the agent to or to the agent from third parties are subject to tax as though made directly by the principal.

These regulations support the straw party transactions allowed elsewhere in the Revenue Regulations, but establish a rebuttable presumption that the transaction IS subject to tax if

the deed does not mention that the transaction is for the benefit of the principal. We believe that the Straw Party Affidavits which we use in such circumstances will be sufficient to rebut the presumption and keep the straw party transaction transfer tax free.

Section 91.153 also confirms the present position of the Department of Revenue that Section 1031 Reverse or Starker Exchanges, where the Qualified Intermediary takes title to the replacement property while the Exchangor is waiting to sell the Relinquished property, ARE subject to transfer tax, both when the third party sells to the Qualified Intermediary, and when the Intermediary transfers to the Exchangor. This is contrary to the provisions for straw parties generally, but makes it clear that the Department of Revenue considers the Intermediary to be more than or different from other agents.

Section 91.154 of the regulations confirms that despite recent efforts to exempt transfers between entities and their owners, the Department will still enforce transfer tax on transfers between entities and their shareholders, partners and members, and transfers in consideration for which stock or ownership interests are issued.

The amendments also address transfers to and from trusts, and confirm the Department of Revenue's current position that most such transfers ARE taxable. Under Section 91.156 of the new regulations, transfers to trusts are taxable unless a direct transfer of the property from the Grantor/Settlor of the trust to ALL possible beneficiaries and remaindermen of the

(Continued on page 11)

APPLICATION FOR MEMBERSHIP

Date _____

Name _____ Home Phone _____

Address _____ Work Phone _____

City _____ State _____ Zip _____ Cell Phone _____

Occupation _____ E-mail _____

_____ New Member \$109.00 _____ Renewal Member *\$99.00/109.00 _____ Spouse/Partner \$25.00

Vendor Member : _____ Value \$325.00 _____ Premier A \$500.00 _____ Premier B \$750.00_____ Premier C \$1350.00 _____ Additional Employee \$25.00 (* If renew before your Paid-to-Date)

Total Amount Enclosed _____ Check Number _____

Credit Card # _____ Exp. Date _____

CID # _____

I understand that the information presented in meetings of ACRE of Pittsburgh, Inc. is of a general nature and I will not attempt to apply said general information to specific situations without obtaining professional advice.

Signature _____

Include payment with application made payable and mail to:
ACRE of Pittsburgh, Inc.
P.O. Box 17149
Pittsburgh PA 15235-0149

In consideration of the acceptance of my membership application, I waive and release any and all rights and claims against ACRE, its officers, directors, members, and speakers for any and all damages resulting from participation in public activities and/or utilization of information received at any function of ACRE.

Quicken and QuickBooks

Private training at your home or office. \$50/hour for ACRE members. Call Jeff Kasmer at **724-864-5400**

Real Estate Investing Basics Workshop

Saturday, April 5, 2008
Green Tree Radisson Hotel, 8:30 am

ACRE of Beaver County Monthly Meeting

Tuesday April 15, 2008
Baden Municipal Bldg, 7:00 pm

Down & Dirty House Tour

Saturday, April 19, 2008, 9:00 am

May Monthly Meeting

Tuesday, May 6, 2008
Green Tree Radisson Hotel

Being Your Own Contractor

Saturday, May 10, 2008
Green Tree Radisson Hotel, 8:30 am

June Monthly Meeting

Tuesday, June 3, 2008
Green Tree Radisson Hotel

July Monthly Meeting

Tuesday, July 1, 2008
Green Tree Radisson Hotel

August Monthly Meeting

Second Tuesday, August 12, 2008
Green Tree Radisson Hotel

Your Paid-to-Date is on the Outside Cover of this Newsletter above your name. Please renew on Page 9 above or online at www.acrepgh.org in the member area.

Board Member Message

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velop PROA's own Public Relations Committee to be able to address public relations issues more effectively on behalf of all of our groups in the future. Directors recognized that PROA has a very effective lobbying effort, and is in the process of developing an effective judicial component, but we have no public relations component in place, leaving Pennsylvania landlords exposed to unfavorable treatment in the media.

Local groups reported on the status of a series of judicial actions, in which PROA is playing an active role with its member groups. In the

Millersville case on the Lease Transaction tax, the Pennsylvania Supreme Court granted allowance of the appeal, but we have no briefing schedule or anticipated argument date from the Supreme Court. We project it will be several months before argument.

On the Berwick Landlord Registration Ordinance, PROA's Counsel submitted an open record request for documents to substantiate the reasonable and rational basis for the ordinance targeting rental units, as opposed to owner occupied units. The Berwick Landlords' Association is in the process of preparing a Complaint to strike down the Berwick Ordinance, which should be filed with the court soon.

Next, the Board reviewed the status of negotiations regarding the West Chester Rental Registration Ordinance. Attorney Lee Stivale started in the fall a process to negotiate an amendment to the ordinance, which process we believe has failed. Counsel for PROA and the West Chester Association are reviewing the possibility for filing a Federal 1983 Civil Rights Action against the municipality's policy of targeting landlords.

The Godina Jones case pending in Pittsburgh is awaiting the determination by the Federal Judge whether to allow ACRE and PROA to withdraw from the case, and whether to allow the new Landlords Justice Project to become a party to the case challenging the injunction against Prothonotary of Allegheny County. Currently, the injunction prevents the Prothonotary from collecting full payment by tenants who intend to stay in their property on appeal. We have no timeframe for the Judge's decision.

A Complaint has been filed against the City of Uniontown by the Southwestern Pennsylvania Landlords' Association, and we are awaiting a meeting with the Mayor's office and representatives of City Council, and the City Attorney to attempt to negotiate amendments to the ordinance which would satisfy the primary concerns of Uniontown Landlords, without necessitating a long and expensive court battle. We are optimistic that we will be able to get some resolution. However, the meeting has been delayed since the beginning of the year, and if it does not occur within the next thirty days, the group plans to move forward with litigation instead. The next meeting of the PROA Board is scheduled for Thursday, June 5th, at which time we should have updates on each of these matters, and any new business.

Sincerely,

Brad Dornish

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| Allstate Insurance Company | V14 | Knobeloch Heating & Cooling | V11 |
| American Window Industries | V2 | Kramer Windows & Doors | V10 |
| Appliance Warehouse | V11 | Landlord Locks.com | V4 |
| Arbors Management | V18 | Mace Property Management | V20 |
| Assured Public Adjusters, LLC | V3 | Martin D. Schwartz Tax & Acctg | V11 |
| Backo Hauling Services | V5 | Max Business Group | V9 |
| Barnes, Maryanne/RE Broker | V11 | Molyneaux Tile & Carpet | V18 |
| Beasley Plumbing | V16 | National City Bank | V5 |
| Beaver Financial Services | V5 | National Tenant Network | V8 |
| Bimini Bay Resort and Spa | V11 | Pape Floor Coverings | V15 |
| Brookview Financial | V14 | Penn-Pioneer Enterprises | V13 |
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| Giga Doc | V7 | Verizon FIOS | V9 |
| Greater Pittsburgh Settlement | V15 | Vynex Window Systems | V4 |
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| Homes in America | V11 | Western PA Home Inspections | V5 |
| Housezing | V6 | Why USA Home For U Realty | V20 |
| Invest-Well | V4 | Wilke & Associates, LLP | V6 |
| Keller Williams-Mt Lebanon | V4 | | |

**APRIL MONTHLY MEETING
NOTICE 7:00 - 10:00 P.M.**

| | |
|--------------|---------|
| Advanced SIG | 6:30 PM |
| Beginner Q&A | 6:30 PM |

**RADISSON HOTEL, GREEN TREE
Tuesday, April 1st, 2008**



MEETING AGENDA

A. VENDOR INTROS

B. VENDOR SPEAKERS

**Phil Scolieri, Esquire
Dornish & Scolieri, PC**

Greater Pgh Settlement Company

This dynamic duo has been in business together for 13 years, specializing in all facets of residential and commercial real estate. This "Home Team" of lawyers are present at the ACRE monthly meetings to assist you in your real estate transactions.

Max Wilson

Max Wilson Business Group

Max Wilson was a hit at the convention with his educational presentation and helpful knowledge for the attendees. Come to the meeting and listen to Max during the vendor presentations and hear how his company can provide you with the financial analysis you need in today's real estate market.

C. ACRE CARES

D. ANNOUNCEMENTS

E. TRAINING TIDBITS

F. MAIN SPEAKER

Barbara Kern

Neighborhood Legal Services

Attorney Kern has been representing indigent tenants in eviction actions and related matters for over twenty years, and is a Managing Attorney with the Pittsburgh office of NLSA. She also serves on the Landlord Tenant Procedural Rules Committee for Allegheny County, where she recommends to the court changes in Landlord Tenant Rules, and helps to approve attorneys to serve as Landlord Tenant arbitrators.

Ms. Kern will share with us her views on what some landlords do wrong to create more problems in eviction cases, and how good landlords can stay out of trouble with NLSA lawyers. She may even have some ideas how we can best reduce landlord tenant actions in the first place.

Having the perspective of an experienced tenant lawyer is not just valuable, but priceless for all landlords, and makes this a can't miss meeting!

April Monthly Meeting:

- Vendor Speaker Phil Scolieri and Max Wilson
- Main Speaker Barb Kern with *Neighborhood Legal Services*

Workshops & Seminars:

- Real Estate Investing Basics, April 5, 2008
- Down & Dirty House Tour, April 19, 2008
- Being Your Own Contractor, May 10, 2008

See DETAILS Inside!

*See You at the Next Meeting,
First Tuesday, April 1st, 2008*

An Association for Landlords & Real Estate
Investors in the Metro-Pittsburgh Area

Monthly Meetings the First Tuesday
PITTSBURGH GREEN TREE RADISSON
7:00 - 10:00 PM **1-888-4 ACRE 40**

Internet www.acrepgh.org

E-mail office@acrepgh.org

Website techsupport@acrepgh.org

Fax 724-864-6732

Officers

| | |
|----------------|---------------|
| President | Tom Dymerski |
| Vice President | Steve Powanda |
| Secretary | Brad Dornish |
| Treasurer | Jeff Kasmer |

Committee Chairman

| | |
|---------------------|----------------|
| Vendors | Sharon Harkins |
| Advanced Group | Brad Dornish |
| Merchandising | Steve Powanda |
| Programming | Doug Sprague |
| Meetings/Seminars | Jeff Kasmer |
| Volunteer/Welcome | Tom Wagner |
| Novice/Membership | Tom Dymerski |
| Newsletter/Database | Jeff Kasmer |

ADMISSION

Current Members: Free with member ID
General Public: \$25.00 per person

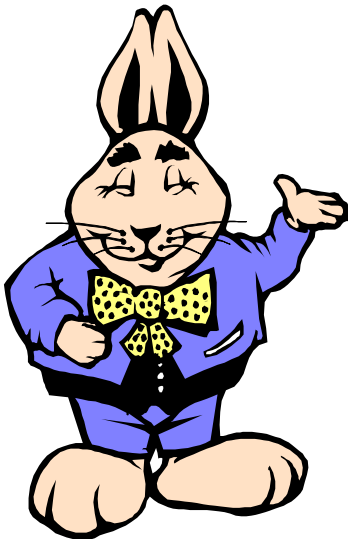
The Real Estate Investor

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REAL ESTATE INVESTING BASICS WORKSHOP

**By Bradley S. Dornish, PA Licensed Attorney,
Title Agent and Real Estate Instructor**

**Saturday, April 5th,
8:30 am to 12:00 pm,
Green Tree Radisson
Hotel**

Cost \$99.00 for Acre
Members in advance,
includes written
materials and recorded
CDs of Seminar.
\$49.00 for Spouse or
partner without
materials.
\$109.00 for all at the
door, space permitting.

**Basic Level Seminar for new investors and those trying
to find their own niche as real estate investors.**

**We will review the advantages and disadvantages of
different types of investing, including Flipping, Rent
to Own, Holding and Private Mortgage Lending.**

**We'll discuss using the right documents for your deals
and contracts, why and when to consider using entities
for your investing, and how to match the right enti-
ties to your investing plan.**

Register 1-888-4-ACRE-40 or www.ACREPGH.com

The World Famous Down and Dirty House Tour **Saturday, April 19, 2007**

(Wear old clothes but leave your tools at home!)

On **Sat April 19th**, ACRE will be conducting a tour of several houses in a local neighborhood so that our members can see exactly how to determine the value of a property, in order to make an intelligent investment decision. These houses will be in various states of repair with differing problems, *and some hidden problems*, that we will learn how to uncover. This tour is a **necessity for you** if you have ever thought about doing a fixer-upper, or if you would like to learn how to do one **at greater profit with less risk**. This tour is also for you if you want to *avoid* doing a fixer-upper, so you can learn to **spot major problems before they become your major problems**. This tour will help you determine the difference between major repairs and cosmetics improvements.

All the books and tapes can't replace the hands-on experience from a professional that has been doing this for years. Detailed info will be furnished on the general construction of each property, what improvements are needed, logistics and organization, cosmetics and clean up. We will also discuss closing costs, costs of rehab, dealing with contractors, and Market Analysis to determine re-sale price and rental value. Even how to advertise and prepare for showing!

We are pleased to have Tom Dymerski leading this tour and he will be at each property to answer your questions on such topics as:

| | |
|-------------------------------------|-------------------------------------|
| Why this property? | Why this repair? |
| How much does it need? | How much will it cost? |
| How much should I do? | Should I furnish appliances? |
| How much should I spend? | Should I add a dishwasher, etc.? |
| How much will this repair cost? | Should I make the major repairs? |
| What is my liability? | What are cosmetic repairs? |
| How much can or should I do myself? | How long will the repairs take? |
| How do I find a contractor? | Where do I get the money? |
| How do I sell or rent it? | How much profit will I make? |

We will meet on Saturday morning, rain or shine, at 9:00 and will finish around 12:30. Tom will stay and answer questions. We will start with a short discussion on what to look for in investment property, and then proceed from property to property along a designated route. At each stop, we will size up the neighborhood, the property, and the repairs. **This tour is a must for those interested in flipping houses, cleaning up a multi-unit, doing rehabs, or buying for long term rental.**

This is for ACRE members only and will be limited to 20 people. The cost is only \$69.00. Space is limited! Sign up today!