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**NOTICE TO PLEAD: YOU MUST
FILE A REPLY TO THE NEW
MATTER WITHIN 20 DAYS OR
IT WILL BE DEEMED ADMITTED**

Attorneys for Defendants

ROSA CORREA and MICHAEL
HAMILTON
v.

COURT OF COMMON PLEAS
PHILADELPHIA COUNTY, PA
CIVIL TRIAL DIVISION

ABC CAPITAL INVESTMENTS, LLC
ABC CAPITAL REALTY, LLC, and
SAAT INVESTMENTS, LLC

No: 181101533

**DEFENDANTS' ANSWER AND NEW MATTER
TO PLAINTIFF'S CIVIL ACTION COMPLAINT AND NEW MATTER**

Defendant, ABC Capital Investments, LLC, ABC Capital Realty, LLC, and SAAT Investments, LLC, by and through its undersigned counsel, files this Answer and New Matter in response to Plaintiff's complaint and in support thereof, avers as follows:

INTRODUCTORY STATEMENT

1. Denied.
2. Denied.
3. Denied.
4. Denied.
5. Denied.
6. Admitted in part, denied in part. It is admitted Plaintiffs rented the property. All other allegations are denied.

7. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
8. Admitted in part, denied in part. It is admitted an eviction action was filed due to Plaintiff's failure to make payments, which was later discontinued. It was agreed between the parties that Plaintiffs were permitted to leave the property, and that no further action would be pursued. It is admitted that Plaintiff requested repairs in April 12, 2017 from a phone call request, and a work order was created. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the remaining allegations, which therefore are denied.
9. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations. To the contrary, Plaintiffs were permitted to leave the property after they stopped paying their bills.
10. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. Further, all demands for damages, including damages for emotional distress, counsel fees and costs, punitive damages, and other demanded damages, are without legal or factual support.
11. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
12. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
13. Admitted. Defendant SAAT Investments LLC ("SAAT") is a limited liability company incorporated in the Commonwealth of Pennsylvania whose registered address is 1218 North Marshall Street, Philadelphia, PA 19122.

14. Admitted. SAAT is the owner of record for the residential property located at 3853 North Sydenham Street, Philadelphia, PA 19140 (“the Property”), having purchased the Property on April 22, 2013.
15. Admitted. Defendants, ABC Capital Investments LLC and ABC Capital Realty LLC are each a limited liability company incorporated in the Commonwealth of Pennsylvania with a principal place of business at 1218 North Marshall Street, Philadelphia, PA 19122.
16. Denied. ABC Capital Investments and ABC Capital Realty are separate legal entities, and any claim that they are alter-egos is denied.
17. Admitted in part, denied in part. Plaintiffs jointly refer to the two ABC companies as one entity, and all such references are denied. It is admitted ABC Capital Realty has managed Philadelphia based properties. It is denied that ABC Capital Investments managed Plaintiff’s property. All other allegations and characterizations are denied.
18. Denied. ABC Capital Investments and ABC Capital Realty and SAAT Investments are separate legal entities, and any claim that they are alter-egos is denied.
19. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
20. Admitted in part, denied in part. Melissa Castillo formerly worked for ABC Capital Realty and was employed by that entity. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the other allegations.
21. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
22. Admitted in part, denied in part. It is admitted that Plaintiff(s) paid \$850 for the first months rent and \$1700 as the security deposit. All other allegations are denied.

23. Admitted in part, denied in part. It is admitted that Plaintiff(s) paid \$2,550 before occupying the rental property. All other allegations are denied. Plaintiffs also signed a Lease Agreement prior to occupying the rental.
24. Admitted. The lease identified SAAT as the lessor and ABC Capital Realty as the entity receiving rental payments. See Exhibit "A" attached to Plaintiff's complaint for all lease terms.
25. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations to determine if a Certificate of Rental Suitability was provided to Plaintiffs by their former employee, and reserve all rights to amend this response during discovery.
26. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.
27. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations to determine that no rental license was in place when Plaintiffs moved in, and reserve all rights to amend this response during discovery. Further, a rental license was later obtained for the property under C&P Real Estate in March 2017, which was a client of ABC Capital Realty, mistakenly identified as the property owner when completing the application instead of SAAT Investments.
28. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.
29. Admitted. It is admitted L&I issued code violations in June 2014.

30. Admitted. The L&I citations directed SAAT to repair or replace portions of the house's drainage system, alter the windows to make them "rodent-proof," repair handrails along the internal staircase, and clean the garbage that was strewn throughout the Property.
31. Admitted in part, denied in part. It is admitted public records indicate the code violations were not closed as of June 2016. It is denied that the property was not habitable, or that the code violations individually prohibited the occupancy of the rental unit.
32. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
33. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations.
34. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as to the truth of the allegations. To the contrary, Plaintiffs voluntarily moved into the property after inspecting it, and retained the option of asking for a refund, or not paying rent or the security deposit at the commencement of the lease.
35. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
36. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations. Furthermore, repair records indicate repairs were made in July 2016
37. Admitted. The lease agreement required Plaintiffs to transfer the water bill to their name and to pay all water bills.
38. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.

39. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
40. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
41. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
42. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
43. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations. Further, Defendant, ABC Capital Realty received notice that Plaintiffs were not paying for their own water usage.
44. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
45. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
46. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
47. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
48. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
49. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.

50. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
51. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
52. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
53. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
54. Admitted. In January 2017, the L&I cited SAAT for six Philadelphia Code violations at the Property, including a faulty plumbing system, broken doors, and shattered windows.
55. Admitted in part, denied in part. It is admitted that ABC Capital Realty was notified of a bathroom leak. All other allegations are denied.
56. Admitted in part, denied in part. It is admitted that ABC Capital Realty was notified by email from the tenant of requests to repair. All other allegations are denied.
57. Admitted in part, denied in part. It is admitted Plaintiff stopped paying rent in 2017. The alleged basis for the non-payment of rent is denied as Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
58. Denied. Eviction was filed due to the non-payment of money owed by Plaintiffs.
59. Admitted in part, denied in part. It is admitted Plaintiffs later paid \$2,550 for back rent. All other allegations are denied as Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.

60. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
61. Admitted in part, denied in part. It is admitted a pipe leaked in the basement in 2017. All other allegations are denied as Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
62. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations. It is admitted ABC Capital Realty received notice of the leaking pipe in the basement.
63. Denied.
64. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
65. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.
66. Admitted in part, denied in part. It is admitted an eviction action was commenced for unpaid water bills and breach of the lease. It is admitted that the caption prepared by former counsel included the incorrect entity. However, the lease agreement was attached which identified the correct parties.
67. Admitted. The eviction action was withdrawn.
68. Admitted in part, denied in part. It is admitted that Plaintiffs breached the leased, and owed money. All other allegations are denied.
69. Denied. Defendants after reasonable investigation are without knowledge or information sufficient to form a belief as the truth of the allegations.

70. Admitted in part, denied in part. It is admitted that Plaintiffs vacated the property on or by December 1, 2017. All other allegations are denied.

COUNT I: CONSTRUCTIVE EVICTION

71. Defendants incorporate all paragraphs set forth above.

72. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.

73. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.

74. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that the eviction action was without merit.

75. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. After reasonable investigation Defendant is without knowledge or information sufficient to form a belief as the truth of the allegation that Plaintiff could not enjoy the use of the whole property at all times.

76. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Defendants were forced to vacate the property.

77. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Defendants acted in an intentional, willful, wanton, or reckless manner.

78. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.

WHEREFORE, Defendants demand judgment in its favor, including an award of costs, and other such relief as the Court deems appropriate.

COUNT II: UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW

– VIOLATION OF 73 P.S. §§ 200, et seq.

79. Defendants incorporate all paragraphs set forth above.

80. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.

81. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.

82. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Plaintiff is entitled to damages under the UTPCPL.

83. Denied. After reasonable investigation Defendant is without knowledge or information sufficient to form a belief as the truth of the allegation Plaintiffs reasonably relied upon representations of Defendants.

84. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Plaintiff is entitled to damages under the UTPCPL.

85. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Plaintiff is entitled to damages under the UTPCPL.

WHEREFORE, Defendants demand judgment in its favor, including an award of costs, and other such relief as the Court deems appropriate.

COUNT III: BREACH OF CONTRACT

86. Defendants incorporate all paragraphs set forth above.

87. Admitted. See Lease.

88. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required.

89. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Plaintiff sustained damages as a result of failure to repair the property. Defendant incorporates all responsive pleadings above regarding known repair requests.

90. Denied. The allegation does not allege facts, sets forth statements or conclusion of law, and no responsive admission or denial is required. After reasonable investigation Defendant is without knowledge or information sufficient to form a belief as the truth of the allegation that Plaintiff sustained damages as a result of the alleged breaches.

WHEREFORE, Defendants demand judgment in its favor, including an award of costs, and other such relief as the Court deems appropriate.

COUNT IV: UNJUST ENRICHMENT

91. Defendants incorporate all paragraphs set forth above.

92. Admitted in part, denied in part. ABC Capital Realty, LLC, received property management fees. ABC Capital Investments did not, and this allegation is denied.

93. Admitted in part, denied in part. ABC Capital Realty, LLC, received property management fees. ABC Capital Investments did not, and this allegation is denied.

94. Denied. The allegation in part does not allege facts, it sets forth statements or conclusion of law, and no responsive admission or denial is required. It is specifically denied that Defendants breached its duty to manage, failed to make necessary repairs, or permitted the Property to deteriorate, or that Defendants were unjustly enriched.

WHEREFORE, Defendants demand judgment in its favor, including an award of costs, and other such relief as the Court deems appropriate.

NEW MATTER

95. Defendants incorporate all paragraphs set forth above.
96. Plaintiffs, as lessees, entered into a lease with lessor, SAAT Investments to occupy 3853 N. Sydenham Street, Philadelphia, PA 19140. See Plaintiff's Complaint, Lease attachment.
97. ABC Capital Realty managed the property on behalf of SAAT Investments.
98. Plaintiffs did not pay money to ABC Capital Investments, LLC.
99. SAAT Investments owned the property.
100. ABC Capital Investments did not manage the property, and did not employ persons who managed, supervised, or repaired the property.
101. The lease states that rent payments shall be made payable to ABC Capital Realty.
102. The lease states that Tenant has examined the leased premises prior to the signing of this Lease, or knowingly waived said examination.
103. Plaintiffs signed the lease voluntarily.
104. Plaintiffs read the lease before signing.
105. Plaintiffs inspected the property before paying a security deposit and rent.

106. The lease states Tenant acknowledges that Tenant has not relied on any representations made by Landlord or Landlord's agents regarding the condition of the leased premises and that Tenant takes premises in its AS-IS condition with no express or implied warranties or representations beyond those contained herein or required by applicable Pennsylvania law.
107. The lease states that in the event of any significant injury or damage to Tenant, or Tenant's family, or any personal property, suffered in the leased premises or in any common area, written notice of same shall be provided by Tenant to Landlord as soon as possible but not later than five (5) days after said injury or damage.
108. Plaintiffs, after inspecting the property, signed the lease and paid the security deposit.
109. Plaintiffs, under the lease, were obligated to pay for the use of water.
110. Plaintiffs did not pay all water bill payments.
111. Plaintiffs were served with an Eviction Complaint due to their failure to pay past water bills.
112. Plaintiffs filed a counterclaim in response.
113. The eviction complaint was withdrawn.
114. Plaintiffs discontinued their action.
115. Plaintiffs accepted the offer of vacating the property.
116. Prior to the eviction, Plaintiffs had not paid all rent due under the lease.
117. Plaintiffs vacated the property voluntarily without either party seeking money from the other.

118. Upon information and belief, Plaintiffs did not provide Defendants with their new address within 30 days of leaving the property.
119. The lease states that a landlord is relieved from any liability under the lease for retaining the security deposit or providing a written list of damages when the tenant does not supply a forwarding address to the landlord.
120. Defendant(s) was justified in retaining the security deposit, as alleged, based upon Plaintiff's decision to voluntarily leave the property.
121. Defendant(s) was justified in retaining the security deposit, as alleged, based upon Plaintiff's failure to provide a forwarding address at the time they vacated.
122. Defendant(s) was justified in retaining the security deposit, as alleged, based upon Plaintiff's failure to pay rent, pay the water bill, their decision to discontinue their counterclaim against Defendant(s) and vacate the property voluntarily.
123. The Property was not uninhabitable, and any section of the Property that was not damaged, as alleged, did not render the Property uninhabitable, or partially uninhabitable.
124. Plaintiffs, for the months rent was paid, are not entitled to a refund of rent payments.
125. As a matter of law, a landlord is not required to forfeit collected rent if a rental license or certificate is not in effect at the time the rent is collected.
126. Plaintiff's claims are barred by the doctrine of waiver, release, accord and satisfaction, and estoppel.
127. Plaintiff is not the real party in interest, or the sole party in interest, and therefore doesn't have standing to collect all damages alleged, if owed.

128. Plaintiff was not aggrieved by a violation of Philadelphia Code and therefore does not have standing.
129. Plaintiff's claims are barred and/or reduced pursuant to the doctrine of impossibility or defense of performance.
130. The claims are barred because of justification.
131. Plaintiff's claims are barred in whole or part by Plaintiff's failure to mitigate damages.
132. Plaintiff's claims are barred by the laws of the Commonwealth of Pennsylvania, or otherwise have failed to state claims legally cognizable under the law.
133. Plaintiff did not reasonably rely upon statements or representations made by Defendant, its representative(s), or by co-Defendants.
134. Plaintiff did not set forth a claim for fraud, consumer fraud, or deceptive practices.
135. Defendant did not engage in conduct that warrants the imposition of punitive damages and Defendant has failed to allege facts to support a claim for punitive damages.
136. Any damages sustained by Plaintiff were due to the fault, negligence, breaches of or other conduct of Plaintiffs, or other persons or entities unnamed as parties.

WHEREFORE, Answering Defendants request judgment against the Plaintiffs, along with reasonable attorney's fees and costs, as permitted by law.

RESPECTFULLY SUBMITTED,

/s/ Andrew D. Swain, Esquire
Andrew D. Swain, Esq.

Attorney for Defendants
ABC CAPITAL INVESTMENTS, LLC
ABC CAPITAL REALTY, LLC
SAAT INVESTMENTS, LLC

Dated: 01/04/2019

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Attorneys for Defendants

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HAMILTON	:	PHILADELPHIA COUNTY, PA
v.	:	CIVIL TRIAL DIVISION
	:	
ABC CAPITAL INVESTMENTS, LLC	:	
ABC CAPITAL REALTY, LLC, and	:	
SAAT INVESTMENTS, LLC	:	
	:	No: 181101533

CERTIFICATE OF SERVICE

I do hereby certify that service of a true and correct copy of the enclosed Pleading was served to counsel named below on 01/07/2019 electronically by the E-filing system on the date E-filing acceptance of the document:

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Philadelphia, PA 19103-7599

RESPECTFULLY SUBMITTED,

/s/ Andrew D. Swain, Esquire
Andrew D. Swain, Esq.
Attorney for Defendants

01/07/2019

VERIFICATION

I, Peter Brooks, the undersigned, state that the statements made in the foregoing discovery answers and/or pleadings are true and correct to the best of my knowledge, information and belief; and that the foregoing statements are made subject to the penalties of 18 Pa. C.S.A. § 4909, relating to unsworn falsification to authorities.

Peter Brooks

Peter Brooks (Jan 4, 2019)

Peter Brooks, on behalf of
ABC CAPITAL INVESTMENTS, LLC
ABC CAPITAL REALTY, LLC, and
SAAT INVESTMENTS, LLC

Dated: 01/04/2019