COMMONWEALTH OF MASSACHUSETTS

WORCESTER, SS. SUPERIOR COURT
CIVIL ACTION NO.

AMY CASE, CHARLES SVEDEN, MARIA VELEZ, WALTER WASSELL, AND MARK RAYMOND, on behalf of themselves and others similarly situated,	)
Plaintiffs,	)
v.	)
PARAKEET COMMUNITIES LLC, WHISPERING PINES MHC MA LLC, and AMERICAN MHC LLC,	)
Defendants.	)

CLASS ACTION COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF

Plaintiffs Amy Case, Charles Sveden, Maria Velez, Walter Wassell, and Mark Raymond (the "Class Representatives") are tenants of two mobile home parks in Auburn, Massachusetts. They bring this class action Complaint against their landlord, Parakeet Communities, LLC ("Parakeet"), seeking relief from a series of unfair and deceptive practices that Parakeet has inflicted upon the parks' residents. Specifically, as outlined in greater detail below, Parakeet has repeatedly and knowingly ignored, mispresented, and otherwise violated the residents' rights and other legal protections, in a concerted effort to exploit the residents for illicit financial gain. This misconduct has severely harmed the Class Representatives, and other residents of the parks, violated the Massachusetts Consumer Protection Act, G.L. c. 93A, imposed unfair rental agreements, and breached the implied covenant of good faith and fair dealing.

INTRODUCTION

1. Parakeet owns and operates two mobile home parks in Auburn, Massachusetts: American Mobile Home Park ("American") and Whispering Pine Estates ("Whispering Pine") (together, the "Parks"). American is located at 751 Washington Street, Auburn, MA 01501, and Whispering Pine is located at 47 Washington Street, Auburn, MA 01501.

2. Parakeet owns and operates American and Whispering Pine through American MHC, LLC ("American LLC") and Whispering Pines MHC MC LLC ("Whispering Pine LLC"), respectively.

3. The Parks—like mobile home communities across Massachusetts—are largely inhabited by residents living on low and fixed incomes, often due to advanced age or disability.

4. Many of the Parks' residents, like Plaintiffs Raymond, Wassell, Sveden, and Velez, are retired or disabled and rely on Social Security or savings to meet their monthly expenses. Numerous others, like Plaintiff Case, have costly medical conditions that strain their finances.

5. Mobile home communities have long given financially vulnerable people like the Class Representatives the option to live in a stand-alone home that is relatively affordable.

6. As the Massachusetts Appeals Court has recognized, these communities "provide a viable, affordable housing option to many elderly persons and families of low and moderate income, who are often lacking in resources and deserving of legal protection." *Layes v. RHP Props, Inc.*, 95 Mass. App. Ct. 804, 810 (2019).

7. Within the Parks' population, there are two kinds of tenants: "owner-tenants" and "renter-tenants."

8. On information and belief, Whispering Pine currently has only owner-tenants, while American has a mix of owner-tenants and renter-tenants.

9. Owner-tenants are those who own their mobile home unit and pay Parakeet rent to keep the unit on a lot within one of the Parks. Renter-tenants are those who pay Parakeet rent to use and occupy both the unit and the lot the unit rests on.

10. Both kinds of tenants must contend with a substantial power imbalance in the relationship with the owner of the mobile home community. Because that community owner controls the land—and in the case of renter-tenants, both the unit and the land—the community owner wields substantially more negotiating power than any of the tenants it seeks to contract with.

11. One factor that contributes to this imbalance is that, despite their name, mobile homes are virtually immobile. Moving a mobile home risks damaging the home's structural integrity and, even if it is possible in a particular case, is extremely expensive.

12. Thus, as a practical matter, once an owner-tenant chooses a community and places a unit there, that owner-tenant no longer has the option of moving the unit somewhere else. This dramatically skews bargaining power in favor of community owners like Parakeet who, from that point forward, can negotiate rent and other terms with an essentially captive party.

13. Renter-tenants encounter a similar imbalance of bargaining power. They are vulnerable, low-income individuals and families who lack the funds to buy their units up front. Thus, renter-tenants typically have even fewer resources and affordable housing options available to them than their owner-tenant counterparts.

14. The Massachusetts Attorney General has recognized that "community owners generally have the opportunity to exert substantial control over residents, who are in an ineffective bargaining position and have no reasonable alternative but to agree to their owners' demands."[1]

[1] *The Attorney General's Guide to Manufactured Housing Community Law*, Office of the Attorney General (May 2024), at 7, available at https://www.mass.gov/doc/attorney-generals-guide-to-manufactured-housing-may-2024/download.

15. As a result, the Commonwealth provides special legal protections for mobile home community residents designed to level the playing field and protect them from exploitation.

16. The Legislature passed the Manufactured Housing Act ("MHA"), G.L. c. 140, § 32A, *et seq.*, for those purposes. And the Massachusetts Attorney General has since promulgated extensive regulations pursuant to its authority under the MHA to ensure that mobile home community owners treat their residents with transparency, honesty, and fairness.

17. For example, among other protections, the MHA and Attorney General regulations require community owners to make substantial disclosures and offer five-year lease terms at fair market rental rates to new tenants as well as renewing residents.

18. However, since at least November 2023, Parakeet has repeatedly ignored and violated the legal protections enshrined in the MHA and Attorney General regulations. It has sent a series of communications to the Parks' residents that it knew violated these consumer protections in order to capitalize on its imbalanced bargaining position.

19. As outlined in the class allegations below, the Parks' residents who received those communications constitute the Putative Class. Parakeet's actions have greatly harmed the Class Representatives and Putative Class monetarily and otherwise.

20. Parakeet's actions are unfair and deceptive as defined under G.L. c. 93A and violate the implied covenant of good faith and fair dealing. Those actions include, but are not limited to:

a. Withholding information and documents that residents were legally entitled to have as they considered new lease or tenancy offers;

b. Refusing to provide mandatory five-year lease offers to renewing residents;

c. Imposing non-uniform rent increases on residents within the same tenant class;

d. Subjecting residents to illegal lease provisions;

e. Making false and misleading claims as to the nature and terms of lease offers;

f. Misrepresenting the applicability of rules governing community owners; and

g. Charging unconscionable rent amounts that vastly exceed fair market rental rates.

21. By this action, the Class Representatives, on behalf of themselves and the Putative Class, seek monetary and injunctive relief under G.L. c. 93A for Parakeet's unfair and deceptive conduct, damages for Parakeet's breach of the implied covenant of good faith and fair dealing, and declaratory relief under G.L. c. 231A.

JURISDICTION AND VENUE

22. The Court has jurisdiction pursuant to G.L. c. 93A, § 9(1), G.L. c. 212, § 3, and G.L. c. 231A, § 1, *et. seq*.

23. Venue is proper under G.L. c. 223, §§ 1 and 8, because the Plaintiffs reside in Worcester County.

PARTIES

24. Plaintiff Amy Case is a renter-tenant who lives in American at lot #38. She has chronic and costly medical problems related to the surgical removal of a brain tumor in 2021.

25. Plaintiffs Charles Sveden and Maria Velez are owner-tenants who live together in American at lot #21. They are both disabled and survive on disability benefits. Charles has a cancer diagnosis and Maria suffers from a traumatic brain injury.

26. Plaintiff Walter Wassell is a renter-tenant who lives in American at lot #1B. He is a retired senior citizen and relies on a fixed income.

27. Plaintiff Mark Raymond is an owner-tenant who lives in Whispering Pine at lot #43. Mark is a retired senior citizen, suffers from diabetes, and has nerve damage in his foot. He is currently living off his savings while he waits to begin collecting Social Security.

28. Parakeet is a Maryland limited liability company with a principal place of business at 10221 River Road, Unit 59831, Potomac, MD 01201. Parakeet owns and operates 38 mobile home communities in Alabama, Florida, North Carolina, North Dakota, Massachusetts, Michigan, and West Virginia.

29. Whispering Pine LLC is a Maryland limited liability company with a principal place of business at 10221 River Road, Unit 59831, Potomac, MD 01201, and is, upon information and belief, a corporate affiliate of Parakeet that holds title to Whispering Pine.

30. American LLC is a Maryland limited liability company with a principal place of business at 10221 River Road, Unit 59831, Potomac, MD 01201, and is, upon information and belief, a corporate affiliate of Parakeet that holds title to American.

31. Upon information and belief, Parakeet owns and controls both Whispering Pine LLC and American LLC (all together, the "Defendants").

32. Upon information and belief, Parakeet and its officers actively and directly participate in the activities of both Whispering Pine LLC and American LLC, such that Parakeet exercises pervasive control of Whispering Pine LLC and American LLC.

33. Parakeet has intermingled activities with Whispering Pine LLC and American LLC regarding Whispering Pine and American, respectively, and engages in a common enterprise with substantial disregard of the corporate entities.

34. Though other LLCs may hold nominal title to the Parks, Parakeet is the entity that ultimately owns the Parks and that injured the Putative Class.

35. The Putative Class states the allegations below against Parakeet, but all the Defendants are liable for these unfair and deceptive actions.

FACTUAL ALLEGATIONS

36. Parakeet claims to be a company that "provides each and every resident" of its properties "with the best living experience possible." *See* Parakeet Communities About Page, https://parakeetcommunities.com/about/ (last visited June 20, 2024). But Parakeet has not done so with respect to the Class Representatives or Putative Class.

37. Instead, it has employed a series of unfair and deceptive practices to abuse its power imbalance over the Putative Class and take advantage of that Class for financial gain.

38. Parakeet's unfair and deceptive conduct has occurred primarily—though not exclusively—in two rounds of lease offers made to the Putative Class. Specifically, Parakeet sent out one set of lease offers in November 2023 (*see generally* Exhibit A) and a second set of lease offers in March 2024 (*see generally* Exhibit B).

39. In making those lease offers, Parakeet willfully disregarded many of its obligations under the MHA and Attorney General regulations, including numerous disclosure requirements designed to keep the Putative Class fully informed during contract negotiations.

40. Parakeet also included illegal provisions in the proposed leases and made representations to class members that ranged from misleading and deceptive to outright false.

41. The Class Representatives gave Parakeet the opportunity to remedy its many legal violations by sending a Chapter 93A Demand Letter on April 18, 2024. However, as detailed further below, Parakeet has declined to make a reasonable settlement offer in response.

Legal Framework Protecting Mobile Home Community Residents

42. Massachusetts has recognized the enormous power imbalance that mobile home community owners wield over community residents in the absence of regulation.

43. The Legislature and Attorney General's Office have enacted statutory and regulatory provisions specifically designed to reduce that imbalance and protect residents by mandating transparency and fair dealing by community owners.

Manufactured Housing Act

44. In 1986, the Legislature enacted the Manufactured Housing Act (the "MHA") with "[c]arefully tailored statutory requirements … aimed at improving the residents' bargaining position while preserving and protecting the legitimate interests of community owners."[2]

45. Section 32L of the MHA outlines "[r]equirements and restrictions applicable to manufactured housing communities." G.L. c. 140, § 32L.

46. Among those are many mandates that apply to community owners and are meant to protect residents, including:

a. Any rule or "change in rent" that does not "apply uniformly" to residents "of a similar class" is presumptively unfair, G.L. c. 140, §§ 32L(2);

b. Before implementing amended community rules, community owners must seek and obtain the Attorney General's approval for the changes and provide copies of the amended rules to all residents, G.L. c. 140, §§ 32L(5); and

c. Unfair or deceptive rules or conditions of occupancy are unenforceable, G.L. c. 140, §§ 32L(6).

47. Section 32P of the MHA delineates disclosure requirements that community owners must meet regarding the terms and conditions of occupancy for prospective and current residents.

48. It states that "[a]ll terms and conditions of occupancy must be fully disclosed in writing by the manufactured housing community owner to any prospective manufactured housing

[2] *Attorney General's Guide to Manufactured Housing Community Law,* at 8.

community resident at a reasonable time prior to" rental or occupancy. G.L. c. 140, § 32P.

49. The disclosures must include, but "shall not" be limited to, "the amount of rent, an itemized list of any charges or fees, the names and addresses of all the owners of the manufactured housing community, and the rules and regulations governing the use of the manufactured home lot and community." *Id.*

50. The writing must also be "signed by the … community owner" and contain, for new tenants as well as "*each person renewing or extending any existing arrangement or agreement for occupancy of premises*," a good faith offer "for a rental agreement with a term of five years… at fair market rental rates." *Id.* (emphasis added).

51. Section 32P also provides the text of a "notice" that "shall" be included with the disclosures and printed "verbatim" in a clear and conspicuous way. *Id.* The notice outlines, among other things, the required procedure for changing community rules. *Id.*

52. Section 32D of the MHA compels the community owner to post the operative community rules near the community entrance or in an on-site office. G.L. c. 140, § 32D.

53. The MHA also specifically provides that failure by a community owner to comply with any provision codified within the MHA "shall constitute an unfair or deceptive practice" under Chapter 93A. G.L. c. 140, § 32L(7).

Attorney General Regulations

54. Pursuant to authority granted to it by § 32S of the MHA, the Massachusetts Attorney General's Office has issued "Manufactured Housing Community Regulations," 940 C.M.R. §§ 10.00-10.14, governing the interpretation, administration, and enforcement of the MHA. *See* G.L. c. 140, § 32S; 940 C.M.R. 10.00 *et seq*.

55. 940 C.M.R. § 10.02 outlines the conduct by a community owner that constitutes "unfair

or deceptive" acts or practices in violation of G.L. c. 93A.

56. It states, for example, that it is unfair or deceptive for a community owner to "fail to comply with any applicable provision of [the Manufactured Housing Act], 940 CMR 10.00, or any other … statute, rule or regulation which … provides protection to or for residents or prospective residents of manufactured housing communities." 940 C.M.R. § 10.02(3).

57. It also provides that it is unfair or deceptive for a community owner to:

a. Fail to inform a tenant or prospective tenant in writing that the community has rules or furnish those rules to a tenant or prospective tenant, 940 C.M.R. § 10.02(5);

b. Fail to inform a tenant in writing that the Attorney General has promulgated regulations for manufactured housing communities or make those regulations available on site, 940 C.M.R. § 10.02(6); or

c. Fail to make disclosures required under 940 C.M.R. 10.03(4) "when offering a new tenancy to any prospective or existing tenant." 940 C.M.R. § 10.02(10).

58. 940 C.M.R. § 10.03 lays out, among other things, the disclosure requirements that community owners must adhere to when they make lease offers to "any prospective resident, including without limitation, an existing tenant whose prior occupancy agreement is being amended, renewed, or extended." 940 C.M.R. § 10.03(4).

59. Those disclosures must be in writing and "be signed by the operator and delivered at least 72 hours prior to either the signing of the occupancy agreement or the commencement of the new occupancy." *Id.*

60. The community owner must include in those disclosures: the amount of rent, an itemized list of any usual charges or fees, "the proposed terms of occupancy, as provided under 940 CMR

10.03(5),” the names and addresses “of all owners and operators of the community” including the “principal beneficial owners” of a corporate entity owner, “all” community rules, the size and location of the manufactured home site, a description of all common areas and facilities, and the statutory notice required by G.L. c. 140, § 32P. *Id.*

61. Those written disclosures also “shall contain” an “offer to enter into an occupancy agreement with a term of five years at fair market rental rates.” 940 C.M.R. § 10.03(5).

62. The five-year lease offer requirement exists so that mobile home community residents have the option to choose a long-term lease at a fair price, which can provide them with greater stability and security than a short-term lease.

63. The regulations define “[f]air market rental rates” as those “that would be charged in the market between a willing owner of a manufactured housing community and a willing prospective tenant seeking initial residency in the community, each acting freely and without compulsion or collusion, for the manufactured home site in question.” 940 C.M.R. § 10.01.

64. Section 10.03 also makes it an unfair or deceptive practice to “impose in any occupancy agreement a provision allowing for recovery of the operator’s attorneys’ fees and expenses incurred as a result of any legal action taken against the tenant for violation of the occupancy agreement unless the agreement also provides that the tenant may recover his or her fees and expenses if the tenant prevails in any such legal action.” 940 C.M.R § 10.03(2)(j); *see also* 940 C.M.R. § 3.17(3)(a)(1) (declaring that it “shall be [an] unfair and deceptive act” for a rental agreement to include any term that “violates any law,” which includes the requirement in G.L. c. 186, § 20 that prevailing party provisions be reciprocal).

65. 940 C.M.R. § 10.04 governs the substance of community rules imposed by community owners and lays out the required procedures for adopting or amending such rules.

66. It provides that it is an unfair or deceptive practice under G.L. c. 93A for a community owner to "fail to post the rules then in effect," as required by G.L. c. 140, § 32D, or to make "any material false representation as to any material matter related to the giving of notices or the receipt of approvals related to community rules." 940 C.M.R. §§ 10.04(1)(b), (c).

67. Section 10.04 also states that when a community owner "promulgates, adds, deletes, or amends any rule," the community owner must post copies of the proposed rules "in a common area of the community … at least 75 days prior to the effective date" with a notice stating, *inter alia*, that the community owner is seeking to change the community rules. 940 C.M.R. § 10.04(3)(a).

68. Section 10.04 further requires that the community owner send the proposed rules to the Attorney General for approval at least 60 days before the rules take effect, and to "each resident" of the relevant community at least 30 days before they take effect. *Id.*

69. In addition to its regulations that explicitly apply to mobile home communities, the Attorney General's Office has also promulgated administrative rules that outline unfair and deceptive conduct in landlord-tenant relationships more generally. *See* 940 C.M.R § 3.17.

70. Among other things, 940 C.M.R. § 3.17 makes it unfair or deceptive for a landlord to enter into a written agreement "which fails to state fully and conspicuously" the names, addresses, and telephone numbers of the community owner as well as any "person authorized to receive notices of violations of law and to accept service of process on behalf of the owner." 940 C.M.R. § 3.17(3)(b).

The Consumer Protection Act, G.L. c. 93A

71. G.L. c. 93A, § 2(a) makes it unlawful to employ "[u]nfair or deceptive acts or practices in the conduct of any trade or commerce."

72. An act is deceptive for purposes of G.L. c. 93A "if it could reasonably be found to have caused a person to act differently from the way he [or she] otherwise would have acted." *Aspinall v. Philip Morris Cos., Inc.*, 442 Mass. 381, 394 (2004) (internal quotation omitted).

73. An act is unfair for purposes of G.L. c. 93A when it falls within "the penumbra of some common-law, statutory, or other established concept of unfairness," or it is "immoral, unethical, oppressive, or unscrupulous" and "causes substantial injury." *See, e.g.*, *Linkage Corp. v. Trustees of Bos. Univ.*, 425 Mass. 1, 27 (1997) (citations omitted).

74. The statute applies to dealings between mobile home community owners and community residents. Chapter 93A explicitly includes the "sale, rent, or lease" of property in its definitions of "trade" and "commerce," G.L. c. 93A, § 1.

75. G.L. c. 93A, § 9 allows anyone injured by any act or practice made unlawful under Section 2—or any rule or regulation issued pursuant to Section 2—to bring an action in Superior Court for damages and equitable relief. G.L. c. 93A, § 9(1).

76. A plaintiff who succeeds on a G.L. c. 93A claim is entitled to "reasonable attorney's fees and costs," G.L. c. 93A, § 9(4), and, upon a showing that the defendant's conduct "was a willful or knowing violation of … section 2," can recover double or treble damages. *Id.* § 9(3).

Parakeet's First Round of Illegal Lease Offers in November 2023

77. Instead of adhering to these statutory and regulatory consumer protections, Parakeet has chosen to exploit its bargaining power over the Putative Class by sending out documents and communications that it knew violated Massachusetts law.

78. The initial iteration of unfair and deceptive practices the Plaintiffs now challenge occurred in November 2023 when Parakeet sent all members of the Putative Class notices of rent increase (the "notices"), new proposed leases, and accompanying documents (together, the

"November Offers").

79. True and accurate copies of the November Offers that Parakeet sent to each of the named Plaintiffs are attached hereto as Exhibit A.

80. The unfair and deceptive elements of Parakeet's November Offers include:

a. Omitting numerous legally required disclosures;

b. Imposing non-uniform rent increases on tenants within the same tenant class;

c. Failing to provide renter-tenants with mandatory five-year lease offers;

d. Promulgating unenforceable community rules to owner-tenants; and

e. Setting new rent levels that vastly exceed fair market rates.

Notices of Rent Increase

81. Two aspects of the November Offers were consistent for all members of the Putative Class: (1) everyone received a rent increase; and (2) the notices of same were virtually identical except for the recipient's name, address, and the amount of their rent increase.

82. The notices asserted that "[a]ll existing rental agreements will be terminating effective the end of December 31, 2023," stated that each tenant was being offered a new lease to begin on January 1, 2024, and listed the rent increase for the recipient in that new lease. Ex. A.

83. The Class Representatives' individual notices informed them that the following monthly rent increases would take effect on January 1, 2024 (*see* Ex. A):

a. Ms. Case's rent would increase by $345, from $970 to $1,315.

b. Mr. Sveden and Ms. Velez's rent would increase by $115, from $460 to $575.

c. Mr. Wassell's rent would increase by $ 395, from $920 to $1,315.

d. Mr. Raymond's rent would increase by $115, from $500 to $615.

84. Those increases were relative to occupancy arrangements that each of the Plaintiffs previously agreed to with Parakeet, which ran from January 2023 to December 2023.

85. On information and belief, notices received by the remaining members of the Puative Class informed them of similarly steep rent increases.

86. The notices concluded by threatening that "[i]f we do not receive a signed, new Rental Agreement from you by [December 31, 2023], then your tenancy will become terminated at the end of December 31, 2023, and you are required to vacate the premises by then." Ex. A.

87. In January 2024, Parakeet began charging the entire Putative Class the new rental rates listed in the notices of increase, even if individual class members did not sign or agree to the proposed leases in the November Offers.

Renter-Tenant Lease Offers and Other Documents

88. In addition to the notices of rent increase sent to all members of the Putative Class, the November Offers contained other documents that differed depending on whether the recipient was a renter-tenant or an owner-tenant.

89. The only other documents Parakeet sent in the renter-tenants' November Offers—which it has never supplemented—were proposed leases and a "statement of condition" for the premises. *See* Ex. A.

90. Those documents omitted a multitude of disclosures that the MHA and Attorney General regulations require community owners to make to mobile home community residents, like the renter-tenants, before the start of a new tenancy.

91. For example, Parakeet failed to provide information mandated by G.L. c. 140, § 32P and 940 C.M.R. § 10.03(4), such as: the names and addresses of "all owners and operators" of the community, including Parakeet, Whispering Pine LLC, American LLC, or any relevant

Massachusetts entity; the community rules; a list of usual charges or fees; the size and location of the home site; a description of the common areas and facilities; and the notice dictated by G.L. c. 140, § 32P.

92. Parakeet also did not disclose information listed in 940 C.MR. § 3.17(3)(b), like the names of those authorized to receive notice of legal violations and accept service on its behalf.

93. Parakeet's omission of those required disclosures was knowing and willful. The notices and lease documents in the renter-tenants' November Offers make clear that such omission was part of a deliberate strategy to deprive the Putative Class members of information that was material to their renewals, could strengthen their bargaining position, or could aid them in the exercise of their tenancy rights.

94. As an illustration of this, Parakeet obfuscated its identity as the owner in both the notices and lease offers by only referring to itself throughout those documents as the "Community Owner" or "Management." *See* Ex. A.

95. To sow further confusion among the community residents, Parakeet listed "Irvin Velasquez"—who, on information and belief, is not an owner or operator of the Parks—as the "landlord" on the proposed leases. *See id.*

96. By refusing to disclose its name in the November Offers—or that of any person or entity that could accept service of process on its behalf—as legally required, Parakeet made it much more difficult for any member of the Putative Class to report the company's legal violations to the state's relevant authorities, or to sue the company personally to vindicate their rights.

97. The terms of the proposed leases that Parakeet sent the renter-tenants also violated the MHA and Attorney General regulations in several obvious ways.

98. First, Parakeet limited the proposed leases to one-year terms without offering five-year lease options. This directly contravened both G.L. c. 140, § 32P and 940 C.M.R. § 10.03(4)-(5), which entitle any prospective tenant, including someone renewing or extending an existing occupancy arrangement, to a five-year lease offer at "fair market rental rates."

99. Parakeet knew that those five-year options would have increased the renter-tenants' bargaining position simply by providing them with an additional and alternative lease to choose from. However, it chose to deprive the renter-tenants of that legally mandated benefit.

100. Second, Parakeet did not include rent at "fair market rental rates" in these proposed leases, which violates G.L. c. 140, § 32P and 940 C.M.R. § 10.03(4)-(5).

101. Parakeet set the rate for renter-tenants at $1,315 per month. *See* Ex. A. This is not a "fair market rental rate" as defined in the Attorney General's regulations.

102. $1,315 per month is unconscionable given the low-income populations of these Parks and that renter-tenants at American were paying $900 and below as recently as 2022.

103. The many unfair and deceptive practices that Parakeet utilized in making the November Offers deprived the renter-tenants of the ability to reach an agreement on rent "willing[ly]" or "freely and without compulsion or collusion." 940 C.M.R. § 10.01. The rental rates included in the November Offers to the renter-tenants therefore violate G.L. c. 93A.

104. Additionally, similar mobile home communities in Massachusetts charge renter-tenants significantly lower rates. For example, on information and belief, another privately owned community in Auburn charges renter-tenants $950 per month.

105. Third, the proposed leases imposed unequal monthly rent increases on the renter-tenants. Whereas some lease offers, like the one to Ms. Case, contained an increase of $345, others contained greater increases, like the one to Mr. Wassell that carried an increase of $395.

106. Even though the renter-tenants' increases brought them all to a base rent of $1,315, the actual changes experienced by the renter-tenants were not uniform. G.L. c. 140, § 32L(2) makes such non-uniform "changes in rent" presumptively unfair.

107. Parakeet imposed the rent increases in the November Offers because it wanted to reap the financial rewards of those rent changes immediately.

108. G.L. c. 140, § 32L makes it incumbent on community owners to act fairly when imposing rent changes. Parakeet's method of doing so here—non-uniform, dramatic increases across the board—was financially harmful and unfair to the renter-tenants. It was, therefore, illegal under the MHA and Chapter 93A.

109. Fourth, paragraph 8.7 of the proposed leases states that the tenant "shall" be liable to the landlord for attorney's fees if the landlord brings a successful action to enforce the lease, but does not include a similar prevailing party clause in favor of the tenant. This lease provision violates the plain language of 940 C.M.R. § 10.03(2)(j).

110. Parakeet's inclusion of it in the November Offers was harmful to the renter-tenants by, without limitation, serving as a strong deterrent to their exercise of legal rights.

Owner-Tenant Lease Offers and Other Documents

111. Parakeet also sent November Offers to the owner-tenants at the Parks.

112. The owner-tenants' November Offers differed from the renter-tenants' November Offers in that the proposed leases therein contained different terms and, apart from the notices of increase, were accompanied by a different set of documents.

113. For example, the proposed leases in the owner-tenants' November Offers contained five-year lease options. Those five-year lease options each had an initial monthly rent increase in the first year—for the Class Representatives, the same increase stated in paragraph 83

supra—and provided for automatic $100 monthly rent increases in each subsequent year.

114. The amounts proposed by Parakeet to owner-tenants in the November Offers were not "fair market rental rates," as required by G.L. c. 140, § 32P and 940 C.M.R. § 10.03(4)-(5).

115. Many different factors underscore this reality. Those factors include, but are not limited to: that Parakeet's actions prevented the owner-tenants from agreeing to these amounts willingly and freely; local rent control boards have rejected lower rates as above fair market value in the last year; and similarly-situated mobile home communities in Massachusetts charge their owner-tenants significantly lower rates.

116. The other documents Parakeet sent in the owner-tenants' November Offers included a document titled "Important Notice Required by Law" and a set of community rules purportedly governing the Park where the recipient tenant lived. *See* Ex A.

117. All the documents in the owner-tenants' November Offers, much like the documents sent to the renter-tenants, were insufficient to meet Parakeet's legal disclosure requirements under the MHA and Attorney General regulations.

118. Parakeet once again intentionally obscured its ownership identity throughout these documents. The documents failed to list Parakeet's name or that of its resident agent, in violation of 940 C.M.R. § 10.03(4) and § 3.17(3)(b)(2), respectively.

119. The proposed leases stated that the leases were being agreed to by the relevant tenant and "Whispering Pines MA, as the landlord/lessor" instead of Parakeet. *See* Ex. A.

120. Similarly, the community rules listed "Whispering Pines MA," not Parakeet or any other affiliated entity, as the "Community Owner." *See id*.

121. On information and belief, there is no entity registered with the Massachusetts Secretary of State's Office as "Whispering Pines MA."

122. Parakeet likewise failed to make any other disclosures required by 940 C.M.R. § 10.03(4) before January 2024, when it began charging the increases in the November Offers. The required disclosures it omitted include: the names of the community owner/operator or its beneficial owners, the operative community rules, the size and location of the relevant home site, a list of usual charges/fees, and the correct notice required by G.L. c. 140, § 32P.

123. The set of community rules Parakeet sent to the owner-tenants in the November Offers (the "November Rules") stated that "these rules govern the homeowners/residents' occupancy and use of the home site and common areas." *See* Ex. A.

124. That statement was and is untrue because the Attorney General's Office has not approved the November Rules. *See* Ex. A.

125. The last time the Attorney General's Office approved a set of community rules for either of the Parks was in 2016 and that was in response to an approval request by a previous owner. The Attorney General's Office approved those rules (the "2016 Rules," attached as Exhibit C) for Whispering Pine. On information and belief, the Attorney General has not approved those or other rules for American.

126. The November Rules are materially different from the 2016 Rules in numerous ways. Those differences include, among other things:

a. The "rubbish collection" paragraph in the November Rules contains at least four additional rules governing residents' waste storage and disposal that were not present in the 2016 Rules.

b. The "Aesthetic Standards" paragraph in the November Rules lists four new aesthetic requirements for unit exteriors and home sites, including vinyl skirting for units and "wooden" sheds, that were not present in the 2016 Rules.

c. The November Rules outline a series of restrictions on "Yard Sales" that was entirely absent from the 2016 Rules.

d. The November Rules contain many new rules related to vehicles that were not present in the 2016 Rules. Those new rules include strict limits for vehicle weights and axles, restrictions on "unregistered vehicles," a provision allowing the community owner to tow vehicles for rules violations at the owners' expense, and a complete ban on "major repairs" to vehicles.

127. Parakeet did not receive the Attorney General's approval for such changes in the November Rules before circulating those Rules in the November Offers as if they were binding. Nor did Parakeet ever post the November Rules in the common areas of the Parks, post a notice at the Parks regarding the changes in the November Rules, or send the rules to members of the Putative Class, before they purportedly became effective.

128. By "promulgat[ing]" the November Rules to the owner-tenants without first completing those steps, Parakeet violated 940 C.M.R. § 10.04(3). It also intentionally misled the owner-tenants by falsely stating that those rules "govern" the Parks.

129. Parakeet further violated 940 C.M.R. § 10.03(4) by failing to circulate to the Whispering Pine owners, as part of the November Offers, the rules that were actually applicable to that Park (i.e., the 2016 Rules).

130. Adding to its pattern of obfuscation, the "Notice Required by Law" that Parakeet sent owner-tenants in the November Offers was an outdated version of the notice required by G.L. c. 140, § 32P.

131. Section 32P, as noted above, outlines the text of a notice meant to inform each community "resident" of the required procedures related to changing community rules. It also

mandates that the notice be distributed to residents "verbatim" prior to the start of a new tenancy.

132. The version Parakeet distributed did not include important updates to the required notice that took effect in May 2023, such as replacing references to the now-defunct "Department of Housing and Community Development" with its successor agency, the Executive Office of Housing and Livable Communities.

133. Additionally, like the renter-tenant lease offers, the owner-tenants' proposed leases contravened G.L. c. 140, § 32L by imposing unequal rent increases on the owner-tenants. For example, the rent for Mr. Sveden and Ms. Velez increased by $115, while, on information and belief, rent for other owner-tenants at American only went up by $105.

134. These unequal increases were illegal and unfair on all the owner-tenants for the same reasons as the unequal rent increases on the renter-tenants alleged above.

135. Each violation of the MHA and relevant Attorney General regulations recounted in this section, and in the renter-tenant section *supra*, individually constitutes unfair and deceptive conduct by Parakeet in violation of G.L. c. 93A.

136. Viewed together, the nature and volume of those violations establish that Parakeet intentionally chose not to comply with its legal obligations, so that it could deprive the Putative Class of relevant information, hinder their bargaining position, stop them from exercising their rights, and induce them into signing leases with dramatically increased, non-fair market rents.

137. Because the November Offers violated Commonwealth law as described herein, the proposed leases in those Offers are illegal and invalid. *Gattineri v. Wynn MA, LLC,* 493 Mass. 13, 19-20 (2023) (courts will not enforce a contract that violates public policy); *McLaughlin v. Amirsaleh*, 65 Mass. App. Ct. 873, 880-81 (2006) ("It is settled that a contract in violation of law or public policy will not be enforced.").

Parakeet's Second Round of Illegal Lease Offers to Owner-Tenants in March 2024

138. In January 2024, undersigned counsel sent a letter (the "January Letter") to Parakeet demanding that it remedy many of the violations from the November Offers. Ex. D.

139. During the first week of March 2024, Parakeet sent a packet of new documents to the Parks' owner-tenants, which included a cover letter, a legal notice, "Initial Written Disclosures," and new proposed leases (together, the "March Offers").

140. The March Offers were sent only to the Parks' owner-tenants. Parakeet has not sent anything further to the renter-tenants since the November Offers.

141. True and accurate copies of the March Offers Parakeet sent to Mr. Raymond as well as Mr. Sveden and Ms. Velez are attached hereto as Exhibit B. On information and belief, the documents contained therein are demonstrative of the documents that Parakeet sent out to all the owner-tenants at the Parks as part of the March Offers.

142. Far from curing Parakeet's earlier violations, the March Offers were once again rife with material misrepresentations and omissions. The unfair and deceptive aspects of these Offers include, but are not limited to:

a. Intentionally misleading statements designed to make the owner-tenants believe they had no choice but to sign the new proposed leases;
b. False assertions about the amount of rent in the new proposed leases designed to mislead the owner-tenants;
c. Inadequate disclosures;
d. Rent increases vastly exceeding fair market rental rates; and
e. Omission of rent amounts for years two through five in five-year lease options.

March 2024 Offers and Cover Letters

143. Like the November Offers to the owner-tenants, the March Offers to the owner-tenants contained new proposed leases and cover letters.

144. The new proposed leases in the March Offers differed from the lease documents contained in the owner-tenants' November Offers.

145. For instance, the new proposed leases in the March Offers carried five-year lease options that did not state the amount of rent that would apply in years two through five. Instead, those five-year lease options provided that "[t]he Base Rent … each year of this occupancy agreement may be increased with thirty (30) days' written notice prior to the annual anniversary of this lease term utilizing market conditions, including the change in the applicable consumer price index … for the annual period prior to the year of the increase." Ex. B.

146. Parakeet's failure to provide concrete rent amounts for years two through five of these five-year lease options violates both the MHA and Attorney General regulations.

147. Section 32P of the MHA requires community owners to make five-year lease offers to each person renewing any existing occupancy arrangement and states that those offers must include "fair market rental rates." G.L. c. 140, § 32P. Likewise, 940 C.M.R § 10.03(4) mandates that five-year lease offers must disclose "the amount of rent." 940 C.M.R. § 10.03(4).

148. The five-year lease options in the March Offers neither included any "rental rates" for years two through five, nor disclosed the "amount of rent" for those years. In lieu of those amounts, Parakeet's language gave it carte blanche to increase the owner-tenants' rent in those years pursuant to some undefined, one-sided, "market" calculation.

149. This defeats the purpose of the five-year lease rule by divesting the owner-tenants of the long-term stability and certainty that comes with five years of known rental rates.

150. The five-year lease options are unfair, exploitative, and contravene the express terms of both G.L. c. 140, § 32P and 940 C.M.R. § 10.03(4).

151. The 2024 rent amounts in the March Offers were the same as the 2024 rent amounts contained in the owner-tenants' November Offers. For all the reasons alleged above, the rent amounts in the March Offers were, therefore, above "fair market" rates and illegal.

152. Parakeet also made a series of false and misleading statements in the cover letters and proposed leases contained in the March Offers.

153. The cover letters and proposed leases Parakeet sent to the owner-tenants were nearly identical with only minor differences in the personal information listed for each recipient tenant, such as name, address, and the amount of the 2024 rent increase.

154. The language at the top of the cover letters appeared as follows, Ex. B:

TERMINATION OF TENANCY AND OFFER TO ESTABLISH NEW TENANCY PURSUANT TO GL c. 140, §§ 32 et seq, 940 CMR 10.00 et seq and GL c. 186, §12

PLEASE NOTE THAT THIS NOTICE IS BEING PROVIDED TO ALL THOSE WHO OWN MANUFACTURED HOMES WITHIN THIS COMMUNITY AND THE ATTACHED DOCUMENTS SUPERSEDE AND REPLACE THOSE PROVIDED TO YOU IN NOVEMBER 2023. SHOULD YOU WISH TO ADOPT THE CHANGES REFLECTED IN THESE DOCUMENTS, INCLUDING THE OCCUPANCY AGREEMENT, PLEASE RETURN SIGNED THE ENCLOSED OCCUPANCY AGREEMENT SELECTIONG A 5-YEAR TENANCY OR TENANCY-AT-WILL TENANCY.

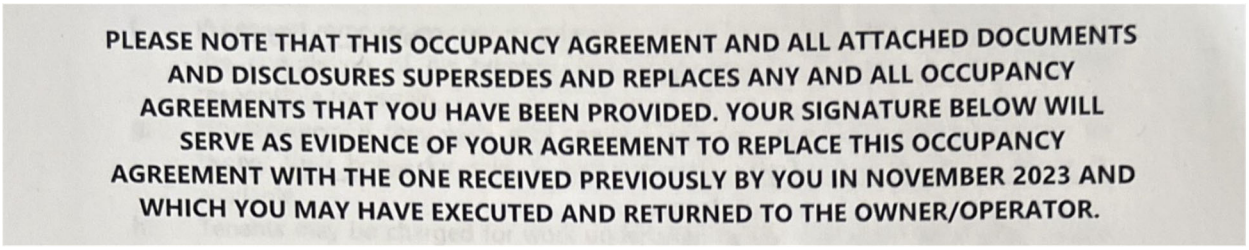
155. Mr. Raymond's cover letter, similar to the letters sent to other owner-tenants, continued (emphasis original), Ex. B:

> If you signed an Occupancy Agreement that has come to term and it is time to enter into a new one, signed an occupancy agreement that you wish to replace with the one being offered hereby, or if you are a tenant-at-will, your current tenancy-at-will and/or rental rate is hereby terminated effective March 31, 2024. You are hereby being offered a new tenancy effective as April 1, 2024. Pursuant to the attached Occupancy Agreement your base rent is REMAINING THE SAME AT $500.00 (November 2023's rate) but the rate of annual increase has changed to reflect market

conditions. **The new monthly rental rate is $615.00 including the $12 monthly license fee to the Town of Auburn.**

156. Mr. Sveden and Ms. Velez's cover letter included the same language quoted in paragraph 155 above, except the rent amounts listed in the last two sentences were $460 and $575 respectively. *See* Ex. B.

157. The top of the first page of the proposed leases contained a similar block-letter, bold face message as that appearing at the top of the cover letters, Ex. B:


PLEASE NOTE THAT THIS OCCUPANCY AGREEMENT AND ALL ATTACHED DOCUMENTS AND DISCLOSURES SUPERSEDES AND REPLACES ANY AND ALL OCCUPANCY AGREEMENTS THAT YOU HAVE BEEN PROVIDED. YOUR SIGNATURE BELOW WILL SERVE AS EVIDENCE OF YOUR AGREEMENT TO REPLACE THIS OCCUPANCY AGREEMENT WITH THE ONE RECEIVED PREVIOUSLY BY YOU IN NOVEMBER 2023 AND WHICH YOU MAY HAVE EXECUTED AND RETURNED TO THE OWNER/OPERATOR.

158. Each of those passages from the cover letters and proposed leases in the March Offers violates G.L. c. 93A.

159. The conspicuous messages at the top of the cover letters and lease offers were deceptive to owner-tenants.

160. For instance, the sweeping assertion that the documents "supersede and replace" any previously provided documents—including active tenancy agreements that owner-tenants had entered verbally, in writing, or otherwise—is false.

161. As Parakeet is well-aware, the proposed leases in the March Offers did not by themselves "supersede" or "replace" any then-active tenancy agreement Parakeet had with an owner-tenant and could not have done so without the relevant owner-tenant's agreement.

162. Parakeet intended for that language to be eye-catching and put it in prominent locations, in bold type, to deceive owner-tenants into thinking they had no choice but to sign and return the proposed leases in the March Offers.

163. This language was included first, before other terms and provisions, to mislead owner-tenants and cause them to sign the proposed leases.

164. Parakeet understood that many of the owner-tenants, like Mr. Sveden, Ms. Velez, and Mr. Raymond, are elderly and/or disabled, and it sought to exploit that vulnerability by using this misleading language to induce them into signing the new leases based on a misrepresentation of their rights.

165. Parakeet also intended the cover letters to confuse and mislead the owner-tenants about the initial monthly rent in the proposed leases.

166. The cover letters falsely stated "your base rent is REMAINING THE SAME" at November 2023 rates (emphasis in original). Parakeet designed and used this bold language to induce the owner-tenants into incorrectly concluding that the initial base rent in the new proposed leases was the same as their November 2023 rate.

167. The next sentence in the cover letters identified the actual, increased starting rent in the new proposed leases. However, the two sentences combine, at minimum, to confuse the reader about the amount of rent in the proposed leases.

168. Parakeet did not simply make a mistake when it indicated that base rents in the new proposed leases would be "REMAINING THE SAME" at 2023 levels. This false statement was one example of many intentional deceits and obfuscations that, together, were designed to circumvent the owner-tenants' clearly established rights and legal protections and induce them into signing unfavorable leases and paying non-fair market rent amounts.

169. Parakeet also stated in the March Offers that owner-tenants would receive rent credits to reimburse them for any amount of rent paid in 2024 above the 2023 rent levels.

170. This was a tacit admission that the rents in the November Offers were illegal.

171. It was also an attempt to improperly induce tenants into signing the proposed leases in the March Offers. The first page of the proposed leases in the March Offers stated, for example, that "prior rents paid since the last increase in November shall be credited against the rent herein noted to begin effective April 1, 2024."

172. This unfairly and misleadingly suggested that the owner-tenants would only receive the credits if they agreed to the proposed leases the March Offers.

173. It failed to explain to the owner-tenants that they were entitled to reimbursement for those amounts regardless of their decision on those proposed leases.

The March Offers' Notices and Disclosures

174. The March Offers continued Parakeet's pattern of withholding information that the Putative Class was legally entitled to have before the effective date of new proposed leases.

175. Despite ample opportunity to fix issues with legal notice and disclosure requirements following the January Letter, Parakeet failed to comply with those requirements in the March Offers. And it has made no effort to fix that failure since.

176. None of the documents in the March Offers included the "size and location" of the recipient tenant's relevant home site or the text of the operative "community rules," in violation of 940 C.M.R. § 10.03(4).

177. The "Initial Written Disclosures" document in the March Offers refers to a set of supposedly operative community rules that it notes are "attached" and "in the process of being amended." Ex. B. But Parakeet failed to include the text of any rules in the March Offers.

178. Parakeet's failure to circulate the 2016 rules—the only set of rules approved by the Attorney General's Office for Whispering Pine—to Whispering Pine owner-tenants was unfair and deceptive to those tenants. And its claim that there is a set of rules currently

applicable to American was false and misleading to the owner-tenants of that park.

179. The "Initial Written Disclosures" document also suggests, falsely, that the owner-tenants had an obligation to acknowledge receipt of the March Offers.

180. Specifically, the top of the document says that "[s]igned acknowledgement of your receipt of this Disclosure is required at least 72 hours prior to either the signing of any Occupancy Agreement or commencement of any new tenancy whichever comes first." Ex. B.

181. While 940 C.M.R. § 10.03(4) requires *community owners* to make disclosures in advance of a tenancy renewal, no legal rule mandates that a community resident take any action in response, let alone that a tenant do so within a certain time frame.

182. That statement was also unfair and deceptive under the express terms of 940 C.M.R. § 10.04(1)(c). Section 10.04(1)(c) provides that it is unfair or deceptive under G.L. c. 93A for a community owner to make "any materially false representation as to any material matter related to the giving of notices … related to community rules."

183. The proposed leases in the March Offers were tainted by Parakeet's copious legal violations outlined herein. The proposed leases are therefore illegal and invalid.

April 2024 Demand Letter

184. On April 18, 2024, the Class Representatives sent a demand letter pursuant to G.L. c. 93A by certified and first class mail to Parakeet. That letter is attached as Exhibit E.

185. The demand letter was sent on behalf of Amy Case, Charles Sveden, Maria Velez, Walter Wassell and Mark Raymond, and all similarly situated members of the Putative Class.

186. The demand letter reasonably described the unfair or deceptive acts or practices committed by Parakeet and reasonably described the injuries suffered by the Class Representatives and the rest of the Putative Class.

187. Parakeet failed to respond to the demand letter with a reasonable settlement offer.

Harms Caused By Parakeet's Unfair and Deceptive Conduct

188. Parakeet has overwhelmed the Putative Class with a deluge of unfair and deceptive acts. Not only has Parakeet engaged in numerous acts and omissions that are individually illegal, but those acts and omissions together comprised an intentional scheme of unfair and deceptive conduct designed to exploit the power imbalance inherent in manufactured housing communities and capitalize off the Putative Class for Parakeet's financial gain.

189. All of that has directly harmed the Putative Class by making them worse off than if Parakeet had complied with its legal obligations.

190. In failing to comply with the MHA and Attorney General regulations—which are specifically designed to reduce the power imbalance between community owners and residents—Parakeet unfairly and deceptively harmed the Putative Class by preventing its members from making fully informed decisions, hindering their negotiating position, and making it more difficult for them to exercise and safeguard their legal rights.

191. Parakeet's material misrepresentations in the November and March Offers have caused similar harm to the Putative Class, including by exerting improper influence on them to sign or acquiesce to unfavorable and illegal lease terms.

192. The illegal 2024 rent increases imposed by Parakeet in the November and March Offers have also harmed the Putative Class financially.

193. In January 2024, Parakeet began charging the Putative Class the increased rent amounts for 2024 contained in the November and March Offers. Parakeet has continued charging the Putative Class those increased amounts throughout 2024 even though it imposed those amounts in violation of the MHA and Attorney General regulations as alleged above.

194. Members of the Putative Class have tried to pay their November 2023 rental rates at various times in 2024, but Parakeet's online payment system will not accept any payment below the increased amounts in the November and March Offers.

195. In 2024 so far, each Class Representative has either paid their increased rent amount every month or withheld their increased rent amount every month and set that amount aside to stave off the eviction threatened by Parakeet in the November notices of rent increase.

196. The Class Representatives, who already have limited financial resources, have all been unable to spend the amount of their illegal increases on other necessities.

197. On information and belief, the entire Putative Class has experienced similar financial harm due to the illegal rent increases in the November and March Offers, including members who have been unable to pay the increased rent because they cannot afford to.

198. Parakeet has already initiated eviction cases against many members of the Putative Class, including Plaintiff Case, to enforce the illegal rent increases in the November and March Offers.

199. Parakeet's illegal actions have caused the Class Representatives to experience increased stress, fear, and anxiety. The Class Representatives fear, for example, that they will be unable to afford their rent payments and other necessities going forward due to Parakeet's illegal rent increases and that they will ultimately lose access to their homes.

200. This kind of stress, fear, and anxiety has also exacerbated mental and physical conditions in the Class Representatives as well as their suffering from those conditions.

201. On information and belief, Parakeet's actions have caused similar emotional distress injuries across the Putative Class.

CLASS ALLEGATIONS

202. The Putative Class is composed of all residents of American and Whispering Pine who received the November Offers and/or March Offers, which are unfair and deceptive to all members of the Putative Class for the reasons detailed above.

203. In the Putative Class, there are two subclasses. The first is all the owner-tenants at the Parks who received the November Offers and March Offers from Parakeet (the "Owner-Tenant Sub-Class"). The second is all the renter-tenants—all of whom live at American—who received the November Offers from Parakeet (the "Renter-Tenant Sub-Class").

204. Because, on information and belief, there are approximately 135 members of the Putative Class, joinder of every putative member is impractical.

205. The same is true of the two subclasses. Because, on information and belief, there are approximately 100 owner-tenants at the Parks who received the November Offers and March Offers, joinder of every putative member of the Owner-Tenant Sub-Class is impractical.

206. Mr. Sveden, Ms. Velez, and Mr. Raymond are all owner-tenants and members of the Owner-Tenant Sub-Class.

207. Similarly, because, on information and belief, there are approximately 35 renter-tenants at American who received the November Offers, joinder of every putative member of the Renter-Tenant Sub-Class is impractical.

208. Ms. Case and Mr. Wassell are both renter-tenants and members of the Renter-Tenant Sub-Class.

209. The Class Representatives' claims present factual and legal questions that are common to all members of the Putative Class and respective Sub-Classes, and which predominate over any questions affecting only individual class members, namely: (a) whether

Parakeet's communications and procedures violated the requirements of the MHA and Attorney General regulations or otherwise contravened G.L. c. 93A; (b) whether such communications and procedures injured recipient members of the Putative Class; (c) whether the leases proposed as part of the November Offers and March Offers are illegal and unenforceable; and (d) whether Parakeet violated the implied covenant of good faith and fair dealing.

210. These common issues of fact and law predominate over any individual issues in this case.

211. The Class Representatives' claims are typical of the claims of the respective class members, because their claims are based on Parakeet communications and procedures that were applied consistently to all members within the sub-classes since November 2023, those communications and procedures injured all members of the class and sub-classes similarly, and the Class Representatives' claims are thus rooted in identical legal and remedial theories.

212. The Class Representatives and undersigned counsel will fairly and adequately protect the interests of the class and two sub-classes.

213. The Class Representatives are committed to obtaining a just resolution of this dispute to the benefit of the entire Putative Class and lack any reason why they may fail to vigorously seek that just resolution.

214. Undersigned counsel Jacob Love and Oren Sellstrom are attorneys at Lawyers for Civil Rights, are committed to obtaining a just resolution of this dispute for the benefit of the class, and lack any reason why they may fail to vigorously seek that just resolution.

215. Undersigned attorneys Melissa Allison, Mina Makarious, Sean Grammel, and Martell Johnson are attorneys at a law firm partnering with Lawyers for Civil Right to represent

the classes and are committed to a just resolution of this dispute for the benefit of the class, and lack any reason why they may fail to vigorously seek that just resolution.

216. A class action is superior to other available methods for the adjudication of this controversy because, among other reasons, it conserves judicial resources by allowing the court system to resolve the claims of the Putative Class efficiently as part of one case. Moreover, the prosecution of separate lawsuits concerning issues related to rent obligations that have been inconsistently increased would create a substantial risk of inconsistent judicial outcomes.

FIRST CAUSE OF ACTION
VIOLATION OF G.L. c. 93A, § 9

217. Plaintiffs reallege and incorporate all preceding allegations in this complaint as if set forth in full.

218. The Class Representatives, and each similarly situated resident of the Parks are persons, as that term is used in G.L. c. 93A, § 9(1).

219. Parakeet is engaged in the conduct of a trade or commerce, as those terms are used in G.L. c. 93A §§ 2(a) and 9(1).

220. Specifically, Parakeet is the operator of the Parks, as that term is defined in 940 C.M.R. § 10.01, which are located in Auburn, Massachusetts.

221. Parakeet committed unfair and deceptive acts by, among other things, repeatedly violating the MHA, *see* G.L. c. 140, § 32L(7), and "tak[ing] action[] that conflicts with any applicable provision of 940 C.M.R. 10.00." 940 C.M.R. § 10.02(2).

222. Those unfair and deceptive acts include, but are not limited to, making false and misleading statements, failing to make mandatory disclosures, declining to provide five-year lease offers or include rent amounts within such offers, imposing non-uniform rent increases, and subjecting tenants to rent amounts vastly exceeding "fair market" rates.

223. Parakeet used these illegal tactics knowingly, and repeatedly, to diminish the bargaining power of the vulnerable members of the Putative Class, induce them into taking actions they may not have otherwise taken, and increase its own profits.

224. Parakeet's actions, through the November Offers and March Offers, have harmed the Owner-Tenant Sub-Class and Renter-Tenant Sub-Class by depriving the members of those classes of the ability to make fully informed renewal decisions, diminishing their bargaining power, making it more difficult to exercise and safeguard their tenancy rights, charging them illegally increased rents, and causing emotional distress.

225. As alleged above, on April 18, 2024, the Class Representatives sent a Chater 93A demand letter to Parakeet on behalf of the Putative Class, reasonably describing Parakeet's illegal acts and practices and injuries suffered by the Putative Class.

226. Parakeet failed to respond to the demand letter with a reasonable settlement offer.

227. Parakeet knew or should have known that its conduct violated G.L. c. 93A and that its failure to offer a reasonable settlement offer was in bad faith.

SECOND CAUSE OF ACTION
DECLARATORY JUDGMENT, G.L. c. 231A, § 1

228. Plaintiffs reallege and incorporate all preceding allegations in this complaint as if set forth in full.

229. An actual controversy exists between the Class Representatives, on behalf of the Putative Class, and Parakeet about the proposed leases and other documents that Parakeet sent as part of the November Offers or March Offers.

230. Parakeet stated in its response to the 93A demand letter that "we refute and reject your claims of liability under G.L. c. 93A."

231. Parakeet has been charging members of the Putative Class rent pursuant to the lease sent with the November Offers and March Offers.

232. Those leases are illegal and contrary to public policy, and therefore the terms and provisions contained in those leases are unenforceable.

233. The Putative Class seeks a binding declaration that any leases, including the terms and provisions therein, sent by Parakeet as part of the November or March Offers are illegal under the MHA, 940 CMR 10.00 *et seq*., and G.L. c. 93A, and are unenforceable as a matter of public policy.

234. The Court should adjudge the respective rights and obligations of the parties and declare that the members of the Putative Class have no obligations under any of the leases sent as part of the November Offers or March Offers, and that Parakeet cannot enforce the terms of those leases, including by charging the rent amounts contained therein.

THIRD CAUSE OF ACTION
BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

235. Plaintiffs reallege and incorporate all preceding allegations in this complaint as if set forth in full.

236. At all relevant times, Parakeet had a duty to perform its obligations under its leases diligently and in good faith.

237. Parakeet breached this duty by engaging in the conduct alleged in this Complaint, including but not limited to deceiving members of the Putative Class with respect to new leases with rents vastly exceeding fair market rental rates, knowingly mispresenting legal protections and other rights held by tenants under their leases, and knowingly withholding information to which the Putative Class was entitled in order to exert Parakeet's unfair bargaining power over members of the Putative Class.

238. Parakeet's conduct destroyed or injured the right of the members of the Putative Class to receive the fruits of their leases with Parakeet.

239. Parakeet acted in bad faith for ulterior purposes, namely to exact higher rents from the Putative Class through unfair and deceptive conduct.

240. The Owner-Tenant Sub-Class and Renter-Tenant Sub-Class have each incurred, and continue to incur, damages as a result of Parakeet's breaches of the implied covenant of good faith and fair dealing.

JURY DEMAND

The Putative Class claims trial by jury on all issues so triable.

PRAYER FOR RELIEF

Plaintiffs respectfully request that this Court:

a) Certify this action as a class action, on behalf of: All Residents of American and Whispering Pine (i.e., the Parks) who received the November Offers and/or the March Offers;

b) Certify two sub-classes as follows: 1) All the Owner-Tenants of the Parks; and 2) All the Renter-Tenants of the Parks;

c) Appoint Plaintiffs Sveden, Velez, and Raymond as Class Representatives of the Owner-Tenants Sub-Class; and Plaintiffs Case and Wassell as Class Representatives of the Renter-Tenant Sub-Class;

d) Appoint Lawyers for Civil Rights and Anderson & Kreiger LLP as Class Counsel;

e) Enter an order against Defendants awarding Amy Case, Charles Sveden, Maria Velez, Walter Wassell, Mark Raymond, and members of the Putative Class the actual, incidental, consequential, and multiple damages suffered by the class, as a result of Parakeet's violations of G.L. c. 93A or the maximum amount of statutory damages allowed by law;

f) Declare that any leases, including but not limited to the rent amounts, sent by Defendants to the Putative Class as part of the November Offers or March Offers are illegal and unenforceable;

g) Enjoin Defendants from charging the Putative Class the rent amounts contained in the November Offers or the March Offers;

h) Enjoin Defendants from charging members of the Putative Class a rent amount that is above the applicable "fair market rental rate";

i) Enjoin Defendants from imposing on Putative Class members within a similar tenant class non-uniform "rule[s] or change[s] in rent" including, but not limited to, the non-uniform rent increases imposed in the November and March Offers;

j) Damages for breach of the implied covenant of good faith and fair dealing;

k) Attorney fees and costs; and

l) Such other relief as the Court may deem just and proper.

July 2, 2024

Respectfully Submitted,

AMY CASE, CHARLES SVEDEN, MARIA VELEZ, WALTER WASSELL, & MARK RAYMOND,

By their attorneys,

/s/ Melissa Allison

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