

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK COUNTY, ss,

SUPERIOR COURT

COMMONWEALTH OF MASSACHUSETTS,

Plaintiff,

v.

Civil Action No. 23-12609

GREP ATLANTIC, LLC (d/b/a Greystar) and
PRG SB INVESTORS, LLC,

Defendants.

ASSURANCE OF DISCONTINUANCE

The Commonwealth of Massachusetts ("Commonwealth"), through the Office of the Attorney General ("AGO"), has conducted an investigation into allegations that GREP ATLANTIC, LLC (d/b/a Greystar) and PRG SB Investors, LLC ("Defendants") have engaged in unfair, deceptive, and unlawful discriminatory conduct at the apartment complex located at 4 Lucy Street, Boston, MA 02125 known as "The Andi South Bay" (the "property"). The property is owned by Defendant PRG SB Investors and managed by Defendant Greystar.

Defendants cooperated with the AGO's investigation. The parties have conferred in good faith to resolve this matter.

As authorized by G.L. c. 93A, § 5, the AGO agrees to accept this Assurance of Discontinuance ("Assurance") from Defendants in lieu of filing an action under G.L. c. 93A, § 4.

I. ALLEGED VIOLATIONS

The Commonwealth alleges that Defendants unlawfully and unfairly discriminated against tenants who receive housing subsidies in violation the Consumer Protection Act (G.L. c. 93A, § 2) and Antidiscrimination Law (G.L. c. 151B, § 4(10)). Without limiting the scope of this allegation, the Commonwealth states as follows:

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JOHN B. POWERS III
ACTING CLERK

Defendants require prospective tenants who receive housing subsidies¹ (hereafter “subsidized tenants”) to allegedly pay unfair and unlawful fees. Specifically, Defendants require subsidized tenants to pay a \$500.00 “first month rent deposit” at or about the time they submit their rental application – before the relevant subsidy provider reviews the application, approves the tenancy, or determines the share of the contract rent to be paid by the subsidized tenant. As a result, subsidized tenants may be required to pay “rent deposits” that exceed the total monthly rent that they are required to pay under their lease and/or the rules and regulations governing the relevant subsidy programs.

Further, in or about April 2019, Defendants allegedly unfairly and unlawfully discriminated against a subsidized tenant, Kelechi Linardon, by refusing to permit her to use a rental assistance benefit – allegedly referred to as a “promissory note” – to pay the \$500.00 “first month rent deposit” associated with her housing application. Defendants declined to process Ms. Linardon’s application because they objected to the requirements of the rental assistance benefit, including that the rental assistance provider would not tender payment for the “first month rent deposit” until Ms. Linardon completed Defendants’ application process and executed a lease.

II. ASSURANCES

A. Prohibitive Assurances:

For a period of three (3) years from the date this Assurance is filed, Defendants, together with their principals, agents, and employees, shall be prohibited and enjoined from engaging in conduct that violates the Consumer Protection Act or Antidiscrimination Law in connection with their ownership, management, and/or operation of residential rental properties located within the

¹ This includes tenants who receive housing subsidies through the federal program known as the Section 8 Housing Choice Voucher Program; and state housing subsidies through the program known as the Massachusetts Rental Voucher Program.

Commonwealth. Without limiting the foregoing, Defendants shall not charge or collect, or attempt to charge or collect, any deposit or fee from any subsidized tenant before the relevant subsidy provider has completed any tenancy approval process and determined the share of the rent to be paid by the tenant, and the tenant has executed a lease consistent with the requirements of the relevant housing subsidy program. Further, Defendants shall not at any time charge or collect, or attempt to charge or collect, any "rent deposit" from any subsidized tenant that exceeds the tenant's share of the rent under the relevant subsidy program, or is otherwise inconsistent with the requirements of the program.

B. Affirmative Assurances:

Defendants shall additionally comply with the following affirmative obligations in connection with their ownership, management, and/or operation of residential rental properties located in the Commonwealth:

1. Changes to Policies and Practices: Within ninety (90) days of the date this Assurance is filed, Defendants shall review and update their fair housing and leasing policies to ensure they are fully consistent with Massachusetts law and the terms of this Assurance.

2. Employee Training: For a period of three (3) years from the date this Assurance is filed, all of Defendants' leasing consultants, assistant community managers, community managers, and maintenance employees shall complete an annual training on fair housing laws and related leasing policies and practices. Trainings for management level employees shall be conducted by the Massachusetts Commission Against Discrimination or another independent organization approved by the AGO. Trainings for non-management employees may be conducted in any manner approved by the AGO.

3. Reporting: For a period of three (3) years from the date this Assurance is filed, Defendants shall notify the AGO in writing within ten (10) business days of a Defendant's receipt of any civil or administrative complaint, pre-litigation demand, or civil investigative demand from any state or federal governmental body concerning any conduct prohibited by this assurance.

4. Record Keeping: For a period of four (4) years from the date this Assurance is filed, Defendants shall maintain, and shall not destroy or dispose of, documents and electronically stored information² sufficient to demonstrate compliance with all terms of this Assurance and shall promptly produce the same to the AGO upon request.

III. PAYMENT

Defendants shall pay the Commonwealth TWENTY THOUSAND DOLLARS (\$20,000.00) at or before the time this Assurance is filed. Payment shall be by check payable to the Commonwealth of Massachusetts or other method approved by the AGO. The funds shall be used by the Attorney General in her sole discretion to pay the costs of the AGO's investigation, to pay restitution to individuals she determines have been harmed by Defendants, and/or to fund programs, activities, or other resources intended to combat housing discrimination in the Commonwealth.

IV. RELEASE OF CLAIMS

The Commonwealth releases Defendants from all civil claims and liability related to the allegations described above, including for any violations of the Consumer Protection Act or Antidiscrimination Law. This release does not cover claims arising from conduct occurring after

² For the purposes of this paragraph, the terms "document" and "electronically stored information" shall be defined as those terms are defined and used in Rule 31(a)(1) of the Massachusetts Rules of Civil Procedure.

this Assurance is filed and/or claims concerning Defendants' compliance with this Assurance.

V. OTHER PROVISIONS

A. This Assurance contains the complete agreement between the parties. No party has made any promises, representations, or warranties other than those set forth in this Assurance. This Assurance can be modified or supplemented only by a written document signed by all parties.

B. This Assurance and each of its terms shall apply to and be binding on Defendants and their principals, agents, employees, successors, and assigns.

C. Defendants are entering into this Assurance without trial or adjudication of any issue of fact or law. Except for the purpose of enforcement of its terms by the AGO, no part of this Assurance shall constitute evidence against the Defendants with respect to any issue of law or fact. No part of this Assurance may be offered, received, used, treated, or construed as an admission or evidence of any liability or wrongdoing by Defendants in any proceeding.

D. This Assurance does not constitute an Approval by the AGO of any of Defendants' practices, and Defendants shall make no representation or claim to the contrary.

E. This Assurance is not intended to impair any right of action that any person or entity, other than the AGO, might have against Defendants.

F. This Assurance shall be filed in the Superior Court of Suffolk County and its terms shall apply to conduct related to the ownership, management, operation, and control of residential rental properties located within the Commonwealth. Notwithstanding any provision above, under G.L. c. 93A, § 5 any violation of the terms of this Assurance by Defendants or its principals, agents, employees, successors, or assigns after the date of this Assurance shall constitute prima facie evidence of a violation of G.L. c. 93A, § 2, in any civil action or

proceeding commenced by the AGO.

G. Defendants accept the terms and conditions of this Assurance and waive any right to challenge it in any action or proceeding, other than to defend against any claim that Defendants have not complied with any provision in the Assurance.

Dated: May 30, 2023

[Signatures on Following Page]

For Defendants:

By:

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