

KRISTIN K. MAYES
ATTORNEY GENERAL
(Firm State Bar No. 14000)
Heather Hamel Bar No. 031734
Amanda Salvione Bar No. 032136
Martin J. Coleman Bar No. 033704
OFFICE OF THE ATTORNEY GENERAL
2005 North Central Avenue
Phoenix, AZ 85004
Telephone: (602) 542-3725
Facsimile: (602) 542-4377
Heather.Hamel@azag.gov
Martin.Coleman@azag.gov
Amanda.Salvione@azag.gov
consumer@azag.gov
Attorneys for State of Arizona

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

STATE OF ARIZONA, ex rel. KRISTIN
K. MAYES, Attorney General,
Plaintiff,

v.

SEDONA SPRINGS AZ LLC, a Delaware
limited liability company, dba "Sedona
Springs Apartments,"

SIENNA RIDGE AZ LLC, a Delaware
limited liability company, dba "Sienna
Ridge Apartments,"

SUMMIT RIDGE AZ LLC, a Delaware
limited liability company, dba "Summit
Ridge Apartments,"

DMR SEDONA SPRINGS AZ LLC, a
Delaware limited liability company,

Case No: **CV2026-033033**

**VERIFIED COMPLAINT FOR
PERMANENT INJUNCTION,
MONETARY JUDGMENT, CIVIL
PENALTY JUDGMENT, AND OTHER
RELIEF**

1 DMR TUCSON 1166 LLC, a Delaware
2 limited liability company,

3 TUCSON 1166 IG LLC, a Delaware
4 limited liability company,

5 DASMEN RESIDENTIAL LLC, a
6 Delaware limited liability company,

7 LUXFORD LIVING LLC, a Delaware
8 limited liability company, dba "Luxford
9 Living,"

10 Defendants.

11 Plaintiff, the State of Arizona, *ex rel.* Kristin K. Mayes, Attorney General, for its Complaint
12 alleges:

13 OVERVIEW OF THE CASE

14 1. All Arizona landlords owe their tenants a duty of care. They must provide their
15 residents with accommodations that meet the minimal standards of habitability established by
16 state law, and they must not mislead or deceive their tenants about the implicit and explicit benefits
17 of their rental agreement.

18 2. To meet these obligations, Arizona landlords must maintain the properties they rent.
19 The well-funded corporate Defendants in this matter have shirked this weighty responsibility,
20 leaving their tenants to suffer in brutal heat and squalor.

21 3. In 2017, the Defendants purchased three sister properties in Tucson, Arizona:
22 Sedona Springs Apartments ("Sedona Springs"), Sienna Ridge Apartments ("Sienna Ridge"), and
23 Summit Ridge Apartments ("Summit Ridge") (collectively, the "Complexes"). The sale price for
24 all three was approximately **\$35.8 million dollars**.

25 4. Since that date, the Defendants have intentionally neglected the properties, refusing
26 to fund or conduct necessary repairs and maintenance. As a result, the Complexes have

1 progressively deteriorated over the years, and transformed into dangerous, uninhabitable spaces
2 that exist in various states of decrepitude.

3 5. The consequences of this willful abandonment are manifold and include chronic and
4 frequent air conditioning outages; a routine lack of hot water; derelict plumbing, frequent leaks
5 and mold issues; crumbling upper-level walkways and stairs; rotting wooden balconies; fetid
6 pools that are completely unkempt and hazardous; and persistent, unaddressed pest infestations.

7 6. These poor conditions have plagued the Complexes' tenants and placed them at
8 exceptional risk of significant injury.

9 7. The tenants' exposure to such risk has been particularly pronounced during the 2026
10 summer, as the Defendants left Sedona Springs and Sienna Ridge without adequate air
11 conditioning for months, during ruthless, triple-digit heatwaves. Indeed, recent temperatures
12 taken inside residents' homes have reached as high as 98.9 degrees Fahrenheit, dangerously above
13 the 80-degree maximum temperature threshold permitted by Pima County.¹

14 8. To address this unacceptable conduct, Plaintiff sent Defendants three separate
15 Cease-and-Desist letters, one for each Complex, in July 2026. [**Ex. 1**, The State of Arizona's
16 Cease-and-Desist Letter to Damen Residential and Sedona Springs; **Ex. 2**, The State of Arizona's
17 Cease-and-Desist Letter to Damen Residential and Sienna Ridge; **Ex. 3**, The State of Arizona's
18 Cease-and-Desist Letter to Damen Residential and Summit Ridge]. The Defendants have failed
19 to meaningfully respond to any of these letters.
20
21

22 ¹ Pima County Ordinance 2025-15 Exhibit B, R325.9 provides: "Dwelling units and
23 sleeping units located in Climate Zones 0, 1, 2, 3, 4, 5A, and 5B, where the summer dry-bulb
24 temperature is greater than 85°F (29.4°C), shall be provided with cooling systems capable of
25 maintaining an indoor temperature at or below 80°F (26.7°C) in the occupied space. Where
26 permanently installed fans are capable of generating 120 fpm (0.6 m/s) air speed inside the
occupied space, the required cooling system shall be capable of maintaining indoor temperature
at or below 85°F (29.4°C). The installation of one or more portable systems shall not be used to
achieve compliance with this section." The ordinance went into effect on January 1, 2026.

9. Defendants' continued failures and refusal to make necessary repairs to eliminate safety hazards at the Complexes and to begin the momentous job of restoring habitability to all apartment units at the properties, places tenants at continued serious risk of heat exhaustion and even death from lack of adequate indoor cooling.

10. Defendants' actions violate the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521 - 1534 ("ACFA"), the Arizona Residential Landlord & Tenant Act, A.R.S. §§ 33-1301 -1381, and numerous Pima County and City of Tucson codes designed to protect the health, safety, and welfare of Pima County and Tucson residential communities.

11. For these reasons, the State respectfully requests this Court intervene to safeguard the rights and lives of tenants at Sedona Springs, Sienna Ridge, and Summit Ridge apartment complexes.

PARTIES

12. Plaintiff is the State of Arizona *ex rel.* Kristin K. Mayes, the Attorney General of Arizona (the “State” or “Plaintiff”), who is authorized to bring this action pursuant to the ACFA on behalf of the State of Arizona and for the benefit of Arizona consumers.

13. Sedona Springs AZ LLC (“Sedona Springs AZ”) is a limited liability company registered to transact business in Arizona and formed in Delaware with its principal office address located in Dover, Delaware. Sedona Springs AZ owns property at issue in this case, Sedona Springs Apartments, located at 373 North Wilmot Road, Tucson, Arizona, 85711. Sedona Springs AZ’s managing member is DMR Sedona Springs AZ LLC, a Delaware limited liability company registered to transact business in Arizona. The sole member of DMR Sedona Springs AZ LLC is Israel Katz.

14. Sienna Ridge AZ LLC (“Sienna Ridge AZ”) is a limited liability company registered to transact business in Arizona and formed in Delaware with its principal office address located in Dover, Delaware. Sienna Ridge AZ owns property at issue in this case, Sienna Ridge Apartments, located at 5353 East 22nd Street, Tucson, Arizona, 85711. Sienna Ridge AZ’s

1 managing member is DMR Tucson 1166 LLC, a Delaware limited liability company registered to
2 transact business in Arizona. The sole member of DMR Tucson 1166 LLC is Israel Katz.

3 15. Summit Ridge AZ LLC (“Summit Ridge AZ”) is a limited liability company
4 registered to transact business in Arizona and formed in Delaware with its principal office address
5 located in Dover, Delaware. Summit Ridge AZ owns property at issue in this case, Summit Ridge
6 Apartments, located at 1252 South Craycroft Road, Tucson, Arizona, 85711. Summit Ridge AZ’s
7 managing member is DMR Tucson 1166 LLC, a Delaware limited liability company registered to
8 transact business in Arizona, the same as Sienna Ridge AZ.

9 16. DMR Sedona Springs AZ LLC (“DMR Sedona Springs”) is a limited liability
10 company registered to transact business in Arizona and formed in Delaware with its principal
11 office address located in Wilmington, Delaware. DMR Sedona Springs replaced Defendant DMR
12 Tucson as a member of Sedona Springs AZ in 2021. Tucson 1166 IG continues to be a member
13 of Sedona Springs AZ. Upon information and belief, DMR Sedona Springs exerts operational
14 control, financial ownership, and management responsibilities over Sedona Springs, Sienna
15 Ridge, and Summit Ridge. DMR Sedona Springs’ sole member is Israel Katz.

16 17. DMR Tucson 1166 LLC (“DMR Tucson”) is a limited liability company registered
17 to transact business in Arizona and formed in Delaware with its principal place of business located
18 in Dover, Delaware. DMR Tucson exerts joint operational control, financial ownership, and
19 management responsibilities over Sedona Springs, Sienna Ridge, and Summit Ridge with
20 Defendant Tucson 1166 IG. DMR Tucson’s sole managing member is Israel Katz.

21 18. Tucson 1166 IG LLC (“Tucson 1166 IG”) is a limited liability company registered
22 to transact business in Arizona and formed in Delaware with its principal place of business located
23 in Dover, Delaware. Tucson 1166 IG exerts joint operational control and financial ownership
24 over Sedona Springs, Sienna Ridge and Summit Ridge with Defendant DMR Tucson. Isreal Katz
25 is the sole member of Tucson 1166 IG with 20% membership interest or more.

19. Defendant Dasmen Residential LLC (“Dasmen”) is a limited liability company formed in Delaware with its principal place of business located in Dover, Delaware. Dasmen is not registered as a domestic or foreign corporation with the State of Arizona. Upon information and belief, Dasmen has performed day-to-day property management responsibilities over the Complexes from the date they were purchased by Sedona Springs AZ, Sienna Ridge AZ and Summit Ridge AZ to present. Dasmen’s Chief Executive Officer is Michael Katz.

20. Defendant Luxford Living LLC (“Luxford”) “is a limited liability company formed in Delaware with its principal place of business located in Wilmington, Delaware. Upon information and belief, Luxford is not registered as a domestic or foreign corporation with the State of Arizona. Luxford has performed day-to-day property management responsibilities over the Complexes from March 2026 to the present. Upon information and belief, Luxford is affiliated with Defendant Dasmen.

21. From 2017 to the present, acting alone or in concert with each other, Defendants, owned, advertised, marketed, leased and managed the Complexes to consumers throughout the State of Arizona.

JURISDICTION AND VENUE

22. The Arizona Consumer Fraud Act (“ACFA”), A.R.S. §§ 44-1521 - 44-1534, authorizes the State to bring this action. This Court has jurisdiction to enter appropriate orders prior to and following a determination of permanent liability pursuant to A.R.S. § 44-1528.

23. This Court has subject matter jurisdiction pursuant to A.R.S. § 12-123.

24. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401(17).

25. The Court has personal jurisdiction over Defendants Sedona Springs AZ, Sienna Ridge AZ, Summit Ridge AZ, DMR Sedona Springs, DMR Tucson, and Tucson 1166 IG by virtue of their status as foreign registered corporations in Arizona, and their ownership and/or operational control of the Complexes in Arizona.

26. The Court has personal jurisdiction over Defendant Dasmen because this action arises out of and relates to Dasmen's contacts with this forum. Dasmen performed long-term, day-to-day property management transactions at the Complexes on behalf of Defendants Sedona Springs AZ, Sienna Ridge AZ, Summit Ridge AZ, DMR Sedona Springs, DMR Tucson, and/or Tucson 1166 IG in Arizona since 2017. The Court also has personal jurisdiction over Dasmen because of its alleged violations in Arizona of the ACFA.

27. The Court has personal jurisdiction over Defendant Luxford because this action arises out of and relates to Luxford's contacts with this forum. Luxford performs long-term, day-to-day property management transactions at the Complexes on behalf of Sedona Springs AZ, Sienna Ridge AZ, Summit Ridge AZ, DMR Sedona Springs, DMR Tucson, and/or Tucson 1166 IG in Arizona from March, 2026 to the present. The Court also has personal jurisdiction over Luxford because of its alleged violations in Arizona of the ACFA.

FACTUAL BACKGROUND

28. Sedona Springs, Sienna Ridge, and Summit Ridge are all owned by single-purpose real estate holding companies (these are, respectively, Sedona Springs AZ, Sienna Ridge AZ, and Summit Ridge AZ), formed in 2017 to acquire the properties. Israel Katz is the sole member owning 20% or more membership interest in each of the entities that owns the respective Complexes.

29. Upon information and belief, DMR Tucson and Tucson 1166 IG are also single-purpose entities formed in 2017 that assisted in the acquisition, operation, and/or management of the Complexes. The sole managing member of these companies is Israel Katz. Both companies address is the same as Dasmen Residential, the property management company of the Complexes, of which Michael Katz is chief executive officer, who upon information and belief, is a relative of Israel Katz.

1 30. In other words, the real estate ecosystem surrounding these Complexes – from
2 ownership, to daily operations, and property management – flows through Israel Katz, an affluent
3 titan in the real estate industry, and his family.

4 31. In contrast to the relative wealth of their owners, the Complexes are some of a few
5 apartment homes in Pima County that accept Section 8 housing vouchers and other forms of state
6 housing assistance. For this reason, a significant portion of residents are members of particularly
7 vulnerable communities – veterans, the elderly, individuals with physical or mental disabilities,
8 and individuals on low or fixed incomes, including families with young children.

9 32. Tenants of the properties are lured into signing leasing agreements by the
10 Complexes' slick websites, attractive ads, and verbal promises of "luxurious" living. Below are
11 a few of the benefits promised to would-be tenants through Defendants' advertising:

- 12 a. "24-Hour Onsite Maintenance," with a team that is "prepared to take care of any
13 repairs, fixes or maintenance related tasks you may encounter.";
- 14 b. "Professional Onsite Management" who are "on location and ready to help make
15 your experience at [the Complexes] smooth and enjoyable."
- 16 c. "In Unit AC + Heating" that "keep[s] residents warm in the winter and cool during
17 the summer!"
- 18 d. Apartments that "are well equipped for the hot weather";
- 19 e. Balconies that allow you to "spend[] time outdoors"; and
- 20 f. "[S]parkling swimming pools."²

21 33. These promises are far from accurate. Indeed, since 2022, the City of Tucson's
22 Code Enforcement Unit has investigated approximately 130 complaints against the Complexes,
23 the vast majority of which deal with the properties' persistent lack of air conditioning, continuous
24

25 ² Sedona Springs website, available at: <https://sedonaspringsaz.com/amenities/>; Sienna
26 Ridge website, available at: <https://siennaridgeaz.com/amenities/>, and Summit Ridge website,
available at: <https://summitridgeaz.com/amenities/>.

1 lack of hot water, recurrent plumbing issues, cockroach infestations, and broken and dangerous
2 walkways, landings, or balconies.

3 34. Each of these acts and failures will be discussed in turn.

4 ***Defendants' Fail to Provide Air Conditioning to Tenants***

5 35. Despite Defendants' promises of comfortable housing that is "equipped for hot
6 weather," the heating, ventilation and air conditioning ("HVAC") systems at the Complexes have
7 existed in a chronic, sub-standard state, or in a completely failed state, for large portions of the
8 past several years.

9 36. For example, in 2022, the air conditioning system at Sedona Springs went out for
10 "an entire summer."³ Similar breakdowns and lengthy outages have persisted across all three
11 properties, every summer since.

12 37. Indeed, the City of Tucson documents voluminous complaints from 2022, 2023,
13 2024, and 2025, regarding a chronic lack of air conditioning at the properties, with residents
14 reporting indoor temperatures up to 94 degrees Fahrenheit.

15 38. These issues have continued this summer (2026), and ***for the past four months***,
16 residents at all three properties have been exposed to lengthy outages and intermittent services,
17 resulting in extremely dangerous, indoor temperatures at the Complexes.

18 39. Temperature data, collected by AGO investigators across the Complexes show
19 residents regularly experiencing indoor temperatures above the 80-degree threshold permitted by
20 Pima County, and included the following readings: 98.8 degrees Fahrenheit, 95.4 degrees, 93.9
21 degrees, 93.0 degrees, 92.5 degrees, 87.3 degrees, 87.0 degrees, 86.3 degrees, 85.1 degrees, 84.5
22
23

24 ³ Foster, J., "Residents Voice Safety and Pest Concerns at Sedona Springs Apartments,"
25 March 27, 2025, KGUN 9 News, available at: [https://www.kgun9.com/news/community-
26 inspired-journalism/eastside-news/residents-voice-safety-and-pest-concerns-at-sedona-springs-
apartments](https://www.kgun9.com/news/community-inspired-journalism/eastside-news/residents-voice-safety-and-pest-concerns-at-sedona-springs-apartments).

degrees, 83.7 degrees, 81.2 degrees, 79.0 degrees, 78.9 degrees, and 76.3 degrees Fahrenheit. At the time this data was collected, the Tucson temperatures were in the triple digits.

40. HVAC services at all three Complexes remain non-functional and/or intermittent and unreliable.

41. Long-term exposure to such scorching heat, with an inability to cool down, is a well-known potentially fatal health and safety hazard. These risks are not speculative. In 2025, Pima County reported 117 heat-related deaths, 49 of which took place indoors.⁴ These conditions are incredibly dangerous for the multitude of vulnerable populations Defendants serve – veterans, the elderly, individuals with physical or mental disabilities, and young children.

42. Defendants do little to warn current and would-be tenants of these risks, and in fact, do the opposite – Defendants entice low-income renters with promises of lodgings that “are well equipped for hot weather.”

Defendants Fail to Fund or Complete Necessary HVAC Repairs

43. These failed air conditioning systems at the Complexes are caused by Defendants’ unwillingness to perform routine maintenance on their HVAC systems, and by chronically underfunding needed repairs and replacements.

44. From 2019 – 2024, Defendants failed to perform annual maintenance on their air conditioning systems. Such maintenance is required per the equipment manufacturer to prevent catastrophic failures and extended downtime. As a result, substantial scale buildup accumulated on the equipment that severely impacted—and continues to impact – the system’s functionality. [See generally, Ex. 4, Decl. of B. Martz, HVAC Expert].

45. In fact, the condition of the systems got so bad that a contractor, in 2023, recommended, on multiple occasions, that complete replacement of the air conditioning system

⁴ Pima County Office of the Medical Examiner, “Annual Report 2025,” available at: <https://content.civicplus.com/api/assets/az-pimacounty/c7fc5e04-78ab-401e-adbe-027ee6be9566>.

1 was needed. This proposal was rejected by the Defendants, who left their struggling systems in
2 place.

3 46. In 2024, a different contractor again recommended more robust maintenance. Once
4 more, the Defendants rejected these recommended repairs due to “budgetary constraints.”

5 47. Although some “band-aid” repairs were made over the years, these ultimately
6 proved inadequate and failed to provide consistent, reliable, and safe conditioning system to
7 tenants.

8 48. Defendants failed to advise residents about the unreliability of the Complexes’
9 cooling systems and their unwillingness to conduct or fund necessary maintenance and repairs.

10 49. If the residents had known that air conditioning at the properties would be prone to
11 lengthy outages, intermittent, low-functioning, and/or unreliable, many would not have chosen to
12 lease an apartment at the Complexes.

13 50. The pattern of resident deception and intentional neglect was repeated across
14 multiple systems on the property, including the Complexes’ water and plumbing systems.
15

16 ***The Complexes are Plagued by Persistent Water Outages and Plumbing Issues***

17 51. Access to hot and running water is a basic, essential service that all landlords are
18 required to provide to their residents. Yet again, Defendants run afoul of their legal duties.

19 52. The faulty plumbing and water systems at all three Complexes suffer from frequent
20 breakdowns, unreliable service, insufficient capacity, lack of hot water, and damaging leaks. The
21 cause of these problems are outdated and inefficient boilers and plumbing that Defendants have
22 failed to adequately upgrade.

23 53. In fact, over the years, the City of Tucson has investigated approximately 33
24 complaints from the Complexes related to a lack of hot water, lack of functioning faucets,
25 inoperable toilets, and water leaks.
26

1 54. In one complaint, filed in November 2025, the tenant indicated that the hot water at
2 Sienna Ridge was out for *eleven months*. Similar complaints were lodged by Sedona Springs
3 residents who indicated that a lack of hot water at the property was an “ongoing issue.”

4 55. In 2025, residents at Sienna Ridge also went months without hot water and reliable
5 running water. These service interruptions forced residents to stop using their homes in standard,
6 bargained-for ways. For example, one resident was unable to use her kitchen and bathroom sinks
7 for months on end, depriving her of the ability to cook at home or do her dishes. “I don’t want
8 other people to deal with the same things I’m dealing with,” this resident stated. “Mentally,
9 emotionally, I’m just not myself.”⁵

10 56. While some residents at the properties were dealing with a lack of water, others
11 were dealing with catastrophic water leaks. Some residents complained of pipe bursts that
12 “flood[ed] the entire unit.” In 2023, a resident at Summit Ridge complaint that a sewage line
13 burst, flooding the entire E Building with sewage and feces.

14 57. Damage caused by these leaks, which includes soft walls, ceilings, and mold, was
15 another common complaint across all three properties. Below are two photographs of water
16 damage observed by AGO investigators this summer:

25 ⁵ Gongora, V. “Poor Conditions Plague Residents at Midtown Apartment Complex,”
26 KGUN 9 News, Aug. 21, 2025, available at: <https://www.kgun9.com/news/local-news/poor-conditions-plague-residents-at-midtown-apartment-complex>.



1 58. Despite knowing about these outages, for years, Defendants have failed to repair or
2 upgrade their faulty hot water and plumbing system. Nor have the Defendants advised residents
3 about the unreliability of this system.

4 59. If the residents had known about the Complexes' lack of reliable hot water, lack of
5 reliable water supply and water pressure, and recurrent leaks, many would not have chosen to
6 lease an apartment at the Complexes.

7
8 ***Rotting Infrastructure and Pest Infestations are a Safety Hazards***

9 60. As previously stated, Defendants long-term intentional neglect of these properties
10 have left the Complexes in various states of advanced decrepitude, replete with crumbling
11 infrastructure, as photographed below:



61. Loose, rotting floorboards on second-floor balconies at the Complexes were, and remain, an acute concern for residents. For example, in 2025, one resident told KGUN 9 News: “My daughter doesn’t want to step outside the house half the time because she thinks she’s going to fall through the floor.” Another expressed fear “that the floorboards situated above her apartment would come crashing down.”⁶

62. Piles of wooden planks with nails from collapsed and decaying infrastructure lay on the grounds of the Complexes near walking areas.



⁶ Foster, J., “Residents Voice Safety and Pest Concerns at Sedona Springs Apartments,” March 27, 2025, KGUN 9 News, available at: <https://www.kgun9.com/news/community-inspired-journalism/eastside-news/residents-voice-safety-and-pest-concerns-at-sedona-springs-apartments>.

1 63. Fire damage was evident in one apartment at Sedona Springs that had not been
2 repaired since it occurred in 2025.



21 64. Multiple windows were broken and unrepaired at all three apartment complexes.

22 65. The AGO investigators who conducted site visits at the property in the summer of
23 2026 noted the same, recurrent structural issues. Many residents are completely unable to safely
24 use many parts of the property – from balconies, to stairways, walkways, and railings.

66. Tenants at all Complexes also complained of years-long, severe cockroach infestations that were not eradicated by Defendants.⁷

67. All pools are currently full of putrid water or are empty.

68. The Complexes appear in such an advanced state of neglect as to beg the question whether Defendants formed an intent to abandon principled maintenance of the Complexes for corporate and personal greed or are merely parsimonious to the chronic detriment of their tenants.

COUNT I

Deceptive Misrepresentations and Omissions in Violation of the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521 to 44-1534

69. All paragraphs of this Complaint are incorporated as though fully set forth herein.

70. The conduct described in the preceding paragraphs of this Complaint constitutes deceptive acts, unfair acts or practices, fraud, false pretenses, false promises, misrepresentations, or concealment, suppression or omission of material facts with intent that others rely on such concealment, suppression or omission, in connection with the sale or advertisement of merchandise in violation of A.R.S. §§ 44-1521 to 44-1534.

71. Defendants engaged in deceptive acts and practices by routinely concealing, suppressing, or omitting disclosure of material facts from prospective tenants with the intent that tenant-consumers would rely only on incomplete, deceptively disclosed advertising statements and oral promises by property management employees. The concealed, suppressed and omitted material facts include, but are not limited to:

- a. That air conditioning systems at the Complexes were outdated, unreliable, and prone to lengthy and frequent outages;
- b. That Defendants historically failed to pay for necessary repairs recommended by vendors and refused to pay for necessary long-term maintenance contracts recommended by HVAC industry standards of care;

⁷ *Id.*

- c. That the units within the Complexes were known to suffer chronic, frequent hot and cold-water outages;
- d. That water service and pressure would be intermittent, and at times, non-existent;
- e. That the buildings in the Complexes were served by old, 1970s water piping and electrical wiring that was not reliable and that should be replaced by modern piping and wiring;
- f. That many units in the Complexes suffered from mold conditions and vermin (cockroach) infestations;
- g. That the Complexes' infrastructure is dangerous and deteriorating.
- h. That second-floor balcony plank flooring and supports are rotting and in need of replacement;
- i. That pools were not maintained and could not be used by tenants;
- j. That Defendants cannot be relied on to adequately fund measures necessary to restore the Complexes to reasonably safe and habitable conditions.

72. Defendants engaged in affirmatively deceptive acts and practices in connection with advertisements of their rental units and common areas. Defendants affirmative, deceptive acts and practices include, but are not limited to:

- a. Falsely stating that the Complexes have air conditioning;
- b. Falsely stating that the Complexes have 24-hour on-site maintenance, professional, on-site management, courtesy patrols, renovated units and pools; and
- c. Posting misleading photographs on their websites that do not accurately depict the state of the Complexes' apartment units and common areas;
- d. Repeatedly omitting, suppressing and concealing the squalid living conditions at the Complexes from new tenants;
- e. Making false promises to existing tenants to provide lasting repair to essential services like air conditioning and water supply.

1 73. Defendant engaged in unfair business acts and practices in connection with the sale
2 and advertisement of rental units in violation of the ACFA by:

- 3 a. Failing to make emergency repairs to essential services disruptions in a timely
4 manner, in violation of ARLTA and established public policy
- 5 b. Contracting with residents and then failing to provide habitable living conditions to
6 its residents in violation of ARLTA and established public policy⁸;
- 7 c. Routinely violating maximum indoor temperature codes in Pima County and the
8 City of Tucson;
- 9 d. Engaging in conduct that was immoral, unethical, oppressive, unscrupulous, and
10 substantially injurious to tenants.

11 74. While engaging in the acts and practices alleged in this Complaint, Defendants knew
12 or should have known that their conduct was prohibited by A.R.S. § 44-1522 and subject to
13 enforcement and penalties as provided in A.R.S. § 44-1531(A).

14 75. The unfair acts and practices described above caused, and are likely to continue to
15 cause, substantial injuries to tenants that are not reasonably avoidable or outweighed by
16 countervailing benefits to tenants or to rental housing market competition. In support of this
17 allegation the State realleges all prior allegations of this Complaint as though fully set forth
18 herein.

19 ///

21 ⁸ Section 5 of the Federal Trade Commission (“FTC”) Act prohibits “unfair or deceptive acts
22 or practices in or affecting commerce.” 15 U.S.C. § 45(a)(1). A practice is “unfair” within the
23 meaning of the FTC Act when it offends established public policy—like landlord tenant acts—
24 and when the practice is otherwise immoral, unethical, oppressive, unscrupulous or substantially
25 injurious to consumers. *See F.T.C. v. Sperry & Hutchinson Co.*, 405 U.S. 233, 244, n.5 (1972);
26 *see also Love v. Pressley*, 34 N.C. App. 503, 517, 239 S.E.2d 574, 583 (N.C. 1977) (landlord’s
violation of laws protecting residents constituted unfair or deceptive acts or practices within the
meaning of North Carolina’s consumer fraud act). Arizona follows FTC guidance on the
application of consumer fraud statutes. *See* A.R.S. § 44-1522(C).

1 **CONSUMER INJURY**

- 2 76. Consumers are suffering, have suffered, and will continue to suffer substantial
3 injury as a result of Defendant's violations, including, but not limited to:
- 4 a. Increased risk of serious illness or death due to heat exhaustion and/or heat-related
5 illnesses due to a lack of proper housing and functional air conditioning;
 - 6 b. Increased risk of serious illness or death due to rotting second floor balconies;
 - 7 c. Increased risk of serious illness or death due to exposure to mold and water
8 damage that leads to mold growth;
 - 9 d. Increased risk of serious illness or injury due to faulty plumbing and lack of water
10 supply and/or lack of hot water;
 - 11 e. Increased risk of serious illness or injury due to exposure to cockroaches
12 infestations;
 - 13 f. Inability to enjoy the habitability of a tenant's home as bargained for when renting
14 from the Complexes, while continuing to pay for the same without offset;
 - 15 g. Monetary damages in the form of excess rent and fines, medical bills, loss of
16 furniture or other personal items, and the costs of purchasing their own air
17 conditioning units;

18 77. Absent injunctive relief by this Court, Defendants are likely to continue to injure
19 their tenants and harm the public interest.

20 **PRAYER FOR RELIEF**

21 Wherefore, the State of Arizona requests that the Court:

- 22 A. Enter permanent injunctive relief to prevent future violations of the ACFA by
23 Defendants pursuant to A.R.S. § 44-1528(A);
 - 24 B. Enter permanent injunctive relief to prevent future violations of the ARLTA
25 pursuant to A.R.S. § 44-1528(A);
- 26

- 1 C. Enter a permanent injunction barring Defendant from renting real property to
2 consumers in Arizona pursuant to A.R.S. § 44-1528(A)(4);
- 3 D. Award consumer restitution and disgorgement pursuant to
4 A.R.S. § 44-1528(A)(2) - (3);
- 5 E. Award civil penalties of up to \$10,000 per willful violation of the ACFA pursuant
6 to A.R.S. § 44-1531;
- 7 F. Award the State its costs and fees pursuant to A.R.S. § 44-1534; and
- 8 G. Award any additional relief as the Court determines to be just and proper.

9 Dated: August 7, 2026

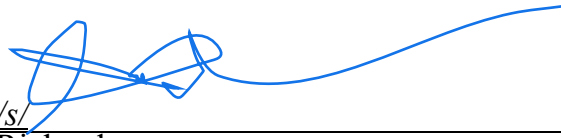
Respectfully submitted,
KRISTIN K. MAYES
Attorney General

11 By: /s/ Martin J. Coleman
12 Martin J. Coleman
13 Heather Hamel
14 Amanda Salvione
15 *Assistant Attorneys General*
Attorneys for Plaintiff State of Arizona

VERIFICATION

I, Richard Perez, have read the foregoing **VERIFIED COMPLAINT FOR INJUNCTION, MONETARY JUDGMENT, CIVIL PENALTY JUDGMENT, AND OTHER RELIEF** and know the contents thereof by personal knowledge. I know the allegations of the Verified Complaint to be true, except the matters stated therein on information and belief, which I believe to be true. I verify under penalty of perjury that the foregoing is true and corrected. I am a special agent with the Arizona Attorney General's Office and in that capacity, I am authorized to make this verification.

Executed on August 7, 2026.


/s/
Richard
Perez
Investigator

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CERTIFICATE OF SERVICE

ORIGINAL filed with the Clerk of the Court
this 7th day of August, 2026.

By: C. Ryland

Exhibit 1



OFFICE OF THE ARIZONA ATTORNEY GENERAL

KRIS MAYES
ATTORNEY GENERAL

CIVIL LITIGATION DIVISION
CONSUMER PROTECTION & ADVOCACY SECTION
CONSUMER LITIGATION UNIT

MARTIN COLEMAN
ASSISTANT ATTORNEY GENERAL
DIRECT PHONE NO. (520) 638-2821
MARTIN.COLEMAN@AZAG.GOV

July 15, 2026

SENT VIA CERTIFIED MAIL AND
ELECTRICAL MAIL:

DMR Sedona Springs, LLC
C/O Business Filings Incorporated
3800 North Central Ave., Suite 460
Phoenix, Arizona 85012

Dasmen Residential, LLC
Att: Michael Katz, CEO
581 N. Franklin Tpke
Ramsey, NJ 07466-1240

Sedona Springs AZ, LLC
C/O Business Filings Incorporated
3800 North Central Ave., Suite 460
Phoenix, Arizona 85012

CC:
Luxford Living, LLC
Att: Victoria Fallin
581 N. Franklin Tpke
Ramsey, NJ 07466-1240

**Re: Lack of safe and reliable air conditioning and other essential services at
Sedona Springs Apartments, 373 N. Wilmot Road, Tucson, AZ 85711**

To all owners and property managers of Sedona Springs Apartments:

The Arizona Attorney General's Office ("AGO") writes to inform you of your obligations to provide adequate cooling and habitable living conditions for all tenants at the Sedona Springs Apartments (hereafter referred to as "Sedona Springs" or the "Complex"). Arizona is facing record, dangerous heat this summer. The Complex's failure to provide functional air conditioning for its tenants in these conditions is both unacceptable and unlawful.

The Arizona Attorney General's Office ("AGO") has received multiple complaints from tenants of the Sedona Springs Apartments (hereinafter, "Sedona Springs") concerning lack of safe and reliable air conditioning, lack of hot and cold-water supply, flooding, structural failure to second floor balconies, rotting balcony boards, mold, cockroach infestations, and non-working refrigerators. The AGO confirmed the validity of the tenant complaints. Indeed, indoor temperatures at Sedona Springs measure up to 99 degrees, exceeding the 80-degree threshold set by Pima County for safe, indoor temperatures;¹ and beyond the 82-degree maximum temperature set by the City of Tucson.²

The dangerous conditions created through Sedona Spring's neglect places its residents at risk of serious injury or death. These risks are not speculative. Of the 430 heat-related deaths in Maricopa County last year, 111 involved individuals who were indoors with non-functioning or low-functioning air conditioning.³

The Complex does little to warn or protect residents from these serious health hazards. In fact, none of Sedona Springs' online listings and/or advertisements provide notification or warning to would-be tenants about this ongoing habitability issue. And many advertisements actually highlight "in unit air conditioning" and "24-hour on-site maintenance" as promised amenities.⁴

These representations and omissions, appear to be false or deceptive and may constitute violations of the Arizona Consumer Fraud Act (A.R.S. § 44-1521, *et seq.*). The Complex's failure to comply with applicable landlord tenant laws may also constitute unfair business practices.

The Arizona Consumer Fraud Act prohibits the deceptive advertising of real estate leases and unfair business practices. ***Those who violate the Arizona Consumer Fraud Act may be subject to civil penalties of up to \$10,000 per violation, disgorgement of profits, and responsible to pay restitution to consumers.***

The AGO demands that Sedona Springs immediately comply with its duties under its leases and the Arizona Residential Landlord and Tenant Act, the Arizona Consumer Fraud Act, Pima County Code, and City of Tucson City Code, by making all repairs necessary to ensure that the premises are fit for tenant occupancy, including and especially by providing habitable and lawful air-cooling temperatures on a consistent and

¹ Pima County Ordinance 2025-15 Exhibit B, R325.9.

² City of Tucson Code 16-11(b)(2).

³ Maricopa County Department of Health, "2025 Health Related Deaths Report," p. 21, available at: <https://www.maricopa.gov/ArchiveCenter/ViewFile/Item/6510>.

⁴ <https://sedonaspringsaz.com/amenities/>

reliable basis. We expect written confirmation of these repairs from a ROC-licensed vendor, by 5:00 p.m. on **Friday July 17, 2026.**⁵

We also demand that until safe, reliable, and functional air conditioning is restored, Sedona Springs must offer and provide all impacted residents with appropriate, alternative remedies, including portable air conditioning units that are capable of cooling units to 80 degrees Fahrenheit or below, or placement in alternative housing at no cost to the tenants.

Sedona Springs must also provide, by 5:00 p.m. on Monday July 24, 2026, a remediation plan, secured by an adequately funded budget, to make all repairs necessary to cure its comprehensive failures to maintain fit premises.

At this time, the AGO also demands that Sedona Springs preserve all documents, correspondence, communications (including employee emails, instant messages, and text messages), and any other written and electronic materials from January 1, 2020, to the present that relate to (a) maintenance requests at the Complex; (b) the HVAC, electrical and plumbing systems, balcony and structural repair, mold and vermin infestation, and any components of the apartment and common areas of Sedona Springs; and (c) Sedona Spring's advertising and leasing of its apartments and common areas, and of any products related to tenancies at Sedona Springs or the three other multi-family properties in Tucson under common ownership and management in anticipation of consumer fraud litigation.

The AGO reminds Sedona Springs that any retaliation against tenants who request repairs, or are perceived as presenting complaints concerning conditions at Sedona Springs, will be deemed an unlawful act under A.R.S. § 33-1381. Additionally, Arizona Fair Housing Laws guarantee Arizona citizens equal conditions and access to services, such as functioning electricity air conditioning, while renting. As such, any remedial measures or repairs cannot be provided to residents on a discriminatory basis. Housing providers must also make reasonable accommodations for individuals with disabilities during the course of remediation to its facilities. Failing to provide an accommodation to an individual whose disability is impacted or exacerbated by heat related conditions and attendant remediation of facilities can potentially be a violation of the Fair Housing Laws. The Civil Rights Division of the AGO is tasked with enforcing the Arizona Civil Rights Act and is aware of and monitoring for any discriminatory actions on the basis of a protected class or failures to accommodate those with disability.

If you have questions about this letter, you may contact me at

⁵ Pima County Ordinance 2025-15 Exhibit B, R325.9. This ordinance requires cooling systems in residential rental premises which will maintain indoor temperatures at or below 80 degrees Fahrenheit (26.7 Celsius). It went into effect on January 1, 2026.

Martin.Coleman@azag.gov, 520 368-2821, or Amanda Salvione, Assistant Attorney General at Amanda.Salvione@azag.gov or 602-542-8798.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin J. Coleman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Martin J. Coleman
Senior Litigation Counsel

MC/cr

Exhibit 2



OFFICE OF THE ARIZONA ATTORNEY GENERAL

KRIS MAYES
ATTORNEY GENERAL

**CIVIL LITIGATION DIVISION
CONSUMER PROTECTION & ADVOCACY SECTION
CONSUMER LITIGATION UNIT**

MARTIN COLEMAN
ASSISTANT ATTORNEY GENERAL
DIRECT PHONE NO. (520) 638-2821
MARTIN.COLEMAN@AZAG.GOV

July 23, 2026

**SENT VIA CERTIFIED MAIL AND
ELECTRICAL MAIL:**

Sienna Ridge AZ, LLC
C/O Business Filings Incorporated
3800 North Central Ave., Suite 460
Phoenix, Arizona 85012

Dasmen Residential, LLC
Att: Michael Katz, CEO
581 N. Franklin Tpke
Ramsey, NJ 07466-1240

CC:

Luxford Living, LLC
Att: Victoria Fallin
581 N. Franklin Tpke
Ramsey, NJ 07466-1240

**Re: Lack of safe and reliable air conditioning and other essential services at
Sienna Ridge Apartments, 5353 East 22nd Street, Tucson, AZ 85711**

To all owners and property managers of Sienna Ridge Apartments:

The Arizona Attorney General's Office ("AGO") writes to inform you of your obligations to provide adequate cooling and habitable living conditions for all tenants at the Sienna Ridge Apartments (hereafter referred to as "Sienna Ridge" or the "Complex"). Arizona is facing record, dangerous heat this summer. The Complex's failure to provide functional air conditioning for its tenants in these conditions is both unacceptable and unlawful.

The Arizona Attorney General's Office ("AGO") has received multiple complaints from tenants of the Sienna Ridge Apartments concerning lack of safe and reliable air conditioning, lack of hot and cold-water supply, flooding, structural failure to second floor balconies, rotting balcony boards and mold. The AGO confirmed the validity of the tenant complaints. Indoor temperatures at Sienna Ridge in buildings serviced by a chiller

regularly exceeding the 80-degree threshold set by Pima County for safe, indoor temperatures;¹ and beyond the 82-degree maximum temperature set by the City of Tucson.² As a result, large numbers of tenants are reliant on portable air conditioners that do not adequately cool all areas of the apartments.

The dangerous conditions created through Sienna Ridge's neglect places its residents at risk of serious injury or death. These risks are not speculative. Of the 430 heat-related deaths in Maricopa County last year, 111 involved individuals who were indoors with non-functioning or low-functioning air conditioning.³

The Complex does little to warn or protect residents from these serious health hazards. In fact, none of Sienna Ridge's online listings and/or advertisements provide notification or warning to would-be tenants about this ongoing habitability issue. And many advertisements actually highlight "unit air conditioning" and "24-hour on-site maintenance" as promised amenities.⁴

These representations and omissions, appear to be false or deceptive and may constitute violations of the Arizona Consumer Fraud Act (A.R.S. § 44-1521, *et seq.*). The Complex's failure to comply with applicable landlord tenant laws may also constitute unfair business practices.

The Arizona Consumer Fraud Act prohibits the deceptive advertising of real estate leases and unfair business practices. ***Those who violate the Arizona Consumer Fraud Act may be subject to civil penalties of up to \$10,000 per violation, disgorgement of profits, and responsible to pay restitution to consumers.***

The AGO demands that Sienna Ridge immediately comply with its duties under its leases and the Arizona Residential Landlord and Tenant Act, the Arizona Consumer Fraud Act, Pima County Code, and City of Tucson City Code, by making all repairs necessary to ensure that the premises are fit for tenant occupancy, including and especially by providing habitable and lawful air-cooling temperatures on a consistent and reliable basis. We expect written confirmation of these repairs from a ROC-licensed vendor, by 5:00 p.m. on **Monday, July 27, 2026.**⁵

¹ Pima County Ordinance 2025-15 Exhibit B, R325.9.

² City of Tucson Code 16-11(b)(2).

³ Maricopa County Department of Health, "2025 Health Related Deaths Report," p. 21, available at: <https://www.maricopa.gov/ArchiveCenter/ViewFile/Item/6510>.

⁴ <https://sedonaspringsaz.com/amenities/>

⁵ Pima County Ordinance 2025-15 Exhibit B, R325.9. This ordinance requires cooling systems in residential rental premises which will maintain indoor temperatures at or below 80 degrees Fahrenheit (26.7 Celsius). It went into effect on January 1, 2026.

We also demand that until safe, reliable, and functional air conditioning is restored, Sienna Ridge must offer and provide all impacted residents with appropriate, alternative remedies, including portable air conditioning units that are capable of cooling all rooms in units to 80 degrees Fahrenheit or below, or placement in alternative housing at no cost to the tenants.

Sienna Ridge must also provide, by 5:00 p.m. on **Monday, July 27, 2026**, a remediation plan, secured by an adequately funded budget, to make all repairs necessary to cure its comprehensive failures to maintain fit premises. These repairs include all apartment and common area repairs that are available for use to tenants. This includes pools which provide respite from hot temperatures for tenants and recreation for children with minor children.

At this time, the AGO also demands that Sienna Ridge preserve all documents, correspondence, communications (including employee emails, instant messages, and text messages), and any other written and electronic materials from January 1, 2020, to the present that relate to (a) maintenance requests at the Complex; (b) the HVAC, electrical and plumbing systems, balcony and structural repair, mold and vermin infestation, and any components of the apartment and common areas of Sienna Ridge; and (c) Sienna Ridge's advertising and leasing of its apartments and common areas, and of any products related to tenancies at Sienna Ridge or the three other multi-family properties in Tucson under common ownership and management in anticipation of consumer fraud litigation.

The AGO reminds Sienna Ridge that any retaliation against tenants who request repairs, or are perceived as presenting complaints concerning conditions at Sienna Ridge, will be deemed an unlawful act under A.R.S. § 33-1381. Additionally, Arizona Fair Housing Laws guarantee Arizona citizens equal conditions and access to services, such as functioning electricity air conditioning, while renting. As such, any remedial measures or repairs cannot be provided to residents on a discriminatory basis. Housing providers must also make reasonable accommodations for individuals with disabilities during the course of remediation to its facilities. Failing to provide an accommodation to an individual whose disability is impacted or exacerbated by heat related conditions and attendant remediation of facilities can potentially be a violation of the Fair Housing Laws. The Civil Rights Division of the AGO is tasked with enforcing the Arizona Civil Rights Act and is aware of and monitoring for any discriminatory actions on the basis of a protected class or failures to accommodate those with disability.

If you have questions about this letter, you may contact me at Martin.Coleman@azag.gov, 520 368-2821, or Amanda Salvione, Assistant Attorney General at Amanda.Salvione@azag.gov or 602-542-8798.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin J. Coleman". The signature is fluid and cursive, with the first name "Martin" being more prominent than the last name "Coleman".

Martin J. Coleman
Senior Litigation Counsel

MC/cr

Exhibit 3



OFFICE OF THE ARIZONA ATTORNEY GENERAL

KRIS MAYES
ATTORNEY GENERAL

**CIVIL LITIGATION DIVISION
CONSUMER PROTECTION & ADVOCACY SECTION
CONSUMER LITIGATION UNIT**

MARTIN COLEMAN
ASSISTANT ATTORNEY GENERAL
DIRECT PHONE NO. (520) 638-2821
MARTIN.COLEMAN@AZAG.GOV

July 23, 2026

**SENT VIA CERTIFIED MAIL AND
ELECTRICAL MAIL:**

Summit Ridge AZ, LLC
C/O Business Filings Incorporated
3800 North Central Ave., Suite 460
Phoenix, Arizona 85012

Dasmen Residential, LLC
Att: Michael Katz, CEO
581 N. Franklin Tpke
Ramsey, NJ 07466-1240

CC:
Luxford Living, LLC
Att: Victoria Fallin
581 N. Franklin Tpke
Ramsey, NJ 07466-1240

**Re: Lack of safe and reliable air conditioning and other essential services at
Summit Ridge Apartments, 1252 South Craycroft Road Street, Tucson, AZ 85711**

To all owners and property managers of Summit Ridge Apartments:

The Arizona Attorney General's Office ("AGO") writes to inform you of your obligations to provide adequate cooling and habitable living conditions for all tenants at the Summit Ridge Apartments (hereafter referred to as "Summit Ridge" or the "Complex"). Arizona is facing record, dangerous heat this summer. The Complex's failure to provide functional air conditioning for its tenants in these conditions is both unacceptable and unlawful.

The Arizona Attorney General's Office ("AGO") has received multiple complaints from tenants of the Summit Ridge Apartments concerning lack of safe and reliable air conditioning, lack of hot and cold-water supply, flooding, structural failure to second floor balconies, rotting balcony boards and mold. The AGO confirmed the validity of the tenant complaints. Indoor temperatures at Summit Ridge in buildings serviced by a

chiller regularly exceeding the 80-degree threshold set by Pima County for safe, indoor temperatures;¹ and beyond the 82-degree maximum temperature set by the City of Tucson.² As a result, large numbers of tenants are reliant on portable air conditioners that do not adequately cool all areas of the apartments.

The dangerous conditions created through Summit Ridge Ridge's neglect places its residents at risk of serious injury or death. These risks are not speculative. Of the 430 heat-related deaths in Maricopa County last year, 111 involved individuals who were indoors with non-functioning or low-functioning air conditioning.³

The Complex does little to warn or protect residents from these serious health hazards. In fact, none of Summit Ridge's online listings and/or advertisements provide notification or warning to would-be tenants about this ongoing habitability issue. And many advertisements actually highlight "unit air conditioning" and "24-hour on-site maintenance" as promised amenities.⁴

These representations and omissions, appear to be false or deceptive and may constitute violations of the Arizona Consumer Fraud Act (A.R.S. § 44-1521, *et seq.*). The Complex's failure to comply with applicable landlord tenant laws may also constitute unfair business practices.

The Arizona Consumer Fraud Act prohibits the deceptive advertising of real estate leases and unfair business practices. ***Those who violate the Arizona Consumer Fraud Act may be subject to civil penalties of up to \$10,000 per violation, disgorgement of profits, and responsible to pay restitution to consumers.***

The AGO demands that Sienna Ridge immediately comply with its duties under its leases and the Arizona Residential Landlord and Tenant Act, the Arizona Consumer Fraud Act, Pima County Code, and City of Tucson City Code, by making all repairs necessary to ensure that the premises are fit for tenant occupancy, including and especially by providing habitable and lawful air-cooling temperatures on a consistent and reliable basis. We expect written confirmation of these repairs from a ROC-licensed vendor, by 5:00 p.m. on **Monday, July 27, 2026.**⁵

¹ Pima County Ordinance 2025-15 Exhibit B, R325.9.

² City of Tucson Code 16-11(b)(2).

³ Maricopa County Department of Health, "2025 Health Related Deaths Report," p. 21, available at: <https://www.maricopa.gov/ArchiveCenter/ViewFile/Item/6510>.

⁴ <https://sedonaspringsaz.com/amenities/>

⁵ Pima County Ordinance 2025-15 Exhibit B, R325.9. This ordinance requires cooling systems in residential rental premises which will maintain indoor temperatures at or below 80 degrees Fahrenheit (26.7 Celsius). It went into effect on January 1, 2026.

We also demand that until safe, reliable, and functional air conditioning is restored, Summit Ridge must offer and provide all impacted residents with appropriate, alternative remedies, including portable air conditioning units that are capable of cooling all rooms in units to 80 degrees Fahrenheit or below, or placement in alternative housing at no cost to the tenants.

Summit Ridge must also provide, by 5:00 p.m. on **Monday, July 27, 2026**, a remediation plan, secured by an adequately funded budget, to make all repairs necessary to cure its comprehensive failures to maintain fit premises. These repairs include all apartment and common area repairs that are available for use to tenants. This includes pools which provide respite from hot temperatures for tenants and recreation for children with minor children.

At this time, the AGO also demands that Summit Ridge preserve all documents, correspondence, communications (including employee emails, instant messages, and text messages), and any other written and electronic materials from January 1, 2020, to the present that relate to (a) maintenance requests at the Complex; (b) the HVAC, electrical and plumbing systems, balcony and structural repair, mold and vermin infestation, and any components of the apartment and common areas of Summit Ridge; and (c) Summit Ridges's advertising and leasing of its apartments and common areas, and of any products related to tenancies at Summit Ridge or the three other multi-family properties in Tucson under common ownership and management in anticipation of consumer fraud litigation.

The AGO reminds Summit Ridge that any retaliation against tenants who request repairs, or are perceived as presenting complaints concerning conditions at Sienna Ridge, will be deemed an unlawful act under A.R.S. § 33-1381. Additionally, Arizona Fair Housing Laws guarantee Arizona citizens equal conditions and access to services, such as functioning electricity air conditioning, while renting. As such, any remedial measures or repairs cannot be provided to residents on a discriminatory basis. Housing providers must also make reasonable accommodations for individuals with disabilities during the course of remediation to its facilities. Failing to provide an accommodation to an individual whose disability is impacted or exacerbated by heat related conditions and attendant remediation of facilities can potentially be a violation of the Fair Housing Laws. The Civil Rights Division of the AGO is tasked with enforcing the Arizona Civil Rights Act and is aware of and monitoring for any discriminatory actions on the basis of a protected class or failures to accommodate those with disability.

If you have questions about this letter, you may contact me at Martin.Coleman@azag.gov, 520 368-2821, or Amanda Salvione, Assistant Attorney General at Amanda.Salvione@azag.gov or 602-542-8798.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin J. Coleman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Martin J. Coleman
Senior Litigation Counsel

MC/cr

Exhibit 4

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

Initial Summary Findings delivered to the Arizona Attorney General's Office

Dated as of August 5, 2026

Initial Summary Report provided to the State Attorney General's Office from:

Bruce Martz, CEM License Number 19805 and CDSM License Number 1563

HVAC Expert Witness

602 781 1330

Bruce.MartzUSA@gmail.com

On August 4, 2026, I performed basic HVAC system investigations pertaining to the operational conditions for the following three apartment complexes:

- (1) Sedona Springs located at 3737 North Wilmot Road, Tucson, Arizona;
- (2) Sienna Ridge located at 5353 East 22nd Street, Tucson, Arizona, and
- (3) Summit Ridge located at 1252 Craycroft Road, Tucson, Arizona.

I performed a general survey of each apartment complex's HVAC equipment and system to determine and document the initial findings of the condition and ability to cool each apartment to approximately 80 degrees Fahrenheit or less inside. For this limited inspection, I was given access to chiller and boiler rooms at each complex. I was given access to one vacant unit at two complexes. I used thermometers and pressure gauges as our testing devices and methodologies to test the systems here we could get access to insert these devices. This summary is not a complete report, but only includes initial findings and recommendations.

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

For reference, Sedona Springs has two chiller systems, one (the south side chiller) of which is completely inoperable to service all 408 units.

Sienna Ridge has one chiller for 10 buildings, and the 4 other buildings have independent air-cooling systems.

Sienna Ridge has a combined 305 units.

Summit Ridge has one chiller to service all 360 units.

General Observations:

1. all central air conditioning equipment needs some maintenance
2. many components and associated equipment needs repair to operate.
3. test ports, installed in the water piping, to measure temperature and pressure of the water and refrigerants, both entering and leaving, must be installed or replaced to take accurate reading for maintenance and diagnosis purposed. Most of the current HVAC equipment cannot be properly evaluated for its condition and performance.
4. chiller alarm codes and diagnostics need to be addressed for the chillers to operate properly and reliably.
5. chiller operational set points for leaving water temperatures need to be lowered.

Summary:

During the inspections, I noted that in many cases there were no ports that would typically, be present in this type of property to install our test thermometers and pressure gauges to get actual detailed readings, or the existing gauge ports were too rusty for the owners' servicing contractor to be willing to remove the existing components for us to install our test equipment. The initial findings for each of the apartment complexes are that the system equipment is either not operational, or has substantially deteriorated, and that the equipment leaving water temperature (LWT) set points are not adequate (set too high) to produce the required water temperature required to cool each apartment to approximately 80F or lower 1. Please reference footnote for Pima temperature code.

Please refer to the included pictures that show evidence of the current conditions found during inspections. Pictures follow each descriptive section.

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

a. All three apartment complexes show some level of extensive rust on bolts and equipment. This condition is an indication that no wrenches have been used on them for maintenance tasks for a very long time. Note in some cases this is critical to perform maintenance, and in other cases such as piping conditions, it is not as critical. However, it is important for repairs to be performed in a typical quick time frame; not an extended time frame which will also require more labor and materials to perform the tasks. Also, note in the two following pictures of the Sedona Springs condenser pump, which is typical of each apartment complex. complex, that there are no gauges, thermometers, or access ports to measure and evaluate the equipment's operational condition and performance. This is critical to keep equipment operating properly and to minimize equipment down time.

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

b. Excessive dust and dirt build up on the Sienna Ridges apartment 102 return air grills that take months and longer to generate this much dust. This apartment was purported to not be leased for the past two months. Our investigation further showed that the air filter was clogged and in need of replacement. This condition generally indicates the air handler/fan coil needed cleaning also. Further evidence of this clogged coil condition is that the coil did not achieve the industry standard 20F temperature differential across the supply and return sides of the air distribution system for the apartment. I specifically measured 75.9F supply air temperature into the apartment and 86.5 F leaving (return) air temperature. Note, this is not the standard constant air volume 20F differential temperature (return air – supply air temperatures), our industry designs.

These system and equipment conditions will not provide 80F apartment temperatures 1. Please reference Footnote 1 at the end of this report for the current Pima County Indoor Air-Cooling Code. Also note Sedona Springs apartment 100B had supply air temperatures, Entering Air Temperature (EAT) of 81F and return air, Leaving Air Temperature (LAT) of 92.2F. Again, these conditions will not properly cool the space to 80F for the occupants.

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

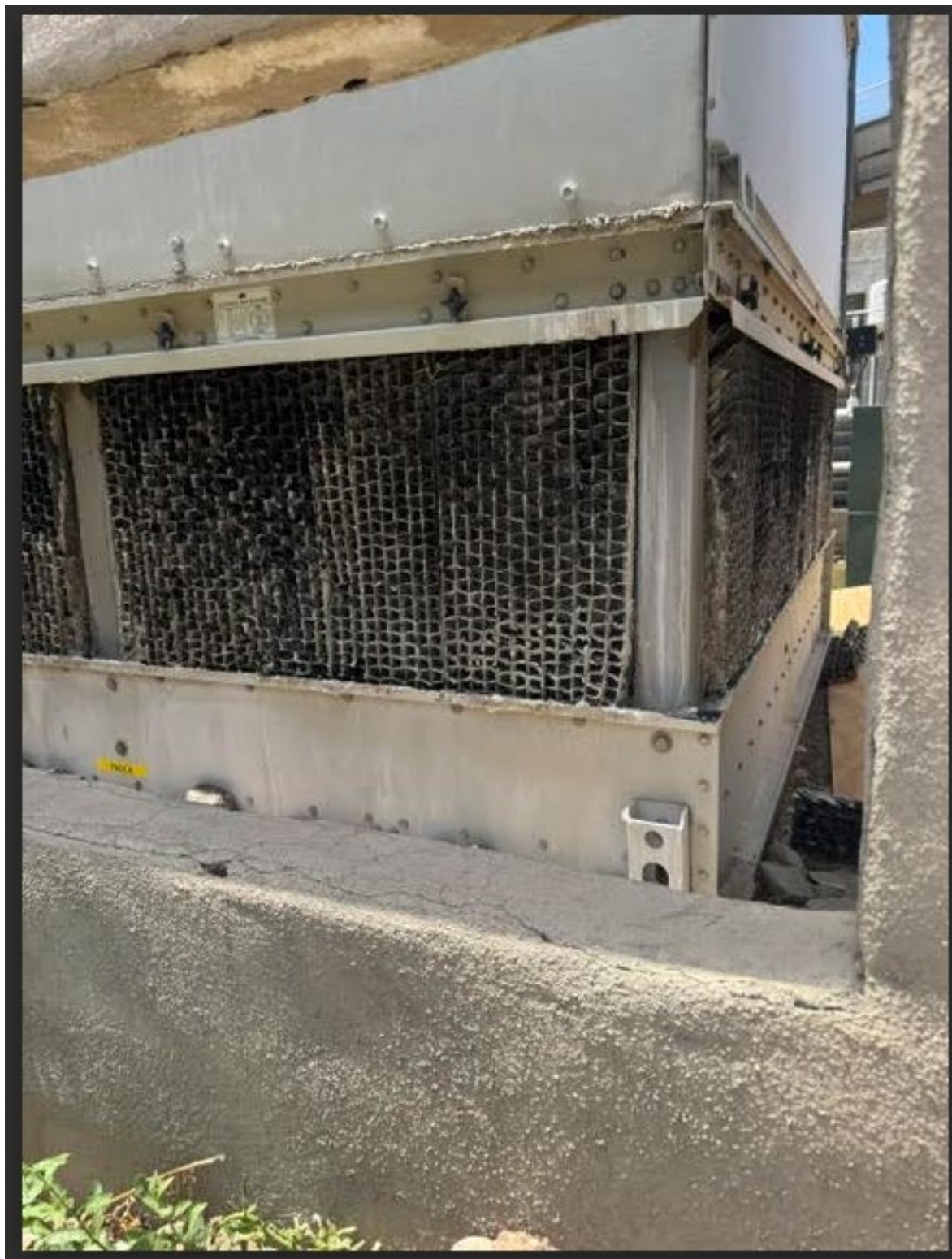
c. Excessive scale in the cooling towers fill. The fill is the outer honeycombed plastic material that lets air go over the water to evaporate and cool the water, so air conditioning equipment cools the building. Cooling tower water is generally chemically treated to kill living organisms and keep scale (calcium) in suspension so we can recycle the water several times and reduce water usage while we reject the heat from the water. Since scale restricts the flow of air and water through the towers fill; it reduces the capacity (tonnage) of the cooling tower. Thus, the cooling tower does not do its part to cool the apartments as well as it was designed to do. The level (thickness) of scale indicates this has been occurring for perhaps many months or longer. Also, please note the chemical drums on site were empty of chemical. Thus, there is no water treatment to keep the tower performing as designed and needed. The following pictures are of Sedona Springs North Cooling Tower and empty cooling tower water treatment container. The north and the south side systems are in basically the same condition.

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

Our preliminary findings, in summary for the three apartment complexes are that each apartment complex had no leaving water flow (Sedona Springs Apartment south side chiller plant) or the leaving water temperature from each operable chiller was set higher than industry standard (Air-Conditioning, Heating, and Refrigeration Institute – AHRI, American Society of Heating, Refrigerating and Air-Conditioning Engineers - ASHRAE, and local codes) design conditions. AHRI design conditions are for 44F leaving chilled water temperature (LCHWT) and 54F (return) entering chilled water temperature (ECHWT) with condenser water (cooling towers) being 85F leaving condenser (tower) water LCWT and 95F entering (return) (ECWT) condenser water temperatures. This is a 10F difference in temperature, and our industry has determined that air-conditioning systems need 44F or lower temperature to remove moisture (humidity) to establish occupancy cooling comfort. We documented LWT of 58F to 62F LCHWT, none at 44F or 45F. We could not get readings on the cooling towers due to missing test ports, thermometers, and gauges. We also found several chillers with defective or nonoperational compressors. Thus, the chillers will not be able to produce Full Load capacity (Tonnage). Therefore, the apartments cannot be cooled to approximately 80F during summer conditions until the equipment is repaired or replaced and the proper LCHWT set point is established and achieved. The following pictures are evidence of too high of LCHWT to cool apartments adequately at the current outside air temperatures and humidity levels.

State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

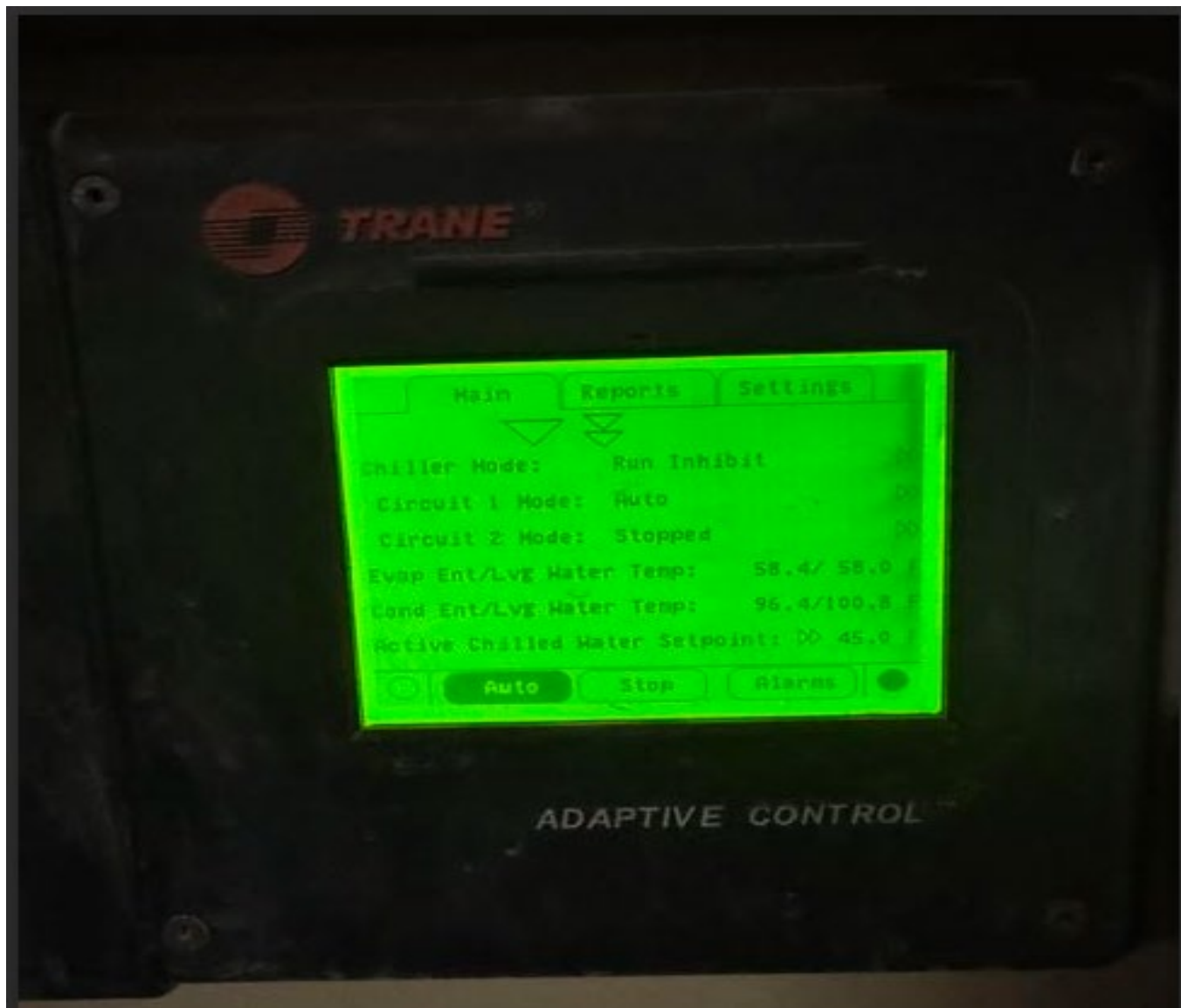


State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

Please note there are some dangerous conditions regarding the Central Plant Equipment rooms that are out of code and OSHA compliance. One example is the electrical hazards due to no panel on the cabinet to keep people out.

The following picture is of Sienna Ridge's chiller room with a high-voltage electrical panel.



State of Arizona

Attorney General's Office

August 5, 2026

RE: Preliminary Findings, Three Tucson Apartment HVAC Systems Surveys

It is recommended that additional inspections be conducted at Sedona Springs and Sienna Ridge to determine the full scope of system degradation and required maintenance, repair, or replacement necessary to ensure each of their cooling systems is properly functioning.

As far as Summit Ridge, it is recommended that the complex lower the water temperature at the initial point of transmission from the chiller prior to disbursement to individual units. The standard for the temperature for the water to achieve adequate cooling is 44 degrees, which I believe is achievable for the system at Summit Ridge without major repairs, if any. We will then be able to determine if that is all that is required to achieve 80F space cooling temperatures in each apartment.

Footnote 1

Pima County Indoor Air-Cooling Code:

Pima County Ordinance 2025-15 Exhibit B, R325.9: "Dwelling units and sleeping units located in Climate Zones 0, 1, 2, 3, 4, 5A, and 5B, where the summer dry-bulb temperature is greater than 85°F (29.4°C), shall be provided with cooling systems capable of maintaining an indoor temperature at or below 80°F (26.7°C) in the occupied space. Where permanently installed fans are capable of generating 120 fpm (0.6 m/s) air speed inside the occupied space, the required cooling system shall be capable of maintaining indoor temperature at or below 85°F (29.4°C). The installation of one or more portable systems shall not be used to achieve compliance with this section." The ordinance went into effect on January 1, 2026.


Bruce Martz
HVAC-R Expert Witness
August 7, 2026

August 07, 2026



Notary Public

