

ER

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT
CIVIL ACTION NO.

COMMONWEALTH OF MASSACHUSETTS,

Plaintiff,

v.

MORESI COMMERCIAL INVESTMENTS,
LLC, and MORESI & ASSOCIATES
PROPERTY MANAGEMENT, LLC,

Defendants.

ASSURANCE OF DISCONTINUANCE
PURSUANT TO G. L. c. 93A, § 5

I. INTRODUCTION

The Commonwealth of Massachusetts, through its Attorney General, Andrea Joy Campbell, pursuant to her authority under G. L. c. 151B and G. L. c. 93A, investigated allegations that Moresi Commercial Investments, LLC and Moresi & Associates Property Management, LLC (collectively, the “Defendants”) discriminated against individuals with children in violation of the aforementioned statutes.

In lieu of litigation, the Attorney General agrees to accept this Assurance of Discontinuance (“Assurance”) pursuant to G. L. c. 93A, § 5, on the terms and conditions contained herein. The Attorney General and Defendants voluntarily enter into this Assurance.

II. ALLEGED VIOLATIONS

Without limiting the scope of the alleged violations, the Attorney General contends that Defendants have repeatedly made statements indicating that they will not rent certain properties

to individuals who reside with a child or children, have steered individuals who reside with a child or children away from certain properties, and have refused to rent certain properties to individuals who reside with a child or children, in violation of G. L. c. 151B, §§ 4(7B) and 4(11), G. L. c. 111, § 199A, as well as G. L. c. 93A, § 2.

Specifically, the Attorney General alleges that Defendant Moresi Commercial Investments, LLC (“Moresi Investments”) owns numerous properties in Berkshire County, Massachusetts. Among the properties Moresi Investments has owned¹ are 262-268 Ashland Street as well as 16 and 20 Blackinton Street in North Adams, Massachusetts (collectively referred to as the “Properties”). The 262-268 Ashland Street property is made up of four four-bedroom apartments. The 16 Blackinton Street property consists of one two-bedroom apartment and two three-bedroom apartments. The 20 Blackinton Street property has three four-bedroom apartments. During all times relevant to the alleged violations, all the apartments in the Properties were regularly rented to residential tenants. Moresi Investments contracts with Moresi & Associates Property Management, LLC (“Moresi Property Management”) to act as its property manager, including managing its search for tenants and its leasing process. During all times relevant to the alleged violations, a Moresi Property Management employee (“the employee”) was in charge of responding to inquiries regarding the Properties, assisting prospective tenants with showings at the Properties, and processing applications to rent apartments at the Properties. For many years, Defendants characterized the Properties as “student housing” or “college housing” and advertised them as such, including on Craigslist. Under this business model, Defendants typically entered into multiple leases for each apartment at the Properties. Each lease was with an individual tenant and stated that Defendants intended

¹ Moresi Investments sold 16 Blackinton Street and 262-268 Ashland Street in arm’s length transactions in August and October 2023 respectively.

to rent the apartment being leased to multiple other students and that each tenant would have the exclusive use of a bedroom and the non-exclusive use of the common areas. Defendants' standard lease for the Properties made tenants responsible for utilities.

The Massachusetts Fair Housing Center ("MFHC") is a fair housing agency in western Massachusetts that receives funding from the Department of Housing and Urban Development to enforce fair housing laws. As a part of its work, MFHC conducts fair housing tests.

In August 2018, MFHC conducted two paired fair housing tests of Defendants who had advertised availability at the Properties. Tester One called Defendants on August 14, 2018, and asked about a three-bedroom apartment at the Properties for themselves and their roommates. Tester One was informed that there was one three-bedroom apartment available at that time. Similarly, Tester Two called Defendants on August 14, 2018, and explained that they were interested in a three-bedroom apartment at the Properties. The woman who answered the phone explained that the apartment was primarily "student housing." Tester Two stated that they were not a student and that they were looking for an apartment for themselves, their husband, and their three-year-old child. The woman responded that the apartment was not suitable for families because there were often large gatherings of students at the location and the students were loud and stayed up late. The woman suggested two other units that Defendants had available: a two bedroom in Adams and a four bedroom in Williamstown. Later that day, Tester Two called Defendants again to get more information regarding the four-bedroom unit in Williamstown: it was more expensive than the unit Tester Two originally called about.

Tester Three called Defendants about availability at the Properties on August 16, 2018. Tester Three left a voicemail message for Defendants stating that they were interested in renting an apartment for their family, which included their husband and two children. Tester Three did

not receive a call back from Defendants. Tester Three called Defendants again on August 21, 2018, and the employee answered the phone. The employee told Tester Three that an apartment at the Properties was available and asked who it would be for. Tester Three let the employee know it would be for themselves, their husband, and their two children. The employee informed Tester Three that the building was basically all college students and that it would not be a good fit for Tester Three's family. Tester Four called Defendants about an apartment at the Properties on August 21, 2018. Tester Four let the staff person know they were looking for housing for themselves and two roommates. The staff person connected the tester to the employee because she handled the "college housing." Subsequently, the employee confirmed the availability of a four-bedroom apartment at the Properties via email.

In February 2020, MFHC conducted an additional three-part test of Defendants. Tester Five called Defendants on February 21, 2020, and was transferred to the employee. Tester Five told the employee that they were looking for a three-bedroom apartment at the Properties for themselves, their wife, and their young daughters. The employee replied that the apartment was "not where you would want to live" because it was "student housing." The employee let Tester Five know that she might have other suitable properties available soon that would be "in a more residential area." Tester Six called Defendants on February 25, 2020, to inquire about a three-bedroom apartment at the Properties. The employee answered the phone and informed Tester Six that there were several apartments available at the Properties. The employee asked if Tester Six would be moving in with roommates. Tester Six stated she would be moving in with two roommates. The employee offered to set up a showing. The employee and Tester Six arranged for a showing on 16 Blackinton Street, Apartment C, which occurred on February 28, 2020. Finally, Tester Seven called on February 27, 2020, and asked about an apartment at the

Properties. Tester Seven was transferred to the employee, and the employee informed Tester Seven that Defendants were showing apartments at the Properties, which she characterized as “student housing.” Tester Seven explained that the apartment would be for themselves and their two little children. The employee replied that the housing was really for college students and that she imagined Tester Seven would not want that atmosphere around a family. The employee suggested that Tester Seven consider a more expensive, but smaller, condo.

The MFHC filed a complaint against Defendants with the Massachusetts Commission Against Discrimination (“MCAD”). The MCAD determined that there was probable cause to credit the allegations of discrimination. Defendants elected judicial determination. Thereafter, the case was referred to the Commonwealth pursuant to G. L. c. 151B, § 9.

Defendants deny the allegations that they unlawfully discriminated and assert that they have operated in compliance with all relevant laws and regulations and on the advice of counsel. Notwithstanding their denial of the allegations, Defendants agree to enter into this Assurance in order to resolve this matter without further costly and time-consuming litigation.

III. ASSURANCES

A. Prohibitive Assurances

Defendants shall be prohibited from taking any action in violation of G. L. c. 93A, § 2, G. L. c. 111, §199A, G. L. c. 151B, § 4, or the federal Fair Housing Act, 42 U.S.C. §§ 3601 *et seq.* (“FHA”). Without limiting the foregoing, Defendants shall not take any of the following actions either because (1) a person is pregnant or has a child or children who shall occupy the premises or because (2) the rental of the premises to a person would trigger legal duties under G. L. c. 111, §§ 189A-199B:

- a. Falsely representing to any person that housing accommodations are unavailable;

- b. Withholding information about available housing accommodations;
- c. Failing or refusing to show available housing accommodations to any person;
- d. Steering or directing any person away from or toward specific housing accommodations;
- e. Failing or refusing to negotiate with any person for the rental or lease of housing accommodations;
- f. Failing or refusing to rent or lease housing accommodations to any person or otherwise denying or withholding housing accommodations;
- g. Stating or imposing different terms or conditions for housing accommodations; and
- h. Making any statements in connection with the sale or rental of housing accommodations that indicate any preference, limitation, or discrimination.

B. Affirmative Assurances

So long as Defendants are engaged in renting, selling, and/or advertising residential real estate in the Commonwealth, Defendants shall comply with the following provisions:

1. Non-Discrimination Statement.

(a) Adoption and Distribution. Within thirty (30) days of the date of filing of this Assurance, Defendants shall adopt a written Non-Discrimination Statement that complies with the requirements of Massachusetts and federal fair housing and anti-discrimination laws. This Non-Discrimination Statement shall be submitted to the Massachusetts Attorney General's Civil Rights Division ("CRD") for review prior to its adoption, and CRD may require changes to said statement, which changes shall be made within two (2) weeks of notice from CRD. Defendants shall post this Non-Discrimination Statement conspicuously in their office(s) and on their

website(s). Defendants shall provide this Non-Discrimination Statement along with all rental applications, lease forms, initial written notices of lease violations, notices to quit, and initial written notices that Defendants are not renewing a lease. Defendants shall distribute this Non-Discrimination Statement to their employees, agents, and tenants within thirty (30) days of the date of its adoption and biennially thereafter in January of even-numbered years to their employees and agents.

(b) Modification. Defendants may modify the Non-Discrimination Statement if necessary to reflect changes in Massachusetts and/or federal fair housing or anti-discrimination laws. If Defendants intend to modify the Non-Discrimination Statement within three (3) years of the date of filing of this Assurance, Defendants shall notify CRD and provide CRD with a copy of any proposed changes. The copy of any proposed changes shall be delivered to the Office of the Attorney General, 1 Ashburton Place, Boston, MA, 02108 attn: CRD. If CRD notifies Defendants of an objection, the changes to which CRD objected shall not be implemented until the objections are resolved. If CRD does not notify Defendants of an objection within forty-five (45) days of the date that Defendants delivered the copy of any proposed changes to CRD, Defendants may implement any proposed changes thereafter, and the fact that Defendants changed the Non-Discrimination Statement under these circumstances shall not be considered a violation of this Assurance in isolation. However, if any change to the Non-Discrimination Statement is inconsistent with Section III.A. of this Assurance, that change may be considered a violation of this Assurance. CRD's failure to object does not indicate that CRD approves of any proposed changes.

2. Non-Discrimination Policy. Within thirty (30) days of the date of filing of this Assurance, Defendants shall adopt a written Non-Discrimination Policy that complies with the

requirements of Massachusetts and federal fair housing and anti-discrimination laws. This Non-Discrimination Policy shall be submitted to CRD for review prior to its adoption, and CRD may require changes to said policy, which changes shall be made within two (2) weeks of notice from CRD. Defendants shall publicize the existence of this Non-Discrimination Policy as well as information on how to obtain a copy of it conspicuously in their office(s), on their website(s), and in all rental applications, lease forms, initial written notices of lease violations, notices to quit, and initial written notices that Defendants are not renewing a lease. Defendants shall make this Non-Discrimination Policy available upon request from any employee, agent, tenant, prospective tenant, or representative of any of these individuals. Defendants shall distribute this Non-Discrimination Policy to all current employees, agents, and tenants within ten (10) days of the date of its adoption and to all future employees, agents, and tenants within ten (10) days of the start of their employment, agency relationship, or tenancy. Defendants shall also distribute this Non-Discrimination Policy to all employees and agents biennially in January of even-numbered years.

3. Update Forms and Other Publications. Within sixty (60) days of the date of filing of this Assurance, Defendants shall update all forms and other publications, including, but not limited to, their rental applications and lease forms as well as any website(s), as necessary to comply with the requirements of Paragraph B.1. and Paragraph B.2. of this Assurance.

4. Signage. Within five (5) days of the date of filing of this Assurance, Defendants shall remove all signage that is related to properties owned or managed by Defendants in Massachusetts that indicates that any housing accommodation is “student housing” or “college housing” or otherwise indicates that a housing accommodation is for students.

5. Advertising and Rental Applications. Defendants shall ensure that all rental applications and all print or electronic advertisements in Massachusetts, including Internet postings and signage, placed by Defendants or their agents for the rental of housing accommodations, contain a statement or other indication, such as the Equal Housing Opportunity logo, that Defendants comply with all applicable fair housing laws. Defendants' advertisements and rental applications shall be otherwise nondiscriminatory in compliance with G. L. c. 151B, § 4.

6. Training. For a period of five (5) years from the date of filing of this Assurance, each of Defendants' employees and agents who are involved in rental property management, shall attend at least sixty (60) minutes of training annually on Massachusetts and federal fair housing laws. This training shall include information on protected categories, prohibited conduct, reasonable accommodations and modifications, and Defendants' related policies and procedures. For the years 2024, 2025, and 2026, the trainings must be pre-approved by CRD, unless they are performed by the Massachusetts Commission Against Discrimination ("MCAD"). The first training required by this paragraph shall be conducted in January 2024 or, if not conducted in January 2024, within ninety (90) days of the date of filing of this Assurance. For the years 2024, 2025, and 2026, within two (2) weeks of each training, Defendants shall provide CRD with written confirmation that each individual who must complete training pursuant to this provision has completed said training. Defendants shall maintain proof of their compliance with this provision for a minimum of five (5) years from the date of each training, for example, by retaining a certificate of completion from the training provider reflecting the training completed, the training provider, the date of the training, and the individuals who completed the training.

7. Business Practice Changes. Defendants have agreed to alter their business practices as follows.

- a. Defendants shall not characterize any of their rental housing accommodations as “student housing” or “college housing.”
- b. Defendants shall not restrict the rental or leasing of any housing accommodations to students or otherwise require or prefer that tenants of any housing accommodations be students.
- c. Defendants shall not require that individuals living together at any of the apartments at the Properties sign separate, individual leases for one apartment.
- d. Defendants shall comply with 105 Code Mass. Regs 410.354, which requires a property owner to provide electricity and gas for each rental unit unless (i) the unit is separately metered, (ii) the unit is under the exclusive use of an occupant, and (iii) there is a written agreement that provides for payment by that occupant.
- e. Defendants shall comply with all applicable laws relating to lead paint, including G. L. c. 111, §§ 189A-199B, which, among other things, require a property owner to (i) provide all tenants with notice regarding lead risks in homes built before 1978 and (ii) inspect for lead and remove or cover lead paint hazards identified in homes built before 1978 where any child under the age six (6) lives.
- f. Defendants shall not require prospective tenants to submit applications before they are allowed to tour or otherwise see a rental housing accommodation.
- g. Defendants shall not decide whether to require an application from a prospective tenant based on the tenants’ source of income, occupation, or status as a student.

8. Inspect for and Abate or Contain Any Lead Hazards. Within thirty (30) days of the date of filing of this Assurance, Defendants shall provide CRD with proof that they have inspected each apartment at 20 Blackinton Street for lead hazards since August 15, 2022. Said inspections must have been done by a licensed lead inspector in accordance with all applicable laws and regulations, including G. L. c. 111, §§ 189A-199B, and the Department of Public Health's Lead Poisoning Prevention and Control regulation, 105 Code Mass. Regs. 460.000 *et seq.* Said proof shall include a copy of the inspection report as well as any associated documents.

Defendants shall abate or contain any lead hazard identified in the inspections of the apartments at 20 Blackinton Street regardless of the presence of a child under six (6) during the duration of Defendants' ownership and/or management of 20 Blackinton Street. Said abatement or containment shall be done in accordance with any applicable laws and regulations, including G. L. c. 111, §§ 189A-199B, and the Department of Public Health's Lead Poisoning Prevention and Control regulation, 105 Code Mass. Regs. 460.000 *et seq.* Said abatement or containment of individual apartments shall occur following the end of the current tenancy and before the commencement of the next tenancy. All said abatement or containment must be completed within two (2) years of the date of filing of this Assurance. Defendants shall provide a copy of the Letters of Full Compliance to CRD within 30 days of the completion of said lead abatement or containment.

Defendants shall take reasonable care to make sure that the standards set forth in the Letters of Full Compliance are maintained at each of the apartments regardless of the presence of a child under six (6) during the duration of Defendants' ownership and/or management of 20 Blackinton Street. Defendants shall take reasonable care to promptly correct any failure of

measures taken to achieve full compliance, including abatement or containment work, or address any new lead hazards at any of the apartments regardless of the presence of a child under six (6). Among other reasonable efforts to ensure maintained compliance, Defendants shall, at minimum, conduct annual visual inspections of all areas that have dangerous levels of lead, see 105 Code Mass. Regs. § 460.020 (including any surface with “equal to or more than 1.0 milligram of lead per square centimeter (mg/cm²) of surface”). If Defendants learn through visual inspection or otherwise that a surface that has dangerous levels of lead is loose, “peeling, flaking, chipping, crumbling, cracking, deteriorated or damaged in any manner,” see *id.*, Defendants shall have a licensed lead inspector perform a post-compliance assessment of the area within 30 days of the discovery. If the post-compliance assessment of the area determines that there are lead hazards, Defendants shall abate or contain any lead hazard identified regardless of the presence of a child under six (6) within 30 days of the assessment. See 105 Code Mass. Regs. § 460.760(E).

9. Reporting and Notification. For three (3) years from the date of filing of this Assurance, Defendants shall notify CRD in writing within thirty (30) days of the receipt of any written complaint that any Defendant has violated any Massachusetts or federal fair housing law.² This written notification shall be satisfied by providing CRD with a copy of the complaint.

IV. PAYMENT TO MASSACHUSETTS FAIR HOUSING CENTER

Within thirty (30) days of the date this Assurance is filed, Defendants shall pay THIRTY-TWO THOUSAND AND FIVE HUNDRED dollars (\$32,500) to the Massachusetts Fair Housing Center. Defendants shall make this payment by certified bank check, or Attorney’s IOLTA check, payable to the Massachusetts Fair Housing Center, and deliver it to the Office of the Attorney General, 1441 Main Street, 12th Floor, Springfield, Massachusetts, 01103,

² The term “fair housing law” means any law, regulation, or rule related in any way, either in content or application, to discrimination in housing.

Attention: Ann E. Lynch, Civil Rights Division. The AGO will distribute this payment to the MFHC once the AGO receives a copy of a fully executed release between the MFHC and Defendants.

V. PAYMENT TO THE COMMONWEALTH

Within thirty (30) days of the date this Assurance is filed, Defendants shall pay SEVEN THOUSAND FIVE HUNDRED dollars (\$7,500) to the Commonwealth of Massachusetts. At her sole discretion, the Attorney General may use or distribute this payment in any amount, allocation, or apportionment and for any purpose permitted by law, including but not limited to: (i) payments to or for consumers and for the facilitation of this Assurance, (ii) payments to the General Fund of the Commonwealth of Massachusetts, (iii) payments to the Local Consumer Aid Fund established pursuant to G. L. c. 12, § 11G, or (iv) for programs or initiatives in furtherance of the protection of the people of the Commonwealth. Defendants shall make this payment by certified bank check, or Attorney's IOLTA check, payable to the Commonwealth of Massachusetts, and deliver it to the Office of the Attorney General, 1441 Main Street, 12th Floor, Springfield, Massachusetts, 01103, Attention: Ann E. Lynch, Civil Rights Division, or according to such other arrangements as are agreed to by the parties.

VI. RELEASE OF CLAIMS BY THE ATTORNEY GENERAL

The Commonwealth releases the Defendants, as well as their officers, agents, servants, employees, and attorneys from any and all claims pursuant to G. L. c. 151B, § 4; 42 U.S.C. § 3601 et seq.; G. L. c. 111, §§ 189A-199B; G. L. c. 93A, § 2; 105 Code Mass. Regs. 410.354; and 105 Code Mass. Regs. 460 that could have been brought related to the facts set out in the alleged violations section of this Assurance. This release does not cover claims arising from conduct occurring after this Assurance is filed and/or claims concerning the Defendants'

compliance with this Assurance.

VII. OTHER PROVISIONS

1. For five (5) years following the filing of this Assurance, Defendants shall maintain, and shall not destroy or dispose of, any documents or electronically stored information³ that relates to their compliance, or non-compliance, with this Assurance and shall produce the same to the Commonwealth within 30 days of said request.

2. This Assurance contains the complete agreement between the parties. None of the parties has made any promises, representations, or warranties to each other outside those set forth in this Assurance.

3. This Assurance shall be binding on Defendants, as well as their officers, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with them who receive actual notice of the Assurance by personal service or otherwise.

4. Defendants are entering into this Assurance without trial or adjudication of any issue of fact or law, and without any admission of wrongdoing or violation of any state, federal, or local laws or ordinances and with respect to the Commonwealth's allegations set forth herein. Except for the purpose of enforcement of its terms by the Attorney General, no part of this Assurance shall constitute evidence against 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.

5. This Assurance, and any action taken by the Attorney General pursuant to this Assurance, does not constitute an approval by the Attorney General of any of Defendants' practices, and Defendants shall make no representation or claim to the contrary.

³ The terms "documents" and "electronically stored information" shall be defined to be synonymous in meaning and equal in scope to the usage of the terms in Mass. R. Civ. P. 34(a).

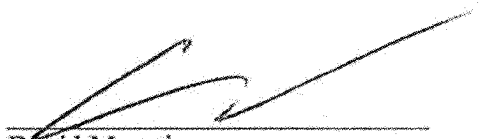
6. This Assurance is not intended to impair any right of action arising out of the alleged violations that any person or entity, other than the Commonwealth, might have against Defendants.

7. This Assurance shall be filed in the Superior Court of Suffolk County. By virtue of the provisions of G. L. c. 93A, § 5, evidence of any violation of the terms of this Assurance by Defendants, their agents, servants, 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 Attorney General.

8. Defendants hereby accept the terms and conditions of this Assurance and waive any right to challenge its terms and provisions in any action or proceeding. Defendants may, however, challenge in any action or proceeding whether it has adhered to the terms and provisions of said Assurance.

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MORESI COMMERCIAL INVESTMENTS, LLC



David Moresi

Moresi Commercial Investment, LLC
60 Roberts Drive, Suite 201
North Adams, MA 01247

Dated: 6-27-2024

MORESI & ASSOCIATES PROPERTY MANAGEMENT, LLC

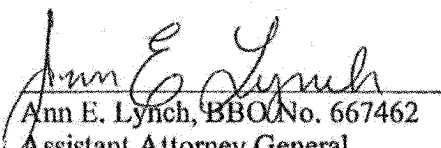


David Moresi

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Dated: 6-27-2024

COMMONWEALTH OF MASSACHUSETTS



Ann E. Lynch, BBO No. 667462

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Dated: 7-10-2024