

SR

COMMONWEALTH OF MASSACHUSETTS

Suffolk County

Superior Court
No. 2284CV02823-BLS2

COMMONWEALTH OF MASSACHUSETTS,

Plaintiff,

v.

MV REALTY PBC, LLC, MV OF
MASSACHUSETTS, LLC, MV BROKERAGE
OF MASSACHUSETTS, LLC, MV REALTY
HOLDINGS, LLC, MV REALTY
RECEIVABLES 1, LLC, MV RECEIVABLES II,
LLC, MV RECEIVABLES III, LLC, ANTONY
MITCHELL, AND DAVID MANCHESTER,

Defendants.

JOINT MOTION FOR ENTRY OF FINAL JUDGMENT BY CONSENT

Plaintiff, the Commonwealth of Massachusetts, by and through its Attorney General, Andrea Joy Campbell, and Defendants, MV of Massachusetts, LLC, MV Realty PBC, LLC, MV Brokerage of Massachusetts, LLC, MV Realty Holdings, LLC, MV Realty Receivables 1, LLC, MV Receivables II, LLC, MV Receivables III, LLC, Antony Mitchell, and David Manchester (collectively “Defendants”) jointly move this Court for entry of the proposed Final Judgment by Consent (“Final Judgment”). The parties have reached an agreement to resolve the instant litigation. The proposed Final Judgment is attached as Exhibit A and the Stipulation and Consent of Defendants Mitchell and Manchester are attached as Exhibit B.

In support of this motion, the Parties assert that there is no just cause for delay and that, in order to resolve this litigation, Defendants stipulate and consent to the entry of final judgment, waiving all rights of appeal and the requirements of Mass. R. Civ. P. 52. The Parties further ask that the Final Judgment operate as a permanent injunction replacing and supplanting the preliminary injunction currently in effect.

COMMONWEALTH
OF MASSACHUSETTS

ANDREA JOY CAMPBELL
ATTORNEY GENERAL



Daniel Bahls (BBO No. 601060)
Assistant Attorney General
Consumer Protection Division
1411 Main Street, Suite 1200
Springfield, MA 01103
Tel: 413-523-7787
Email: daniel.bahls@mass.gov

Eric P. Carnevale (BBO #677210)
Alda Chan (BBO #705204)
Yael Shavit (BBO #695333)
Assistant Attorneys General
Consumer Protection Division
One Ashburton Place
Boston, MA 02108
Tel: 617-963-2937
Email: eric.carnevale@mass.gov
alda.chan@mass.gov
yael.shavit@mass.gov

MV REALTY PBC, LLC,
MV OF MASSACHUSETTS, LLC,
MV BROKERAGE OF
MASSACHUSETTS, LLC,
MV REALTY HOLDINGS, LLC,
MV REALTY RECEIVABLES 1, LLC,
MV RECEIVABLES II, LLC,
MV RECEIVABLES III, LLC,
ANTONY MITCHELL,
AND DAVID MANCHESTER,

AXS Law Group, PLLC

/s/ Peter Godwin

Peter C. Godwin
petergodwin@axslawgroup.com
Admitted Pro Hac Vice
2121 NW 2nd Ave., Suite 201
Miami, FL 33127

SHEEHAN PHINNEY
BASS & GREEN, PA

/s/ Charles Waters

Charles M. Waters
cwaters@sheehan.com
BBO #631425
28 State Street, Floor 22
Boston, MA 02109
(617) 897-5600
Counsel for Defendants

Exhibit A

COMMONWEALTH OF MASSACHUSETTS

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COMMONWEALTH OF MASSACHUSETTS,

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MV REALTY PBC, LLC, MV OF
MASSACHUSETTS, LLC, MV REALTY
HOLDINGS, LLC, MV REALTY
RECEIVABLES 1, LLC, MV RECEIVABLES II,
LLC, MV RECEIVABLES III, LLC, ANTONY
MITCHELL, AND DAVID MANCHESTER,

Defendants.

PROPOSED FINAL JUDGMENT BY CONSENT

The Commonwealth of Massachusetts, by and through its Attorney General, Andrea Campbell, has commenced this consumer protection action against MV of Massachusetts and MV Realty, LLC, MV Realty Holdings, LLC, MV Realty Receivables 1, LLC, MV Receivables II, LLC, MV Receivables III, LLC, Antony Mitchell, and David Manchester (collectively “MV” or “Defendants”). The Commonwealth alleges in its Complaint that the Defendants have engaged in unfair and deceptive acts and practices in violation of the Massachusetts Consumer Protection Act, G.L. c. 93A, § 2. The Commonwealth has sought injunctive relief, restitution, civil penalties, and reasonable fees and costs, including attorneys’ fees.

The Commonwealth and the Defendants consent to the entry of this Final Judgment by Consent (“Final Judgment”) in order to resolve the amount of restitution, civil penalties, and fees and costs to be paid by the Defendants as well as the terms of injunctive relief, without further trial or adjudication. The Defendants stipulate that in any subsequent civil litigation by or on behalf of the Massachusetts Attorney General’s Office to enforce its right to any payment pursuant to this Final Judgment, including a non-dischargeability complaint in any bankruptcy proceeding, the

payment required by this Final Judgment constitutes, without need for further proof by the Commonwealth, a fine, penalty, or forfeiture payable to and for the benefit of a governmental unit as the term is used in 11 U.S.C. § 523(a)(7). The Defendants acknowledge that this Court has subject matter jurisdiction over this action and personal jurisdiction over them. The Defendants waive all rights of appeal and also waive the requirements of Rule 52 of the Massachusetts Rules of Civil Procedure.

THE COMMONWEALTH AND THE DEFENDANTS JOINTLY HAVE AGREED AND REPRESENT AS FOLLOWS:

I. PARTIES SUBJECT TO FINAL JUDGMENT

1. The Plaintiff is the Commonwealth of Massachusetts, represented by Attorney General Andrea Joy Campbell, who brings this action in the public interest.

2. Defendant MV of Massachusetts, LLC is a Massachusetts Limited Liability Company with a principal place of business in Boca Raton, Florida.

3. Defendant MV Realty PBC, LLC is a Florida limited liability company with a principal place of business in Boca Raton, Florida. MV of Massachusetts, LLC operates under the control and through the direct involvement of MV Realty PBC, LLC.

4. Defendant MV Realty Holdings, LLC is a Florida limited liability company with a principal place of business in Boca Raton, Florida. MV Realty PBC, LLC is a wholly-owned subsidiary of MV Realty Holdings, LLC.

5. Defendant MV Realty Receivables 1, LLC is a Florida limited liability company with a principal place of business in Boca Raton, Florida, and is a wholly-owned subsidiary of MV Realty PBC, LLC.

6. Defendant MV Receivables II, LLC is Florida limited liability company with a principal place of business in Boca Raton, Florida, and is a wholly-owned subsidiary of MV Realty PBC, LLC.

7. Defendant MV Receivables III, LLC is a Florida limited liability company with a principal place of business in Boca Raton, Florida, and is a wholly-owned subsidiary of MV Realty Holdings, LLC.

8. Defendant Antony Mitchell is the CEO of MV Realty PBC and an officer of MV of Massachusetts, MV Realty PBC, MV Realty Holdings, MV Realty Receivables 1, MV Receivables II, MV Receivables III. Mr. Mitchell also has an equity stake in MV and the Receivables Entities. Mr. Mitchell resides in Delray Beach, Florida.

9. Defendant David Manchester is the Chief Operating Officer of MV Realty PBC and an officer of MV of Massachusetts, MV Realty PBC. Mr. Manchester resides in Delray Beach, Florida.

II. JURISDICTION AND VENUE

10. This Court has jurisdiction over the subject matter of this action pursuant to G.L. c. 93A, § 4.

11. This Court has personal jurisdiction over Defendants in this action pursuant to G.L. c. 223A, § 3.

12. Venue is proper in Suffolk County pursuant to G.L. c. 93A, § 4.

13. The Attorney General is authorized to bring this action under G. L. c. 93A, § 4.

III. DEFINITIONS

14. “Advertisement,” “Advertising,” “Advertise” means any representation in Massachusetts a) made in a newspaper, in a magazine, or other publication; or b) contained in any

notice, handbill, sign, billboard, banner, poster, display, circular, pamphlet, catalog, or letter; or c) printed on or contained in any tag or label which is attached to or accompanies any product; or d) presented through or during the use of any electronic device or the use of a software application, including via telephone, text message, radio, television, or the Internet.

15. “Consumer Financial Products or Services” means any financial product or service offered in Massachusetts involved in extending credit or servicing loans to consumers; collecting any debts owed by consumers, that are primarily for personal, family, or household purposes; providing real estate settlement services or performing appraisals of real estate or personal property; and collecting, analyzing, maintaining, or providing consumer report information or other account information, including information relating to the credit history of consumers, that is used or expected to be used in connection the extension of credit or servicing of loans to consumers, or the collection of debts owed by consumers.

16. “Control” of Residential Real Estate Services or Consumer Financial Products or Services shall refer to the ability to direct or influence the management and/or policies of a business engaged in Residential Real Estate Services or Consumer Financial Products or Services in Massachusetts through ownership interests, contractual rights, or other agreements that confer such authority. For the avoidance of doubt, an individual does not Control Residential Real Estate Services or Consumer Financial Products or Services by and through the individual’s ownership of public stock.

17. “Defendants” or “MV” shall mean MV of Massachusetts, LLC, MV Realty PBC, LLC, MV Brokerage of Massachusetts, LLC, MV Realty Holdings, LLC, MV Realty Receivables 1, LLC, MV Receivables II, LLC, MV Receivables III, LLC (collectively the “Corporate Defendants”), Antony Mitchell, and David Manchester.

18. “Effective Date” means the date upon which this Judgment is entered by the Court.

19. “HBA Advance” refers to the advance money paid to a consumer as consideration for entering into an HBA in Massachusetts.

20. “HBA Mortgage” refers to any recording in a registry of deed in Massachusetts securing an obligation related to the HBA including both the mortgage currently in use and any other instrument recorded or to be recorded in a Massachusetts Registry of Deeds whether in the form of a mortgage, a memorandum, or in any other form.

21. “Homeowner Benefit Agreement” or “HBA” refer to contracts utilized by MV with consumers in Massachusetts, however titled, with terms substantially equivalent to the contracts attached to this Final Judgment as Exhibits 1 and 2.

22. “Individual Defendants” shall mean Antony Mitchell and David Manchester.

23. “Manage,” “Managing, or “Management” of Residential Real Estate Services or Consumer Financial Products or Services refers to the act of directing the operations of a business engaged in Residential Real Estate Services or Consumer Financial Products or Services in Massachusetts. For the avoidance of doubt, an individual does not Manage Residential Real Estate Services or Consumer Financial Products or Services by and through the individual’s ownership of public stock.

24. “Owning” Residential Real Estate Services or Consumer Financial Products or Services shall refer to direct ownership or ownership of any portion of a company that directly or through subsidiaries owns any portion of a business engaged in Residential Real Estate Services or Consumer Financial Products or Services in Massachusetts, but does not include incidental ownership akin to ownership of less than 1% of the shares of a publicly traded corporation that

engages in Residential Real Estate Services or Consumer Financial Products or Services in Massachusetts.

25. “Receivables Entities” refers to MV Realty Receivables 1, MV Receivables II, and MV Receivables III.

26. “Residential Real Estate Services” shall refer to services provided in Massachusetts in connection with real estate occupied or intended to be occupied by a non-commercial resident, but shall not extend to real estate that the Individual Defendants or their families personally live in.

27. The terms “Sale” or “Sell” includes lease, rent, or barter.

IV. STIPULATED FACTS

28. MV marketed and sold “Homeowner Benefit Agreements” (“HBAs”) to Massachusetts consumers.

29. In the HBA, MV paid a sum of money to homeowners, generally 0.3% of MV’s estimated value of the home, in exchange for the exclusive right to sell their home.

30. The HBA had a 40-year term.

31. The HBA contemplates a 6% total commission, plus a \$500 administrative fee.

32. The HBA contains a minimum commission to MV of 3% of the home’s value at the time of signing the HBA.

33. Defendant Antony Mitchell was the CEO of MV Realty PBC, LLC and participated in its operations, including those in Massachusetts.

34. Defendant David Manchester was the COO of MV Realty PBC, LLC and participated in its operations, including those in Massachusetts.

35. The allegations of the Attorney General's Office, as set out in more detail in its Amended Complaint, further include allegations that:

- a. The HBA required homeowners to pay MV both when a traditional sale occurs or upon involuntary transfer, including those "as a result of foreclosure" or death (unless the "administrator or personal representative, as applicable, together with any known heirs or devisees" assume the HBA Agreement "within ten (10) days");
- b. The HBA was secured by mortgages that provided MV a right to foreclose; and
- c. MV Realty Receivables 1, LLC, MV Receivables II, LLC, and MV Receivables III, LLC are entities set up to purchase HBAs underwritten to criteria specified by those entities. These entities dictated the terms of the HBAs at inception and the terms of servicing and collections afterwards.

36. The Attorney General's Office further alleges that Defendants violated G.L. c. 93A by, *inter alia*:

- a. Utilizing deceptive statements, half-truths, and unfair omissions in marketing and origination of HBAs;
- b. Entering and enforcing procedurally and substantively unconscionable consumer contracts;
- c. Engaging in the unlicensed practice of law by conducting mortgage closings without the substantive involvement of an attorney; and
- d. Violating consumer protection laws related to lending and mortgage loans.

ACCORDINGLY, THE FOLLOWING IS HEREBY ORDERED AND ADJUDGED:

37. This Final Judgment shall enter against all Defendants and it shall constitute a continuing obligation.

V. INJUNCTIVE RELIEF

38. The Court hereby permanently enjoins Corporate Defendants, whether acting directly or indirectly, individually or through employees, officers, subsidiaries, agents, representatives, affiliates, successors, and/or assigns or through any other corporate or other device, from conducting business in Massachusetts.

39. The Court hereby enjoins Individual Defendants Antony Mitchell and David Manchester from Owning, Controlling, or Managing any business that Advertises or Sells Residential Real Estate Services and/or Consumer Financial Products or Services in Massachusetts for a period of ten (10) years.

40. Defendants shall make no effort to reinstate or otherwise enforce the mortgages discharged in accordance with the Court's Preliminary injunction order dated February 21, 2023, including by attempting to recover any early termination fee or other payment for any alleged breach of an HBA. If any Massachusetts HBA Mortgages have not yet been released or discharged, Defendants shall release such mortgages in a manner compliant with G.L. c. 183, § 54B within fourteen (14) days of the date Defendants become aware of such HBA Mortgages. Defendants shall record such releases at no expense to the consumer.

41. Defendants shall take such further steps as necessary to ensure that any HBA Mortgages no longer cloud title to consumers' property by complying with reasonable requests from closing attorneys to take additional corrective action to ensure unencumbered title, as necessary and at no expense to the consumer.

42. The Court hereby fully and finally releases and voids all HBA mortgages granted to MV of Massachusetts, LLC on property in Massachusetts, including those HBA mortgages granted to MV of Massachusetts, LLC that, through scrivener's error, identify the mortgagee as

“MV Realty of Massachusetts, LLC.” It is the express intent of the parties that third parties, including future purchasers of previously encumbered property, may rely upon this release.

43. Defendants hereby release any and all claims under the HBAs or claim to any HBA Advance provided to any Massachusetts consumer and will not attempt to recoup this amount. No Massachusetts consumer has any obligation to MV. Defendants attest that the HBA advances for Massachusetts HBAs consist of at least Seven Hundred Five Thousand Six Hundred Ninety-Five Dollars and thirty cents (\$705,695.30).

44. Within thirty (30) days of the Effective Date, Defendants shall notify Massachusetts consumers who have signed HBAs that have not already been closed, terminated, or rescinded that they are not bound by the HBA, that the mortgage on their property has been released, and that MV Realty has ceased operations in Massachusetts. This notice shall consist of an email in the form attached as Exhibit 3 and a letter sent in the form attached as Exhibit 4.

45. Defendants shall not use or employ any third party to engage in any activity that Defendants themselves would be prohibited from engaging in pursuant to this Final Judgment.

VI. MONETARY RELIEF

46. Defendants shall pay Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) (the “Settlement Amount”) to the Commonwealth by wire transfer payable to the “Commonwealth of Massachusetts” in accordance with the following terms:

- a. No later than June 30, 2026, Defendants shall make a monetary payment of Three Hundred Thousand Dollars (\$300,000);
- b. On or before thirty (30) days following the first payment, Defendants shall make a monetary payment of One Hundred Thousand Dollars (\$100,000);

- c. The balance of the Settlement Amount totaling One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000) shall be suspended.
- d. In the event of a breach of the payment obligation in Paragraphs 46(a) through (b), any outstanding payment, including the suspended penalty set forth in Paragraph 46(c) shall become immediately due and payable by all Defendants and judgment for any outstanding amounts shall enter in favor of the Commonwealth effective the date of the breach.
- e. In the event of a determination by the Court that the written financial disclosures that Defendants provided to the Attorney General's Office on or about March 4, 2025 and March 5, 2025 and related documents were knowingly not materially truthful, accurate, or complete as of the dated executed, the suspended portion of the penalty in Paragraph 46(c) shall become immediately due and payable by any and all Defendants that provided incomplete or inaccurate financial statements.
- f. In the event of a determination by the Court that any of the Corporate Defendants violate the injunctive terms of this agreement set forth in Part V, the suspended penalty will be payable by any and all Corporate Defendants.
- g. Notwithstanding the foregoing, with respect to any amounts owed by Defendants hereunder, David Manchester shall be obligated to pay no more than fifty thousand dollars (\$50,000).

The Attorney General's Office shall provide Defendants with wire instructions to make these payments on or before the Effective Date.

47. At her sole discretion, the Attorney General may distribute the payment described in the foregoing paragraph in any amount, allocation or apportionment and for any purpose

permitted by law, including but not limited to: (a) payments to or for consumers and for the facilitation of this Assurance; (b) payments to the General Fund of the Commonwealth of Massachusetts; (c) payments to the Local Consumer Aid Fund established pursuant to G.L. c. 12, § 11G; or (d) for programs or initiatives in furtherance of the protection of the people of the Commonwealth. Defendants shall have no right to direct, nor any responsibility as to the use or application of funds by the Attorney General.

VII. REPORTING AND COMPLIANCE

48. Upon the request of the Attorney General or her representatives, and for a period of one (1) year after the Effective Date, Defendants shall produce documents and/or provide information reasonably necessary to establish compliance and/or efforts to comply with the injunctive terms contained in Section V.

49. Not later than thirty (30) days from the Effective Date, Defendants shall provide the Attorney General's Office with the following information:

- a. a final list of all HBAs executed in Massachusetts, including rescinded HBAs;
- b. a final list of all HBAs executed in Massachusetts that were closed, terminated, or rescinded prior to the Effective Date.
- c. for each HBA, the consumer's complete contact information including address, telephone number, and email address;
- d. for each HBA, the amount of any commission or early termination fee, including any administrative fee or other fees, paid in connection with such HBA;
- e. for each HBA, the sale price, if MV acted as a broker for a sale;
- f. for each HBA, whether a mortgage was recorded; and
- g. for each HBA, the date that a release for any such mortgage was recorded.

VIII. OTHER PROVISIONS

50. Continuing Jurisdiction. The parties to this Final Judgment admit to the continuing jurisdiction of the Suffolk Superior Court for the purpose of enforcing the terms of this Final Judgment or for granting such further relief as the Court deems just and proper. The injunctive relief provisions of this Final Judgment place the Defendants under the restraint of a direct order of the Court.

51. Governing Law. The provisions of this Final Judgment shall be construed in accordance with the laws of the Commonwealth of Massachusetts.

52. Appeals. Defendants waive all rights of appeal.

53. Severability. The provisions of this Final Judgment shall be severable and should any provisions be declared by a court of competent jurisdiction to be unenforceable, the other provisions of this Final Judgment shall remain in full force and effect.

54. Construction of Judgment. Consent to this Final Judgment does not constitute an approval by the Commonwealth of any of the Defendants' acts or practices, and the Defendants shall make no representations to the contrary. Consent to this Final Judgment does not constitute an admission or concession by Defendants that it has previously engaged in any of the conduct alleged by the Plaintiff beyond what is specifically stipulated herein. Notwithstanding the foregoing, each Defendant stipulates that in any subsequent civil litigation by or on behalf of the Massachusetts Attorney General's Office to enforce its rights to any payment pursuant to this Final Judgment, including a non-dischargeability complaint in any bankruptcy proceeding, the payment required by this Final Judgment constitutes, without need for further proof by the Commonwealth, a fine, penalty, or forfeiture payable to and for the benefit of a governmental unit as the term is used in 11 U.S.C. § 523(a)(7).

55. Entire Agreement. This Final Judgment contains the complete agreement between the Commonwealth and the Defendants regarding the amount of restitution, civil penalties, and fees and costs to be paid by the Defendants as well as the terms of the injunctive relief. No promises, representations, or warranties other than those set forth in this Final Judgment have been made between the Commonwealth and the Defendants. This Final Judgment supersedes all prior communications, discussions, or understandings, if any, between the Commonwealth and the Defendants, whether oral or in writing.

56. Modification. This Final Judgment may not be changed, altered, or modified, except by further order of the Court.

57. Effectivity. This Final Judgment becomes effective upon entry by the Court, which shall be the Effective Date.

58. Requirements Maintained. It is the intention of the parties that the provisions of this Final Judgment do not contravene the Defendants' obligation to comply with all applicable existing or future state and federal laws and regulations.

59. Non-Circumvention. Defendants shall not participate in any activity or form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part that are prohibited by this Final Judgment or for any other purpose that would otherwise circumvent any term of this Final Judgment.

60. Notices. All notices and documents required by this Final Judgment shall be provided in writing, by email and first-class mail, to the parties as follows:

To the Attorney General:

Yael Shavit
Daniel Bahls
Alda Chan
Eric Carnevale

To The Defendants:

Peter C. Godwin
AXS Law Group, PLLC
2121 NW 2nd Ave, Suite 201
Miami, FL 33127

Assistant Attorneys General
Consumer Protection Division
Office of the Attorney General
One Ashburton Place
Boston, MA 02108
(617) 727-2200
yael.shavit@mass.gov
daniel.bahls@mass.gov
eric.carnevale@mass.gov
alda.chan@mass.gov

petergodwin@axslawgroup.com

Charles M. Waters
SHEEHAN PHINNEY BASS & GREEN, PA
28 State Street, Floor 22
Boston, MA 02109
cwaters@sheehan.com

61. Release. Upon entry of this Final Judgment and receipt of the payments required by Paragraph 46(a) and 46(b), the Attorney General's Office releases, and discharges all civil liability of the Defendants and all of their current and former officers, directors, employees, attorneys, agents and affiliates to the Attorney General's Office for all consumer protection claims specifically alleged or based on facts alleged in the Commonwealth's Amended Complaint prior to the entry of this Final Judgment. This release will be effective only upon receipt by the Commonwealth of the payments required by Paragraph 46(a) and 46(b).

62. Nothing in this Final Judgment releases or discharges any actual or potential civil liability of any parties not named in this release, including, without limitation, any and all third-party entities with whom the Defendants have contracted or may contract in the future. Nothing in this Final Judgment resolves, settles, or otherwise affects any other claim or action, including private rights of action.

63. The Court has determined that there is no just reason for delay and, pursuant to Mass. R. Civ. P. 54(b), directs the clerk to enter this Judgment forthwith.

SO ORDERED:

Dated: _____