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8 Attorneys for ALL PLAINTIFFS

9  
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
11 **COUNTY OF LOS ANGELES, CENTRAL DISTRICT**

12 NORA DARLIN HERNANDEZ, individually  
13 and as Guardian ad Litem for SHERLYN G.  
HERNANDEZ, a minor child and KAELYN  
14 DEL CASTILLO, a minor child; ROBERTO  
DEL CASTILLO, an individual; MARIA  
15 GUADALUPE CRUZ, individually and as  
Guardian ad Litem for VICTORIA JOY SKY  
16 JAIME, a minor child and SIRENA VENUS  
OCEAN JAIME, a minor child; MARICELA  
17 RODRIGUEZ, an individual; JAVIER  
RAMIREZ CRUZ, an individual; CATARINA  
18 MATEO MIGUEL, individually and as  
Guardian ad Litem for MATEO ANTONIO  
19 MATEO MIGUEL, a minor child, EMILY  
ARACELY TZITA, a minor child, ROSIE  
20 FRANCINE TZITA, a minor child, JULIE  
THALIA TZITA, a minor child and  
21 MICHAEL ANGEL TZITA, a minor child;  
LUCAS EMILIO TZITA ORDONEZ, an  
22 individual; LUCILA ANGELINA  
MENDOZA AGUILAR, an individual;  
23 MONICA TLATENCHI, an individual; JOSE  
L. TLATENCHI, an individual; VICTOR  
24 MANUEL FARIAS RODRIGUEZ, an  
individual; MARIA ELENA MONGE-  
25 HERNANDEZ, an individual; ANTONIA  
MERINO CABRERA, an individual and  
26 FELIPE PABLO SANCHEZ, an individual,

27 Plaintiffs,

28 vs.

Case No.

**COMPLAINT FOR:**

1. BREACH OF IMPLIED WARRANTY OF HABITABILITY;
2. TORTIOUS BREACH OF IMPLIED WARRANTY OF HABITABILITY;
3. NEGLIGENCE;
4. INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS;
5. PRIVATE NUISANCE;
6. VIOLATION OF CIVIL CODE, SECTION 1942.4; AND
7. VIOLATION OF BUSINESS AND PROFESSIONS CODE, SECTION 17200.

1 SOLA IMPACT FUND II – SPV, LLC, a  
2 Delaware limited liability company; SOLA  
3 IMPACT FUND II LP, a Delaware limited  
4 partnership; SOLA IMPACT FUND II GP,  
5 LLC, a Delaware limited liability company;  
6 SOLA MANAGEMENT, LLC, a Delaware  
7 limited liability company; SOLA RENTALS,  
8 INC., a California corporation; MARTIN  
9 MUOTO, an individual; GRAY LUSK, an  
10 individual; and DOES 1- 20 inclusive,  
11  
12 Defendants.

13 Plaintiffs, and each of them, complain and allege as follows:

14 **GENERAL ALLEGATIONS**

15 **A. Case Description**

16 1. This case seeks to obtain justice and redress on behalf of fourteen (14) adults and  
17 nine (9) children who have been forced to live in (6) grossly uninhabitable, unsafe and unhealthy  
18 apartments located at 300 E. Washington Blvd., Los Angeles, CA 90015. The property is owned  
19 and/or managed by various "SOLA" entities and their principals Martin Muoto and Gray Lusk.  
20 Muoto, Lusk and each of the various SOLA entities named herein have knowingly and repeatedly  
21 deprived plaintiffs of their right to rental housing free from toxic lead-based paint, cockroaches,  
22 bed bugs and other vermin and physical defects which are the hallmarks of slum housing.  
23 Although defendants profess to be a force for good, Muoto, Lusk and each of the various SOLA  
24 entities named herein have knowingly and repeatedly made the conscious choice to (i) allow  
25 families to live in uninhabitable rental homes, (ii) ignore repeated repair requests from long-term  
26 tenants, and (iii) rehabilitate vacant units while ignoring slum conditions impacting occupied  
27 units. Defendants' business plan focuses on gentrification and raising rents, not preserving the  
28 homes of long-term tenants who benefit from rent control. In every respect, defendants engaged  
in the conduct described herein to put money and cash flow ahead of the health and safety of  
struggling, low-income families and their children.

29 **B. Plaintiffs and Their Children**

30 2. Nora Darlin Hernandez, minor child Sherlyn G. Hernandez, minor child Kaelyn

1 Del Castillo, and Roberto Del Castillo (the "Hernandez Family") are individuals with their  
2 principal place of residence in Los Angeles, California. The Hernandez Family was, at all times  
3 mentioned herein, tenants and occupants of that certain apartment located at 300 E. Washington  
4 Blvd., Apt. 310, Los Angeles, California, 90015 ("Apt. 310").

5 3. Maria Guadalupe Cruz, minor child Victoria Joy Sky Jaime, minor child Sirena  
6 Venus Ocean Jaime, Maricela Rodriguez, and Javier Ramirez Cruz (the "Cruz Family") are  
7 individuals with their principal place of residence in Los Angeles, California. The Cruz Family  
8 was, at all times mentioned herein, tenants and occupants of that certain apartment located at 300  
9 E. Washington Blvd., Apt. 101, Los Angeles, California, 90015 ("Apt. 101").

10 4. Catarina Mateo Miguel, minor child Mateo Antonio Mateo Miguel, minor child  
11 Emily Aracely Tzita, minor child Rosie Francine Tzita, minor child Julie Thalia Tzita, minor child  
12 Michael Angel Tzita, and Lucas Emilio Tzita Ordonez (the "Miguel Family") are individuals with  
13 their principal place of residence in Los Angeles, California. The Miguel Family was, at all times  
14 mentioned herein, tenants and occupants of that certain apartment located at 300 E. Washington  
15 Blvd., Apt. 208, Los Angeles, California, 90015 ("Apt. 208").

16 5. Lucila Angelina Mendoza Aguilar, Monica Tlatenchi and Jose L. Tlatenchi (the  
17 "Aguilar Family") are individuals with their principal place of residence in Los Angeles,  
18 California. The Aguilar Family was, at all times mentioned herein, tenants and occupants of that  
19 certain apartment located at 300 E. Washington Blvd., Apt. 204, Los Angeles, California, 90015  
20 ("Apt. 204").

21 6. Victor Manuel Farias Rodriguez and Maria Elena Monge-Hernandez (the  
22 "Rodriguez Family") are individuals with their principal place of residence in Los Angeles,  
23 California. The Rodriguez Family was, at all times mentioned herein, tenants and occupants of  
24 that certain apartment located at 300 E. Washington Blvd., Apt. 304, Los Angeles, California,  
25 90015 ("Apt. 304").

26 7. Antonia Merino Cabrera and Felipe Pablo Sanchez (the "Cabrera Family") are  
27 individuals with their principal place of residence in Los Angeles, California. The Cabrera Family  
28 was, at all times mentioned herein, tenants and occupants of that certain apartment located at 300

1 E. Washington Blvd., Apt. 311, Los Angeles, California, 90015 ("Apt. 311").

2 8. For ease of reference, all plaintiffs named herein will collectively be referred to as  
3 "Plaintiffs." Plaintiffs' apartments shall be referred to collectively as the "Apartments." The  
4 Apartments, the property on which the Apartments are located, all other rental units at the 300 E.  
5 Washington Blvd. property and the common area pertaining thereto shall be referred to herein as  
6 "the Property."

7 9. A Tenant Property Profile which lists the name of each plaintiff, the address of  
8 their respective apartments, Plaintiffs' dates of birth and move-in/move-out date is attached hereto  
9 as Exhibit A and incorporated by reference herein as though set forth in full hereat. Petitions for  
10 Appointment as Guardian ad Litem for the minor children identified herein ("Minor Children")  
11 were filed concurrent with the filing of this complaint. Based on the age of the Minor Children,  
12 Plaintiffs are entitled to a mandatory trial preference pursuant to Code of Civil Procedure, Section  
13 36(b) and (f).

14 **C. Corporate Defendants, Muoto and Lusk**

15 10. Defendant SOLA Impact Fund II - SPV, LLC ("SOLA SPV") is a Delaware limited  
16 liability company with its principal place of business in Los Angeles County, California. From  
17 October 30, 2018, to July 31, 2020, SOLA SPV was the owner of the Property and, in connection  
18 therewith, authorized and ratified the tortious and other wrongful conduct described herein  
19 through one or more managing agents or employees.

20 11. Defendant SOLA Impact Fund II LP ("SOLA LP") is a Delaware limited  
21 partnership with its principal place of business in Los Angeles County, California. SOLA LP was  
22 and is the sole member of SOLA SPV. From July 31, 2020 to the present, SOLA LP was and is  
23 the owner of the Property. As the sole member of SOLA SPV and current owner of the Property,  
24 SOLA LP authorized and ratified the tortious and other wrongful conduct described herein  
25 through one or more managing agents or employees.

26 12. Defendant SOLA Impact Fund II GP, LLC ("SOLA GP") is a Delaware limited  
27 liability company with its principal place of business in Los Angeles County, California. SOLA  
28 GP has been and is the general partner of SOLA LP. As the general partner of SOLA LP, SOLA

1 GP has authorized and/or ratified the tortious and other wrongful conduct described herein  
2 individually or through one or more managing agents of employees.

3 13. Defendant SOLA Management, LLC ("SOLA Management") is a Delaware limited  
4 liability company with its principal place of business in Los Angeles County, California. SOLA  
5 Management was and is the manager of SOLA GP. As the manager of SOLA GP, SOLA  
6 Management authorized and ratified the tortious and other wrongful conduct described herein  
7 through one or more managing agents or employees.

8 14. Defendant SOLA Rentals, Inc. ("SOLA Rentals") is a dissolved California  
9 corporation with its principal place of business in Los Angeles County, California. From October  
10 30, 2018, to September 30, 2020, SOLA Rentals managed the Property for and on behalf of At all  
11 relevant times, the Owner Defendants, along with defendants Martin Muoto and Gray Lusk,  
12 directed the tortious and other wrongful conduct described herein independently and through  
13 SOLA Rentals.

14 15. Defendants Martin Muoto ("Muoto") and Gray Lusk ("Lusk") are individuals with  
15 their principal place of residence in Los Angeles County, California. Muoto and Lusk are the  
16 founders, principal owners and executives of SOLA SPV, SOLA LP, SOLA GP, and SOLA  
17 Rentals. Muoto and Lusk have individually and collectively directed, authorized, caused and/or  
18 ratified the tortious and other wrongful conduct described herein individually or through one or  
19 more employees or agents as described herein.

20 16. The true names and capacities of Does 1 through 20, inclusive, are unknown to  
21 Plaintiffs who therefore sue such defendants by said fictitious names. Plaintiffs are informed and  
22 believe and thereon allege that the fictitious defendants named, and each of them, are wholly or  
23 partially responsible for the wrongful acts and omissions alleged herein as (i) prior or current  
24 owners of the Property, (ii) prior or current management companies responsible for managing the  
25 Property, or (iii) prior or current principals, shareholders, directors, officers, managers, managing  
26 agents, or employees of the named and fictitious defendants identified herein

27 17. Plaintiffs are informed and believe and thereon allege that, at all times mentioned  
28 herein, each defendant was the agent, principal, servant, employees and/or co-conspirator of the

1 remaining defendants named herein. Each named and fictitious defendant knowingly conspired  
2 with, acted in concert with and/or intentionally aided and abetted the other defendants in  
3 connection with the tortious acts and other wrongful conduct described herein. Said conspiracy is  
4 continuing and ongoing. Plaintiffs will amend this complaint to state the true names of Does 1  
5 through 20 when known. For ease of reference, all named and fictitious defendants will  
6 collectively be referred to herein as "Defendants."

7 **D. Defendants Knowingly Failed to Provide Defendants with Safe and Health**  
8 **Housing Free from Lead-Based Paint, Cockroaches, Bed Bugs and Dangerous**  
9 **Physical Defects**

10 18. At all times mentioned herein, Defendants, and each of them, were subject to  
11 common law and statutory duties which required Defendants to provide Plaintiffs with safe and  
12 habitable apartments that complied with all habitability requirements imposed by state, county and  
13 local laws including, but not limited to, Civil Code, Section 1941.1, Health and Safety Code,  
14 Section 17920.3, Health & Safety Code, Section 17920.10, Title 17 of the California Code of  
15 Regulations, Title 11 of the Los Angeles County Code and other statutes, regulations and  
16 ordinances which pertain to and govern the ownership, management and repair of rental housing.

17 19. Notwithstanding these non-waivable and non-delegable duties, Defendants have  
18 breached their common law and statutory duty of care by intentionally and/or negligently failing to  
19 repair and maintain the Apartments, the Property and all other rental units at the Property.  
20 Defendants' intentional and/or negligent failure to maintain the habitability of the Apartments and  
21 the Property has harmed Plaintiffs and threatened the health and safety of Plaintiffs, their children  
22 and the community at large. This health and safety threat is continuing and ongoing.

23 20. Plaintiffs are informed and believe and thereon allege that the Apartments and the  
24 Property were and are subject to the following illegal conditions that have continuously plagued  
25 Plaintiffs and will do so through trial. At all relevant times, Defendants had actual and/or  
26 constructive notice of the following defects yet failed to take timely or reasonable steps to abate  
27 and/or remedy the defects. Any repairs that were undertaken by Defendants were inadequate  
28 and/or exacerbated the subject problem. Defendants failed to repair and abate the defects at the

1 Apartments, Property and the remaining rental units at the Property to force tenants to vacate their  
2 rental homes, save money and increase Defendants' cash flow and net income. Discovery of  
3 Defendants' profit and loss statements will reveal that, at all relevant times, Defendants failed to  
4 spend sufficient monies on repairs, maintenance and pest control consistent with the applicable  
5 standard of care.

6 21. The slum housing and other defects impacting the Apartments and the Property  
7 include the following:

8 a. Deteriorated Lead-Based Paint and Other Lead Hazards The Property is  
9 and has been at all relevant times a lead hazard under applicable law. Health & Safety Code,  
10 Section 17920.10 provides that "any building...is deemed to be in violation of this part as to any  
11 portion that contains lead hazards." Section 17920.10 defines "lead hazards" as "deteriorated lead-  
12 based paint...in amounts that are equal to or exceed the amount of lead established [in the  
13 California Code of Regulations] or by this section and that are likely to endanger the health of the  
14 public or occupants thereof...". Title 17 of the California Code of Regulations, Section 35037  
15 defines a "lead hazard" as "deteriorated lead-based paint, lead contaminated dust, lead  
16 contaminated soil, disturbing lead-based paint or presumed lead-based paint without containment,  
17 or any other nuisance which may result in persistent and quantifiable lead exposure." Title 11,  
18 Los Angeles, County Code, Section 11.28.010 defines "lead hazard to children" as "the presence  
19 of readily accessible, dangerous levels of lead-bearing substances on any...interior surfaces...of  
20 any dwelling...inhabited or frequented by children." The lead hazard at the Property has caused  
21 or placed Plaintiffs' children at risk of contracting lead poisoning. Defendants intentionally and/or  
22 negligently failed to properly abate the lead hazard at the Property.

23 b. Lead-Based Paint is Toxic and Extremely Dangerous to Infants, Toddlers  
24 and Young Children The dangers of lead-based paint and related lead hazards is enunciated in  
25 Health & Safety Code, Section 124125 which provides that "childhood lead exposure represents  
26 the most significant childhood environmental health problem in the state today . . . ". The  
27 Residential Lead-Based Paint Hazard Reduction Act, at 42 U.S.C.A. Section 4851(1) provides,  
28 amongst other things, that "low-level lead poisoning is widespread among American children,

1 afflicting as many as 3,000,000 children under age 6 . . . ". 42 U.S.C.A. Section 4851(2) provides  
2 that at "low levels, lead poisoning in children causes intelligence quotient deficiencies, reading  
3 and learning disabilities, impaired hearing, reduced attention span, hyperactivity and behavior  
4 problems . . . ". The Centers for Disease Control, the Environmental Protection Agency and the  
5 World Health Organization and unanimous in their assessment that there is no safe blood lead  
6 level. Given that the Property was constructed prior to 1978, the Property contained "presumed  
7 lead-based paint" under and pursuant to the California Code of Regulations, Section 35043. At all  
8 relevant times, the Property and the Apartments constituted a lead hazard and a lead hazard to  
9 children. At all relevant times, Defendants knew or should have known that lead poisoning causes  
10 permanent cognitive harm and that the Apartments posed a serious health and safety risk to  
11 children. Notwithstanding Defendants' actual or constructive knowledge of the dangers posed by  
12 the Property, Defendants have, instead, chosen to look the other way so they are not required to  
13 make repairs.

14 c. Cockroach Infestation: The Apartments, the Property and the remaining  
15 rental units at the Property are and have been the subject of a severe and persistent cockroach  
16 infestation that has caused Plaintiffs to inhale and ingest dead cockroach body parts, cockroach  
17 feces, cockroach urine and cockroach allergens. During the term of Plaintiffs' tenancy,  
18 cockroaches invaded Plaintiffs' kitchen, living room, bedroom(s), bathroom(s), appliances,  
19 furniture, beds and have continuously crawled on and bit Plaintiffs according to proof. The  
20 cockroach infestation at the Property has caused and continues to cause Plaintiffs significant  
21 bodily injury, emotional distress and property damage. Defendants have at all times known that  
22 the Apartments, the Property and the remaining rental units at the Property were infested with  
23 cockroaches yet did nothing to legitimately abate this obvious and serious health threat.  
24 Defendants have at all times intentionally and/or negligently failed to properly abate and eradicate  
25 the cockroach infestation at the Property to save money and increase Defendants' cash flow and  
26 net income from Defendants' operation and management of the Property.

27 d. Bedbug Infestation: The Apartments, the Property and the remaining rental  
28 units at the Property are and have been the subject of a severe and persistent bedbug infestation



1 that has caused Plaintiffs bodily injury, emotional distress and property damage. During the term  
2 of Plaintiffs' tenancy, bed bugs have continuously bit and fed on Plaintiffs and their children. The  
3 bed bug infestation at the Property has caused and continues to cause Plaintiffs significant bodily  
4 injury, emotional distress and property damage. Defendants have at all times known that the  
5 Apartments, the Property and the remaining rental units at the Property were infested with bed  
6 bugs yet did nothing to legitimately abate this obvious and serious health threat. Defendants have  
7 at all times intentionally and/or negligently failed to properly abate and eradicate the bed bug  
8 infestation at the Property to save money and increase their cash flow and net income from  
9 Defendants' operation and management of the Property.

10 e. Rodent Infestation: The Property and the Apartments are and have been the  
11 subject of severe and persistent infestation of rats and/or mice which has caused Plaintiffs to  
12 inhale vermin allergens. At all relevant times, the vermin at the Property and the Apartments have  
13 urinated and defecated on Plaintiffs' food and personal property. The rodent infestation has caused  
14 and continues to cause Plaintiffs significant bodily injury, emotional distress and property damage.  
15 Defendants have at all relevant times known of the rodent infestation at the Apartments, the  
16 Property and the remaining rental units at the Property. Defendants have at all times intentionally  
17 and/or negligently failed to properly abate and eradicate the rodent infestation at the Property to  
18 save money and increase their cash flow and net income from the operation and management of  
19 the Property.

20 f. Widespread Water Leaks and Chronic Mold: The Apartments, the Property  
21 and the remaining rental units at the Property are and have been the subject of chronic water leaks  
22 which has caused excessive mold grown and exacerbated the vermin infestation at the Property.  
23 During the term of Plaintiffs' occupancy of the Property, chronic water leaks damaged the  
24 Apartments and the Property and caused Plaintiffs to inhale and ingest excessive amounts of mold.  
25 These water leaks and mold growth at the Property have caused Plaintiffs significant bodily injury,  
26 emotional distress and property damage. Defendants have at all times known that the Apartments,  
27 the Property and the remaining rental units at the Property were the subject of water leaks and  
28 excessive mold yet did nothing to legitimately abate these obvious and serious health threats.

1 Defendants have at all times intentionally and/or negligently failed to repair and eliminate the  
2 water leaks and mold at the Property to save money and increase their cash flow and net income  
3 from the operation and management of the Property.

4 g. Physical Defects: The Apartments, the Property and the remaining rental  
5 units at the Property are and have been uninhabitable, substandard and dilapidated. The physical  
6 defects impacting the Apartments, the Property and the remaining rental units at the Property  
7 include stained and water damaged ceilings, crumbling walls, peeling paint and plaster, inoperable  
8 heaters, broken or inoperable windows, unstable, rotten and/or deteriorated floors, torn or missing  
9 window screens, inoperable smoke detectors, broken or deteriorated cabinets, wood rot and other  
10 indicia of slum or substandard housing. The physical defects have exacerbated the vermin  
11 infestation at the Property and caused Plaintiffs significant bodily injury, emotional distress and  
12 property damage. Defendants have at all times known of the physical defects at the Apartments,  
13 Property and the remaining rental units at the Property but did nothing to legitimately abate these  
14 obvious and serious health threats. Defendants have at all times intentionally and/or negligently  
15 failed to repair and/or abate the defects at the Property to save money and increase their cash flow  
16 and net income from the operation and management of the Property.

17 22. All of the above defects and/or violations were at all times known to Muoto, Lusk  
18 and the entity defendants. The above defects were the result of Defendants' negligent and/or  
19 intentional conduct and constituted substantial and material violations of the Civil Code, the  
20 Health & Safety Code, the California Code of Regulations, the Los Angeles County Code and  
21 other statutes, regulations and ordinances designed and intended to regulate the habitability, health  
22 and safety of rental property. Despite their knowledge of these defect, Muoto, Lusk and the  
23 remaining defendants have ignored Plaintiffs with no intention of making repairs.

24 23. Plaintiffs are informed and believe and thereon allege that Plaintiffs and other past  
25 and current tenants of the Property have repeatedly complained to Muoto, Lusk and Defendants  
26 about the above defects. However, Plaintiffs' complaints and the complaints of other tenants at the  
27 Property were repeatedly and intentionally ignored by Defendants.

28 24. The conduct which resulted in the defects described above were directed or ratified

1 by Muoto, Lusk the remaining defendants and their respective employees, all of whom had  
2 substantial independent authority and judgment over decisions that ultimately determined  
3 Defendants' management and corporate policies.

4 25. Defendants own and/or manage multiple apartment buildings and rental properties.  
5 Plaintiffs are informed and believe and thereon allege that Defendants have intentionally and/or  
6 negligently failed to repair and maintain the residential properties under their ownership,  
7 management and control. Plaintiffs are informed and believe and thereon allege that Defendants  
8 have failed to repair and maintain the Apartments and the Property solely to save money and  
9 increase their case flow and net income from the operation and management of Property. Plaintiffs  
10 are informed and believe and thereon allege that Defendants' other properties have similar  
11 dilapidated, substandard and uninhabitable conditions consistent with the above defects.

12 **FIRST CAUSE OF ACTION**

13 **Breach of Implied Warranty of Habitability**

14 **(By All Plaintiffs Against Owner**

15 **and Management Company Defendants)**

16 26. Plaintiffs re-allege and incorporate by reference each and every allegation  
17 described above as though set forth in full hereat.

18 27. On or about July 3, 2008, the Hernandez Family entered into a written lease (the  
19 "Hernandez Lease") Defendants' predecessors-in-interest Chao Zhen and Xueying Wang  
20 (collectively, "Zhen Wang") in connection with the occupancy of Apt. 310. The Hernandez  
21 family currently pays \$811.36 per month to occupy Apt. 310. Defendants have assumed Zhen  
22 Wang's obligations under the Hernandez Lease. A true and correct copy of the Hernandez Lease  
23 is attached hereto as Exhibit B and incorporated by reference herein as though set forth in full  
24 hereat.

25 28. On or about May 1, 2016, the Cruz Family entered into a written lease (the "Cruz  
26 Lease") with Zhen Wang in connection with the occupancy of Apt. 211. In or about November  
27 2016 the Cruz family was relocated to Apt. 101 because Apt. 211 was grossly uninhabitable. The  
28 Cruz Family currently pays \$1,042.00 per month to occupy Apt. 101. Defendants have assumed

1 Zhen Wang's obligations under the Cruz Lease. The Cruz Family does not have a copy of the  
2 Cruz Lease which is in possession of the Defendants.

3 29. On or about December 1, 2009, the Miguel Family entered into a written lease (the  
4 "Miguel Lease") with Zhen Wang in connection with the occupancy of Apt. 208. Defendants have  
5 assumed Zhen Wang's obligations under the Miguel Lease. The Miguel family currently pays  
6 \$811.36 per month to occupy Apt. 208. A true and correct copy of the Miguel Lease is attached  
7 hereto as Exhibit C and incorporated by reference herein as though set forth in full hereat.

8 30. On or about January 1, 2013, the Aguilar Family entered into a written lease (the  
9 "Aguilar Lease") with one or more Defendants in connection with the occupancy of Apt. 204.  
10 Defendants have assumed Zhen Wang's obligations under the Aguilar Lease. The Aguilar family  
11 currently pays \$776.33 per month to occupy Apt. 204. A true and correct copy of the Aguilar  
12 Lease is attached hereto as Exhibit D and incorporated by reference herein as though set forth in  
13 full hereat.

14 31. On or about October 25, 2016, the Rodriguez Family entered into a written lease  
15 (the "Rodriguez Lease") with one or more Defendants in connection with the occupancy of Apt.  
16 304. The Rodriguez family currently pays \$819.00 per month to occupy Apt. 304. A true and  
17 correct copy of the Rodriguez Lease is attached as Exhibit E and incorporated by reference herein  
18 as though set forth in full hereat.

19 32. On or about September 1, 2016, the Cabrera Family entered into a written lease  
20 (the "Cabrera Lease") with one or more Defendants in connection with the occupancy of Apt. 311.  
21 Defendants have assumed Zhen Wang's obligations under the Cabrera Lease. The Cabrera family  
22 currently pays \$819.00 per month to occupy Apt. 311. The Cabrera Family does not have a copy  
23 of the Cabrera Lease which is in possession of the Defendants.

24 33. At all relevant times, Defendants were aware of, authorized and/or ratified  
25 Plaintiffs' occupancy of the Apartments. All Plaintiffs were intended third party beneficiaries of  
26 the subject leases with the right to enforce Plaintiffs' leases as if they were named therein.  
27 Defendants constitute the landlords under each of Plaintiffs' leases by virtue of Defendants'  
28 ownership and/or management of the Property. Defendants at all times consented to the number

1 of people living in the Apartments and, in connection therewith, modified the leases (expressly or  
2 by conduct) to allow Plaintiffs to occupy the Apartments.

3 34. Implied in law in Plaintiffs' leases and by virtue of the landlord-tenant relationship  
4 between Plaintiffs and Defendants, Defendants were required to repair and maintain the  
5 Apartments and the Property in compliance with the common law and statutory warranty of  
6 habitability.

7 35. Defendants breached the implied terms of Plaintiffs' leases by failing to provide  
8 Plaintiffs with habitable apartments as required under applicable law. Plaintiffs have performed  
9 under and pursuant to the terms of the leases except as excused by Defendants' breach of the  
10 express or implied terms of the above referenced leases and other wrongful conduct. Plaintiffs  
11 have at all times complied with the material terms of Plaintiffs' leases.

12 36. As the direct and proximate result of the foregoing, Plaintiffs have been damaged  
13 in an amount in excess of the jurisdiction of this Court. Plaintiffs will amend this complaint to  
14 state the full amount of their damages when known.

15 37. Subject to the terms of Plaintiffs' leases and/or applicable law, Plaintiffs are entitled  
16 to an award of attorney's fees and costs.

17 **SECOND CAUSE OF ACTION**

18 **Tortious Breach of the Implied Warranty of Habitability**

19 **(By All Plaintiffs Against All Defendants)**

20 38. Plaintiffs re-allege and incorporate by reference each and every allegation  
21 described above as though set forth in full hereat.

22 39. Defendants were and at all times have been under a duty to maintain the  
23 Apartments and the Property in a habitable condition throughout the term of Plaintiffs' occupancy  
24 of the Apartments. An apartment or other dwelling unit is deemed substandard and untenable  
25 if it substantially lacks any of the affirmative standard characteristics described in Civil Code,  
26 Section 1941.1, or meets the definition of substandard building under Health & Safety Code,  
27 Section 17920.3.

28 40. At all relevant times herein, the Apartments failed to comply with the warranty of

1 habitability imposed by law. The materially defective, illegal, non-complying and substandard  
2 conditions were not reasonably known to Plaintiffs at the time they took possession of the  
3 Apartments.

4 41. Plaintiffs repeatedly informed Defendants and their agents of the defects outlined  
5 above. Defendants were at all times aware of the defective, illegal, non-complying and  
6 substandard conditions plaguing the Apartments and the Property. Defendants were and are aware  
7 that Plaintiffs are low-income, unsophisticated and primarily Spanish-speaking tenants who have  
8 little or no knowledge of the law, little or no access to legal aid, and little or no ability to protect  
9 themselves from the unscrupulous conduct of abusive landlords. Defendants were at all times  
10 aware of the shortage of low income housing in the geographic area where the Property is located  
11 and took advantage of this fact. Defendants knowingly and intentionally preyed on and took  
12 advantage of Plaintiffs in failing to repair, maintain and exterminate the Apartments.

13 42. Notwithstanding Defendants' express and constructive knowledge of the illegal  
14 conditions impacting the Apartments, Plaintiffs and their children, Defendants repeatedly failed or  
15 delayed making repairs to the Apartments and the Property. Defendants repeatedly lied to  
16 Plaintiffs that they would make repairs then failed to do so. Defendants' conduct was intentional  
17 and designed to extract rent from Plaintiffs in derogation of Plaintiffs' rights under applicable law,  
18 save money, increase their cash flow from the operation and management of the Property.

19 43. In managing and operating the Property, Defendants, and their employees and/or  
20 agents have repeatedly harassed Plaintiffs in an effort to intimidate and/or coerce them into  
21 vacating their home or to not complain or speak up about the dangerous and uninhabitable  
22 conditions effecting and impacting the Apartments. Plaintiffs were told that if they didn't like the  
23 conditions they could move out or words to that effect.

24 44. At no time have Defendants offered to reduce or compromise Plaintiffs' obligation  
25 to pay rent in light of the defects described herein. Defendants were at all times aware that the  
26 failure to provide Plaintiffs with habitable apartments constitutes an illegal reduction in services  
27 under applicable law.

28 45. Defendants knew that the Apartments were not fit for human occupation, but made

1 the conscious decision to subject Plaintiffs to the illegal and unacceptable living conditions present  
2 in the Apartments solely for monetary gain and without regard to Plaintiffs' rights and status as  
3 lawful occupants of the Property.

4 46. As the direct and proximate result of the foregoing, Plaintiffs have suffered bodily  
5 injury, property damage, emotional distress and other damages in an amount in excess of the  
6 jurisdiction of this Court. In addition, the rental value of the Apartments have been substantially  
7 diminished such that Defendants have been unjustly enriched by their own bad faith and  
8 intentional misconduct.

9 47. Defendants' conduct described above was willful, wanton, intentional, despicable,  
10 malicious and initiated with malice and with the intent to knowingly take advantage of, oppress,  
11 and injure Plaintiffs. Defendants at all times acted with a willful and conscious disregard of the  
12 rights of safety of Plaintiffs and their children. Defendants were at all times aware that there was a  
13 high probability that their intentional and/or negligent failure to repair and maintain the  
14 Apartments and the Property would injure Plaintiffs and cause them personal injury, emotional  
15 distress and property damage. Plaintiffs are therefore entitled to an award of punitive and  
16 exemplary damages under and pursuant to Civil Code, Section 3294 and Taylor v. Superior Court  
17 (1979) 24 Cal.3d 890.

18 48. Subject to the terms of Plaintiffs' leases and/or applicable law, Plaintiffs are entitled  
19 to an award of attorney's fees and costs.

20 **THIRD CAUSE OF ACTION**

21 **Negligence**

22 **(By All Plaintiffs Against All Defendants)**

23 49. Plaintiffs re-allege and incorporate by reference each and every allegation  
24 described above as though set forth in full hereat.

25 50. At all times referenced herein, Defendants owed a non-delegable and non-waivable  
26 duty to Plaintiffs to operate, manage, and repair the Property consistent with the terms of the  
27 Plaintiffs' leases, the warranty of habitability implied in all residential leases and applicable law.

28 51. Defendants' duty of care included the obligation to provide Plaintiffs with safe and

1 habitable housing that complied with all applicable state and local laws, ordinances and  
2 regulations governing the care and maintenance of residential dwellings including those set forth  
3 in Civil Code, Sections 1941 and 1941.1, Health & Safety Code, Section 17920.3, the California  
4 Code of Regulations, the Los Angeles County Code, local codes and other statutes, regulations or  
5 local ordinances designed and intended to regulate the operation and management of rental  
6 properties.

7         52. Defendants failed to properly operate and manage the Property, the Apartments and  
8 the remaining rental units at the Property as required by law. Defendants have breached their duty  
9 of care by failing to properly repair, operate and maintain the Apartments. Defendants' breach of  
10 the applicable standard of care forced Plaintiffs to live in an uninhabitable dwelling infested with  
11 vermin and rife with water leaks and mold and other defects which harmed Plaintiffs and their  
12 children. Defendants' violation of applicable statutes, ordinances and regulations constitutes  
13 negligence per se.

14         53. As the direct and proximate result of the foregoing, Plaintiffs have suffered and  
15 continue to suffer bodily injury, emotional distress and property damage in an amount in excess of  
16 the jurisdiction of this Court. Plaintiffs will seek leave to amend this complaint to state the full  
17 amount of their damages when known.

18         54. Defendants' conduct described above was willful, wanton, intentional, despicable,  
19 malicious and initiated with malice and with the intent to knowingly take advantage of, oppress,  
20 and injure Plaintiffs. Defendants at all times acted with a willful and conscious disregard of the  
21 rights of safety of Plaintiffs and their children. Defendants were at all times aware that there was a  
22 high probability that their intentional and/or negligent failure to repair and maintain the  
23 Apartments and the Property would injure Plaintiffs and cause them personal injury, emotional  
24 distress and property damage. Plaintiffs are therefore entitled to an award of punitive and  
25 exemplary damages under and pursuant to Civil Code, Section 3294 and Taylor v. Superior Court  
26 (1979) 24 Cal.3d 890.

27         55. Subject to the terms of Plaintiffs' leases and/or applicable law, Plaintiffs are entitled  
28 to an award of attorney's fees and costs.



**FOURTH CAUSE OF ACTION**

**Intentional Infliction of Emotional Distress**

**(By All Plaintiffs Against All Defendants)**

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4 56. Plaintiffs re-allege and incorporate by reference each and every allegation  
5 described above as thought set forth in full hereat.

6 57. Defendants' conduct in intentionally failing to repair, maintain and exterminate the  
7 Apartments and the Property was outrageous and beyond all boundaries of decency and reasonable  
8 civilized conduct. Defendants at all times knew and were aware that failing to repair, maintain  
9 and exterminate the Apartments would result in a severe vermin infestation that was sure to cause  
10 Plaintiffs bodily injuries and severe emotional distress. Defendants at all times acted with reckless  
11 disregard of the probability of causing Plaintiffs' severe emotional distress. Defendants  
12 intentionally failed to repair and maintain the Apartments in an attempt to save money, increase  
13 their cash flow, intimidate Plaintiffs into not complaining and/or to cause Plaintiffs' to abandon the  
14 Apartments.

15 58. As the direct and proximate result of Defendants' outrageous conduct, Plaintiffs  
16 have suffered severe emotional distress in an amount in excess of the jurisdictional limits of this  
17 Court. Plaintiffs have and continue to suffer emotional distress and related physical symptoms or  
18 bodily injury including anxiety, fright, sleeplessness, depression, nausea, worry and fatigue.  
19 Defendants' conduct was a substantial factor in causing Plaintiffs' emotional distress and related  
20 physical symptoms.

21 59. Defendants' conduct described above was willful, wanton, intentional, despicable,  
22 malicious and initiated with malice and with the intent to knowingly take advantage of, oppress,  
23 and injure Plaintiffs. Defendants at all times acted with a willful and conscious disregard of the  
24 rights of safety of Plaintiffs and their children. Defendants were at all times aware that there was a  
25 high probability that their intentional and/or negligent failure to repair and maintain the  
26 Apartments and the Property would injure Plaintiffs and cause them personal injury, emotional  
27 distress and property damage. Plaintiffs are therefore entitled to an award of punitive and  
28 exemplary damages under and pursuant to Civil Code, Section 3294, Taylor v. Superior Court

1 (1979) 24 Cal.3d 890 and Stoiber v. Honeychuck (1980) 101 Cal.App.3d 903.

2 60. Subject to the terms of Plaintiffs' leases and/or applicable law, Plaintiffs are entitled  
3 to an award of attorney's fees and costs.

4 **FIFTH CAUSE OF ACTION**

5 **Private Nuisance**

6 **(By All Plaintiffs Against All Defendants)**

7 61. Plaintiffs re-allege and incorporate by reference each and every allegation  
8 described above as though set forth in full hereat.

9 62. Plaintiffs are informed and believe and thereon allege that the vermin infestation,  
10 mold, water leaks and physical defects impacting the Property harmed Plaintiffs' health resulting  
11 in respiratory and dermatological symptoms, bodily injury, emotional distress and other health  
12 problems.

13 63. These conditions, which were created by Defendants' ownership, operation and  
14 management of the Apartments and the Property, obstructed Plaintiffs' free and quiet use of the  
15 Apartments to such extent as to materially interfere with Plaintiffs' use and enjoyment of the  
16 Apartments.

17 64. The interference with Plaintiffs' interests in the free and quiet use and enjoyment of  
18 the Apartments was sufficient to substantially annoy or disturb the reasonable person.

19 65. Defendants' negligent ownership, operation and management of the Property  
20 generated no public benefit, and Plaintiffs never consented to such conduct. Defendants'  
21 ownership, operation and management of the Property and the physical condition of the Property  
22 constituted a private nuisance within the meaning of Civil Code, Sections 3479 and 3481.

23 66. As the direct and proximate result of the foregoing, Plaintiffs have suffered and  
24 continue to suffer actual damage including, but not limited to, bodily injury, emotional distress  
25 and property damage in an amount in excess of the jurisdiction of this Court. Plaintiffs will seek  
26 leave to amend this complaint to state the full amount of their damages when known.

27 67. Defendants' conduct described above was willful, wanton, intentional, despicable,  
28 malicious and initiated with malice and with the intent to knowingly take advantage of, oppress,

1 and injure Plaintiffs. Defendants at all times acted with a willful and conscious disregard of the  
2 rights of safety of Plaintiffs and their children. Defendants were at all times aware that there was a  
3 high probability that their intentional and/or negligent failure to repair and maintain the  
4 Apartments and the Property would injure Plaintiffs and cause them personal injury, emotional  
5 distress and property damage. Plaintiffs are therefore entitled to an award of punitive and  
6 exemplary damages under and pursuant to Civil Code, Section 3294, Taylor v. Superior Court  
7 (1979) 24 Cal.3d 890 and Stoiber v. Honeychuck (1980) 101 Cal.App.3d 903.

8 68. Subject to the terms of Plaintiffs' leases and/or applicable law, Plaintiffs are entitled  
9 to an award of attorney's fees and costs.

10 **SIXTH CAUSE OF ACTION**

11 **Violation of Civil Code, Section 1942.4**

12 **(By All Plaintiffs Against All Defendants)**

13 69. Plaintiffs re-allege and incorporate by reference each and every allegation  
14 described above as though set forth in full hereat.

15 70. Civil Code, Section 1942.4 provides, in pertinent part, that a landlord may not  
16 collect rent, increase a tenant's rent, or issue a three day notice to pay rent or quit if (i) the subject  
17 dwelling lacks any of the affirmative characteristics listed in Civil Code, Section 1941.1 or is  
18 declared substandard under and pursuant to Health & Safety Code, Section 17920.3 because  
19 conditions listed in that section exist to an extent that endangers the life, limb, health, property,  
20 safety, or welfare of the public or the occupants of the building; (ii) a public officer has notified  
21 the landlord of his or her obligation to abate or repair the substandard conditions; (iii) the subject  
22 defects have not been abated within 35 days; (iv) the delay is without good cause; and (v) the  
23 subject defects were not the fault of the tenant.

24 71. Plaintiffs are informed and believe and thereon allege that representatives of the  
25 Los Angeles County Health Department, the Los Angeles Housing and Community Investment  
26 Department, and/or other responsible government agencies have inspected the Apartments and  
27 expressly informed Defendants in writing that the Apartments are substandard and violate  
28 applicable law. Plaintiffs are further informed and believe and thereon allege that Defendants

1 failed to timely abate all such defects prior to the deadlines imposed by said government agencies  
2 and without good cause. In so doing, Defendants have violated Civil Code, Section 1942.4.

3 72. As the direct and proximate result of the foregoing, Plaintiffs are each entitled to an  
4 award of special damages in an amount of not less than \$100.00 and not more than \$5,000.00,  
5 attorney's fees and costs as provided in Civil Code, Section 1942.4.

6 **SEVENTH CAUSE OF ACTION**

7 **Violation of Business & Professions Code, Section 17200**

8 **(By All Plaintiffs Against All Defendants)**

9 73. Plaintiffs re-allege and incorporate by reference each and every allegation  
10 described above as though set forth in full hereat.

11 74. Under and pursuant to Business & Professions Code, Section 17200, the rental of  
12 an apartment constitutes a "business act or practice." Plaintiffs are informed and believe and  
13 thereon allege that Defendants have engaged in the illegal and unfair business practice of owning  
14 and/or renting substandard, untenable, uninhabitable, dangerous, unhealthy and unsanitary  
15 housing. Defendants' illegal and unfair business practices include, but are not limited to,  
16 Defendants' acts and omissions described herein as well as the ongoing violation of the statutes,  
17 regulations and/or ordinances described in this complaint. Plaintiffs are informed and believe that  
18 Defendants' illegal and wrongful conduct as described in this complaint has been adopted and  
19 implemented by Defendants as a means of conducting business.

20 75. Plaintiffs are informed and believe and thereon allege that Defendants' illegal and  
21 unfair business practices have been adopted and implemented for the purpose of maximizing their  
22 net income and profits from such properties. Plaintiffs are informed and believe and thereon  
23 allege that Defendants regularly fail to repair and maintain the apartments they own and control,  
24 engage in conduct designed to cover up and hide illegal defects (i.e., painting over mold), mislead  
25 housing and health inspectors to avoid the issuance or further prosecution of code violations, fail  
26 to post required notices and intimidate their low income tenants by threatening to evict them  
27 without good cause.

28 76. Plaintiffs are informed and believe and thereon allege that Defendants are slum

1 lords whose goal is to maximize their income by preying on low-income persons who do not have  
2 the power or ability to protect their rights. Defendants have accomplished this goal by reducing  
3 and/or eliminating services to the Apartments to such an extent that Plaintiffs' Apartments have  
4 zero fair rental value.

5 77. As a direct and proximate result of the foregoing, Defendants have collected rent  
6 and other monetary compensation from Plaintiffs that have not been legitimately earned and that  
7 were the result of Defendants' wrongful and illegal conduct. Defendants' illegal conduct and  
8 conspiracy to violate applicable law is continuing and ongoing.

9 78. Pursuant to Business & Professions Code, Section 17203, Plaintiffs are entitled to a  
10 monetary judgment against Defendants equal to all of the rent and other monies paid to  
11 Defendants by Plaintiffs during the term of their tenancies.

12 79. Plaintiffs are further entitled to the issuance of a preliminary and permanent  
13 injunction which directs Defendants to (i) inspect and maintain the habitability of all apartment  
14 units under Defendants' ownership and control, (ii) promptly exterminate and abate all vermin  
15 infestations impacting all apartment units under Defendants' ownership and control, (iii) eliminate  
16 and abate all mold damage impacting the apartment units under Defendants' ownership and control  
17 consistent with industry standards, and (iv) not paint over or hide material defects impacting the  
18 apartment units under Defendants' ownership and control from housing and health inspectors.

19 80. Subject to the terms of Plaintiffs' leases and/or applicable law, Plaintiffs are entitled  
20 to an award of attorney's fees and costs.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiffs, and each of them, pray for judgment against Defendants, and  
23 each of them, as follows:

24 **FIRST CAUSE OF ACTION**

25 **(Breach of Implied Warranty of Habitability**

26 **Against All Defendants)**

- 27 1. For economic damages according to proof;
- 28 2. For reasonable attorney's fees to the extent provided for by Plaintiffs' leases and/or

1 applicable law;

2 **SECOND CAUSE OF ACTION**

3 **(Tortious Breach of Implied Warranty of Habitability**

4 **Against All Defendants)**

5 3. For economic and non-economic damages according to proof;

6 4. For punitive and exemplary damages according to proof;

7 5. For reasonable attorney's fees to the extent provided for by Plaintiffs' leases and/or

8 applicable law;

9 **THIRD CAUSE OF ACTION**

10 **(Negligence Against All Defendants)**

11 6. For economic and non-economic damages according to proof;

12 7. For punitive and exemplary damages according to proof;

13 8. For reasonable attorney's fees to the extent provided for by Plaintiffs' leases and/or

14 applicable law;

15 **FOURTH CAUSE OF ACTION**

16 **(Intentional Infliction of Emotional Distress**

17 **Against All Defendants)**

18 9. For economic and non-economic damages according to proof;

19 10. For punitive and exemplary damages according to proof;

20 11. For reasonable attorney's fees to the extent provided for by Plaintiffs' leases and/or

21 applicable law;

22 **FIFTH CAUSE OF ACTION**

23 **(Private Nuisance Against All Defendants)**

24 12. For economic and non-economic damages according to proof;

25 13. For punitive and exemplary damages according to proof;

26 14. For reasonable attorney's fees to the extent provided for by Plaintiffs' leases and/or

27 applicable law;

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**SIXTH CAUSE OF ACTION**

**(Violation of Civil Code, Section 1942.4**

**Against All Defendants)**

15. For economic and non-economic damages according to proof;

16. For reasonable attorney's fees to the extent provided for by Civil Code, Section 1942.4;

17. For statutory damages in the amount of \$5,000 per plaintiff;

**SEVENTH CAUSE OF ACTION**

**(Violation of Business & Professions Code, Section 17200 et. seq.**

**Against All Defendants)**

18. For disgorgement of all rent and other monetary compensation paid to Plaintiffs during such time that the Apartments were uninhabitable, untenable or substandard;

**ON ALL CAUSES OF ACTION**

**(Against All Defendants)**

19. For pre-judgment and post-judgment interest as allowed by law; and

20. For costs of suit; and such other and further monetary and/or injunctive relief as the Court deems just and proper.

DATED: Complaint Date

RILEY LAW GROUP  
A Professional Corporation

By: \_\_\_\_\_  
Philip Shakhnis  
Attorneys for ALL PLAINTIFFS