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14  
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16 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
17 FOR THE COUNTY OF SONOMA  
18 CIVIL UNLIMITED

19 SHARON FELKER; HERMAN GRISHAVER;  
EDGAR CRUZ SORIANO; and JEANACE  
20 ZETINO, individually and on behalf of other  
similarly situated individuals,

21 Plaintiffs,

22 vs.

23 JRK RESIDENTIAL GROUP, INC.; JRK  
24 PROPERTY HOLDINGS, INC.; and DOES 1-  
100,

25 Defendants.  
26  
27  
28

Case No.: SCV-267587

**SECOND AMENDED COMPLAINT**

1 Plaintiffs SHARON FELKER, HERMAN GRISHAVER, EDGAR CRUZ SORIANO and  
2 JEANACE ZETINO on behalf of themselves and all others similarly situated (collectively,  
3 “Plaintiffs”) against JRK RESIDENTIAL GROUP, INC., JRK PROPERTY HOLDINGS, INC.  
4 and DOES 1 through 100 (collectively, “Defendants” or “Defendant JRK”) allege as follows:

5 **I. PARTIES**

6 **A. Plaintiffs**

7 1. Plaintiff SHARON FELKER is an individual.

8 2. Plaintiff SHARON FELKER is a tenant at an apartment complex in Sonoma  
9 County, California that, on information and belief, is owned, operated and managed by  
10 Defendants. Plaintiff SHARON FELKER leases an apartment in that complex, The Vineyard  
11 Luxury Apartments, as her dwelling.

12 3. Plaintiff HERMAN GRISHAVER is an individual.

13 4. Plaintiff HERMAN GRISHAVER is a former tenant at an apartment complex in  
14 Sonoma County, California that, on information and belief, is owned, operated and managed by  
15 Defendants. Plaintiff HERMAN GRISHAVER leased an apartment in that complex, The  
16 Vineyard Luxury Apartments, as his dwelling.

17 5. Plaintiff EDGAR CRUZ SORIANO is an individual.

18 6. Plaintiff EDGAR CRUZ SORIANO is a former tenant at an apartment complex in  
19 Sonoma County, California that, on information and belief, is owned, operated and managed by  
20 Defendants. Plaintiff EDGAR CRUZ SORIANO leased an apartment at that complex, The  
21 Vineyard Luxury Apartments, as his dwelling.

22 7. Plaintiff JEANACE ZETINO is an individual.

23 8. Plaintiff JEANACE ZETINO is a tenant at an apartment complex in Sonoma  
24 County, California that, on information and belief, is owned, operated and managed by  
25 Defendants. Plaintiff JEANACE ZETINO leases an apartment in that complex, The Vineyard  
26 Luxury Apartments, as her dwelling.

27 **B. Defendants**

28 9. Defendant JRK RESIDENTIAL GROUP, INC. is a Nevada corporation

1 with its principal place of business in California. Defendant JRK RESIDENTIAL GROUP, INC.  
2 is a subsidiary of Defendant JRK PROPERTY HOLDINGS, INC.

3 10. Defendant JRK PROPERTY HOLDINGS, INC. is a California corporation with  
4 its principal place of business in California.

5 11. Defendant JRK PROPERTY HOLDINGS, INC. has a website, [www.jrk.com](http://www.jrk.com) or  
6 [www.jrkpropholdings.com](http://www.jrkpropholdings.com).

7 12. On information and belief, Defendants JRK RESIDENTIAL GROUP, INC. and  
8 JRK PROPERTY HOLDINGS, INC. own, manage, operate, lease and redevelop residential  
9 properties throughout the United States.

10 13. Each year at least since 2017, Defendant JRK PROPERTY HOLDINGS, INC. was  
11 ranked by the National Multifamily Housing Council (“NMHC”), a trade association for the  
12 apartment industry in the United States, among the fifty largest apartment owners in the country.  
13 According to NMHC’s 2021 rankings, Defendant JRK PROPERTY HOLDINGS, INC. owns  
14 25,273 multifamily units in the United States and is the forty-eighth largest apartment owner in  
15 the country.

16 14. According to a March 15, 2021 press release from Defendant JRK PROPERTY  
17 HOLDINGS, INC., Defendant JRK PROPERTY HOLDINGS, INC. is “one of the largest  
18 multifamily landlords in the United States” and “owns and operates over 3,500 multifamily units  
19 in California.”

20 15. According to an October 1, 2020 press release from Defendant JRK PROPERTY  
21 HOLDINGS, INC., Defendant JRK PROPERTY HOLDINGS, INC. “is a Los Angeles-based real  
22 estate investment firm specializing in the ownership, management, leasing and redevelopment of  
23 properties in primary and secondary markets throughout the United States.”

24 16. According to a November 9, 2017 press release from Defendant JRK PROPERTY  
25 HOLDINGS, INC., Defendant JRK PROPERTY HOLDINGS, INC. was “one of the largest  
26 multifamily owners in the United States with more than 30,000 units under management” at that  
27 time.

28 17. According to a February 2021 job listing linked to on the [www.jrk.com](http://www.jrk.com) website:

1 “JRK Property Holdings, Inc. (‘JRK’) is a fully-integrated privately-held owner and operator of  
2 hospitality and multi-family properties throughout the United States. Founded in 1991, JRK  
3 owns, operates and manages eight hotels, 78 multifamily properties consisting of over 25,000  
4 units with a combined portfolio value in excess of \$7 billion. JRK operates in 22 states nationally  
5 and has in excess of 1,300 employees.”

6 18. According to a 2020 consent decree presented by the State of Washington and  
7 Defendant JRK RESIDENTIAL GROUP, INC. before the Pierce County Superior Court in *State*  
8 *of Washington v. JRK Residential Group, Inc.*, No. 20-2-05933-7, Defendant JRK  
9 RESIDENTIAL GROUP, INC. “is a real estate investment firm that purchases and manages  
10 residential properties.” As stated in that consent decree, JRK RESIDENTIAL GROUP, INC. is  
11 “a Nevada corporation headquartered in Los Angeles” that “owns, manages, leases, and/or  
12 redevelops properties throughout the United States . . . .” That 2020 consent decree, which was  
13 approved by the Superior Court, resolved an action brought by the Attorney General for the State  
14 of Washington to enforce an emergency moratorium on evictions proclaimed by the Governor of  
15 Washington.

16 19. In that *State of Washington v. JRK Residential Group, Inc.* consent decree,  
17 Defendant JRK RESIDENTIAL GROUP, INC., among other things, agreed to an injunction that:  
18 prohibited Defendant JRK RESIDENTIAL GROUP, INC. from issuing eviction notices during  
19 the Governor of Washington’s emergency proclamation or any extension or modification;  
20 prohibited Defendant JRK RESIDENTIAL GROUP, INC. from certain rent collection practices  
21 during the Governor of Washington’s emergency proclamation or any extension or modification;  
22 required Defendant JRK RESIDENTIAL GROUP, INC. to forgive in full April 2020 rent for  
23 tenants of its the Boulders at Puget Sound property in Tacoma, Washington who were issued  
24 notices to pay or vacate and to refund amounts paid by those tenants; and prohibited Defendant  
25 JRK RESIDENTIAL GROUP, INC. from charging fees or charges to tenants needing to break  
26 their leases during the Governor of Washington’s emergency proclamation or any extension or  
27 modification and required Defendant JRK RESIDENTIAL GROUP, INC. to refund any such  
28 amounts already paid.

1           20.     On information and belief, Defendant JRK RESIDENTIAL GROUP, INC. has  
2     complied with the *State of Washington v. JRK Residential Group, Inc.* consent decree and, for  
3     Washington tenants, ceased issuing eviction notices, ceased rent collection practices, forgiven  
4     rent and refunded rent, fees and charges as set forth in that consent decree.

5           21.     On information and belief, since 2017, Defendants JRK RESIDENTIAL GROUP,  
6     INC. and JRK PROPERTY HOLDINGS, INC. have owned, managed, leased and operated  
7     approximately twelve apartment complexes in California: The Vineyard Luxury Apartments  
8     (located in Petaluma in Sonoma County), Diamond Hillside Apartments (located in Pittsburg in  
9     Contra Costa County), The Terraces at Highland Reserve Luxury Apartments (located in  
10    Roseville in Placer County), Montage at Fair Oaks Apartments (located in Citrus Heights in  
11    Sacramento County), Parkside Glen Apartment Homes (located in San Jose in Santa Clara  
12    County), Cascades Apartments (located in Fresno in Fresno County), Dominion Heights  
13    Apartments (located in Fresno in Fresno County), Serenade at River Park (located in Oxnard in  
14    Ventura County), Rancho Solana (located in Oxnard in Ventura County), Somerset Glen Senior  
15    Apartments (located in La Mirada in Los Angeles County), The Arbors at California Oaks  
16    (located in Murrieta in Riverside County) and The Harrison Glendale (located in Glendale in Los  
17    Angeles County). These apartment complexes are referred to herein as “JRK California  
18    Apartments.”

19          22.     On information and belief, Defendants JRK RESIDENTIAL GROUP, INC. and  
20    JRK PROPERTY HOLDINGS, INC. own, lease, manage and operate JRK California Apartments  
21    according to standardized policies and practices and using standardized form leases, notices and  
22    other documents.

23          23.     On information and belief, Defendants JRK RESIDENTIAL GROUP, INC. and  
24    JRK PROPERTY HOLDINGS, INC. are not licensed by the California Department of Real  
25    Estate.

26          24.     On information and belief, Defendants JRK RESIDENTIAL GROUP, INC. and  
27    JRK PROPERTY HOLDINGS, INC., acting as landlords, controlled and directed the conduct that  
28    is the basis for the causes of action asserted herein, which was undertaken by agents and

1 employees of Defendants JRK RESIDENTIAL GROUP, INC. and JRK PROPERTY  
2 HOLDINGS, INC. In the alternative, on information and belief, JRK PROPERTY HOLDINGS,  
3 INC., acting as landlord, controlled and directed the conduct that is the basis for the causes of  
4 action asserted herein and was aided and abetted by Defendant JRK RESIDENTIAL GROUP,  
5 INC. and its agents and employees in that conduct.

6 25. On information and belief, Defendants JRK RESIDENTIAL GROUP, INC. and  
7 JRK PROPERTY HOLDINGS, INC. have the ability and authority to provide all of the relief  
8 prayed for herein.

9 26. The true names of DOES 1 through 100, whether individual, corporate, associate,  
10 or otherwise, are unknown to Plaintiffs who, pursuant to Code of Civil Procedure § 474, sue these  
11 Defendants under fictitious names.

12 27. Each of the fictitiously named DOE defendants is responsible in some manner for  
13 the conduct described herein, including, without limitation, by way of conspiracy, aiding,  
14 abetting, furnishing the means for, and/or acting in capacities that create agency, respondeat  
15 superior, and/or predecessor- or successor-in-interest relationships with the other defendants.

16 28. The DOE defendants are individuals, associations, partnerships, corporations, or  
17 other entities that actively assisted and participated in the negligent and wrongful conduct  
18 described herein in ways that are currently unknown to Plaintiffs. Plaintiffs may amend or seek to  
19 amend to allege the true names, capacities, and responsibility of these DOE defendants once they  
20 are ascertained, and to add additional facts and/or legal theories.

21 29. Plaintiffs make all allegations contained herein against all defendants, including  
22 DOES 1 through 100.

23 30. Defendants JRK RESIDENTIAL GROUP, INC., JRK RESIDENTIAL GROUP,  
24 INC. and DOES 1 through 100 are referred to collectively herein as “Defendant JRK” or  
25 “Defendants.”

## 26 II. FACTUAL ALLEGATIONS

### 27 A. Leases for JRK California Apartments

28 31. On information and belief, currently and at all times relevant herein, Defendant

1 JRK has used common form leases for JRK California Apartments. All of Plaintiffs' leases  
2 described herein are form leases.

3 32. Defendant JRK has superior bargaining power over tenants and prospective tenants  
4 of JRK California Apartments, including Plaintiffs.

5 33. Defendant JRK's leases for JRK California Apartments, including Plaintiffs'  
6 leases, are contracts of adhesion.

7 34. The unlawful rent increases, charges and fees described herein were effected by  
8 Defendant JRK through its adhesive lease contracts. That unlawful conduct is part of a deliberate  
9 scheme to cheat large numbers of California tenants, including Plaintiffs and members of the  
10 Classes described herein, out of individually small sums of money.

11 35. Defendant JRK's leases for JRK California Apartments, including the leases of  
12 Plaintiffs and members of the Classes described herein, are also contracts or transactions for the  
13 sale or lease of goods or services for personal, family or household purposes.

14 36. Tenants leasing apartments in California, including JRK California Apartments,  
15 cannot realistically be viewed as acquiring an interest in land. Instead, in seeking to lease  
16 housing, apartment tenants seek a well-known package of goods and services — a package that  
17 includes tangible chattels such as walls and ceilings, secure windows and doors, kitchen and other  
18 appliances, plumbing and sanitation facilities and other physical building infrastructure to provide  
19 adequate heat, light and ventilation, as well as work, labor and services properly to maintain and  
20 repair these leased goods. Tenants, moreover, expect to be able to reside in their homes without  
21 undue trouble or expense and with the toilets, ventilation systems, appliances and other tangible  
22 goods making up their homes functioning properly. Tenants generally will not have the technical  
23 ability, physical access, financial incentive or personal means to maintain modern apartment  
24 buildings and complexes such as JRK California Apartments.

25 37. Plaintiffs' leases for JRK California Apartments generally prohibit Plaintiffs from  
26 performing any repairs or alterations to their apartments. On information and belief, the leases for  
27 other JRK California Apartments tenants also generally prohibit tenants from making repairs and  
28 alterations.

1           38.     On information and belief, Defendant JRK operates websites for the various JRK  
2 California Apartments, or causes those websites to be operated. Those websites include branding  
3 and logos for Defendants JRK RESIDENTIAL GROUP, INC. and JRK PROPERTY  
4 HOLDINGS, INC. Those websites advertise community amenities including: fitness centers,  
5 pools and spas, tennis and basketball courts, playgrounds, barbecue areas, game rooms, garages,  
6 laundry facilities, business centers, club houses, on-site maintenance and security patrols. Those  
7 websites also advertise apartment amenities including: dishwashers, microwaves, ranges,  
8 refrigerators, garbage disposals, granite countertops, quartz countertops, custom cabinets,  
9 washers, dryers, fireplaces, custom blinds, ceiling fans, air conditioning and heating, designer  
10 paint, brushed nickel hardware and fixtures, carpeted flooring, hardwood flooring and plank wood  
11 flooring.

12           39.     Those websites further advertise on-site maintenance and a written “48-Hour  
13 Maintenance Commitment,” which states, in part:

14           At JRK Residential Group, our primary goal is to provide excellent service to all  
15 of our valued tenants. To achieve this goal, we offer our 48-Hour Maintenance  
16 Commitment! As part of our commitment, JRK will complete all routine  
17 maintenance requests within 48 hours (Monday-Friday). Routine requests  
18 submitted after 12:00 PM on Friday, or during the weekend, will be completed on  
19 the following Tuesday by the end of the day. Unfortunately, some non-routine  
20 maintenance requests can take more than 48 hours due to holidays or the need to  
21 obtain specialty parts or a vendor/contractor. Also, while we love our furry  
22 friends, all pets must be properly contained in order for us to complete the service  
23 request. If we’re late, please call or write us, and we’ll immediately address the  
24 issue to ensure the request is resolved.

25           40.     On information and belief, in or around April 2020, Defendant JRK sent form  
26 letters to tenants of JRK California Apartments urging them to use federal COVID-19 emergency  
27 relief funds to pay their rent promptly. Those letters, appearing on “JRK Residential Group”  
28 letterhead, further described Defendant JRK’s commitment and responsibility to provide  
maintenance, repair, cleaning, safety and other services to tenants and emphasized the importance  
of those services, stating in part:

          “[W]e . . . want to reaffirm our commitment to support you and your families  
during these difficult times.”

1 “Our team takes seriously the responsibility of providing a safe and welcoming  
2 refuge to all of our residents. We have increased the frequency of cleaning and  
3 disinfecting of common areas.”

4 “As your community stewards, we remain fully committed to our residents and  
5 are working around the clock to that end.”

6 “We will be waiving short-term rental premiums and offering lease extension  
7 options to all leases in good standing that expire in the next few months to ease  
8 your burden of having to move right now.”

9 “We would also like to remind you that you can pay your rent online from the  
10 comfort of your home by logging onto  
11 <https://www.thevineyardluxuryapartments.com>. As an added accommodation, we  
12 are temporarily crediting back any ACH fees for residents that pay their rent by  
13 April 6th.”

14 “Our maintenance staff continues to service all major work orders as we seek to  
15 keep your home comfortable and safe.”

16 “The management office remains open as we are here daily to answer your  
17 questions and service your needs.”

18 “Our team is working tirelessly to maintain your apartments and the health and  
19 welfare of our community. We implore you to stand shoulder-to-shoulder with us  
20 by paying your rent timely and thank you in advance for stepping up to do your  
21 part. We are honored that you choose to call our community your home and know  
22 that we will get through this together as a community. We look forward to better  
23 days ahead and remain committed to you as our valued residents.”

24 41. On information and belief, in or around April or May 2020, Defendant JRK sent  
25 further form letters to tenants of JRK California Apartments thanking them for payment of their  
26 April 2020 rent. Those form letters, which also appeared on “JRK Residential Group” letterhead  
27 stated, in part, that tenants’ “timely rental payments enable our staff to be here every day to  
28 continue to support you and maintain this special community during a time of need.”

42. The [www.jrk.com](http://www.jrk.com) website has linked to job listings for maintenance and repair  
positions at JRK California Apartments. Those job listings have stated, in part:

“JRK Residential is looking for a ROCKSTAR Maintenance Tech at our property  
in Citrus Heights, CA! MUST HOLD AN HVAC EPA CERTIFICATION! As a  
Maintenance Tech, you will be responsible for keeping the apartment complex up  
and running. This includes general repair, maintenance updates, and at times,  
more complex tasks such as troubleshooting and correcting HVAC and electrical  
needs.”

1 “JRK Residential has an immediate need for a Porter at our property in the Citrus  
2 Heights, CA area. The Porter is responsible for maintaining the exterior of the  
3 property and pools.”

4 “JRK Residential is looking for a ROCKSTAR Maintenance Tech at our property  
5 in Fresno, CA! As a Maintenance Tech, you will be responsible for keeping the  
6 apartment complex up and running. This includes general repair, maintenance  
7 updates, and at times, more complex tasks such as troubleshooting and correcting  
8 HVAC and electrical needs.”

9 “JRK Residential is looking for a ROCKSTAR Maintenance Tech at our property  
10 in Petaluma, CA! As a Maintenance Tech, you will be responsible for keeping  
11 the apartment complex up and running. This includes general repair, maintenance  
12 updates, and at times, more complex tasks such as troubleshooting and correcting  
13 HVAC and electrical needs.”

14 “JRK Residential has an immediate need for a Porter at our property in the  
15 Petaluma, CA area. The Porter is responsible for maintaining the exterior of the  
16 property and pools.”

17 **B. Rental Housing Price Gouging in Violation of Civil Code § 396**

18 43. In 2017, massive wildfires destroyed thousands of homes and other structures in  
19 California.

20 44. In or around October and December 2017, the Governor of California declared a  
21 state of emergency in multiple California counties, including Los Angeles, Sonoma and Ventura  
22 Counties.

23 45. Upon the proclamation of a state of emergency declared by the Governor of  
24 California and for a period of thirty days thereafter, which may be extended, Penal Code § 396  
25 prohibits increasing the rental price advertised, offered, or charged for housing to an existing or  
26 prospective tenant by more than 10 percent. Price gouging prohibitions of § 396 have applied to  
27 rental housing since at least January 2017.

28 46. The Governor of California repeatedly extended the § 396 rental price gouging  
limitation period in counties including Los Angeles, Sonoma and Ventura Counties through  
December 31, 2021.

47. In or around August 2016, Plaintiff SHARON FELKER began to lease an  
apartment at The Vineyard Luxury Apartments.

1           48.     At the time of the 2017 emergency declaration, the monthly rental price for  
2 Plaintiff SHARON FELKER's apartment was \$2008.00.

3           49.     Beginning in or around September 2020, Defendant JRK began to charge a  
4 \$2353.00 monthly rental price for Plaintiff SHARON FELKER's apartment. Defendant JRK  
5 specified that increase in an e-mail message to Plaintiff SHARON FELKER. That increase was  
6 an increase of more than ten percent of the rental price for the apartment at the time of the 2017  
7 emergency declaration in Sonoma County in violation of Penal Code § 396. Plaintiff SHARON  
8 FELKER paid the unlawfully increased rental price.

9           50.     In or around October 2017, Plaintiff HERMAN GRISHAVER, after losing his  
10 home in the wildfires that year, began to lease an apartment at The Vineyard Luxury Apartments.

11          51.     The monthly rental price for Plaintiff HERMAN GRISHAVER's apartment was  
12 \$2666.00 pursuant to his initial lease.

13          52.     Plaintiff HERMAN GRISHAVER later entered into a new lease for his apartment  
14 with an initial term of October 2019 to May 2020. That new lease specified a monthly rental  
15 price of \$3054.00. Defendant JRK charged Plaintiff HERMAN GRISHAVER that increased  
16 rental price, which was an increase of more than ten percent of the rental price for the apartment  
17 at the time of the 2017 emergency declaration in Sonoma County in violation of Penal Code  
18 § 396. Plaintiff HERMAN GRISHAVER paid the unlawfully increased rental price.

19          53.     Plaintiff EDGAR CRUZ SORIANO leased an apartment at The Vineyard Luxury  
20 Apartments at the time of the 2017 emergency declaration.

21          54.     On information and belief, the monthly rental price for Plaintiff EDGAR CRUZ  
22 SORIANO's apartment at the time of the emergency declaration was approximately \$2000.00.

23          55.     In or around September 2018, Plaintiff EDGAR CRUZ SORIANO entered into a  
24 new lease for his apartment. That lease specified a term of one-year ending on August 31, 2019  
25 and a monthly rental price of \$2229.00. Defendant JRK charged Plaintiff EDGAR CRUZ  
26 SORIANO that increased rental price, which, on information and belief, was an increase of more  
27 than ten percent of the rental price for the apartment at the time of the 2017 emergency  
28 declaration in Sonoma County in violation of Penal Code § 396. Plaintiff EDGAR CRUZ

1 SORIANO paid the unlawfully increased rental price.

2 56. On or around July 26, 2019, Plaintiff EDGAR CRUZ SORIANO gave Defendant  
3 JRK notice of intent to vacate his apartment effective August 31, 2019 using a form appearing on  
4 “JRK Residential Group” letterhead provided by Defendant JRK. Defendant JRK refused to  
5 allow Plaintiff EDGAR CRUZ SORIANO terminate his tenancy on August 31, 2019, instead  
6 requiring him to provide sixty days’ notice before termination.

7 57. Defendant JRK required Plaintiff EDGAR CRUZ SORIANO to pay rent for a  
8 portion of September 2019 and charged a further increased rental price, \$2927.00, for that portion  
9 of September 2019. Defendant JRK specified that rental price increase in writing on or around  
10 July 29, 2019 after Plaintiff EDGAR CRUZ SORIANO notified Defendant JRK on or around  
11 July 26, 2019 of his intent to vacate. That further rental price increase was an increase of more  
12 than ten percent of the rental price for the apartment at the time of the 2017 emergency  
13 declaration in Sonoma County in violation of Penal Code § 396. Plaintiff EDGAR CRUZ  
14 SORIANO paid the further unlawfully increased rental price.

15 58. On information and belief, Defendant JRK has charged other tenants in Los  
16 Angeles, Sonoma and Ventura Counties rental price increases of more than 10 percent since the  
17 declared or proclaimed emergencies in those counties.

18 59. On information and belief, by charging the rental price increases described herein,  
19 Defendant JRK represented to tenants of JRK California Apartments (including Plaintiffs  
20 SHARON FELKER, HERMAN GRISHAVER and EDGAR CRUZ SORIANO) that Defendant  
21 JRK had the right to charge those increases and that tenants (including Plaintiffs SHARON  
22 FELKER, HERMAN GRISHAVER and EDGAR CRUZ SORIANO) had the obligation to pay  
23 those increases. Defendant JRK did not have the right to charge the rental price increases  
24 described herein, tenants (including Plaintiffs SHARON FELKER, HERMAN GRISHAVER and  
25 EDGAR CRUZ SORIANO) did not have the obligation to pay those increases and those increases  
26 were prohibited by law.

27 60. On information and belief, the charging of increased rental prices described herein  
28 was accomplished by Defendant JRK through adhesive contracts that were unreasonably

1 favorable to Defendant JRK, which is more powerful than individual tenants of JRK California  
 2 Apartments (including Plaintiffs SHARON FELKER, HERMAN GRISHAVER and EDGAR  
 3 CRUZ SORIANO). Among other things, the increases charged contravene the public interest and  
 4 public policy against price gouging and/or impermissibly alter Defendant JRK’s fundamental  
 5 duties to comply with Penal Code § 396.

6 **C. Rent Increases in Violation of the Tenant Protection Act of 2019**

7 61. The Tenant Protection Act of 2019, Civil Code § 1947.12(a), limits residential rent  
 8 increases over the course of any 12-month period to no more than either 5 percent plus the  
 9 percentage change in the cost of living or 10 percent, whichever is lower. Pursuant to the Act,  
 10 Civil Code § 1947.12(h), if the rent for residential property was increased between March 15,  
 11 2019 and January 1, 2020 by more than the statutory limit, then the rent reverts, on January 1,  
 12 2020, to the rent as of March 15, 2019 plus the statutory limit.

13 62. On information and belief, the Tenant Protection Act of 2019 rent increase limits  
 14 are summarized below by county and effective date and are referred to herein as “Rental Rate  
 15 Caps” —

	Los Angeles and Orange Counties	Riverside and San Bernardino Counties	San Diego County	Alameda, Contra Costa, Marin, San Francisco and San Mateo Counties	All Other Counties
Rental Rate Cap for Increases in Effect Jan. 1, 2020 to July 31, 2020	8.3%	7.8%	7.2%	9.0%	8.3%
Rental Rate Cap for Increases in Effect Aug. 1, 2020 to Dec. 31, 2020	5.7%	7.3%	6.8%	6.1%	6.0%
Rental Rate Cap for Increases in Effect Jan. 1, 2021 to July 31, 2021	5.7%	7.3%	6.8%	6.1%	6.0%

1           63. Pursuant to Civil Code § 1947.12(a), the Rental Rate Caps apply to gross rental  
2 rates for dwellings, which exclude any rent discounts, incentives, concessions or credits. On  
3 information and belief, the monthly rents described herein are gross rental rates.

4           64. On information and belief, the form leases that Defendant JRK uses for JRK  
5 California Apartments provide for and refer to form lease addenda where there are any rent  
6 discounts, incentives, concessions or credits.

7           65. Starting in or around September 2020, Defendant JRK charged a rent increase for  
8 Plaintiff SHARON FELKER's apartment, from \$2172.00 to \$2353.00 per month. Plaintiff  
9 SHARON FELKER paid the rent increase that Defendant JRK charged.

10          66. Defendant JRK charged Plaintiff SHARON FELKER that increased \$2353.00 rent  
11 in September 2020 and thereafter in violation of the applicable Rental Rate Cap.

12          67. On March 15, 2019, the monthly rent for Plaintiff HERMAN GRISHAVER's  
13 apartment was \$2690.00.

14          68. Plaintiff HERMAN GRISHAVER later entered into a new lease for his apartment  
15 with an initial term from October 2019 to May 2020. That new lease specified a monthly rent of  
16 \$3054.00.

17          69. Defendant JRK continued to charge Plaintiff HERMAN GRISHAVER that  
18 increased \$3054.00 rent in January 2020 and thereafter, in violation of the in violation of the  
19 applicable Rental Rate Cap. Plaintiff HERMAN GRISHAVER paid that unlawful increased rent  
20 in January 2020 and thereafter.

21          70. On information and belief, Defendant JRK has charged other residential tenants of  
22 JRK California Apartments rent increases in violation of the Rental Rate Caps in January 2020  
23 and thereafter.

24          71. On information and belief, by charging the rent increases described herein,  
25 Defendant JRK represented to residential tenants of JRK California Apartments (including  
26 Plaintiffs SHARON FELKER and HERMAN GRISHAVER) that Defendant JRK had the right to  
27 charge those increases and that tenants (including Plaintiffs SHARON FELKER and HERMAN  
28 GRISHAVER) had the obligation to pay those increases. Defendant JRK did not have the right to

1 charge the rent increases described herein, tenants (including Plaintiffs SHARON FELKER and  
2 HERMAN GRISHAVER) did not have the obligation to pay those increases and those increases  
3 were prohibited by law.

4 72. On information and belief, the rent increases described herein were imposed by  
5 Defendant JRK through adhesive contracts that were unreasonably favorable to Defendant JRK,  
6 which is more powerful than individual residential tenants of JRK California Apartments  
7 (including Plaintiffs SHARON FELKER and HERMAN GRISHAVER). Among other things,  
8 those increases contravene the public interest in and public policy of capping rent increases and/or  
9 impermissibly alter Defendant JRK's fundamental duties to comply with the Tenant Protection  
10 Act of 2019.

11 **D. Renter's Liability Insurance Fines Prohibited Under Civil Code § 1671**

12 73. Plaintiffs' leases for their apartments require Plaintiffs to purchase and maintain  
13 renter's liability insurance policies and to name Defendant JRK as an additional interested party  
14 under those policies.

15 74. Plaintiffs' leases further provide for a fee in the fixed and certain amount of \$50.00  
16 every 30 days if compliant renter's liability insurance policies are not obtained or if the policies  
17 lapse. The amount of the fee is excessive. Defendant JRK refers to the fee as a "monthly fine."

18 75. Defendant JRK charged Plaintiff SHARON FELKER fees under that renter's  
19 liability insurance policy lease provision, which Plaintiff SHARON FELKER paid.

20 76. On information and belief, the leases of other residential tenants at JRK California  
21 Apartments include renter's liability insurance policy fee provisions similar to the provision in  
22 Plaintiffs' leases. On information and belief, Defendant JRK charged those other tenants fees  
23 under those lease provisions.

24 77. On information and belief, the renter's liability insurance fee lease provisions  
25 described herein are liquidated damages provisions that are void under Civil Code § 1671. On  
26 information and belief, it is not impracticable or extremely difficult to determine the actual  
27 damages caused by renters not maintaining liability insurance policies. On information and  
28 belief, Defendant JRK did not arrive at the fee by making a reasonable endeavor to estimate a fair

1 average compensation for any loss that may be sustained.

2 78. On information and belief, by charging and/or otherwise imposing the fees  
3 described herein, Defendant JRK represented to residential tenants of JRK California Apartments  
4 (including Plaintiff SHARON FELKER) that Defendant JRK had the right to charge those fees  
5 and that tenants (including Plaintiff SHARON FELKER) had the obligation to pay those fees.  
6 Defendant JRK did not have the right to charge the fees described herein, tenants (including  
7 Plaintiff SHARON FELKER) did not have the obligation to pay those increases and those fees  
8 were prohibited by law.

9 79. On information and belief, the fees described herein were imposed by Defendant  
10 JRK through adhesive contracts that were unreasonably favorable to Defendant JRK, which is  
11 more powerful than individual residential tenants of JRK California Apartments (including  
12 Plaintiff SHARON FELKER). On information and belief, among other things, those fees  
13 contravene the public interest and public policy against liquidated damages provisions in  
14 residential leases and/or impermissibly alter Defendant JRK's fundamental duties to comply with  
15 Civil Code § 1671.

16 **E. Late Charges Prohibited Under Civil Code § 1671**

17 80. Plaintiffs' leases for their apartments provide that the monthly rent for their  
18 apartments is due on or before the third day of each month with no grace period. Each of those  
19 leases further provide for late charges in fixed and certain amounts when any amount due under  
20 the leases are not paid on time. Newer leases provide for \$250.00 late charges. Earlier leases  
21 provide for \$150.00 or \$200.00 late charges. These late charges are excessive.

22 81. Defendant JRK charged Plaintiffs SHARON FELKER and JEANACE ZETINO  
23 late charges under those lease provisions, which Plaintiffs SHARON FELKER and JEANACE  
24 ZETINO paid.

25 82. On information and belief, the leases of other residential tenants of JRK California  
26 Apartments include late charge provisions similar to the provision in Plaintiffs' leases. On  
27 information and belief, Defendant JRK charged those other tenants late charges under those lease  
28 provisions.

1           83.     On information and belief, the late charge lease provisions described herein are  
2 liquidated damages provisions that are void under Civil Code § 1671. On information and belief,  
3 it is not impracticable or extremely difficult to determine the actual damages caused by tenants'  
4 late payments. On information and belief, Defendant JRK did not arrive at the late charges by  
5 making a reasonable endeavor to estimate a fair average compensation for any loss that may be  
6 sustained.

7           84.     On information and belief, by charging and/or otherwise imposing the late charges  
8 described herein, Defendant JRK represented to residential tenants of JRK California Apartments  
9 (including Plaintiffs SHARON FELKER and JEANACE ZETINO) that Defendant JRK had the  
10 right to impose those late charges and that tenants (including Plaintiffs SHARON FELKER and  
11 JEANACE ZETINO) had the obligation to pay those late charges. Defendant JRK did not have  
12 the right to charge the late charges described herein, tenants (including Plaintiffs SHARON  
13 FELKER and JEANACE ZETINO) did not have the obligation to pay those late charges and  
14 those late charges were prohibited by law.

15           85.     On information and belief, the late charges described herein were imposed by  
16 Defendant JRK through adhesive contracts that were unreasonably favorable to Defendant JRK,  
17 which is more powerful than individual residential tenants of JRK California Apartments  
18 (including Plaintiffs SHARON FELKER and JEANACE ZETINO). On information and belief,  
19 among other things, those late charges contravene the public interest and public policy against  
20 liquidated damages provisions in residential leases and/or impermissibly alter Defendant JRK's  
21 fundamental duties to comply with Civil Code § 1671.

22 **F.     Plaintiffs' Payment of the Unlawful Rent Increases, Fees and Other Charges**

23           86.     As described herein, Plaintiffs paid the rent increases, late charges and fees that  
24 Defendant JRK unlawfully charged Plaintiffs. Plaintiffs lost money or property and suffered  
25 damage and injury in fact as a result of Defendant JRK's conduct described herein.

26           87.     Additionally or in the alternative, Defendant JRK's representations substantially  
27 influenced Plaintiffs to pay the rent increases, late charges and fees described herein and Plaintiffs  
28 would not have paid those increases, charges and fees without Defendant JRK's representations.



1 Dates.

2 93. On information and belief, of the JRK California Apartments, only Parkside Glen  
3 Apartment Homes and Somerset Glen Senior Apartments are housing for persons and families of  
4 very low, low, or moderate income. On information and belief, of the JRK California  
5 Apartments, only Serenade at River Park and The Harrison Glendale have been issued a  
6 certificate of occupancy after January 1, 2005.

7 94. Plaintiffs SHARON FELKER and HERMAN GRISHAVER are members of the  
8 Rent Cap Class.

9 95. **The Renter's Liability Insurance Fine Class** — Plaintiff SHARON FELKER  
10 brings this action individually and on behalf of other similarly situated persons as members of a  
11 class (referred to herein as the "Renter's Liability Insurance Fine Class") pursuant to Code of  
12 Civil Procedure § 382 and Civil Code § 1781 and defined as follows, subject to discovery in the  
13 case and the approval of the Court: "All tenants whose leases for JRK California Apartments  
14 provide for a fee for a missing renter's liability insurance policy and who were charged that fee."

15 96. Plaintiff SHARON FELKER is a member of the Renter's Liability Insurance Fine  
16 Class.

17 97. **The Late Charge Class** — Plaintiffs SHARON FELKER and JEANACE  
18 ZETINO bring this action individually and on behalf of other similarly situated persons as  
19 members of a class (referred to herein as the "Late Charge Class") pursuant to Code of Civil  
20 Procedure § 382 and Civil Code § 1781 and defined as follows, subject to discovery in the case  
21 and the approval of the Court: "All tenants whose leases for JRK California Apartments provide  
22 for a late charge and who were charged that late charge."

23 98. Plaintiffs SHARON FELKER and JEANACE ZETINO are members of the Late  
24 Charge Class.

25 99. As used in the definitions above, the following terms are defined as:

26 "JRK California Apartments" means apartment housing located in California owned,  
27 managed or operated by JRK during the time of that ownership, management or operation.

28 "All tenants" means all current and former tenants.

1 “Wildfire Price Gouging Protection Periods” means:

- 2 ○ In Los Angeles County: September 3 to October 3, 2017; December 5, 2017 to  
3 January 4, 2018; November 9, 2018 to November 8, 2019; and October 11, 2019 to  
4 December 31, 2021;
- 5 ○ In Sonoma County: October 9, 2017 to December 31, 2021; and
- 6 ○ In Ventura County: December 5, 2017 to December 31, 2021.

7 “Rental Rate Caps” means the rent limits defined in Civil Code, section 1947.12, which  
8 limit increases to:

- 9 [i] no more than 5 percent plus the percentage change in the cost of living, or 10 percent,  
10 whichever is lower;
- 11 [ii] no more than two increments over any 12-month period where the same tenant  
12 remains in occupancy; and
- 13 [iii] effective January 1, 2020, where rent was increased in excess of [i] or [ii] between  
14 March 15, 2019 and January 1, 2020, either 9.0 percent (for Diamond Hillside  
15 Apartments) or 8.6 percent (for other properties) more than the rent as of March 15,  
16 2019.

17 The Rental Rate Caps do not apply for the initial rental rate of a new tenancy where no tenant  
18 from the prior tenancy remains.

19 “Serenade TPA Dates” means:

- 20 ○ November 15, 2022 for tenants at 702 Forest Park Blvd.;
- 21 ○ November 28, 2022 for tenants at 712, 718, 762 and 772 Forest Park Blvd.;
- 22 ○ December 14, 2022 for tenants at 708 Forest Park Blvd.;
- 23 ○ February 27, 2023 for tenants at 768 Forest Park Blvd.;
- 24 ○ April 4, 2023 for tenants at 758 Forest Park Blvd.;
- 25 ○ April 17, 2023 for tenants at 752 Forest Park Blvd.;
- 26 ○ May 1, 2023 for tenants at 722 Forest Park Blvd.;
- 27 ○ June 5, 2023 for tenants at 718 Forest Park Blvd.;
- 28 ○ June 26, 2023 for tenants at 748 Forest Park Blvd.;

- July 9, 2023 for tenants at 742 Forest Park Blvd.;
- July 17, 2023 for tenants at 732 Forest Park Blvd.; and
- July 22, 2023 for tenants at 728 Forest Park Blvd.

100. **Numerosity** — On information and belief and based on the thousands of apartments owned, operated, leased and managed by Defendant JRK in California, the members of the Classes described herein are sufficiently numerous to warrant class treatment and it is impracticable to bring all members of the Classes before the Court.

101. **Ascertainability** — Members of the Classes described herein may be identified through the Defendant JRK’s records. Those records include tenant files, leases (including lease addenda), notices to tenants, tenant ledgers and similar documents.

102. **Predominant Common Questions of Law or Fact** — Common questions of law or fact exist as to all members of the Classes referred to herein and predominate over any questions affecting only individual class members. These common legal and factual questions include, but are not limited to, the following: (i) whether Defendant JRK charged increased rental prices for housing in Los Angeles, Sonoma and Ventura Counties in violation of Penal Code § 396; (ii) whether the charging of increased rents for JRK California Apartments in January 2020 and thereafter exceeded the Civil Code § 1947.12 limit in violation of that statute; (iii) whether Defendant JRK charged residential month to month tenants in California increased rents without the prior written notice required by Civil Code § 827 in violation of that statute; (iv) whether the late charge provisions in leases for JRK California Apartments are void under Civil Code § 1671; (v) whether the renter’s insurance policy fee provisions in leases for JRK California Apartments are void under Civil Code § 1671; (vi) whether Defendant JRK’s business acts and practices described herein are unfair and/or unlawful under Business & Professions Code § 17200; and (vii) whether Defendant JRK’s representations regarding the charging of rent increases, fees and other charges and insertion of contractual provisions for such rent increases, fees and other charges described herein are unlawful under Civil Code § 1770(a)(14) and/or (19).

103. **Typicality** — Plaintiffs’ claims are typical of the members of the Classes described herein in that the factual and legal bases for such claims are substantially the same for

1 Plaintiffs and Class members.

2 104. **Superiority** — A class action is superior to other available means for the fair and  
3 efficient adjudication of this controversy. Individual litigation increases the delay and expense to  
4 all parties and the court system. By contrast, a class action will present far fewer management  
5 difficulties, promote an orderly and expeditious administration and adjudication of the class  
6 claims, foster economies of scale, ensure uniformity of decisions and provide comprehensive  
7 supervision by a single court.

8 105. **Civil Code § 1782 Demand** — Pursuant to Civil Code § 1782, Plaintiffs sent  
9 Defendants written notices of the violations of Civil Code § 1770 described herein and demanded  
10 that those violations be corrected or otherwise rectified as to Plaintiffs and all similarly situated  
11 consumers. Those notices were delivered by certified mail, return receipt requested, more than  
12 thirty days before the filing of this amended pleading to the principal place of business in  
13 California of Defendants JRK RESIDENTIAL GROUP, INC. and JRK PROPERTY  
14 HOLDINGS, INC. in accordance with Civil Code § 1782. As Defendants failed to correct the  
15 violations of Civil Code § 1770 described herein within thirty days after the receipt of those  
16 written notices, Plaintiffs seek monetary damages in this amended pleading.

17 **IV. CAUSES OF ACTION**

18 **FIRST CAUSE OF ACTION**

19 **For Unfair Competition, Business & Professions Code §§ 17200 *et seq.*,**

20 **Based on Rental Price Gouging, Penal Code § 396,**

21 **by Plaintiffs SHARON FELKER, HERMAN GRISHAVER and EDGAR CRUZ SORIANO**

22 **and the Price Gouging Class**

23 **Against All Defendants**

24 106. Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
25 pleading as though fully set forth at length and incorporate the same herein by reference.

26 107. As alleged herein, Defendants advertised, offered or charged members of the Price  
27 Gouging Class increased rental prices for housing in Los Angeles, Sonoma and Ventura Counties  
28 greater than 10 percent since the declared or proclaimed emergencies in those counties.

1 108. The conduct of Defendants alleged herein violates Penal Code § 396.

2 109. The conduct of Defendants alleged herein, during the applicable limitations period,  
3 constitutes unfair and/or unlawful business acts or practices under Business & Professions Code  
4 § 17200.

5 110. Plaintiffs SHARON FELKER, HERMAN GRISHAVER and EDGAR CRUZ  
6 SORIANO suffered injury in fact and lost money or property as a result of the conduct of  
7 Defendants alleged herein.

8 **SECOND CAUSE OF ACTION**

9 **For Violation of the Consumers Legal Remedies Act, Civil Code §§ 1750 *et seq.*,**

10 **by Plaintiffs SHARON FELKER, HERMAN GRISHAVER and**

11 **EDGAR CRUZ SORIANO and the Price Gouging Class**

12 **Against All Defendants**

13 111. Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
14 pleading as though fully set forth at length and incorporate the same herein by reference.

15 112. As alleged herein, Defendants advertised, offered or charged members of the Price  
16 Gouging Class increased rental prices for housing in Los Angeles, Sonoma and Ventura Counties  
17 greater than 10 percent since the declared or proclaimed emergencies in those counties.

18 113. The conduct of Defendants alleged herein violates Penal Code § 396.

19 114. The conduct of Defendants alleged herein, during the applicable limitations period,  
20 is unlawful under Civil Code § 1770(a)(14) and/or (19).

21 115. Plaintiffs SHARON FELKER, HERMAN GRISHAVER and EDGAR CRUZ  
22 SORIANO suffered damage as a result of the conduct of Defendants alleged herein.

23 **THIRD CAUSE OF ACTION**

24 **For Unfair Competition, Business & Professions Code §§ 17200 *et seq.*,**

25 **Based on Violation of the Tenant Protection Act of 2019, Civil Code § 1947.12,**

26 **by Plaintiffs SHARON FELKER and HERMAN GRISHAVER and the Rent Cap Class**

27 **Against All Defendants**

28 116. Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended

1 pleading as though fully set forth at length and incorporate the same herein by reference.

2 117. As alleged herein, Defendants charged members of the Rent Cap Class increased  
3 residential rents based on gross rental rates excluding discounts, incentives, concessions or credits  
4 that exceeded the Rental Rate Caps in January 2020 and thereafter.

5 118. The conduct of Defendants alleged herein violates Civil Code § 1947.12.

6 119. The conduct of Defendants alleged herein, during the applicable limitations period,  
7 constitutes unfair and/or unlawful business acts practices under Business & Professions Code  
8 § 17200.

9 120. Plaintiffs SHARON FELKER and HERMAN GRISHAVER suffered injury in fact  
10 and lost money or property as a result of the conduct of Defendants alleged herein.

11 **FOURTH CAUSE OF ACTION**

12 **For Violation of the Consumers Legal Remedies Act, Civil Code §§ 1750 *et seq.*,**  
13 **by Plaintiffs SHARON FELKER and HERMAN GRISHAVER and the Rent Cap Class**  
14 **Against All Defendants**

15 121. Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
16 pleading as though fully set forth at length and incorporate the same herein by reference.

17 122. As alleged herein, Defendants charged members of the Rent Cap Class increased  
18 residential rents based on gross rental rates excluding discounts, incentives, concessions or credits  
19 that exceeded the Rental Rate Caps in January 2020 and thereafter.

20 123. The conduct of Defendants alleged herein violates Civil Code § 1947.12.

21 124. The conduct of Defendants alleged herein, during the applicable limitations period,  
22 is unlawful under Civil Code § 1770(a)(14) and/or (19).

23 125. Plaintiffs SHARON FELKER and HERMAN GRISHAVER suffered damage as a  
24 result of the conduct of Defendants alleged herein.

25 **FIFTH CAUSE OF ACTION**

26 **For Unfair Competition, Business & Professions Code §§ 17200 *et seq.*,**  
27 **Based on Unlawful Liquidated Damages, Civil Code § 1671, By Plaintiff SHARON**



1 Code § 1671(d).

2 135. As alleged herein, Defendants charged members of the Renter's Liability  
3 Insurance Fine Class fees under those void liquidated damages lease provisions.

4 136. The conduct of Defendants alleged herein, during the applicable limitations period,  
5 is unlawful under Civil Code § 1770(a)(14) and/or (19).

6 137. Plaintiff SHARON FELKER suffered damage as a result of the conduct of  
7 Defendants alleged herein.

8 **SEVENTH CAUSE OF ACTION**

9 **For Unlawful Liquidated Damages Under Civil Code § 1671**

10 **By Plaintiff SHARON FELKER and the Renter's Liability Insurance Fine Class**

11 **Against All Defendants**

12 138. Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
13 pleading as though fully set forth at length and incorporate the same herein by reference.

14 139. As alleged herein, Defendants' lease contracts for apartment dwellings require  
15 members of the Renter's Liability Insurance Fine Class to purchase and maintain renter's liability  
16 insurance policies and include liquidated damages provisions if Class members breach those  
17 requirements.

18 140. As alleged herein, those liquidated damages lease provisions are void under Civil  
19 Code § 1671(d).

20 141. As alleged herein, Defendants charged members of the Renter's Liability  
21 Insurance Fine Class fees under those void liquidated damages lease provisions.

22 142. The conduct of Defendants alleged herein, during the applicable limitations period,  
23 is unlawful under Civil Code § 1671(d).

24 143. Plaintiff SHARON FELKER suffered harm as a result of the conduct of  
25 Defendants alleged herein.

26 **EIGHTH CAUSE OF ACTION**

27 **For Unfair Competition, Business & Professions Code §§ 17200 *et seq.*,**

28 **Based on Unlawful Liquidated Damages, Civil Code § 1671, by Plaintiffs SHARON**

1                                   **FELKER and JEANACE ZETINO and the Late Charge Class**

2   **Against All Defendants**

3           144.   Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
4 pleading as though fully set forth at length and incorporate the same herein by reference.

5           145.   As alleged herein, Defendants' lease contracts for apartment dwellings require  
6 members of the Late Charge Class to pay rent by a specified date each month and include  
7 liquidated damages provisions if Class members breach those requirements.

8           146.   As alleged herein, those liquidated damages lease provisions are void under Civil  
9 Code § 1671(d).

10          147.   As alleged herein, Defendants charged members of the Late Charge Class late  
11 charges under those void liquidated damages lease provisions.

12          148.   The conduct of Defendants alleged herein, during the applicable limitations period,  
13 constitutes unfair and/or unlawful business acts or practices under Business & Professions Code  
14 § 17200.

15          149.   Plaintiffs SHARON FELKER and JEANACE ZETINO suffered injury in fact and  
16 lost money or property as a result of the conduct of Defendants alleged herein.

17   **NINTH CAUSE OF ACTION**

18                   **For Violation of the Consumers Legal Remedies Act, Civil Code §§ 1750 et seq.**

19                   **by Plaintiffs SHARON FELKER and JEANACE ZETINO and the Late Charge Class**

20   **Against All Defendants**

21          150.   Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
22 pleading as though fully set forth at length and incorporate the same herein by reference.

23          151.   As alleged herein, Defendants' lease contracts for apartment dwellings require  
24 members of the Late Charge Class to pay rent by a specified date each month and include  
25 liquidated damages provisions if Class members breach those requirements.

26          152.   As alleged herein, those liquidated damages lease provisions are void under Civil  
27 Code § 1671(d).

28          153.   As alleged herein, Defendants charged members of the Late Charge Class late

1 charges under those void liquidated damages lease provisions.

2 154. The conduct of Defendants alleged herein, during the applicable limitations period,  
3 is unlawful under Civil Code § 1770(a)(14) and/or (19).

4 155. Plaintiffs SHARON FELKER and JEANACE ZETINO suffered damage as a  
5 result of the conduct of Defendants alleged herein.

6 **TENTH CAUSE OF ACTION**

7 **For Unlawful Liquidated Damages Under Civil Code § 1671(d)**

8 **by Plaintiffs SHARON FELKER and JEANACE ZETINO and the Late Charge Class**

9 **Against All Defendants**

10 156. Plaintiffs restate, re-plead, and re-allege each and every paragraph of this amended  
11 pleading as though fully set forth at length and incorporate the same herein by reference.

12 157. As alleged herein, Defendants' lease contracts for apartment dwellings require  
13 members of the Late Charge Class to pay rent by a specified date each month and include  
14 liquidated damages provisions if Class members breach those requirements.

15 158. As alleged herein, those liquidated damages lease provisions are void under Civil  
16 Code § 1671(d).

17 159. As alleged herein, Defendants charged members of the Late Charge Class late  
18 charges under those void liquidated damages lease provisions.

19 160. The conduct of Defendants alleged herein, during the applicable limitations period,  
20 is unlawful under Civil Code § 1671(d).

21 161. Plaintiffs SHARON FELKER and JEANACE ZETINO suffered harm as a result  
22 of the conduct of Defendants alleged herein.

23 **V. PRAYER**

24 WHEREFORE, for themselves and others similarly situated, Plaintiffs pray for judgment  
25 against Defendants as set forth below:

26 A. For certification of the Classes described herein pursuant to Code of Civil  
27 Procedure § 382 and Civil Code § 1781;

28 B. For actual damages;

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- C. For statutory damages;
- D. For punitive damages;
- E. For equitable and injunctive relief — including restitution, an accounting, the imposition of a constructive trust, injunctive and remedial orders and declaratory relief;
- F. For attorney fees and costs;
- G. For such other and further relief as the Court shall deem proper.

Dated this May 10, 2024.

Erickson Kramer Osborne LLP



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Julie C. Erickson  
Elizabeth A. Kramer  
Kevin M. Osborne

Joshua Katz  
LAW OFFICE OF JOSHUA KATZ

Todd Espinosa  
LAW OFFICE OF TODD ESPINOSA

*Attorneys for Plaintiffs SHARON FELKER; HERMAN GRISHAVER; EDGAR CRUZ SORIANO; and JEANACE ZETINO*

ATTORNEY OR PARTY WITHOUT ATTORNEY: STATE BAR NO: 261,367 NAME: Kevin M. Osborne FIRM NAME: Erickson Kramer Osborne LLP STREET ADDRESS: 44 Tehama St. CITY: San Francisco STATE: CA ZIP CODE: 94105 TELEPHONE NO.: 415-635-0631 FAX NO.: 415-599-8088 E-MAIL ADDRESS: kevin@eko.law ATTORNEY FOR (name): Plaintiffs Sharon Felker, et al.	FOR COURT USE ONLY
<b>SUPERIOR COURT OF CALIFORNIA, COUNTY OF Sonoma</b> STREET ADDRESS: 3035 Cleveland Avenue, Suite 200 MAILING ADDRESS: 3035 Cleveland Avenue, Suite 200 CITY AND ZIP CODE: Santa Rosa 95403 BRANCH NAME: Empire College Annex	CASE NUMBER: SCV-267587
PLAINTIFF/PETITIONER: Sharon Felker, et al. DEFENDANT/RESPONDENT: JRK Residential Group, Inc., et al.	JUDICIAL OFFICER: Hon. Patrick M. Broderick
<b>PROOF OF ELECTRONIC SERVICE</b>	DEPARTMENT: 16

1. I am at least 18 years old.
  - a. My residence or business address is (specify):  
44 Tehama St., San Francisco, CA 94105
  - b. My electronic service address is (specify):  
linda@eko.law

2. I electronically served the following documents (exact titles):  
Second Amended Complaint

The documents served are listed in an attachment. (Form POS-050(D)/EFS-050(D) may be used for this purpose.)

3. I electronically served the documents listed in 2 as follows:
  - a. Name of person served: Mark G. Rackers  
On behalf of (name or names of parties represented, if person served is an attorney):  
JRK Residential Group, Inc.; and JRK Property Holdings, Inc.
  - b. Electronic service address of person served :  
mrackers@sheppardmullin.com
  - c. On (date): May 10, 2024

The documents listed in item 2 were served electronically on the persons and in the manner described in an attachment. (Form POS-050(P)/EFS-050(P) may be used for this purpose.)

Date: May 10, 2024

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Linda Oxford  
 \_\_\_\_\_  
 (TYPE OR PRINT NAME OF DECLARANT)

  
 \_\_\_\_\_  
 (SIGNATURE OF DECLARANT)