

FILED FOR RECORD BY EMAIL
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JEREMY S. BREON
PROTHONOTARY
CENTRE COUNTY, PA

IN THE COURT OF COMMON PLEAS
OF CENTRE COUNTY, PENNSYLVANIA

COMMONWEALTH OF PENNSYLVANIA,
By DAVID W. SUNDAY JR.,
ATTORNEY GENERAL,

CIVIL DIVISION

2026-CV-1619-CI

Petitioner,

v.

917 & 1013 ALLEN ST, LLC; 1006 S PUGH ST,
LLC; HAPPY VALLEY FUND I, LLC; and
HAPPY VALLEY FUND I MANAGER, LLC,

Respondents.

ASSURANCE OF VOLUNTARY COMPLIANCE

AND NOW, comes the Commonwealth of Pennsylvania, by Attorney General David W. Sunday Jr. , (“Commonwealth” or “Petitioner”), which caused an investigation to be made into the business practices of 917 & 1013 Allen St, LLC; 1006 S Pugh St, LLC; Happy Valley Fund I, LLC; and Happy Valley Fund I Manager, LLC (collectively “Respondents”) pursuant to the Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-1 *et seq* (“Consumer Protection Law”) and states the following:

PARTIES

WHEREAS, Petitioner is the Commonwealth of Pennsylvania, Office of Attorney General, with offices located at 1251 Waterfront Place, Mezzanine Level, Pittsburgh, Pennsylvania 15222 and 15th Floor, Strawberry Square, Harrisburg, Pennsylvania 17120;

WHEREAS, Respondent 917 & 1013 S Allen St LLC (“S Allen”), is a limited liability company organized under the laws of Delaware and registered as a foreign limited liability

company with the Pennsylvania Department of State with a registered office address of 403 South Allen Street, Suite 206, State College, Pennsylvania 16801;

WHEREAS, Respondent 1006 S Pugh St LLC (“S Pugh”) is a limited liability company organized under the laws of Delaware and registered as a foreign limited liability company with the Pennsylvania Department of State with a registered office address of 403 South Allen Street, Suite 206, State College, Pennsylvania 16801;

WHEREAS, Respondent Happy Valley Fund I, LLC is a limited liability company organized under the laws of Delaware with a principal place of business located at 200 Barr Harbor Drive, Suite 400, Conshohocken, Pennsylvania 19428;

WHEREAS, Respondent Happy Valley Fund I, LLC is the parent company of S Allen and S Pugh and was formed to fund the property acquisitions by S Allen and S Pugh;

WHEREAS, Respondent Happy Valley Fund I Manager, LLC is a limited liability company organized under the laws of Delaware with a principal place of business located at 200 Barr Harbor Drive, Suite 400, Conshohocken, Pennsylvania 19428;

WHEREAS, Respondent Happy Valley Fund I Manager, LLC is the management entity for the operations of Respondents Happy Valley Fund I, LLC, S Allen, and S Pugh (collectively “Ownership Group”);

BACKGROUND

WHEREAS, on April 22, 2025, Respondents S Allen and S Pugh acquired the following apartment buildings (“Properties”) in the Borough of State College, Pennsylvania:

1. Allen Park at 1013 South Allen Street, acquired by Respondent S Allen;
2. Lenwood Place at 917 South Allen Street, acquired by Respondent S Allen;
3. Mt. Nittany at 1006 South Pugh Street, acquired by Respondent S Pugh;

WHEREAS, prior to the acquisition, Continental Real Estate Management, Inc. (“Continental”) was the property manager for these Properties and, as such, had advance notice that the Properties were going to be sold;

WHEREAS, after the acquisition, Ethos Residential, LLC (“Ethos”) was retained by the Ownership Group to jointly manage the Properties with Continental;

WHEREAS, at the time of the acquisition, the Properties were tenant occupied and tenants had executed and renewed leases with Continental for these Properties, with terms extending until at least August of 2026;

WHEREAS, the Ownership Group’s acquisition plan included the commencement of comprehensive and wide scale renovations at the Properties to begin shortly after purchase;

WHEREAS, the planned renovations included the remodeling of kitchens and bathrooms, new furniture, and upgraded common spaces and amenities;

WHEREAS, to accommodate the planned renovations, beginning in early May 2025, representatives from Continental, Ethos, and the Ownership Group sent communications by phone, email and/or text to all current and future tenants (collectively “Tenants”), wherein they sought to terminate the Tenants’ leases at the Properties, citing anticipated construction conditions;

WHEREAS, Tenants in approximately 104 units were subject to these termination efforts, many of whom were students at The Pennsylvania State University;

WHEREAS, for example, on May 9, 2025, Continental sent a letter to the current and future tenants which stated in part:

There is going to be construction happening in every unit in your building beginning in August 2025. The construction will create unpleasant living conditions with dust, noise and increased activity at your building. We understand that you have a lease for the 2025/2026 lease term, and it is our intention to find you another place to live during this period.

WHEREAS, in a limited number of instances, Respondents also terminated certain Tenants' leases, citing a lease provision that authorized Continental to terminate the lease if the property was sold due to a foreclosure;

WHEREAS, the acquisition of the Properties was not the result of a foreclosure;

WHEREAS, Respondents are subject to the requirements of the Landlord Tenant Act of 1951, 68 P.S. §§ 250.101 *et seq* ("Landlord Tenant Act");

WHEREAS, Section 250.104 of the Landlord Tenant Act expressly states.

Any person who acquires title to real property by descent or purchase shall be liable to the same duties and shall have the same rights, powers and remedies in relation to the property as the person from whom title was acquired. *See*, 68 P.S. § 250.104.

See, 68 P.S. § 250.104.

WHEREAS, the Commonwealth received a pattern of complaints from Tenants against Respondents alleging Respondents failed to honor the terms of their leases;

WHEREAS, many of the Tenants reported that the relocation subjected them to less favorable housing options, additional financial expenses, and undue stress;

WHEREAS, most Tenants reported that they received no financial compensation or assistance from Respondents, despite the hardships that they incurred due to the unexpected relocation;

WHEREAS, based upon these consumer complaints and the Commonwealth's related investigation, the Commonwealth alleges Respondents engaged in conduct in violation of the Consumer Protection Law, as more fully set forth below:

1. Respondents terminated leases with Tenants without a proper legal basis;
2. Respondents coerced and induced Tenants to terminate their leases by misrepresenting their legal duty to provide safe and habitable housing, free of

disruption, as required by the implied warranty of habitability and the implied covenant of quiet enjoyment; and

3. Respondents failed to disclose to Tenants that the property acquisition and related wide scale renovations would negatively impact the ability of the Tenants to occupy and use their rental units;

WHEREAS, the aforesaid acts and practices constitute “unfair methods of competition” and/or “unfair or deceptive acts or practices,” as prohibited by Section 201-3 of the Consumer Protection Law, as defined by Section 201-2(4) (iii), (v) and (xxi), as follows:

1. Causing likelihood of confusion or of misunderstanding as to affiliation, connection or association with, or certification by another, 73 P.S. § 201-2(4)(iii);
2. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have, 73 P.S. § 201-2(4)(v);
3. Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding, 73 P.S. § 201-2(4)(xxi);

WHEREAS, the Commonwealth alleges that, at all times relevant and material hereto, Respondents knowingly acted in concert with one another in connection with the acts and practices alleged herein;

WHEREAS, Respondents agree to cease and desist from violating the Consumer Protection Law and desire to comply with the civil laws of the Commonwealth;

WHEREAS, this Assurance of Voluntary Compliance is accepted by the Commonwealth pursuant to Section 201-5 of the Consumer Protection Law, 73 P.S. § 201-5, in lieu of commencing

statutory proceedings under Sections 201-4 or 201-8 of the Consumer Protection Law, 73 P.S. §§ 201-4, 201-8.

SETTLEMENT TERMS

NOW THEREFORE, Respondents agree for themselves, their successors, assigns, agents, employees, property managers, and all other persons acting on their behalf, directly or through any corporate or other business device as follows:

I. The Recitals set forth above are incorporated herein as though fully set forth.

II. Injunctive and Affirmative Relief

A. Respondents shall comply with any and all provisions of the Consumer Protection Law and any amendments thereto and, are permanently enjoined from any violation thereof.

B. Respondents shall comply with any and all provisions of the Landlord Tenant Act and any amendments thereto.

C. Respondents shall comply with their legal duties and obligations, including the implied warranty of habitability and the implied covenant of quiet enjoyment.

D. Respondents shall not misrepresent, expressly or by implication, their legal duties and obligations, including the implied warranty of habitability and the implied covenant of quiet enjoyment, to their tenants.

E. Respondents shall not terminate or seek to terminate leases with consumers without a valid legal basis.

III. Monetary Relief

A. **Required Payment** – On or before July 1, 2026, Respondents shall jointly and severally pay to the Commonwealth a total payment of SEVENTY-FIVE THOUSAND and 00/100 Dollars (\$75,000), which shall be allocated as follows:

1. **Restitution** in the amount of SIXTY THOUSAND 00/100 Dollars (\$60,000), pursuant to Section 201-4.1 of the Consumer Protection Law.

a. **Restitution Administration** – The amount, manner and timing of the distribution of restitution funds shall be within the sole discretion of the Commonwealth. Respondents warrant that on April 9, 2026, they provided the Commonwealth with an accurate list of all Tenants who had leases terminated under the allegations set forth herein. Further, Respondents warrant that on April 9, 2026, they provided the Commonwealth with the known information regarding Tenants' addresses, phone numbers, and email addresses. After the effective date of this Assurance of Voluntary Compliance, Respondents agree to cooperate with the Commonwealth with regards to any other reasonable information requested by the Commonwealth in order for the Commonwealth to distribute restitution, including, for example, providing any updated contact information for Tenants or the amount of monthly rent identified in the terminated lease.

b. **Uncashed Restitution Checks** – After the Commonwealth has completed the distribution of restitution funds, including making reasonable attempts to contact payees of uncashed checks and waiting a reasonable period of time not less than ninety (90) calendar days, all uncashed checks shall be voided. Once such uncashed checks have been voided, any remaining funds in the restitution account (including any accrued interest) will be distributed to the

Commonwealth to be deposited in an interest-bearing account from which both principal and interest shall be expended for public protection and education purposes, or for any other purpose permissible under state law.

2. **Costs of Investigation** in the amount of FIFTEEN THOUSAND and 00/100 Dollars (\$15,000), shall be distributed to the Commonwealth of Pennsylvania, Office of Attorney General, as costs of this investigation to be deposited into an interest-bearing account from which both principal and interest shall be expended for public protection and educational purposes.

B. **Form of Payment** – All payments made by Respondents to the Commonwealth, pursuant to this Assurance of Voluntary Compliance, shall be in the form of a certified check, cashier's check, or wire made to the "Commonwealth of Pennsylvania, Office of Attorney General" and shall be forwarded to Amy L. Schulman, Senior Deputy Attorney General, Commonwealth of Pennsylvania, Office of Attorney General, Bureau of Consumer Protection, 1251 Waterfront Place, Mezzanine Level, Pittsburgh, Pennsylvania 15222.

IV. **Miscellaneous Terms**

A. The "Effective Date" of this Assurance of Voluntary Compliance shall be the day it is filed with the Court.

B. In accordance with Section 201-5 of the Consumer Protection Law, this Assurance of Voluntary Compliance shall not be considered an admission of violation for any purpose, 73 P.S. § 201-5.

C. This Court shall maintain jurisdiction over the subject matter of this Assurance of Voluntary Compliance and over Respondents for the purpose of enforcing its terms.

D. Nothing in this Assurance of Voluntary Compliance shall be construed to waive any individual right of action by a consumer or a local, state, federal, or other governmental entity.

E. Time shall be of the essence with regard to Respondents' obligations hereunder.

F. Christopher Albright is a Member of S Allen and certifies that he is authorized to enter into and execute this Assurance of Voluntary Compliance on its behalf.

G. Christopher Albright is a Member of S Pugh and certifies that he is authorized to enter into and execute this Assurance of Voluntary Compliance on its behalf.

H. Christopher Albright is a Member of Happy Valley Fund I, LLC and certifies that he is authorized to enter into and execute this Assurance of Voluntary Compliance on its behalf.

I. Christopher Albright is a Member of Happy Valley Fund I Manager, LLC and certifies that he is authorized to enter into and execute this Assurance of Voluntary Compliance on its behalf.

J. Respondents further agree to execute and deliver all authorizations, documents and instruments which are reasonably necessary to carry out the terms and conditions of this Assurance of Voluntary Compliance, whether required prior to, contemporaneous with or subsequent to the Effective Date, as defined herein.

K. Respondents understand and agree that if they made any false statement in or related to this Assurance of Voluntary Compliance, that such statement was made pursuant to and under penalty of 18 Pa.C.S. § 4904, relating to unsworn falsification to authorities.

L. This Assurance of Voluntary Compliance may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Assurance of Voluntary Compliance may be delivered

by facsimile or electronic transmission with the intent that it or they shall constitute as original counterpart hereof.

M. This Assurance of Voluntary Compliance sets forth all of the promises, covenants, agreements, conditions and understandings between the parties, and supersedes all prior and contemporaneous agreements, understandings, inducement or conditions, express or implied. There are no representations, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Assurance of Voluntary Compliance that are not fully expressed herein or attached hereto. Each party specifically warrants that this Assurance of Voluntary Compliance is executed without reliance upon any statement or representation by any other party hereto, except as expressly stated herein.

N. Respondents agree by the signing of this Assurance of Voluntary Compliance that it shall abide by each of the aforementioned provisions and that the breach of any one of those terms shall be sufficient warrant for the Commonwealth of Pennsylvania to petition this Court, or any court of competent jurisdiction, to assess the penalties provided under Section 201-8, 201-9, and 201-9.1 of the Consumer Protection Law, and to order any other equitable relief which the Court deems necessary or proper.

O. Any failure of the Commonwealth to exercise any of its rights under this Assurance of Voluntary Compliance shall not constitute a waiver of its rights hereunder.

WHEREFORE, intending to be legally bound, the parties have hereto set their hands and seals.

{SIGNATURES ON THE FOLLOWING PAGES}

FOR THE PETITIONER:

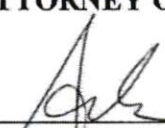
**COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL**

**DAVID W. SUNDAY, JR.
ATTORNEY GENERAL**

Date: _____

6/11/2026


By: _____


Amy L. Schulman
Senior Deputy Attorney General
PA Attorney I.D. No. 88088
Commonwealth of Pennsylvania
Office of Attorney General
1251 Waterfront Place, Mezzanine Level
Pittsburgh, PA 15222
412-565-3523

FOR THE RESPONDENTS:


Date: 6/8/26

917 & 1013 ALLEN ST, LLC

By: 
Christopher Albright
Member


Date: 6/8/26

1006 S PUGH ST, LLC

By: 
Christopher Albright
Member


Date: 6/8/26

HAPPY VALLEY FUND I, LLC

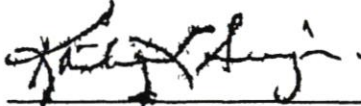
By: 
Christopher Albright
Member

Date: 6/8/26

**HAPPY VALLEY FUND I
MANAGER, LLC**

By: 
Christopher Albright
Member

Date: June 8, 2026

By: 
Kathryn Lease Simpson, Esquire
Mette Attorneys at Law
3401 North Front Street
Harrisburg, PA 17110-0950


*Counsel for 917 & 1013 Allen St, LLC; 1006
S Pugh St, LLC; Happy Valley Fund I, LLC;
and Happy Valley Fund I Manager, LLC*

CERTIFICATE OF COMPLIANCE

I, Amy L. Schulman certify that this filing complies with the provisions of the *Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts* that require filing confidential information and documents differently than non-confidential information and documents.

Date: 6/11/2026

By:



Amy L. Schulman
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Office of Attorney General
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