

STATE OF MINNESOTA
COUNTY OF RAMSEY

DISTRICT COURT
SECOND JUDICIAL DISTRICT

Case Type: Civil Other
(Consumer Protection)

State of Minnesota, by its Attorney General,
Keith Ellison,

Court File No. 62-CV-24-5877

Plaintiff,

CONSENT JUDGMENT

vs.

MV Realty PBC, LLC,
MV Realty of Minnesota, LLC, and Amanda
Zachman,

Defendants.

WHEREAS, Plaintiff State of Minnesota, by its Attorney General Keith Ellison (“the Attorney General”) filed a complaint in this matter on September 24, 2024 against Defendants MV Realty PBC, LLC; MV Realty of Minnesota, LLC; and Amanda Zachman (collectively, “MV Realty”);

WHEREAS, the Attorney General alleges in the complaint that MV Realty engaged in deceptive, misleading, unfair, and otherwise unlawful practices in the course of advertising, selling, and enforcing Homeowner Benefit Agreements (“HBAs”) to Minnesota consumers in violation of Minnesota Statutes sections 82.81, 325G.06, 325D.44, 325F.67, 325F.69, and common law regarding penalties;

WHEREAS, MV Realty filed an answer on November 5, 2024 denying the Attorney General’s allegations;

WHEREAS, the Attorney General and MV Realty (together, “the parties”) desire to fully resolve the claims set forth in the Attorney General’s September 24, 2024 complaint;

NOW THEREFORE, the Attorney General and MV Realty hereby agree to entry of an order and judgment with the following terms and conditions:

WARRANTIES AND REPRESENTATIONS

1. The parties agree that, in advance of this Consent Judgment, MV Realty provided confidential financial information to the Attorney General on which the Attorney General relied in accepting an offer for resolution of this matter (“Financial Disclosures”). The parties further agree that, in advance of this Consent Judgment, MV Realty provided a list of all Minnesota consumers with which MV Realty entered into HBAs (the “Customer List”).

INJUNCTIVE RELIEF

2. *Rescission of Contracts.* MV Realty shall rescind any HBAs it has in effect with any Minnesota consumer listed on the Customer List. Should, after the entry of this Consent Judgment, MV Realty discover that it possesses an HBA with a Minnesota consumer who was not reflected on the Customer List, MV Realty shall rescind that customer’s HBA. MV Realty shall not enforce the terms of any HBA with any Minnesota consumer. MV Realty shall not seek to recover any money from Minnesota consumers whose HBA is rescinded pursuant to this paragraph.

3. *Recording of Terminations.* MV Realty agrees and consents to the entry of an order in the form attached as Exhibit A hereto declaring that each and every “Memorandum of Homeowner Benefit Agreement” recorded by MV Realty in connection with any residential real estate located within the territorial boundaries of Minnesota is null, void, and of no further effect. Within 30 days of the Court’s approval of such order and this Consent Judgment, MV Realty shall

be responsible for providing a copy of such order to the Minnesota County Recorders in every Minnesota county where MV Realty has recorded a Memoranda. In the event that individual circumstances arise where such order did not cause the termination of any Memoranda recorded in Minnesota, MV Realty shall file with the applicable Minnesota County Recorder a termination of that same Memorandum within 30 days of receiving a request from either Plaintiff or the homeowner of such affected property.

4. *No Continuing Concerns.* Neither MV Realty nor any of its officers, including Anthony Mitchell, David Manchester, and Amanda Zachman, shall engage in any business involving residential real estate brokerage in Minnesota for a period of five (5) years. For a period of five (5) years, Anthony Mitchell, David Manchester, and Amanda Zachman are prohibited from providing training, directly or indirectly, to individuals engaged in any business involving the purchase or sale of residential real estate in Minnesota. MV Realty further agrees that MV Realty PBC, LLC and MV Realty of Minnesota, LLC will do no more business in Minnesota beyond any acts required of those entities by this Consent Judgment.

5. *Non-Circumvention.* MV Realty shall fulfill the terms of this Consent Judgment, and shall not take any steps through its principals, employees, agents, independent contractors, affiliates, as well as other persons in active concert or participation with MV Realty who receive actual notice of this order, to circumvent the requirements of paragraphs 2 through 9 of this Consent Judgment. MV Realty shall not sell or assign its contracts in such a manner as to deprive MV Realty of the ability to effectuate the relief contemplated in paragraphs 2 through 9 of this Consent Judgment.

MONETARY PAYMENT

6. *Refunding Liquidated Damages to Inheritors.* Within 90 days of the Effective Date, MV Realty shall, upon valid request, provide refunds to the estate or heir from whom MV Realty collected an early termination fee in the amount of the collected fee. A “valid request” under this paragraph shall include any request made by the estate and/or heir, or the Attorney General, and shall include: (1) a copy of the original signor’s death certificate and (2) evidence of payment to MV Realty following the decedent’s date of death. Valid requests must be sent to: Legal@homesatmv.com. Within 180 days of the Effective Date, MV Realty will send a report to the Attorney General attesting that MV Realty mailed payments in accordance with this paragraph. The report shall include the name and contact information for the estate/heir as well as the original signor.

7. *MV Realty Payment to the Attorney General.* Within 90 days of the Court’s approval of this Consent Judgment, MV Realty shall pay to the Attorney General \$20,265.63. This amount represents restitution payable to heirs and estates identified in correspondence between the Attorney General and MV Realty on March 3, 2025 (“Inheritor List”). Individuals and estates listed on the Inheritor List are not eligible for payments pursuant to paragraph 6, above.

8. *Amanda Zachman Payment.* Within 120 days of the Court’s issuance of this Consent Judgment, Amanda Zachman shall pay to the Attorney General \$10,000.00 (Ten Thousand Dollars and No Cents). The Attorney General is authorized to use this payment in any manner permitted by law.

STAYED CIVIL PENALTY

9. MV Realty shall pay a stayed civil penalty of \$1,000,000 to the Attorney General upon application to a court of competent jurisdiction and a showing by the Attorney General in

such court that MV Realty has materially violated any of the terms of this Consent Judgment or provided false information in the Financial Disclosures upon which the Attorney General relied. Such court shall decide whether the stayed civil penalty shall be imposed and may hold an evidentiary hearing, if it deems such hearing necessary. The release in paragraph 11 does not prevent the Attorney General from moving for, or collecting, the stayed civil penalty described in this paragraph.

GENERAL TERMS

10. Nothing in this Consent Judgment shall relieve MV Realty of its obligation to comply with all applicable Minnesota and federal laws and regulations.

11. In consideration of the stipulated relief and contingent upon the Court's entry of this Consent Judgment, the Attorney General, by execution of this Consent Judgment, hereby fully and completely releases MV Realty, and each person or entity enjoined by paragraphs 2-5 of this Consent Judgment, from any and all claims of the Attorney General under Minnesota Statutes sections 325D.44, 325F.69, 325G.08, 82.67, and 72.81 connected with or arising out of MV Realty's advertising and sale of HBAs, up to and including the date of this Consent Judgment. The Attorney General through this Consent Judgment does not settle, release, or resolve any claim against MV Realty or any other person or entity involving any private causes of action, claims, and remedies, including, but not limited to, private causes of action, claims, or remedies provided for under Minn. Stat. § 8.31. To be clear, this release explicitly does not release any claims of private citizens that may be available to them following resolution of any lawsuit against MV Realty pending in another jurisdiction. This release does not apply in any way to claims of any other Minnesota state agency, department, official, or division.

12. This Consent Judgment may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement. This Consent Judgment may be executed by facsimile or electronic copy in any image format.

13. The person signing this Consent Judgment for MV Realty warrants that MV Realty has authorized the person to execute this Consent Judgment and that he or she executes this Consent Judgment in an official capacity that binds MV Realty and its subsidiaries and successors.

14. This Consent Judgment constitutes the full and complete terms of the agreement entered into by MV Realty and the Attorney General.

15. The Parties agree that this Consent Judgment, including any issues related to interpretation or enforcement, shall be governed by the laws of the State of Minnesota.

16. The Ramsey County District Court shall retain jurisdiction of this matter for purposes of enforcing this Consent Judgment. The Attorney General may make such application as appropriate to enforce or interpret the provisions of this Consent Judgment or, in the alternative, maintain any action within his legal authority for such other and further relief as he determines is proper and necessary for the enforcement of this Consent Judgment. The parties agree that, in any action brought by the Attorney General to enforce the terms of this Consent Judgment, the Court shall have the authority to award equitable relief, including specific performance.

17. The failure of a party to exercise any rights under this Consent Judgment shall not be deemed to be a waiver of any right or any future rights.

18. Nothing in this Consent Judgment shall be construed to limit the power or authority of the State of Minnesota or the Attorney General except as expressly set forth herein.

19. MV Realty agrees not to contest any argument in any bankruptcy proceeding that the Stayed Civil Penalty in paragraph 9 of this Consent Judgment, if imposed by any court,

represents a civil penalty owed to the State of Minnesota, is not compensation for actual pecuniary loss, and, therefore, is not subject to discharge under the Bankruptcy Code pursuant to 11 U.S.C. § 523(a)(7).

20. MV Realty understands that if a Court of competent jurisdiction holds that MV Realty has committed a violation of this Consent Judgment, that such violation may subject MV Realty to sanctions for contempt pursuant to Minn. Stat. § 8.31, subdivision 2b, and that the Attorney General may thereafter, in his sole discretion, initiate legal proceedings against MV Realty for any and all violations of this Consent Judgment.

21. On or before executing this Consent Judgment, MV Realty shall provide the Attorney General's Office its taxpayer identification number (TIN). MV Realty understands that it may be subject to a penalty if it fails to provide the Attorney General's Office with its TIN pursuant to 26 C.F.R. 6723, 26 C.F.R. 6724(d)(3), and 26 C.F.R. 301.6723-1. MV Realty shall also cooperate in the Office's completion of Internal Revenue Service Form 1098-F by providing the Attorney General's Office any additional necessary information it requests. MV Realty believes that its costs of compliance with this Consent Judgment will not equal or exceed \$50,000, but MV Realty further understands that, if its costs of compliance with this Order equal or exceed \$50,000 it shall inform the Attorney General as soon as is practicable.

22. Each party shall perform such further acts and execute and deliver such further documents as may reasonably be necessary to carry out this Order.

23. MV Realty shall not state or imply, directly or indirectly, that the State of Minnesota or the Attorney General have approved of, condoned, or agree with any conduct or actions by MV Realty.

24. MV Realty agrees that the Attorney General, without further notice to MV Realty, may file a proposal for this Order with the Ramsey County District Court and that the Court may issue the Order without further proceedings.

25. Service of notices required by this Consent Judgment shall be served on the following persons, or any person subsequently designated by the parties to receive such notices, by both e-mail and U.S Mail to the following:

Noah Lewellen, Assistant Attorney General
Office of the Minnesota Attorney General
445 Minnesota Street, Suite 1200
St. Paul, Minnesota 55101

MV Realty
John Gekas
SAUL EWING LLP
161 N. Clark St., Ste. 4200
Chicago, Illinois 60601
john.gekas@saul.com

[Signature page follows]

KEITH ELLISON
Attorney General
State of Minnesota

Date: March 24, 2025

By: s/ Noah Lewellen
Noah Lewellen
Assistant Attorney General

Date: _____

By: _____

MV Realty PBC, LLC

Date: _____

By: _____

MV Realty MN, LLC

Date: _____

By: _____

Amanda Zachman

KEITH ELLISON
Attorney General
State of Minnesota

Date: _____

By: _____

Noah Lewellen
Assistant Attorney General

Date: 3/18/25

By: 

MV Realty PBC, LLC

Date: 3/18/25

By: 

MV Realty MN, LLC

Date: _____

By: _____

Amanda Zachman

KEITH ELLISON
Attorney General
State of Minnesota

Date: _____

By: _____

Noah Lewellen
Assistant Attorney General

Date: _____

By: _____

MV Realty PBC, LLC

Date: _____

By: _____

MV Realty MN, LLC

Date: 03/18/2025

By: _____

Amanda Zachman

ORDER

Having reviewed the terms of the foregoing Consent Judgment, which is incorporated herein by reference, and which the Court finds reasonable and appropriate, it is SO ORDERED.

Date: _____

JUDGE OF DISTRICT COURT

THERE BEING NO CAUSE FOR FURTHER DELAY, LET JUDGMENT BE ENTERED IMMEDIATELY.

EXHIBIT “A”

STATE OF MINNESOTA DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Civil Other
(Consumer Protection)

State of Minnesota, by its Attorney General,
Keith Ellison,

Court File No. 62-CV-24-5877

Plaintiff,

CONSENT JUDGMENT

vs.

MV Realty PBC, LLC,
MV Realty of Minnesota, LLC, and Amanda
Zachman,

Defendants.

ORDER REGARDING MEMORANDUM OF HOMEOWNER BENEFIT AGREEMENT

**TO ALL MINNESOTA COUNTY RECORDERS (“RECORDERS OFFICE”)
SERVED WITH THIS ORDER, IT IS HEREBY ORDERED THAT:**

Pursuant to this Order entered by the Court in the above-referenced matter, every “Memorandum of Homeowner Benefit Agreement” recorded by MV Realty PBC, LLC in connection with any residential real estate within the territorial boundaries of Minnesota is null, void, and of no further effect. MV Realty PBC, LLC recorded the Memoranda listed in **Schedule “A”** to **Exhibit “1”** hereto in the Official Records of your County (the “Properties”).

DONE AND ORDERED this ___th day of March, 2025.

JUDGE

SCHEDULE "A"

[To be populated to the extent this Court grants the instant motion with detailed list prepared per County with all data necessary as to each property to effectuate termination of all recorded Memorandum.]