

OCT 23 2015

H. CARVER

Elaine Byszewski (SBN 22304)  
HAGENS BERMAN SOBOL SHAPIRO LLP  
301 North Lake Avenue  
Pasadena, California 91101  
Telephone: (213) 330-7150  
Facsimile: (213) 330-7152  
elaine@hbsslaw.com

Gregory W. Albert (*pro hac vice* pending)  
HAGENS BERMAN SOBOL SHAPIRO LLP  
1918 Eighth Ave. Suite 3300  
Seattle, WA 98101  
Telephone: (206) 268-9335  
Facsimile: (206) 623-0594  
gregalbert@hbsslaw.com

*Attorneys for Plaintiffs*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

RANCHO MIRAGE COUNTRY CLUB  
HOMEOWNERS ASSOCIATION,  
individually and on behalf of its constituent  
homeowners; and MARY WILLIS,  
individually,  
Plaintiffs.

v.

OASIS RANCH LLC, a limited liability  
company; RONALD RICHARDS, an  
individual; MICHAEL SCHLESINGER, an  
individual; WESTERN GOLF PROPERTIES,  
LLC, a limited liability company; PRINCIPALS  
DOE 1 through 20, individuals; and BLACK  
ENTITIES 1 through 10, limited liability  
companies,

Defendants.

Case No. **PSC 1505003**

**COMPLAINT FOR DAMAGES,  
ABATEMENT, SPECIFIC  
PERFORMANCE, AND INJUNCTION**

**CLAIMS ON BEHALF OF  
HOMEOWNERS ASSOCIATION**

1. Breach of Property Covenant
2. Breach of the Implied Covenant of Good Faith and Fair Dealing
3. Violation of California Unfair Competition Law
4. Intentional Misrepresentation

**CLAIMS ON BEHALF OF INDIVIDUAL  
HOMEOWNERS**

5. Intentional Infliction of Emotional Distress
6. Nuisance
7. Slander of Title
8. Waste

**CLAIMS ON BEHALF OF ALL  
PARTIES**

9. Punitive Damages

**DEMAND FOR JURY TRIAL**

## TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION .....	1
II. JURISDICTION AND VENUE.....	4
III. PARTIES .....	4
A. Plaintiffs .....	4
B. Defendants .....	4
IV. FACTUAL ALLEGATIONS .....	5
A. Escondido, California – an Example of Defendants’ Modus Operandi .....	6
1. Richards and Schlesinger buy the Escondido Country Club in 2012, sue the surrounding Homeowners, and dump feces in their yards. ....	6
B. Clark County, Nevada – Another Example of the Defendants’ Misconduct .....	8
1. Richards and Schlesinger try to bully Nevada Homeowners, but Federal Judge Boulware orders them to restore the Golf Course.....	8
C. Rancho Mirage Country Club and the Instant Action – More of the Same Misconduct .....	10
1. The Developers of Rancho Mirage Country Club intended for the property to function as a Golf Course for Homeowners to rely upon when purchasing homes. ....	10
2. Richards and Schlesinger conspired with Western Golf to purchase the Rancho Mirage Country Club and violate its covenants and created a sham limited liability company to escape liability.....	12
3. Richards, Schlesinger, Oasis Ranch, and Western Golf manipulate the Homeowners and distract them with disingenuous negotiations.....	13
4. Richards and Western Golf present the Homeowners with a development plan for a 600-Unit complex, surround the property with a chain-link fence, and state they will blight the property into “the distant future” if the Homeowners do not immediately relinquish their covenant rights. ....	14
5. Oasis Ranch’s violation of covenants have damaged the Homeowners, their titles, and the property in which they hold a nonpossessory interest. ....	16
V. CAUSES OF ACTION.....	18
FIRST COUNT BREACH OF COVENANT – CAL. CIV. CODE § 1468, <i>et seq.</i> (By Plaintiff RMCCHOA against all Defendants).....	18

1	SECOND COUNT BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND	
2	FAIR DEALING (By Plaintiff RMCCHOA against all Defendants) .....	20
3	THIRD COUNT VIOLATION OF THE CALIFORNIA UNFAIR COMPETITION LAW -	
4	CAL. CIV. CODE § 17200, <i>et seq.</i> ) (By Plaintiff RMCCHOA against all Defendants).....	21
5	FOURTH COUNT INTENTIONAL MISREPRESENTATION (By Plaintiff RMCCHOA	
6	against all Defendants) .....	22
7	FIFTH COUNT INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS (By	
8	Plaintiff Mary Willis against all Defendants).....	23
9	a.        Class Claims .....	24
10	SIXTH COUNT NUISANCE (By Plaintiff Mary Willis against all Defendants) .....	24
11	SEVENTH COUNT SLANDER OF TITLE (By Plaintiff Mary Willis against Ronald	
12	Richards, Michael Schlesinger, Oasis Ranch LLC, Principals Doe 1-20, and Black	
13	Entities 1-10) .....	24
14	EIGHTH COUNT WASTE (By Plaintiff Mary Willis against all Defendants) .....	25
15	b.        Punitive Damages .....	26
16	NINTH COUNT PUNITIVE DAMAGES (By all Plaintiffs against all Defendants) .....	26
17	PRAYER FOR RELIEF .....	26
18	JURY TRIAL DEMANDED .....	27

1 Plaintiff Rancho Mirage Country Club Homeowners Association (RMCCHOA) and  
2 Plaintiff Homeowner Mary Willis respectfully submit the following complaint alleging a  
3 combination of claims.

4 Plaintiff RMCCHOA respectfully submits claims for 1) Breach of Covenant (CAL. CIV.  
5 CODE § 1468, *et seq.*), 2) Breach of the Covenant of Good Faith and Fair Dealing, and 3) Violation  
6 of the California Unfair Competition Law (CAL. BUS. & PROF. CODE § 17200, *et seq.*), and  
7 4) Intentional Misrepresentation.

8 Plaintiff Willis, individually, submits claims for 5) Intentional Infliction of Emotional  
9 Distress, 6) Nuisance, 7) Slander of Title, and 8) Waste.

10 Both Plaintiffs submit claims for 9) Punitive Damages.

11 Plaintiffs' allegations are made on information and belief except as to allegations regarding  
12 itself and its constituent homeowners, which are based on personal knowledge. Plaintiff alleges as  
13 follows:

## 14 I. INTRODUCTION

15 1. When someone buys property subject to a community covenant, they should abide  
16 by that covenant. They should not run the property into the ground in order to make the community  
17 relinquish the covenant. Yet that is what Defendants Ronald Richards and Michael Schlesinger  
18 have done. Richards and Schlesinger are real estate developers who buy golf courses inside  
19 residential communities subject to covenants prohibiting development. Then they destroy the  
20 courses in order to depress the community's housing values. And they use those depressed housing  
21 values as leverage to demand that the communities relinquish their rights under the covenants. That  
22 way, they are able to develop land using built-in infrastructure for less money than it would cost to  
23 develop elsewhere. When the homeowners pursue legal options, Richards and Schlesinger retaliate  
24 against them in a number of ways. On one occasion, they dumped five tons of raw manure next to  
25 the homes of residents who brought a successful citizens' initiative against their development. The  
26 city air pollution control tested the property and revealed that Richards and Schlesinger had created  
27 "class five" air pollution- the level at which the homeowners could not breathe without gagging. In  
28 fact, Richards and Schlesinger have received more than \$100,000 in sanitary and aesthetic

1 municipal fines in their campaigns against homeowners, which they routinely pay without  
2 changing their tactics. To them, that is just the cost of doing business. And doing business means  
3 getting homeowners to relinquish rights under their covenants.

4         2. Plaintiffs are homeowners who bought homes on a tranquil golf course in Rancho  
5 Mirage, California. Their homes came with a covenant designed to protect the golf course from  
6 development. And Defendants bought the golf course subject to that covenant. But Richards and  
7 Schlesinger did not want a golf course. They wanted property with built-in infrastructure for the  
8 price of a golf course. So rather than discuss their plans with the community and negotiate a change  
9 to the covenant, they resorted to bad faith and bullying. First, they distracted the community  
10 homeowners with disingenuous negotiations about keeping the golf course open. But meanwhile,  
11 they stripped the golf course fixtures, ceased all its maintenance, and allowed the property to  
12 decompose in the desert sun. Once the homeowners' housing values were sufficiently diminished,  
13 they reneged on the negotiations and revealed their plans to build a 600-unit assisted living  
14 complex on the property. When the homeowners invited the Defendants to resume negotiations,  
15 Richards and Schlesinger told them that, if they did not immediately relinquish their rights under  
16 the covenant, they would be saddled with diminished housing values until the "distant future." And  
17 when the homeowners sought legal counsel, Richards and Schlesinger erected a chain-link fence  
18 around their homes to "make that clear." The property is now withered, covered in tire tracks, and  
19 surrounded by a metal fence. Below is a comparison of the golf course before and after Schlesinger  
20 and Richards bought the property.



3. The homeowners of Rancho Mirage Country Club are devastated by Richards' and Schlesinger's actions. They are disproportionately elderly and living on fixed incomes. More than 25% of them are legally handicapped. They bargained for beautiful retirement homes on small lots because their homes were located on a golf course and came with a covenant specifically designed to prevent this kind of abuse. Many of them labored at storied careers for decades to afford their homes. One homeowner is a retired firefighter who spent his career saving for a dream home. Another is a retired Army General who has borne the brunt of Richards' threats and taunts. Another still is a 20-year resident with late-stage cancer and is unlikely to see the end of this litigation. Richards and Schlesinger seem undeterred by the emotional toll they have cost and the mounting municipal fines they have received. Plaintiffs seek damages for 1) diminution of value to their homes in an amount to be proven at trial, 2) the loss of their nonpossessory interest in the golf course, 3) the loss of quiet enjoyment of their homes, 4) intentional infliction of emotional distress, 5) treble the foregoing damages, 6) attorneys' fees, 7) costs, and 8) punitive damages. Plaintiffs also seek abatement, injunctive relief, and specific performance.

1 **II. JURISDICTION AND VENUE**

2 4. This Court has subject matter jurisdiction over this action because it is a court of  
3 general jurisdiction with the authority to hear and decide claims arising under California statutory  
4 and common law. CAL. CONST. art. VI, § 10; CAL. CIV. CODE § 410.10.

5 5. This Court has personal jurisdiction over Plaintiff Homeowners' Association (the  
6 "HOA") because it was incorporated in California and submits to the jurisdiction of this Court.

7 6. This court has personal jurisdiction over Mary Willis and other homeowners  
8 because they reside in California and submit to the Court's jurisdiction.

9 7. This Court has personal jurisdiction over Defendants because they reside in  
10 California, are incorporated in California, and do substantial business in California.

11 8. Venue is proper in this Court because this Court is located in Riverside County,  
12 California, the Defendants do business in Riverside, and the facts giving rise to the causes of action  
13 and supporting the liability of Defendants occurred in Riverside, California.

14 **III. PARTIES**

15 **A. Plaintiffs**

16 9. The Rancho Mirage Homeowners Association ("HOA") represents all of the people  
17 who own homes in the Rancho Mirage Country Club ( the "Homeowners") for all causes of action  
18 arising out of violations to their mutual interests in the Rancho Mirage Country Club  
19 condominiums, in accordance with the HOA bylaws (Riverside County Recorder Instrument Nos.  
20 139440 and 139441) and California law.

21 10. Mary Willis is a 17-year resident and homeowner of the Rancho Mirage Country  
22 Club. She is also a member of the Rancho Mirage Country Club Homeowners Association Board  
23 of Directors. By purchasing a home at Rancho Mirage Country Club, Ms. Willis holds a  
24 nonpossessory interest in the adjacent golf course.

25 **B. Defendants**

26 11. Defendant Ronald Richards is a white-collar criminal defense attorney licensed in  
27 the state of California with principal offices in Beverly Hills. Richards is the registered agent of  
28 Oasis Ranch LLC and one of its founding principals. Richards was the spokesperson on behalf of

1 three different companies that have attempted to turn golf courses into housing developments  
2 against the wishes of surrounding homeowners. Richards' 32-paragraph biography can be found at  
3 www.ronaldrichards.com. His Wikipedia page can be located at:  
4 [https://en.wikipedia.org/wiki/Ronald\\_Richards\\_\(lawyer\)](https://en.wikipedia.org/wiki/Ronald_Richards_(lawyer)).

5 12. Defendant Michael Schlesinger is a hedge-fund manager also located in Beverly  
6 Hills. He is the owner of Stuck in the Rough LLC, which owns the now-defunct golf course at the  
7 Escondido Country Club in Escondido, California. Upon information and belief, he is one of the  
8 principals of Oasis Ranch LLC.

9 13. Oasis Ranch LLC (Secretary of State File No. 201516710221) is a limited liability  
10 entity created by Richards, Schlesinger and other principals on June 15, 2015, four days before it  
11 purchased the Rancho Mirage Country Club on June 19, 2015. It is the current owner of a  
12 possessory interest in the Rancho Mirage Country Club Lots 7-10 (the "Golf Course").

13 14. Western Golf Properties, LLC (Secretary of State File No. 00303610011) ("Western  
14 Golf") is a California limited liability company doing substantial business in California with a  
15 registered agent for service of process in California. At all times relevant to this action, Western  
16 Golf was an agent, partner, and co-conspirator of Richards, Schlesinger, Principals Doe 1-20,  
17 Black Entities 1-10 and Oasis Ranch LLC.

18 15. Principals Doe 1-20 are unknown principals of Oasis Ranch LLC.

19 16. Black Entities 1-10 are unknown entities who own Oasis Ranch LLC or lend money  
20 to Oasis Ranch LLC, Ronald Richards, and Michael Schlesinger.

#### 21 **IV. FACTUAL ALLEGATIONS**

22 17. This lawsuit arises out of the actions of Richards, Schlesinger, and their co-  
23 conspirator, Western Golf Properties at the Rancho Mirage Country Club, but it also challenges  
24 under the California Unfair Competition Law, what has become a pattern of abusive conduct by  
25 those parties in multiple communities across the Southwest. Accordingly, the facts below describe  
26 the Defendants' actions in Escondido, California and Clark County, Nevada before the facts that  
27 form the basis for actions arising solely out of Rancho Mirage, California.  
28



1     **A.     Escondido, California – an Example of Defendants’ Modus Operandi**

2             **1.     Richards and Schlesinger buy the Escondido Country Club in 2012, sue the**  
3             **surrounding Homeowners, and dump feces in their yards.**

4             18.     In December 2012, Ronald Richards and Michael Schlesinger bought the Escondido  
5     Country Club golf course. At the time, they assured the Homeowners that they would continue  
6     running the golf course in good faith – an assurance that Schlesinger himself acknowledged to be  
7     false in later depositions.<sup>1</sup>

8             19.     After three months of ownership, Richards and Schlesinger announced that the golf  
9     course was insolvent and that they would be forced to repurpose the property. In an effort to save  
10    the course, the Homeowners of Escondido proposed a number of plans to increase its profitability,  
11    but Schlesinger and Richards rejected them without discussion.<sup>2</sup> Instead, they announced that they  
12    would build a 600-unit housing complex where the golf course used to be. The 600-unit complex  
13    would become their signature opening bargaining position in subsequent negotiations with other  
14    communities.

15            20.     After exhausting their options with Richards and Schlesinger, the Homeowners  
16    petitioned the city to have the property re-zoned an “Open Space Overlay.” The city council  
17    unanimously ratified their initiative, thwarting Richards’ and Schlesingers’ plans for  
18    redevelopment.<sup>3</sup>

19            21.     Richards and Schlesinger responded by retaliating against the Homeowners. First,  
20    they filed suit against 26 of the Homeowners who they blamed for the initiative.<sup>4</sup> Next, they  
21    targeted their homes and blocked their emergency egress routes with chain-link fences, including  
22    the home of a 93-year old WWII veteran.<sup>5</sup> Finally, Schlesinger and Richards purchased five tons of

23            <sup>1</sup> *The Many Claims of Michael Schlesinger*, ESCONDIDOHOMEOWNERS.ORG,  
24    <http://www.escondidohomeowners.org/content/many-claims-michael-schlesinger> (last visited  
October 16, 2015).

25            <sup>2</sup> *No on Prop H*, ESCONDIDOHOMEOWNERS.ORG,  
26    <http://www.escondidohomeowners.org/content/no-h> (last visited September 30, 2015).

27            <sup>3</sup> *Id.*

28            <sup>4</sup> *Id.*

<sup>5</sup> *Land Owner Stuck in the Rough Puts up Fencing in Escondito*, SANDIEGOREADER.COM,  
<http://www.sandiegoreader.com/news/2013/oct/27/stringers-land-owner-stuck-rough-ill-will/> (last  
visited September 30, 2015).

1 raw, unprocessed chicken feces and dumped it behind the homes of residents they held responsible  
2 for the initiative.<sup>6</sup>

3 22. The noxious smell penetrated homes through ventilation systems and caused illness  
4 among the residents. After receiving 63 complaints, including claims of watery eyes, nausea, and  
5 headaches, the San Diego Air Pollution Control District visited the property and tested the air. The  
6 tests revealed a rating of “class five” air pollution – a level at which people cannot breathe without  
7 gagging.<sup>7</sup>

8 23. The City of San Diego assessed a \$100,000 fine for Richards and Schlesinger and  
9 ordered them to remove the manure. Richards then approached the newspaper and stated that the  
10 fine was merely a “donation.”<sup>8</sup> Richards also stated that the manure was “soil enhancer,” but it  
11 differed from fertilizer in it had not been composted or processed into a sanitary quality. It was raw  
12 chicken feces.<sup>9</sup>

13 24. The Director of San Diego Air Pollution Control publically questioned Richards’  
14 “soil enhancer” comment, stating: “Defendants rarely admit anything and that’s pretty  
15 common...[w]e know the manure was put there intentionally. As to why was the big question. We  
16 were told it was for golf course maintenance but the golf course had been defunct for several  
17 years.”<sup>10</sup>

18  
19  
20  
21 <sup>6</sup> *No on Prop H*, ESCONDIDOHOMEOWNERS.ORG,  
<http://www.escondidohomeowners.org/content/no-h> (last visited September 30, 2015).

22 <sup>7</sup> *Dispute over Escondido Golf Course Land Turns into a Smelly Mess*, Tony Perry, LOS  
23 ANGELES TIMES, <http://www.latimes.com/local/la-me-chicken-manure-20150906-story.html> (last  
visited September 30, 2015).

24 <sup>8</sup> *Id.*

25 <sup>9</sup> *No on Prop H*, ESCONDIDOHOMEOWNERS.ORG,  
<http://www.escondidohomeowners.org/content/no-h> (last visited September 30, 2015); *\$100K*  
26 *Settlement in Chicken Manure Case*, Harry J. Jones, SAN DIEGO UNION TRIBUNE,  
<http://www.sandiegouniontribune.com/news/2015/aug/28/escondido-settlement-chicken-manure/>  
27 (last visited September 30, 2015).

28 <sup>10</sup> *\$100K Settlement in Chicken Manure Case*, Harry J. Jones, SAN DIEGO UNION TRIBUNE,  
<http://www.sandiegouniontribune.com/news/2015/aug/28/escondido-settlement-chicken-manure/>  
(last visited September 30, 2015).

1           25.     To this day, Richards and Schlesinger have declined to explain why unprocessed,  
2 raw feces was necessary to enhance the soil of property they had not otherwise maintained for  
3 years and have not maintained since.

4           26.     On the twenty-fourth paragraph of Richards' website biography, he states the  
5 following about his interaction with residents of the Escondido Country Club: "[Richards]  
6 presently vindicates the rights of landowners who are victimized by mob rules initiatives. He is a  
7 strong believer in property rights."<sup>11</sup>

8 **B.     Clark County, Nevada – Another Example of the Defendants' Misconduct**

9           **1.     Richards and Schlesinger try to bully Nevada Homeowners, but Federal Judge**  
10           **Boulware orders them to restore the Golf Course.**

11           27.     Since 2002, the Homeowners' Association of Silverstone Country Club enjoyed a  
12 covenant restricting the use of the adjoining property to a 27-hole championship golf course. At  
13 the time Richards and Schlesinger bought the property, it was a fully operational golf course.

14           28.     Immediately after taking possession in autumn 2015, Schlesinger, Richards, and  
15 their company, Desert Lifestyles LLC, sought to blight the property. Upon information and belief,  
16 this was done in order to depress home values and intimidate the Homeowners into relinquishing  
17 their rights under the covenant. They surrounded the golf course with a chain-link fence and they  
18 ceased all maintenance in an effort to blemish the course and run it fallow.

19           29.     Finally, they changed the Country Club's homepage so that the picture it previously  
20 displayed, containing green grass and a blue sky, was curiously altered so that it displayed brown  
21 grass and a grey sky. Even the scenic mountains appear faded, although the positions of the clouds  
22 proves it is the same photo. Upon information and belief, Richards and Schlesinger altered the  
23 photo to emphasize the forthcoming blight if the Homeowners did not relinquish their rights.

24  
25  
26  
27  
28 <sup>11</sup> *Ronald Richards and Associates/Biography*, RONALDRICHARDS.COM,  
<http://ronaldrichards.com/biography/> (last visited September 30, 2015).

30. Original green and blue version with pronounced mountains:



31. Altered brown and grey version with faded mountains:



32. Schlesinger, Richards, Desert Lifestyles LLC, and their agent, Western Golf Properties LLC, then invited the Homeowners to a town hall meeting where they announced that the property would never again be a golf course and that it would lie fallow and blighted until the Homeowners relinquished their rights under the covenant and allowed development.

33. The Homeowners filed suit in Clark County, Nevada and Desert Lifestyles LLC removed the case to federal court on September 18, 2015. On September 26, 2015, Federal Court Judge Richard Boulware issued a temporary restraining order requiring that Desert Lifestyles LLC “turn on the water as necessary to flush the pipes and irrigate the greens, fairways, and surrounding flora and fauna located on the Golf Course property.



34. In response, Richards approached the local newspaper, the *Las Vegas Review Journal*, and stated that he had offered to give the Silverstone residents half of the golf course property. The attorney for plaintiffs in that case has stated that is a falsehood.<sup>12</sup>

**C. Rancho Mirage Country Club and the Instant Action – More of the Same Misconduct**

**1. The Developers of Rancho Mirage Country Club intended for the property to function as a Golf Course for Homeowners to rely upon when purchasing homes.**

35. The Rancho Mirage Country Club was a community developed by Woodhaven Developers, Inc. in 1984. It contains an 18-hole golf course and 266 homes.



36. Woodhaven intended for home purchasers to rely upon the existence of and proximity to a golf course when making decisions to purchase homes in the Rancho Mirage

<sup>12</sup> *Silverstone Owner Offers to Give Some land to Adjoining Property Owners*. LAS VEGAS REVIEW JOURNAL, <http://www.reviewjournal.com/news/las-vegas/silverstone-owner-offers-give-some-land-adjoining-property-owners> (last visited October 12, 2015).

Country Club. Accordingly, they executed and recorded a “Declaration of Covenants, Conditions, and Restrictions” (the “CC&R”) with Riverside County (instrument # 1984-139441), which states:

Declarant intends to construct upon Lots 1 through 6 a condominium project, including...approximately 270 condominium units.  
Declarant shall also construct upon Lots 7 through 10 a golf course and country club facility.

Inasmuch as many purchasers of condominiums within Lots 1 through 6 may acquire their condominiums in contemplation of the proximity, availability and use of these golf course and country club facilities, the purpose of this Declaration is to describe the rights of condominium purchasers to use and enjoy the golf course and country club facilities and to restrict the use of Lots 7 through 10 for a reasonable time from other than golf course and country club uses.

\*\*\*

2. Restricted Use. So long as lots 1 through 6 continue to be used for residential condominium purposes, the use of Lots 7 through 10 shall be restricted to golf course, country club and similar recreational uses.

37. The following is a photograph of the course taken in approximately mid-2014.



1           **2.       Richards and Schlesinger conspired with Western Golf to purchase the Rancho**  
2           **Mirage Country Club and violate its covenants and created a sham limited**  
3           **liability company to escape liability.**

3           38.       Before purchasing the Golf Course, Richards and Schlesinger enlisted Western Golf  
4           CEO Bobby Heath and its manager Edward Schiller to assist them in the actions described below.  
5           Richards and Schlesinger told Heath and Schiller about their intentions to commit the actions. And  
6           Heath and Schiller assisted Richards and Schlesinger with full knowledge of their intent to commit  
7           the actions.

8           39.       In May or June, 2015, Edward Schiller approached PSH Holdings, then-owners of  
9           the golf course, and asked them to sign a confidentiality agreement prohibiting PSH from  
10          disclosing Richards' and Schlesinger's identities to the Homeowners. Western Golf's agent  
11          Edward Schiller represented to PSH's employees that the new owners intended to continue running  
12          the golf course and planned to keep the staff. Western Golf then told the manager of the golf  
13          course, Brynda Ames, to send letters to the Homeowners stating that the golf course would  
14          continue operation under Western Golf's management.

15          40.       On June 15, 2015, Schlesinger, Richards, Principals 1-20, and Black Entities 1-10  
16          created Oasis Ranch LLC for the purpose of escaping liability while they violated the Rancho  
17          Mirage Country Club covenants, committed civil infractions, and provoked litigation.

18          41.       Richards, Schlesinger, and Oasis Ranch LLC executed and recorded the sale of the  
19          Rancho Mirage Country Club Golf Course subject to all recorded covenants on June 19, 2015.  
20          Their first act as the new owners was to fire the employees, close the clubhouse, and drape a  
21          "CLOSED" sign on the front door. Then, as they did in Silverstone, they altered the homepage  
22          photo so that the erect, green grass appeared brown and dead. Again, upon information and belief,  
23          this was done to intimidate the Homeowners by forecasting the blight that would occur if they did  
24          not relinquish their covenant rights.





3. **Richards, Schlesinger, Oasis Ranch, and Western Golf manipulate the Homeowners and distract them with disingenuous negotiations.**

42. After receiving inquiries from Homeowners about the golf course closure, Western Golf approached the Homeowners on July 1, 2015 with a document containing options to keep the course open. The first option suggested that the Homeowners purchase the property from the Defendants at the value for which the Defendants had theretofore invested. The second option required the Homeowners to subsidize the defendants' golf course operations and guarantee Richards and Schlesinger a profit of 10-20%.

43. But the letter was crafted so that it would never be accepted and could never be enforced. For example, the letter acknowledged that the Homeowners would be unable to review the options until their July 16, 2015 HOA meeting, yet it required that the Homeowners send a letter of intent by July 31, 2015 – a timeframe that Richards, who is an attorney, knew to be unrealistic given the HOA's obligations under the Davis-Sterling Act. The letter also stated that the amount Richards and Schlesinger had invested was \$1.2 million more than what was recorded in the grant deed. Furthermore, the letter conspicuously avoided the words "offer" or "accept" and replaced them instead with the term "options to consider." Upon information and belief, Richards and Schlesinger, an attorney and a sophisticated real estate developer, drafted the letter with that latitude so that they could later the document was a contract offer or a non-binding preliminary negotiation, depending on the outcome.

44. In spite of the short timeframe, the HOA Board moved quickly to get preliminary approval from the Homeowners and sent a response on July 20, 2015. The response stated that the



HOA “accept[ed]” the first option, but required additional time to comply with their obligations under the HOA bylaws and California law.

45. Ronald Richards then contacted the Homeowners and stated that he would treat their acceptance letter as a counteroffer and reject it on the grounds that it required an extension of the timeframe. Only during that exchange did Richards refer to the July 1, 2015 document as an “offer” – the moment at which he rejected it. But in spite of his rejection on the basis of extending the timeframe, Richards never did anything else with the property for the duration of that timeframe.

46. A number of Homeowners, including members of the HOA board, contacted Richards over the next several weeks under the impression that he might still be willing to negotiate – an impression that he continued to foster. They proposed several ways in which they could shorten the transaction timeframe and they even offered to introduce him to willing lenders to show their intentions were genuine. But Richards’ offer itself was not genuine. By this point, the golf course had become suitably derelict and Richards was ready to move to the next stage of his plan. He rejected all of the Homeowners’ overtures.

**4. Richards and Western Golf present the Homeowners with a development plan for a 600-Unit complex, surround the property with a chain-link fence, and state they will blight the property into “the distant future” if the Homeowners do not immediately relinquish their covenant rights.**

47. Richards and Western Golf invited the Homeowners to an August 20 meeting to discuss options. By that time, the golf course was noticeably dying and the trees had begun to wilt, so the Homeowners attended the meeting hoping the Defendants would propose a plan to restore the property. Instead, Western Golf presented the Homeowners with Richards’ and Schlesinger’s plans to build a 600+ unit assisted-living complex on the golf course. Richards would later deny that he ever intended to build the complex and stated instead it was a negotiation tactic to gain leverage.

48. The Homeowners, sensing urgency, created an ad hoc committee to petition Richards to reconsider restoring the golf course. They selected Steve Downs to negotiate with Richards. When Downs contacted Richards on behalf of the Homeowners, Richards told Downs the property would never again be a golf course. He stated that if the Homeowners did not

1 relinquish their rights under the covenant immediately, Richards would leave the property to decay  
2 until “mid-2016,” one year in the future. He also told Downs that he would put up a chain link  
3 fence to “make that clear.”

4 49. Downs responded by asking Richards for more time to communicate with the  
5 Homeowners. Richards sent a schedule to the HOA board president indicating that he would make  
6 a final presentation on October, 2015. The document stated that, if the HOA did not pass a vote in  
7 the following month, Richards would fence the property and force the Homeowners to live with the  
8 decomposing golf course until “the distant future.” Upon inquiry from the local newspaper,  
9 Richards stated that he would leave the property in its then-current condition for ‘100 years’ if the  
10 Homeowners did not relinquish their rights. In response, the Homeowners began exploring legal  
11 options.

12 50. In mid-September, Richards, Schlesinger, and Western Golf learned that the HOA  
13 had contacted legal counsel and decided to retaliate. They surrounded the homes with a chain-link  
14 fence and threatened to tear down the club house. As an insult to the homeowners, they placed the  
15 fence within ten feet of the homeowners’ homes. The Rancho Mirage City code inspector who  
16 visited the property stated that the fence violates code for blocking escape routes in case of  
17 emergencies. Richards publically stated that the purpose of the fence was to protect children from  
18 injuring themselves in the open space.

19 51. The following are photos taken during the fence construction.  
20  
21  
22  
23  
24  
25  
26  
27  
28



**5. Oasis Ranch's violation of covenants have damaged the Homeowners, their titles, and the property in which they hold a nonpossessory interest.**

52. Defendants have ceased watering and maintaining the golf course. As a result, the golf course grass has turned brown, died, and the course is now being reclaimed by weeds and other invasive plant life. The dead grass has driven crickets and other insects into homes. The date palms have begun to drop fruit, attracting rats and other animals into the neighborhood. The pine and palm trees have begun to die and, given their shallow root ball structures, have begun to pose a hazard of falling over. A 30-year old palm tree can weigh several tons, enough to smash a home.

53. Defendants have stopped maintaining the ponds and reservoirs located on the golf course. The water levels have continuously dropped from evaporation and natural ground seepage. The receding water levels have impacted the wildlife living in and around the ponds and have exposed decaying biological matter, including bird feces. The smell is noxious and is overpowering the homes lining the golf course. The stagnant water has also created a population of mosquitos, flies, and other insects that interrupt the quiet enjoyment of homes.

1           54. Defendants have shuttered and turned off the water to the club house. The club's  
2 grease traps and sewage pipes not being flushed. The community is starting to stink like sewage. A  
3 continued failure to flush water through the pipes threatens a toxic safety hazard in the community.

4           55. Defendants have placed fences around the property that block the Homeowners'  
5 emergency egress routes. Rancho Mirage safety inspectors have reviewed the placement of the  
6 fence and deemed that it is a "safety hazard."

7           56. Western Golf, acting at the direction of Oasis Ranch, intends to remove the golf  
8 course's water pumps, which are necessary to irrigate and maintain quality water throughout the  
9 property. The removal of the water pumps will prevent Oasis Ranch, Homeowners, and any  
10 successors to their property interests from watering the golf course, causing further decay and  
11 waste.

12           57. The Defendants' actions have rendered the property blighted, covered in tire tracks,  
13 and looking worse than the natural landscape outside of the community. The Defendants have been  
14 cited by the city of Rancho Mirage for more than 20 municipal health and aesthetic violations and  
15 have stated that they intend to continue the behaviors that violate those regulations.

16           58. The actions of Defendants have caused a substantial depreciation in value to the  
17 Homeowner's homes. Real estate agents refuse to show any homes on the property out of fear of  
18 being sued by buyers. Between March 27 and July 1, 2015, three former homeowners of the  
19 Rancho Mirage Country Club sold their 2,314 - 2,372 square foot homes for prices between  
20 \$499,000 and \$540,000. On October 15, 2015, a homeowner was forced to lower the price of her  
21 home to 2,372 square foot home to \$335,000 to attract a buyer- an estimated loss of 33-38%.  
22 Based on that measurement, the greater community has suffered between \$32m and \$39m in  
23 diminution of value.

24           59. The Defendants have demonstrated a pattern of misconduct, malicious intent, and  
25 intent to oppress. They forced men and women to beg them for the restoration of their golf course  
26 in public meetings. They caused the elderly homeowners to spend hours laboring to put together  
27 fruitless deals to restore the course under the false impression that the Defendants were willing to  
28 negotiate – an impression the Defendants themselves cultivated. They caused the elderly

1 homeowners to fear whether they can safely leave their homes in emergency situations. They have  
2 intentionally frustrated the benefits of the bargain for which the Homeowners negotiated –  
3 Homeowners like Mike Davis, a former firefighter who saved up his entire career for a retirement  
4 home on a golf course. They have caused emotional distress to Bob Zwissler, a 20-year resident  
5 suffering from Stage IV cancer who does not know if he will ever see the end of this litigation. It is  
6 not an exaggeration to say that the defendants have caused many tears and sleepless nights for the  
7 Homeowners. And the Defendants have been very transparent about the fact that they did it all to  
8 subordinate the Homeowners into an inferior negotiating position.



## 22 V. CAUSES OF ACTION

23 60. The Rancho Mirage Homeowners Association brings the following causes of action  
24 on behalf of itself and the individual Homeowners of Rancho Mirage Country Club.

### 25 FIRST COUNT

#### 26 BREACH OF COVENANT – CAL. CIV. CODE § 1468, *et seq.* 27 (By Plaintiff RMCCHOA against all Defendants)

28 61. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.



1           62.     The CC&R (Riverside County Instrument No. 139441) actively runs with the  
2 Rancho Mirage Country Club homes and the Golf Course. To begin with, the CC&R described the  
3 land to be affected and the land to be benefitted by the covenants. It restricted the character of Lots  
4 7-10 to a golf course, country club, or similar recreational purpose. And it stated that the property  
5 to be benefitted would be the Homeowners of lots 1-6. It stated that it would run with the titles to  
6 the Homeowners' condominium homes. And it expressed an intent for the Homeowners to  
7 purchase their property "in contemplation of the proximity, availability and use of these golf course  
8 and country club facilities." The CC&R gave the power to enforce the rights under that document  
9 to the Homeowners' association. And it was duly recorded in the office of the recorder of Riverside  
10 County.

11           63.     After filing the CC&R, Woodhaven acted consistently with that document. It  
12 subdivided Lots 1 through 6 into individual condominium plots and duly conveyed those plots to  
13 the current Homeowners. Woodhaven also developed Lots 7 through 10 into the Rancho Mirage  
14 Country Club Golf Course and duly conveyed those lots through a sequential chain of purchasers  
15 to Richards, Schlesinger, and Oasis Ranch LLC.

16           64.     The CC&R binds the Golf Course because the Homeowners purchased their  
17 property in contemplation of the proximity, availability, and use of the golf course and country  
18 club facilities. And operation of the golf course was reasonable as of June 19, 2015. The golf  
19 course was fully operational prior to that date and there have been multiple offers before and after  
20 that date from prospective purchasers who wish to run the golf course in good faith.

21           65.     Under CAL. CIV. CODE §1468, all real estate purchases are subject to recorded  
22 covenants without regard to whether they are referenced in the grant deed. However, the Grant  
23 Deed executed between PSH Holdings and Oasis Ranch LLC on June 19, 2015, explicitly stated  
24 that it was subject to all recorded covenants.

25           66.     By shutting down an active golf course, tearing out its golf-course fixtures, allowing  
26 the golf course to become fallow, allowing the golf course to become blighted, surrounding the  
27 golf course with a chain-link fence in violation of municipal codes, blighting the property,  
28 threatening to tear down the club house, threatening to develop the property, rendering the property

1 in a worse condition than the natural landscape, and explicitly stating that they never again  
2 intended to use the property as a golf course, Defendants violated the CC&R, its intent, and the  
3 covenants therein.

4 67. By using the property to store equipment and other property, using it as a tax  
5 shelter, using it for other tax purposes, and using the property to harass and antagonize the  
6 Homeowners without using the property as contemplated by the CC&R, Defendants violated the  
7 CC&R, its intent, and the covenants therein.

8 68. As a direct and proximate cause of Defendants' violation of the CC&R, the  
9 Homeowners have suffered diminution to the values of their homes, harm to their nonpossessory  
10 interest in the golf course, harm to the titles of their condominiums, loss of rental property income,  
11 loss of quiet enjoyment of their homes, mental anguish, emotional distress, loss of the benefit of  
12 the bargain they struck when purchasing their homes, and other measureable losses.

## 13 **SECOND COUNT**

### 14 **BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING** 15 **(By Plaintiff RMCCHOA against all Defendants)**

16 69. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

17 70. Defendants entered into a covenant with the Homeowners. In California, covenants  
18 sound in contract and equity and are governed by the principals of both.

19 71. In every contract is an implied covenant of good faith and fair dealing.

20 72. Both the Defendants and the Plaintiffs were parties to the covenant. Defendants  
21 Richards, Schlesinger, and Oasis Ranch LLC received benefits of the covenant by taking  
22 possession of the golf course.

23 73. Defendants violated the Implied Covenant of Good Faith and Fair Dealing in  
24 multiple ways. For example, the Defendants availed themselves of a contractual relationship with  
25 the intention of violating that relationship. They also induced the Homeowners into a disingenuous  
26 negotiation in order to distract them while they advanced interests in contradiction to the ostensible  
27 goal of those negotiations. They threatened to further violate the covenant by building a  
28 development on the property. And even if the Defendants did not violate the technical terms of the

1 covenant, they acted on a bad faith interpretation of it for their own financial gain. All of these  
2 actions unfairly interfered with the Plaintiffs' rights to receive the benefits of the covenant.

3 74. As a result of Defendants' conduct, Plaintiffs suffered diminution of value to their  
4 property, pecuniary losses, loss of quiet enjoyment of their homes, mental anguish, and emotional  
5 distress.

### 6 **THIRD COUNT**

#### 7 **VIOLATION OF THE CALIFORNIA UNFAIR COMPETITION LAW -** 8 **CAL. BUS. & PROF. CODE § 17200, *et seq.*)** 9 **(By Plaintiff RMCCHOA against all Defendants)**

10 75. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

11 76. Defendants have engaged in unfair competition within the meaning of California  
12 Business & Professions Code Section 17200, *et seq.* because Defendants' conduct is unlawful,  
13 unfair, and fraudulent as herein alleged.

14 77. Defendants violated the unlawful prong of the unfair competition law by violating  
15 dozens of sanitary and aesthetic municipal codes in order to blight the golf course and diminish the  
16 home values of the Homeowners in pursuit of Defendants' own financial gain.

17 78. Defendants violated the unfairness prong of the UCL, because their business  
18 practices are immoral, unethical, oppressive, unscrupulous and/or substantially injurious to others,  
19 the harm of which greatly outweighs any benefit to any party. As set forth above, Defendants  
20 drastically diminished the value of 266 homes in pursuit of their own financial gain. Defendants  
21 also, for example, purposefully blighted the views of the Homeowners in order "make it clear" that  
22 the Homeowners must relinquish their rights under the covenants. Defendants engaged in  
23 disingenuous negotiations, not for the purpose of bargaining, but as a tactic to distract the  
24 Homeowners while they advanced interests in dichromatic opposition to the spirit of those  
25 negotiations. Finally, Defendants, routinely avail themselves of contractual relationships in  
26 California and Nevada with the intention of violating those covenants as soon as they receive the  
27 benefits.

28 79. Defendants violated the fraudulent prong of the UCL by employing intentional  
misrepresentation and availing themselves of contractual relationships with the intention of



1 violating those contracts as soon as they received the benefits. Defendants, for example, induced  
2 the Homeowners into a faux contract negotiation for the purposes of distracting the Homeowners  
3 while they took measures that were adverse to the spirit of that negotiation. Defendants also  
4 routinely enter into binding covenants with the intention of interpreting those covenants in bad  
5 faith, and violating the principle, spirit, and precise terms of the covenants. All of the foregoing,  
6 the Defendants have done for their own financial gain.

7 80. The foregoing actions have caused the Homeowners substantial injuries, are not  
8 outweighed by any countervailing benefits to the Homeowners or the Defendants, and are not  
9 injuries the Homeowners could have reasonably avoided.

10 81. All of the wrongful conduct alleged herein occurred, and continues to occur, in the  
11 conduct of Defendants' business. Defendants' wrongful conduct is part of a general practice that is  
12 still being perpetuated and repeated throughout the State of California and Nevada.

13 82. Plaintiffs request that this Court enter such orders or judgments as may be necessary  
14 to enjoin Defendants from continuing to violate community covenants and other unfair and  
15 deceptive business practices.

#### 16 **FOURTH COUNT**

##### 17 **INTENTIONAL MISREPRESENTATION** 18 **(By Plaintiff RMCCHOA against all Defendants)**

19 83. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

20 84. Defendants represented to the Rancho Mirage Country Club Homeowners'  
21 Association, the Homeowners, and PSH Holdings on multiple occasions that they were willing to  
22 keep the Golf Course open or sell it to the HOA. But Defendants were not willing to keep the Golf  
23 Course open or sell it to the HOA.

24 85. Defendants knew that the representations were false and intended for the  
25 Homeowners and the HOA to rely on the representations in order to stave off those parties' efforts  
26 to pursue their rights under the law, purchase the property themselves, and otherwise prevent  
27 destruction of the Golf Course.

28 85. The HOA and the Homeowners reasonably relied on the Defendants'  
representations. And their reliance on Defendants' representation was a substantial factor

1 causing harm to their nonpossessory interest in the Golf Course, diminution of value to their  
2 homes, pecuniary losses, and loss of quiet enjoyment.

3 **FIFTH COUNT**

4 **INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS**  
5 **(By Plaintiff Mary Willis against all Defendants)**

6 86. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

7 87. A person commits intentional infliction of emotional distress when 1) their conduct  
8 is extreme, outrageous, and conducted with the intention of, or reckless disregard of, the  
9 probability of causing emotional distress; 2) the plaintiff suffered severe or extreme emotional  
10 distress, and; 3) the conduct was an actual and proximate cause of the emotional distress.

11 88. A person's home is their sanctuary, especially when it is their retirement home.  
12 Defendants' conduct, which intentionally threatened and disturbed the quiet enjoyment of the  
13 Plaintiffs' homes was extreme, outrageous and was intended to cause anxiety for the purpose of  
14 oppressing the Homeowners into a subordinate negotiating position. The Defendants lured the  
15 Homeowners into negotiations to save their community, knowing that the negotiations were  
16 disingenuous and knowing they would frustrate the Homeowners' efforts by reneging on those  
17 negotiations and advancing interests in direct contradiction to the spirit of the negotiations. And  
18 after reneging on the negotiations, they threatened to build a 600-unit apartment complex in the  
19 middle of the homeowners' homes. Then, the Defendants tried to bully the Homeowners into  
20 immediately relinquishing their rights or else they would be saddled with a dilapidated view until  
21 "mid-2016" or "the distant future." Finally, the Defendants taunted the Homeowners by erecting an  
22 unnecessary chain-link fence immediately adjacent to make all the foregoing threats "clear."  
23 Defendants have been clear throughout that they performed these actions to cow the homeowners  
24 into re-negotiating rights they already held, subordinate them into an inferior bargaining position,  
25 and advance their own interests at the expense of the homeowners. Insofar as these acts were not  
26 intentional, they were done with reckless disregard to the emotional toll it would take on the  
27 residents of the Rancho Mirage Country Club.

28 89. Defendants actually, proximately, and substantially caused Mary Willis and other  
homeowners severe and extreme emotional distress, longstanding grief, chagrin, disappointment,

1 worry, and other mental anguish in order to subordinate the Homeowners and improve their  
2 bargaining position. Defendants knew that emotional distress would probably result from their  
3 conduct and gave little or no thought to the probable effects of their conduct.

4 **a. Class Claims**

5 **SIXTH COUNT**

6 **NUISANCE**

7 **(By Plaintiff Mary Willis against all Defendants)**

8 90. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

9 91. Defendants caused temporary and permanent injury to the property that cannot be  
10 remediated without extensive rehabilitation – rehabilitation which the current owners are unlikely  
11 to provide. The water hazards became breeding-pools for mosquitos and flies. The dead grass  
12 drove insects into the Rancho Mirage Country Club homes. The overgrown date palms have  
13 attracted rats and other rodents into the neighborhood. The Rancho Mirage city code inspector has  
14 remarked that the chain-link unlawfully blocks the Homeowners’ emergency egress routes. The  
15 Defendants have been cited by the City of Rancho Mirage for infractions of the municipal code  
16 more than 20 times without rehabilitating the property.

17 92. Because of the extensive, temporary, and permanent damages Defendants have  
18 caused to the property of Mary Willis and other Homeowners, the they have suffered diminution of  
19 value to their homes, loss of enjoyment of their homes, and mental anguish. Mary Willis bring this  
20 count for compensatory damages and abatement.

21 **SEVENTH COUNT**

22 **SLANDER OF TITLE**

23 **(By Plaintiff Mary Willis against Ronald Richards, Michael Schlesinger,**  
**Oasis Ranch LLC, Principals Doe 1-20, and Black Entities 1-10)**

24 93. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

25 94. The titles to the condominium homes included a nonpossessory interest in the Golf  
26 Course, giving the Homeowners the right to control the character of the lots outside of its use as a  
27 “golf course, country club, or similar recreational use.” (Riverside County Instrument No.  
28 139441).

95. On and after June 19, 2015, the Defendants slandered the Homeowners' titles to their condominiums and slandered their nonpossessory interest in the Golf Course by intentionally, and without justification, publicizing to Western Golf and the local newspapers that the Homeowners' titles to condominiums did not come with a nonpossessory interest to control the character of the Golf Course.

96. Defendants' publication induced, directly caused, and proximately caused Western Golf and others to destroy the benefit of the titles the Homeowners held in their condominiums and the nonpossessory interest the Homeowners held in the Golf Course.

97. Because of Defendants' false publication, Mary Willis and other Homeowners suffered diminution to the value to the titles in the condominiums, including the difference in value between the condominium homes before June 19, 2014 and at present. They also suffered diminution of value to their interest in the Golf Course, including the difference in value between the Golf Course before June 19, 2014 and present.

98. Because of Defendants' false publication, Plaintiffs have been forced to incur attorneys' fees and costs.

## EIGHTH COUNT

## WASTE

(By Plaintiff Mary Willis against all Defendants)

99. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

100. Waste is conduct, including both acts of commission and omission, on the part of a person in possession of land, which is actionable at the behest of, and for the protection of the reasonable expectations of the owner of nonpossessory interests in the land. Waste occurs when the person with a possessory interest takes action that depreciates the market value of property, substantially or permanently, as a result of omission or commission and thereby diminishes the value of the nonpossessory interest in the property.

101. Defendants Oasis Ranch LLC, Michael Schlesinger, and Richards hold possessory interests in the Golf Course.

102. The Homeowners, including Mary Willis, hold a nonpossessory interest in the Golf Course.

1           103. By refusing to maintain an active, operating Golf Course as soon as they took  
2 possession and by undertaking affirmative actions that degraded the quality of the golf course,  
3 Defendants interfered with Mary Willis' and the Homeowners' nonpossessory interest in the Golf  
4 Course, and diminished the value of that interest substantially and permanently.

5           104. 104. As a direct and proximate result of Defendants' actions and omissions, Mary  
6 Willis has suffered the loss of benefit of her interest in the Golf Course.

7 **b. Punitive Damages**

8 **NINTH COUNT**

9 **PUNITIVE DAMAGES**  
10 **(By all Plaintiffs against all Defendants)**

11           105. Plaintiffs incorporate by reference all allegations in the foregoing paragraphs.

12           106. Defendants have exhibited a pattern of fraud, oppression, and malice toward the  
13 Homeowners as well as neighbors in several other communities. They have intentionally stressed  
14 and harassed homeowners across the Southwest in an effort to make them relinquish their rights.

15           107. Punitive damages may be awarded for tortious acts committed with oppression,  
16 fraud, or malice.

17           108. All Plaintiffs request punitive damages in an amount to be determined by a jury.

18 **PRAYER FOR RELIEF**

19           WHEREFORE, for Counts One through Three, Plaintiff HOA, for itself and the individual  
20 Homeowners, pray for relief as set forth below:

21           A. For declaratory, injunctive, restitution, abatement, and specific relief requiring that  
22 the Defendants return the Golf Course to a state of repair as the Court deems proper and just.

23           B. For all available remedies pursuant to CAL. BUS. & PROF. CODE §§ 17200, 17500, *et*  
24 *seq.*, including restitution;

25           C. For all compensatory damages suffered due to Defendants' conduct;

26           D. For all consequential damages suffered due to Defendants' conduct;

27           E. For all exemplary or punitive damages;

28           F. For treble the foregoing damages;

1 G. For the maximum interest provided by law, including, but not limited to, CAL. CIV.  
2 CODE § 3291;

3 H. For Attorney's fees;

4 I. For Cost of suit; and

5 J. For such other and further relief as the Court deems proper and just.

6 WHEREFORE, for Counts Five through Nine Plaintiff Mary Willis prays for relief as set  
7 forth below:

8 A. For declaratory, injunctive, restitution, abatement, and specific relief requiring that  
9 the Defendants return the Golf Course to a state of repair as the Court deems proper and just.

10 B. For all compensatory damages suffered due to Defendants' conduct;

11 C. For all consequential damages suffered due to Defendants' conduct;

12 D. For all exemplary or punitive damages;

13 E. For treble the foregoing damages;

14 F. For the maximum interest provided by law, including, but not limited to, CAL. CIV.  
15 CODE § 3291;

16 G. For Attorney's fees;

17 H. For Cost of suit; and

18 I. For such other and further relief as the Court deems proper and just.

19 **JURY TRIAL DEMANDED**

20 Plaintiffs request a trial by jury of 12 on all claims so triable.

21 DATED: October 23, 2015

HAGENS BERMAN SOBOL SHAPIRO LLP

22  
23 By Elaine Byszewski / RL  
24 Elaine Byszewski  
25 301 North Lake Avenue  
26 Pasadena, California 91101  
27 Telephone: (213) 330-7150  
28 Facsimile: (213) 330-7152  
elaine@hbsslaw.com

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Gregory W. Albert (*Pro Hac Vice pending*)  
HAGENS BERMAN SOBOL SHAPIRO LLP  
1918 8th Avenue, Suite 3300  
Seattle, Washington 98101  
Telephone: (206) 623-7292  
Facsimile: (206) 623-0594  
steve@hbsslaw.com  
gregalbert@hbsslaw.com

*Attorneys for Plaintiffs*