1	DATE:	Saturday, April 13, 2019, 14:00 Pacific Time
2	FROM:	MHPHOA.com
3	REPLY TO:	MHPHOA@Gmail.com
4	SENT VIA:	Electronic Mail to RHaskin@GibbsGiden.com
5		Documents Available on Google Drive
6		
7	ATTENTION:	Mr. Richard E. Haskin #218796
8	ADDRESS:	Gibbs Giden Locher Turner Senet & Wittbrodt LLP
9		4 Venture, Suite 260
10		Irvine, California 92618-7380
11	EMAIL:	RHaskin@GibbsGiden.com
12	WEBSITE:	GibbsGiden.com
13	PHONE:	1-949-287-8044
14	FAX:	1-310-552-0805
15		
16	SUBJECT:	Kort & Scott Financial Group, LLC, etc. v.
17		
18	RE:	Kort & Scott Financial Group LLC (KSFG)
19		Sierra Corporate Management Inc (SCM)
20		KSFG Business Entity DOES 1-XXX Inclusive
21		California Mobile Home Parks (36)
22		Arizona Mobile Home Parks (1)
23		Colorado Mobile Home Parks (2)
24		New Mexico Mobile Home Parks (2)
25	///	
26	///	
27	///	
28	///	
		PAGE 1 of 13
	GGLTSW-RTNOITS-001-20190413	REPLY TO NOTICE OF INTENT TO SUE

CALIFORNIA MOBILE HOME PARKS (36)

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Arrowhead Mobile Home Park, 201 E Arrow Hwy, Glendora, CA 91740 Bayshore Villa MFTG Housing Community, 3499 E Bayshore Rd, Redwood City, CA 94063 Blue Star Mobile Home Park, 12401 Filmore St, Sylmar, CA 91342 Briarwood Mobile Home Park, 2950 Routier Rd, Sacramento, CA 95827 Carson Gardens Trailer Lodge, 437 W Carson St, Carson, CA 90745 Continental Manufactured Home Community, 2804 W First St, Santa Ana, CA 92703 Corona La Linda Mobile Home Park, 777 S Temescal St, Corona, CA 92879 Corona West Mobile Home Estates, 995 Pomona Rd, Corona, CA 92882 Crestmont Mobile Estates, 1051 Site Dr, Brea, CA 92821 Fountain Valley Estates, 9320 Talbert Ave, Fountain Valley, CA 92708 12 Glenair Mobile Home Park, 1700 S Glendora Ave, Glendora, CA 91740 13 Granada Villa Mobile Home Park, 18540 Soledad Canyon Rd, Santa Clarita, CA 91351 14 Greenfield Mobile Home Estates, 400 Greenfield Dr, El Cajon, CA 92021 15 Hollydale Mobilehome Estates, 5700 Carbon Canyon Rd, Brea, CA 92823 16 Knolls Lodge Mobile Home Park, 23701 S Western Ave, Torrance, CA 90501 Knolls Manor, 24200 Walnut St, Torrance, CA 90501 18 Laco Mobile Home Park, 22325 S Main St, Carson, CA 90745 Lamplighter Sacramento Mobile Home Park, 5040 Jackson St, North Highlands, CA 95660 Lincoln Center Mobile Home Park, 9080 Bloomfield St, Cypress, CA 90630 Mobilaire Estates Mobile Home Park, 716 N Grand Ave, Covina, CA 91724 22 Oak Crest Estates, 4271 N 1st St, San Jose, CA 95134 Olympia Glade Mobile Estates, 918 Pampas Dr, Grass Valley, CA 95945 Rainbow Mobile Home Park, 715 W 220th St, Torrance, CA 90502 25 Rancho Huntington Mobile Home Park, 19361 Brookhurst St. Huntington Beach, CA 92646 26 Rancho La Vista Mobile Estates, 13490 Hwy 8 Business, Lakeside, CA 92040 Reseda Mobile Homes, 6545 Wilbur Ave, Reseda, CA 91335 Rio Vista Mobile Estates, 320 N Park Vista St, Anaheim, CA 92806

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Riverside De Santa Fe, 7460 Riverside Loop, Santa Fe, NM 87507			
Cottonwood Village Mobile Home Park, 6441 Cypress, Santa Fe, NM 87507			
	NEW MEXICO MOBILE HOME PARKS (2)		
	North County Village, 9700 Riverdale Rd, Thornton, CO 80229		
	Chaparral Village, 3180 E 88th Ave, Thornton, CO 80229		
	COLORADO MOBILE HOME PARKS (2)		
	Country Club Village, 2060 N Center St, Mesa, AZ 85201		
	ARIZONA MOBILE HOME PARK (1)		
	Vista Diablo Mobile Estates, 2901 Somersville Rd, Antioch, CA 94509		
Tustin Village Mobile Home Park, 15352 Williams St, Tustin, CA 92780			
Tri Palm Estates and Country Club, 32700 Desert Moon Dr, Thousand Palms, CA 922			
	Thunderbird Mobile Home Park, 13102 Partridge St, Garden Grove, CA 92843		
	The Fountains Mobile Home Park, 3530 Damien Ave, La Verne, CA 91750		
	Starlight Mobile Home Park, 351 E Bradley Ave, El Cajon, CA 92021		
	Sierra Mobile Home Park, 18204 Soledad Canyon Rd, Santa Clarita, CA 91387		
	San Jose Verde Mobile Home Park, 555 Umbarger Rd, San Jose, CA 95111		

Dear Mr. Richard E. Haskin:

On Wednesday, April 10, 2019 at approximately 10:30 AM, the MHPHOA received your two (2) page letter and ten (10) page Complaint documents dated Tuesday, April 9, 2019 via FedEx overnight delivery service. The MHPHOA's responses to the allegations contained therein are quoted and contained herein. Your Complaint Item numbers referenced are prefaced with *RH*:, Mr. Haskin's initials.

Mr. Haskin states in his opening letter: "Enclosed is a copy of a lawsuit that will be filed against you on April 12, 2019, unless you immediately remove the website MHPHOA.com..."

The MHPHOA will not be removing the website and/or any of the published content that is alleged to be defamatory. We expect that a proper Summons is forthcoming. The MHPHOA have been prepared for this moment since Thursday, November 5, 2015 which was the official launch date of the website and not "beginning in or about 2018 to present" as incorrectly indicated in your Complaint.

Mr. Haskin states: "KSFG and Sierra, through other counsel, issued multiple demands to you to cease and desist the publication of certain trademarked protected information."

The MHPHOA have not been presented with "specifics" regarding the alleged "publication of certain trademarked protected information." What we have been presented with by two (2) previous law firms, the first in April 2016 and the second in February 2019, has been without merit. The first Cease and Desist documentation was a blatant attempt at silencing the MHPHOA.com from its substantial truth reporting.

Mr. Haskin states: "You failed to address the reasonable concerns and meet the demands of KSFG and Sierra to correct your unlawful conduct."

As stated in our detailed responses on Monday, February 11, 2019 and Saturday, February 23, 2019, to the Cease and Desist documents received from Mr. Bennet G. Kelley #177001 from the Internet Law Center, the allegations were and are without merit. The MHPHOA went above and beyond the call of duty to assist your clients with addressing the allegations in the Cease and Desist documents. As of Saturday, April 13, 2019, your clients have failed to take the corrective measures suggested and required to secure their

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online presence. See Exhibit A (60 Pages) dated Monday, February 11, 2019 and Exhibit B (92 Pages) dated Saturday, February 23, 2019 located in the PDF Attachments panel.

Mr. Haskin states: "The Website contains numerous defamatory statements related to the business and reputation of both KSFG and Sierra."

The MHPHOA believes that the content published on the website between our official launch date of Thursday, November 5, 2015 and today's date Saturday, April 13, 2019, can be classified as substantial truth. Truth is an absolute defense against defamation, including per se defamation. If the statement is true, it cannot be defamatory.

Mr. Haskin states: "The clear intent of the Website and defamatory content is to injure KSFG and Sierra. In fact, you encourage individuals viewing the defamatory content to file complaints with public agencies, all while using falsehoods to support such complaints."

The MHPHOA are not aware of any alleged "falsehoods" on the website that would be used in the complaint processes outlined on the MHPHOA.com website. False denotes an intentional, deliberate, and willful untruth, something beyond mere inaccuracy. "Falsehoods" would not be in the best interests of the mobile home owners nor the MHPHOA.com.

The following are the MHPHOA responses to the Items listed in your ten (10) page Complaint which may be used as supporting documentation should this proceed into a State of California court of law. The MHPHOA will quote each Item number in the Complaint and provide our response(s) thereafter. We've skipped many Items listed in the Complaint as they do not warrant a response from the MHPHOA at this time. Responses to those skipped Items will be provided at a later date if required.

RH: 5. "Plaintiffs are informed and believe and upon such information and belief allege that and MHPHOA is the each the alter-ego of the other. Although uses the name MHPHOA, it lacks assets and capitalization with which to do business and is not operating in compliance with the California Corporations Code, any Corporate Articles of Incorporation or Organization, Bylaws, or other required business protocol."

Regarding Item 5, the MHPHOA.com website is not a business nor does it purport to be. The website is a News Blog authored solely by the MHPHOA Administrator and supported

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by 350+ pages of online vetted documentation, curated from over 15,000+ researched documents, organized within 650+ folders and totaling 15+ gigabytes of information. The website does not sell a product and/or service. The website does not handle financial transactions. The website does not accept donations. The website does not allow advertising. There are no revenues earned from the website and/or any other related MHPHOA activities.

RH: 10. "Sierra is a manger of manufactured and/or mobile home parks, often managing parks owned by KSFG. Sierra has operated for over 20 years, and currently managers nearly 30 mobile home parks and 5,600 spaces throughout California, Arizona, New Mexico, Colorado and Illinois. Sierra enjoy an excellent reputation as a successful, upstanding, and competent mobile home park managers and operators."

Regarding Item 10, the MHPHOA along with potentially *"tens of thousands of others"* would vehemently disagree with Mr. Haskin's statement: *"Sierra enjoy an excellent reputation as a successful, upstanding, and competent mobile home park managers and operators."* Sierra Corporate Management does not have an excellent reputation, that is a fact. The MHPHOA have substantial documentation to prove the opposite. See Exhibit D (11 Pages) and Exhibit G (79 Pages) in the PDF Attachments panel.

RH: 11. "Plaintiffs are informed and believe, and thereon allege, that beginning in or about 2018 to present, Defendants created, developed and published a website at mhpoa.com (the "Website"), known as the Mobile Home Park Home Owners Allegiance. Plaintiffs are further informed and believe, and thereon allege, that Defendants continue to update the Website and publish additional information on a routine basis. Defendants hold MHPHOA as "regularly updated resident curated news and important information regarding mobile home owners in Kort & Scott owned mobile home parks." Defendants further state on the Website that "MHPHOA is a grass roots movement... passionately dedicated to the preservation and protection of mobile home owner's rights in Kort & Scott Financial Group dba Sierra Corporate Management mobile home parks in the State of California."

Regarding Item 11, the correct website address is MHPHOA.com and not MHPOA.com as incorrectly indicated in your Complaint. Your clients have been aware of the website since

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at least Friday, April 22, 2016 when the first Cease and Desist documents were received from Mr. Laurence A. Weiss #164638 from MICHELMAN & ROBINSON, LLP. For the record, the MHPHOA.com officially launched on Thursday, November 5, 2015.

12. RH: "Despite the noble prelude and purported purpose of the Website, the Website contain numerous false statements of fact related to Plaintiffs, and each of them, including, but not limited to, the following:"

Regarding Item 12 and the following Items 12(a) through 12(f), the MHPHOA will preface our responses with the fact that the alleged defamatory content being referenced was originally published in November 2015 and has not undergone any main content changes since then.

In California, defamation plaintiffs have one (1) year to file a libel claim. Cal. Civ. Proc. Code § 340. The MHPHOA have not detected any major changes in the KSFG/SCM business model since circa 2005, hence there has been no reason to update the referenced content. There is also a note at the top of the page where these statements were extracted from, providing a clue as to when this content was written. "Note: As of 2015 KSFG no longer avoid cities with Rent Stabilization Ordinances (RSOs) as evidenced by recent mobile home park purchases in both the City of Carson (Jul 2015) and the City of Santa Clarita (Oct 2015)."

The State of California follows the single publication rule, a cause of action for defamation will accrue upon the first general distribution of the publication to the public, in this instance the MHPHOA.com launch date of Thursday, November 5, 2015.

Even if there were no Statute of Limitations in the States of California, Arizona, Colorado, Illinois and/or New Mexico, the MHPHOA believes Items 12(a) through 12(f) to be substantial truth based on history and supporting documentation available.

RH: "KSFG's first order of business after purchasing a mobile home park a) is to "increase existing mobile home space rents to above Fair Market Rents..."

Regarding Item 12(a), see Exhibit C (9 Pages) in the PDF Attachments panel for a documented history of this business practice based on the recording and dissemination of 1,600+ mobile home for sale listings since 2013 along with other sources of information dating back to circa 2005. The MHPHOA believes Item 12(a) to be substantial truth based

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on history and supporting documentation available.

RH: b) "KSFG operates to "[c]onvince mobile home owners to sign long-term leases (e.g. 15 years at 8.0%, 20 years at 7.0%, 25 years at 6.0%), which waive your rights to any current or future rent control ordinances that may be in force or implemented by your city."

Regarding Item 12(b), the MHPHOA does not understand why this is being classified as a false statement. The MHPHOA believes this to be substantial truth based on history and supporting documentation available. One Example: KSFG/SCM offer cash incentives to mobile home owners to sign long-term leases which may not be illegal but can be very convincing to unsuspecting mobile home owners, hence the keyword "convince." See Exhibit H in the PDF Attachments panel.

Regarding Item 12(b), we do not use the wording you quote in your Complaint. The exact statement is: *"Convince mobile home owners to sign long-term leases (e.g. 15 years at 8.0%, 20 years at 7.0%, 25 years at 6.0%) which waive your rights to any current or future rent control ordinances that may be in force or implemented by your city."*

RH: c) "KSFG "converts all included utilities to metered utilities (passthrough). Space rents may no longer include utilities such as water, sewer and trash which are all major operating expenses for mobilehome park owners."

Regarding Item 12(c), the MHPHOA does not understand why this is being classified as a false statement. The MHPHOA believes this to be substantial truth based on history and supporting documentation available. This is a standard practice with corporate mobile home park owners. Based on MHPHOA research, there are no KSFG owned and/or SCM managed mobile home parks that we are aware of in the State of California that include utilities in the Space Rent, they are billed as separate line items on the Rent Statement. Prior to KSFG purchasing the mobile home park(s), certain utilities may have been included in the Space Rent e.g. Water, Trash and/or Sewer.

RH: d) "KSFG overbills for utilities and makes fraudulent and improper meter estimations."

Regarding Item 12(d), there is recent (2018/2019) and historical documented evidence

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to support the MHPHOA reporting of utilities overbilling. The word "fraudulent" is not used in our commentary. The MHPHOA.com statement reads "7. Overbilling of utilities and improper meter estimations. Meters may only be read 4 times per year, with the other months being "estimates". These estimates may be so high as to force some people to not be able to pay the rent, the mortgage and the estimated utilities. There have been reported instances of this practice leading to evictions and confiscation of mobilehomes by mobilehome park owners."

RH: e) "Once Kort & Scott Financial Group purchase your mobile home park, and Sierra Corporate Management take over management of the park, it's only a matter of time and your limited budget as to how long you can stay before abandoning or being economically evicted from your mobile home - that you paid for."

Regarding Item 12(e), the MHPHOA have documented 1,600+ mobile home for sale listings in KSFG owned and SCM managed mobile home parks since 2013. The MHPHOA have also documented the alarming rate of "Same Space Turnovers." The data reveals that there are a large group of KSFG/SCM mobile home owners where the average length of mobile home ownership may be broken down into three (3) timeframes; 12-16 months, 24-28 months and 36-40 months. These timeframes also coincide with the 1, 2 and 3 year rent specials being offered for Kort & Scott affiliate/park owned mobile homes. The MHPHOA believes Item 12(e) to be substantial truth based on history and supporting documentation available.

RH: f) "Over two decades of these types of unfair business practices in California, Arizona, Colorado, Florida, Illinois and New Mexico have yielded Mr. Lee M. Kort and Mr. Michael H. Scott hundreds of millions of dollars all while living off the backs of minority groups, seniors, low-income families, and any person, or persons, who do not have the financial wherewithal to stand up and protect their rights as a homeowner. These are the primary target groups of Kort & Scott Financial Group - those who cannot defend themselves."

Regarding Item 12(f), the above statement was originally published on Wednesday, February 24, 2016 and the page was last modified on Tuesday, May 16, 2017. The MHPHOA believes Item 12(f) to be substantial truth based on history and supporting documentation available.

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RH: 13. "The Website contains numerous other misstatements of fact, such as KSFG "reduces park maintenance to a minimum" and "only addresses emergency situations..., reduces park staffing to a minimum... [r]emoving clubhouses, fails to enforce park rules or selectively enforces the rules, intentionally interferes with owner sales so KSFG can purchase the unit at a "fraction of the price..." All of the foregoing are false but represented by Defendants as factual."

Regarding Item 13, the MHPHOA believes Item 13 to be substantial truth based on history and supporting documentation available, including but not limited to the MHPHOA Administrator's eight (8) years of personal experience residing in a KSFG owned and SCM managed mobile home park. Supporting documentation includes records of HCD (California Department of Housing and Community Development) complaints against your clients along with eleven (11) Civil Lawsuits, five (5) which are currently active, mirroring in many aspects what is currently published on the MHPHOA.com. See Exhibit D (11 Pages) in the PDF Attachments panel.

Regarding Item 13, Mr. Haskin states: *"[r]emoving clubhouses"* which the MHPHOA.com does not state in its documentation. The exact statement reads *"Reduce and/or remove clubhouse access and/or privileges. For example, in 2015 the Tustin Village Mobile Home Park Library was closed and moved to Fountain Valley Estates. You may also find that your clubhouse is locked down most of the time with requested access available during normal park management business hours. This makes it very difficult to use the clubhouse for organizing residents."*

RH: 15. "Defendants also state both KSFG and Sierra increase utility costs to residents. In actuality, utilities are billed to the owners at cost. Neither Sierra nor KSFG will increase utility rates in order to realize a profit."

Regarding Item 15, this statement was previously addressed under Item 12(d), there is recent (2018/2019) and historical documented evidence to support the MHPHOA reporting of utilities overbilling. See Exhibit F (10 Pages) in the PDF Attachments panel.

RH: 16. "Defendants also state that Sierra, as the manager, will interfere with

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an owner's sale of a home using various underhanded methods. This is not true as neither Sierra nor KSFG interfere with a third-party sale, nor is it the best interest for either Plaintiffs to do so."

Regarding Item 16, the MHPHOA believes Item 16 to be substantial truth based on history and supporting documentation available. See Exhibit E (20 Pages) in the PDF Attachments panel.

Regarding Item 16, Example: "On Thursday, December 1, 2016, documents were made available online regarding a Motion for Preliminary Injunction against Friendly Village Mobile Associates LP, Friendly Village MHP Associates LP and Friendly Village GP LLC, all Kort & Scott companies for Friendly Village Mobile Home Park in Long Beach, California which is managed by Sierra Corporate Management.

Within the 8 page Final Order denying the Motion for Preliminary Injunction, there is a Discussion Timeline regarding the Background of the case. On page 6 is a one paragraph summary of the previous [Park Manager]'s Declaration. It reads as follows and has been edited [Park Manager] to remove personally identifiable information."

"Further, according to [Park Manager] (who served as the Park manager from March 1, 2014 until September 2015), says that after a resident was evicted, she was instructed to get the Park-owned mobile home unit ready for sale and to list it at a price below the rate of other mobile homes in the Park. She says she did as she was instructed and would have the mobile home units from evicted residents listed for sale at a price of approximately 2/3 of other units listed in the Park at the time. [Park Manager] also says that she was told to push the sale of the Park-owned units over those of other residents when prospective buyers came to the Park. Also, [Park Manager] claims the paperwork to and from Sierra for prospective buyers who were interested in Park-owned units took place very quick whereas paperwork to and from Sierra for prospective buyers interested in resident-owned units took place very slowly."

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Acosta v. City of Long Beach – Department 310 – Law and Motion Rulings

RH: 17. "Plaintiffs are informed and believe, and thereon allege, that

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Defendants' actual intended purpose of publishing the Website is to defame and injure Plaintiffs, and each of them."

Regarding Item 17, the intended purpose of the MHPHOA.com website is to warn consumers about the potential risks of living in a KSFG owned and SCM managed mobile home park. It is also intended to expose the underbelly of California's mobile home parks which includes the documented predatory business practices of your clients along with 100+ other active business entities registered by your clients and/or representatives for your clients.

RH: 21. "The statements are defamatory on their face because they provide that Plaintiffs, and each of them, are guilty of criminal conduct, are corrupt, have committed acts of misconduct, and are acts of dishonesty and defective character."

Regarding Item 21, the MHPHOA would like to respectfully remind Mr. Haskin that his clients have recently been found guilty by jury trial for Negligence, Unfair Business Practices, Retaliatory Eviction and Financial Elder Abuse.

"On November 27, 2018, the jury returned its verdict in the punitive damages phase of the current trial in a total amount of approximately \$34 million, finding liability for the punitive damages as follows: Kort & Scott 55%, Sierra Corporate Management 25%, GP Debtor 10% and LP Debtor 10%."

The above example is just one of many Civil Lawsuits that support the content published on the MHPHOA.com website. According to online documents, your clients have four (4) Civil Lawsuit jury trials scheduled in the year 2019. In addition, there is litigation pending regarding a Class Action Lawsuit by the Western Center on Law & Poverty (WCLP). Your clients have also been the subject of a State of California Injunction for two (2) now defunct legal business entities under the KSFG umbrella of 200+ companies. See Exhibit D (11 Pages) in the PDF Attachments panel.

"On Tuesday, August 2, 2016, The People of the State of California won a Final Judgment and obtained an Injunction against Davis Group LP and Western Ventures LP."

RH: 24. "Defendants failed to use reasonable care to determine the truth or falsity of the statements."

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Regarding Item 24, The MHPHOA.com has taken care to ensure the accuracy, completeness and reliability of the information provided on the website. This information is provided as is, without warranty of any kind. The website does not accept any responsibility and/or liability for the accuracy, content, completeness, legality, and/or reliability of the information contained on the website.

RH: 28. "Finally, Defendants, and each of them, acted with malice, oppression, and/or fraud in that Defendants, and each of them, knew the statements were and are false or Defendants had serious doubts about the truth of the statements. As a result, Plaintiffs, and each of them, are entitled to an award of punitive damages."

Regarding Item 28, the MHPHOA.com does not publish information that has not been vetted to the best of our abilities. Vetting includes public information requests and ongoing extensive online research along with KSFG/SCM resident communications confirming our data and published information. The MHPHOA believes our vetted and published content to be substantial truth based on history and supporting documentation available.

In closing, the MHPHOA.com are preparing for the lawsuit that you were allegedly filing on Friday, April 12, 2019. Based on the content of your introductory letter along with the 10 page Complaint draft, the MHPHOA can only surmise that proper litigation is your current course of action.

The MHPHOA eagerly await your response. The MHPHOA also wish to thank you for this opportunity. We do look forward to presenting our documentation supporting our substantial truth claims in a State of California court of law.

Sincerely,

MHPHOA.com

CC: Anonymous 2

CC: Anonymous 3

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