

STATE OF MICHIGAN
IN THE 30TH JUDICIAL CIRCUIT COURT FOR THE COUNTY OF INGHAM

THE PEOPLE OF THE STATE OF
MICHIGAN,

Petitioner,

No. 26-80-CP

v

HON. ROSEMARIE E. AQUILINA

EASYKNOCK, INC., a Delaware corporation,
EK REAL ESTATE FUND I, LLC, a
Delaware limited liability company, EK
REAL ESTATE SERVICES OF NY, LLC, a
Delaware limited liability company, NESE
PROPERTY MANAGEMENT LLC, a
Delaware limited liability company,
and JARRED KESSLER, individually,

**NOTICE OF FILING
ASSURANCE OF VOLUNTARY
COMPLIANCE
PURSUANT TO MCL 445.906(2)**

Respondents.

Nicholas R. Tloczynski (P79148)
Darrin F. Fowler (P53464)
Lauren M. Rogers (P82926)
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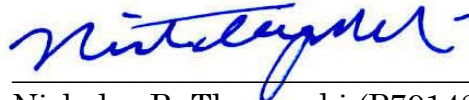
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Management LLC
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**NOTICE OF FILING ASSURANCE OF VOLUNTARY COMPLIANCE
PURSUANT TO MCL 445.906(2)**

This Office is filing the attached Assurance of Voluntary Compliance under the Michigan Consumer Protection Act, MCL 445.906(2).

Respectfully submitted,



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Dated: June 1, 2026

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Petitioner,

No. 26-80-CP

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ASSURANCE OF VOLUNTARY COMPLIANCE AND DISCONTINUANCE

The People of the State of Michigan by Attorney General Dana Nessel (“Petitioner”), and EasyKnock, Inc., EK Real Estate Fund I, LLC, EK Real Estate Services of NY, LLC, NESE Property Management LLC, and Jarred Kessler (collectively “Respondents”), hereby execute and agree to be bound by this Assurance of Voluntary Compliance and Discontinuance. This Assurance concerns the resolution of alleged violations of the Michigan Consumer Protection Act, 1976 PA 331, as amended, MCL 445.901 *et seq.* (“MCPA”).

Based on the foregoing, the Parties agree as follows:

I. Definitions

1.1 “Active sale-leaseback transaction” means a sale-leaseback transaction that has not been closed, either through the consumer repurchasing the home or the sale of the home to a third party.

1.2 “Assurance” means this Assurance of Voluntary Compliance and Discontinuance.

1.3 “Attorney General” means the Michigan Department of Attorney General.

1.4 “COD” means the Michigan Department of Attorney General, Corporate Oversight Division.

1.5 “EasyKnock” means EasyKnock, Inc., the now-non-operational corporation that offered homeowners unable to qualify for conventional credit

products an alternative way to access their home equity through a sale-leaseback transaction.

1.6 “EK RE entities” refers to EK Real Estate Fund I, LLC, and EK Real Estate Services of NY, LLC, together with their affiliates, subsidiaries, successors, current members and any other related entity, which are former subsidiaries of EasyKnock that act or acted as the real estate holding company, landlord, and counterparties for sale-leaseback transactions in Michigan.

1.7 “NESE” means NESE Property Management LLC, which currently serves as the property manager for active sale-leaseback transactions.

1.8 “Option agreement” means any agreement offered in connection with a sale-leaseback transaction that provides a Michigan consumer with the ability to repurchase their home or sell it to a third party on specified terms and defines the cash proceeds the consumer will receive upon completion of the third-party sale.

1.9 “Parties” means COD and Respondents, collectively.

1.10 “Petition” refers to the Ex Parte Petition for Civil Investigative Subpoenas filed under seal by the Attorney General on December 20, 2024, to commence the investigation underlying this Assurance.

1.11 “Respondents” collectively refers to EasyKnock, the EK RE entities, NESE, and Jarred Kessler.

1.12 “Sale-leaseback transaction” refers to a real estate transaction initiated by EasyKnock under the name Sell and Stay or MoveAbility, or any other substantially similar sale-leaseback arrangement offered to Michigan consumers, in

which a Michigan consumer sold their home to an EK RE entity and remained in the home as a rent-paying tenant under a lease agreement with an EK RE entity.

1.13 All other terms shall have the meaning specifically defined in the MCPA.

II. COD's Investigation of Respondents

2.1 In May 2024, COD sent a notice of intended action to EasyKnock setting forth COD's belief that, through the complex sale-leaseback transactions it was offering and executing with Michigan consumers, EasyKnock was engaging in conduct prohibited by the MCPA, including causing a probability of confusion or misunderstanding as to the parties' legal rights and obligations under a sale-leaseback transaction. MCL 445.903(1)(n). In response, EasyKnock voluntarily made rolling productions of documents and audio recordings to COD pursuant to a confidentiality agreement.

2.2 In December 2024, EasyKnock ceased operations and informed its customers that it was "transitioning its responsibilities" to NESE, which continued to service the lease and option agreements for active sale-leaseback transactions.

2.3 Although EasyKnock was out of business, the Attorney General proceeded with a formal investigation of EasyKnock and the EK RE entities as authorized by Ingham County Circuit Court. The decision to proceed with a formal investigation was based in part on the number of Michigan consumers in active sale-leaseback transactions and COD's concerns regarding the administration of those transactions as set forth in the Petition. The Attorney General proceeded to

issue subpoenas to NESE and the EK RE entities, which collectively produced hundreds of documents. NESE presented two employees for testimony, and the Attorney General also took the testimony of EasyKnock CEO and co-founder Jarred Kessler and two other former EasyKnock employees.

2.4 Through the evidence gathered during the investigation, COD determined that EasyKnock and the EK RE entities engaged in unfair and deceptive trade practices in the marketing, sale, and administration of sale-leaseback transactions with Michigan consumers. Respondents disagree and maintain that their practices complied with the law, including the MCPA.

2.5 COD's investigation identified three classes of consumers who COD believes were particularly harmed by practices that COD seeks to address through this Assurance: (1) COD identified four instances of EasyKnock and EK Real Estate Fund I, LLC, selling a Michigan consumer's former home to a third party for significantly below market value, contributing to these consumers receiving no cash proceeds from their option agreement; (2) some Michigan consumers entered a sale-leaseback transaction on the belief that they would have a period of no or low rent, only to have EK Real Estate Fund I, LLC, debit (or intend to debit) the amount of rent abatement from the consumer's cash proceeds at the end of the transaction; and (3) one Michigan consumer, after being evicted by EK Real Estate Services of NY, LLC, did not receive substantial proceeds owed to her under her option agreement.

2.6 Respondents deny that they have violated the MCPA or other applicable Michigan statutes and that their conduct was unfair, deceptive, or unlawful. Respondents are offering this Assurance to avoid the time and expense of litigating COD's concerns. This Assurance, and COD's acceptance of it, does not constitute an admission of any wrongdoing by Respondents.

2.7 In entering into the Assurance, the mutual objective of the Parties is to resolve, without litigation, COD's potential claims under the MCPA for preliminary and permanent injunctive relief, as well as the potential claims for payment of damages and reimbursement of COD's costs and expenses related to COD's enforcement action. The entry into this Agreement by Respondents is not an admission of liability with respect to any issue addressed in this Agreement, nor is it an admission of any factual allegations or legal conclusions stated or implied herein.

III. Jurisdiction

3.1 The Attorney General has jurisdiction over the subject matter of this Assurance pursuant to MCL 445.905 and 445.910. Respondents waive all objections and defenses that they may have as to the jurisdiction of the Attorney General over the matters covered by this Assurance.

IV. Parties Bound

4.1 This Assurance binds Respondents, whether acting through associates, principals, officers, directors, employees, representatives, successors or assigns, or through any other subsidiary, corporation, assumed name or business entity.

Respondents are responsible for compliance with the terms of this Assurance, and must ensure that all of Respondents' employees, agents, and representatives comply with the terms of this Assurance.

V. Implementation of Compliance Measures

5.1 Respondents will comply with the MCPA going forward.

5.2 NESE, the EK RE entities, and EasyKnock shall not offer or engage in any transaction in which they purchase or acquire a lien or interest in a Michigan residential property, including but not limited to sale-leaseback transactions, home equity sharing agreements, and home equity investments.

5.3 NESE and the EK RE entities shall give Michigan consumers in an active sale-leaseback transaction the option of having on-time rental payments reported to credit reporting agencies, applicable only if requested by the consumer.

5.4 NESE and the EK RE entities shall comply with state and local housing laws and ordinances.

5.5 NESE and the EK RE entities shall refund Michigan consumers who can provide proof of payment of rental registration or inspections fees and any corresponding costs of corrections that were the legal responsibility of an EK RE entity as landlord.

5.6 NESE and the EK RE entities are responsible for capital expenditures needed on Michigan homes and may not offer an agreement to charge these expenses back to the consumer.

5.7 For 30 days from the date NESE sends notice of this Assurance pursuant to paragraph 5.11, all Michigan consumers in an active sale-leaseback transaction, regardless of any outstanding rent balance, shall have the opportunity to exercise the option agreement by directing a sale of the home for a three-month listing period. Michigan consumers may initiate exercise of this opportunity by delivering written notice of intent to list the home to NESE. This paragraph does not affect or limit a consumer's ability to exercise the option agreement during or beyond the 30-day notice period as permitted by the terms of the option agreement.

5.8 Any sale of a Michigan home directed by NESE or the EK RE entities shall have an initial listing price range determined by an independent real estate agent licensed in Michigan who will attest to the fairness of the price range. No offer more than 5% below that price may be accepted within the initial three-month listing period without prior approval by the consumer.

5.9 In the final accounting of the sale-leaseback transaction, as shown in Exhibit A to the Release of Claim sent to the consumer, NESE and the EK RE entities shall not debit the following items from the proceeds owed to a consumer under the option agreement:

- A. "Accrued Expenses" or any amount intended to recoup those expenses as defined by the applicable lease agreement;
- B. "Accrued Rent" or any amount intended to recoup the amount of a rent abatement provided to the consumer in the form of a "landlord credit" in the initial lease agreement;
- C. Unspent funds from the consumer's Repair Fund Agreement more than 1.5 times the consumer's initial monthly rent payment.

5.10 Upon closing a sale of a property from an EK RE entity to a third party pursuant to an option agreement, NESE and the EK RE entity shall, within 10 days of closing:

- A. Use reasonable best efforts to deliver the full amount of money due to the consumer; and
- B. Provide COD a copy of the Release of Claim and final accounting of the sale-leaseback transaction.

5.11 Within 14 days of the Effective Date of this Assurance, NESE shall give notice by first-class mail and e-mail to Michigan consumers in an active sale-leaseback transaction informing them of their rights under paragraphs 5.3, 5.5, and 5.7 of this Assurance and enclose or attach a copy of the Assurance. Prior to sending such notices, NESE will present COD with its anticipated text so that the parties may confer toward a mutually acceptable notice.

5.12 NESE and the EK RE entities shall ensure that all employees interacting with Michigan consumers are trained to comply with the terms of this Assurance and with Michigan law.

VI. Financial Obligations

6.1 Within 30 days of the Effective Date of this Assurance, Respondents shall pay to the Attorney General the total sum of \$85,000. Payment(s) shall be made by check or money order payable to the “State of Michigan” and sent to Nicholas R. Tloczynski, Assistant Attorney General, Corporate Oversight Division, P.O. Box 30736, Lansing, MI 48909.

6.2 COD will distribute the total payment described in paragraph 6.1 to Michigan consumers who were affected by the practices described in paragraph 2.5. The recipients, amounts, and timing of these consumer distributions shall be at COD's sole discretion. If any of the \$85,000 remains at the conclusion of the consumer distributions, the remaining money shall be retained by COD for the costs associated with the investigation and consumer distribution.

6.3 Respondents are jointly and severally liable for the financial obligation described in this section.

VII. Release

7.1 Upon the Effective Date, COD hereby releases and discharges Respondents and any of their parent entities, affiliates, subsidiaries, predecessors, successors or assigns, and each and all of their past or present officers, directors, associates, shareholders, members, controlling persons, representatives, employees, attorneys, counselors, advisors, or agents, from any and all civil or administrative claims, demands, rights, actions, causes of action, and liabilities, of any kind or nature whatsoever, that are based directly or indirectly on the Attorney General's consumer protection investigation as identified in the aforementioned Petition, including the alleged acts, failures to act, omissions, misrepresentations, facts, events, transactions, statement, occurrences or other subject matter which were or could have been set forth, alleged, complained of or otherwise referred to in the Assurance. Nothing herein shall be construed as a waiver or release of claims

asserted or that may be asserted by individual consumers, other divisions of the Attorney General's office, or other state or federal agencies.

VIII. General Provisions

8.1 This Assurance is binding upon, inures to the benefit of, and applies to the Parties and their successors-in-interest. This Assurance does not bind any Division of the Michigan Department of the Attorney General other than COD, or other agencies, boards, commissions or offices of the State of Michigan.

8.2 This Assurance does not affect, expand, or limit the rights of any private party to pursue any available remedy or remedies pursuant to applicable law, except that any common law right of set off would still be applicable. Further, this Assurance does not create any private right or cause of action to any third party.

8.3 This Assurance does not constitute an approval by the Attorney General of any of Respondents' business practices and Respondents must not make any representation to the contrary.

8.4 No modification of this Assurance is valid unless in writing and signed by all Parties.

8.5 Within seven business days of the Effective Date of this Assurance, COD will file a copy of this Assurance with the Ingham County Circuit Court, as described in MCL 445.906(2).

8.6 Unless a temporary restraining order is sought, COD will make reasonable efforts to provide written notice in the event that COD believes

Respondents to be in noncompliance with any provision of this Assurance, setting forth the basis for such belief.

IX. Signatories, Execution in Counterparts, and Electronic Signatures

9.1 Each undersigned individual represents and warrants that he or she is fully authorized by the Party he or she represents to enter into this Assurance and to legally bind such Party to the terms and conditions of this Assurance.


9.2 This Assurance may be executed in counterparts, each of which is deemed an original hereof, but which together constitute one and the same instrument and agreement, and that facsimile or electronically-transmitted signatures may be submitted in connection with this Assurance and are binding on that Party to the same extent as an original signature.

X. Effective Date

10.1 The effective date of this Assurance is the date upon which the COD representative signs this Assurance.

The People of the State of Michigan

Dated: June 1, 2026

By: 

Nicholas R. Tloczynski (P79148)
Assistant Attorney General
Corporate Oversight Division
P.O. Box 30736
Lansing, MI 48909


EK Real Estate Fund I, LLC, EK Real Estate Services of NY, LLC, and NESE Property Management LLC

Dated: May ____, 2026

By: _____
Michael G. Latiff (P51263)
Attorney for EK Real Estate Fund I, LLC,
EK Real Estate Services of NY, LLC, and
NESE Property Management LLC
McDonald Hopkins PC
39533 Woodward Avenue, Ste 318
Bloomfield Hills, MI 48304


Jarred Kessler

Dated: May 26, 2026

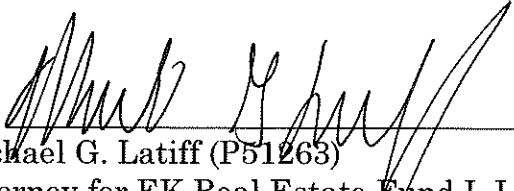
By:  _____
Louis P. Gabel (P80365)
Attorney for Jarred Kessler
Jones Day
150 West Jefferson, Ste 2100 Detroit,
MI 48226-4438

EasyKnock, Inc.

Dated: May 31, 2026


By: _____
Andrew K. Glenn
Attorney for EasyKnock, Inc.

Dated: May 31, 2026

By: 
Michael G. Latiff (P51263)
Attorney for EK Real Estate Fund I, LLC,
EK Real Estate Services of NY, LLC, and
NESE Property Management LLC
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Jarred Kessler

Dated: May ____, 2026

By: _____
Louis P. Gabel (P80365)
Attorney for Jarred Kessler
Jones Day
150 West Jefferson, Ste 2100
Detroit, MI 48226-4438

EasyKnock, Inc.

Dated: May ____, 2026

By: _____
Jarred Kessler, CEO