

IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION

NATIONAL ASSOCIATION OF)
CONSUMER ADVOCATES, INC.,)
1629 K Street NW)
Washington, DC 20006,)
)
Plaintiff,)
v.) Case No.: _____
)
UNISON AGREEMENT CORPORATION)
4 Embarcadero Center, Suite 710)
San Francisco, CA 94111;)
)
UNISON INVESTMENT)
MANAGEMENT, LLC)
4 Embarcadero Center, Suite 710)
San Francisco, CA 94111; and)
)
REAL ESTATE EQUITY EXCHANGE,)
INC. D/B/A UNISON, UNISON)
AGREEMENT CORP., AND UNISON)
INVESTMENT MANAGEMENT LLC)
4 Embarcadero Center, Suite 710)
San Francisco, CA 94111;)
)
Defendants.)
)
SERVE:)
CORPORATION SERVICE COMPANY)
1156 15TH Street NW, Suite 605)
Washington, DC 20005)
(D.C. Registered Agent for Unison)
Agreement Corp.))
)
CORPORATION SERVICE COMPANY)
251 Little Falls Drive)
Wilmington, DE 19808)
(DE Registered Agent for Unison)
Investment Management, LLC and Real)
Estate Equity Exchange, Inc.))
)

INTRODUCTION

1. Owning a home is a cornerstone of the proverbial American dream. Purchasing a home is often a result of years of savings and hard work and is a source of significant pride and financial stability. For many, their home is a primary source of generational wealth that will be passed on to their children and family members.

2. The equity one builds in a home over time is often a person's largest asset, and an important piece of their overall economic wellbeing. Over time, many homeowners will access the equity in their home to assist with other financial obligations, such as supplementing retirement, education, home improvements, or long-term care costs for themselves or a loved one.

3. Today, the home equity market is valued at approximately \$35 trillion dollars and is the largest asset class in the United States. The equity built over time traditionally belongs to the homeowner – the person working hard to make the monthly mortgage payments, and who often relies on that equity as a financial backstop. But, in recent years, institutional and high-net-worth investors have been seeking a piece of that pie for themselves in ways that are increasingly deceptive and unfair to homeowners.

4. Enter Unison, a company not licensed to engage in mortgage lending in the District of Columbia. Unison was founded in the early 2000s to give investors access to the home equity market, without those investors actually having to own or sell the homes themselves to reap profits. To do this, Unison created a product that provides homeowners with an upfront payment of cash in exchange for a stake in the home's future value. In other words, homeowners can tap into a portion of their equity now by promising an even larger amount of their equity to Unison in the future.

5. To entice homeowners to use Unison, the company markets itself in the District as a “simple” “loan alternative” option that creates “no debt” and has “no interest” or monthly payments. It also tells homeowners that Unison is their “partner” in the transaction “fair and square” and Unison will share in any ups or downs of the home’s future value.

6. The problem is that none of these statements are true.

7. Unison’s product *is* a mortgage loan. Its product does create debt, and the homeowner will almost certainly be required to repay every penny they receive, plus interest in the form of a significant lump sum balloon payment at the conclusion of the term.

8. The final payment is often multiple times more than the homeowner was initially advanced. It is often so exorbitant that homeowners must sell their home in order to pay it, with many walking away from the sale with little to show for the equity they worked hard to amass over time.

9. Unison is also not a partner by any stretch of the imagination, and the arrangement rarely, if ever, ends up “fair and square” for the homeowner. Instead, Unison deploys a variety of mechanisms to ensure that it maximizes its return, to the homeowner’s detriment. This includes discounting the original value of the home, requiring the homeowner to pay all costs and fees throughout the term of the agreement, controlling the appraisal process, and controlling the ending value of the home.

10. Unsuspecting homeowners who enter into Unison agreements have no way of knowing the true cost or nature of the product at the outset. This is because Unison falsely and deceptively claims that its product is not a mortgage loan and therefore, is not required to comply with the strict federal and District lending laws that govern mortgage products. The federal and District lending laws that Unison disregards include licensing and disclosure requirements that

would require it to be honest about the nature and cost of its transactions. Further, the District of Columbia's Consumer Protection Procedures Act (CPPA) prohibits Unison from the many unfair, deceptive, and misleading practices it engages in to obscure the truth about the nature and cost of its product.

11. Unfortunately, at the time homeowners execute a Unison agreement, they are not aware of the consequences. This is through no fault of their own – in fact, Unison's product is designed to prevent the consumer from understanding the full scope of the agreement prior to entering into the loan. The Unison transaction is reflected in a web of interlocking agreements spanning multiple documents, which contain confusing cross references and approximately a dozen different formulas for calculating repayment. To understand those formulas, homeowners must consult a slew of definitions that are scattered throughout the governing documents. Only a notary attends the closing, so there is no Unison representative to answer any questions the homeowner may have when signing.

12. By the time homeowners discover the truth of the Unison product they are already locked into the agreement, and their home is encumbered by a deed of trust. At this point, the only way out is to find a significant amount of cash, often in the six figures, to buy out Unison, or sell their home. Homeowners who have spent years working hard, saving, and building equity are left holding the bag, while Unison and its investors reap annualized profits of over 20%.

13. For Unison, business is booming. It has over 10,000 agreements with homeowners, in properties cumulatively valued at \$8.1 billion dollars, including with homeowners in the District.

14. Because Unison products wreak significant havoc on the economic well-being of District homeowners, the National Association of Consumer Advocates, Inc. (NACA), a

nonprofit advocacy organization committed to representing the interest of consumers, brings this action to enforce the CCPA against Unison for its ongoing unfair and deceptive practices in the District that harm District residents.

JURISDICTION AND VENUE

15. By filing this lawsuit, Plaintiff NACA consents to this Court's personal jurisdiction over the organization.
16. This Court has personal jurisdiction over Defendants pursuant to D.C. Code § 13-423(a) because Defendants have transacted business in the District of Columbia by offering and providing their home equity products in the District since at least 2017.
17. This Court has subject matter jurisdiction over this action under D.C. Code § 11-921 and the CCPA, D.C. Code § 28-3905(k).
18. Venue is proper because "any claim" under the CCPA "shall be brought in the Superior Court of the District of Columbia." D.C. Code § 28-3905(k)(2).

PARTIES

19. The National Association of Consumer Advocates, Inc. is a nonprofit public interest organization. NACA is organized under the laws of the Commonwealth of Massachusetts and registered as a foreign corporation with the District of Columbia. NACA's principal place of business is in Washington, D.C.
20. NACA is a national nonprofit association of attorneys, law professors, law students, and consumer advocates committed to representing consumers' interests. NACA's primary focus is the protection and representation of consumers. NACA serves as a voice for consumers in the ongoing struggle to curb unfair or abusive business practices that harm consumers. For over 30 years, NACA has been instrumental in advocating against consumer abuses both federally and locally in the District.

21. NACA's robust history of consumer advocacy demonstrates a sufficient nexus with the interest of the consumers represented in this case. NACA specifically advocates for the protection of consumers rights in housing, including issues related to predatory lending and mortgage lending.

22. NACA brings this suit to enforce the CCPA in light of Unison's failure to comply with the law and the resulting harm that has affected District of Columbia consumers. This is not a class action, and no class certification will be sought. Rather, NACA brings this suit pursuant to Section 28-3905(k)(1)(D) of the CCPA.

23. Defendant Unison Agreement Corporation (UAC):

- is a Delaware corporation with a principal place of business at 4 Embarcadero Center, Ste. 710, San Francisco, CA 94111;
- is not licensed or registered as a mortgage lender, mortgage loan originator, or mortgage broker with the Department of Insurance, Securities, and Banking;
- originated the transactions at issue in this Complaint; and
- is a wholly owned subsidiary of Real Estate Equity Exchange, Inc. (REX).

24. Defendant Unison Investment Management, LLC (UIM):

- is a Delaware corporation and SEC-registered investment advisor with a principal place of business at 4 Embarcadero Center, Suite 710, San Francisco, CA 94111;
- UIM provides investment advisory services to pooled investment vehicles (Funds). The Funds invest primarily in Unison homeowner agreements, originated by Unison Agreement Corp. or securities issued by issuers or securitizations of Unison Agreements;
- UIM together with its affiliates serve as general partners and investment managers of the Funds. Such affiliates are typically under common control and/or possess substantial identity of personnel and/or equity owners with UIM;

- as of December 31, 2024, UIM had regulatory assets under management of approximately \$1,685,557,326; and
- is a wholly owned subsidiary of REX.

25. Defendant Real Estate Equity Exchange, Inc.:

- is a Delaware corporation with a principal place of business at 4 Embarcadero Center, Suite 710, San Francisco, CA 94111;
- is the corporate parent of UAC and UIM;
- according to information it provides to consumers, does business under the names “Unison,” “Unison Agreement Corp.,” and “Unison Investment Management LLC,” and establishes and maintains the websites and many materials for UAC and UIM; and
- is not licensed or registered as a mortgage lender, mortgage loan originator, or mortgage broker with the Department of Insurance, Securities, and Banking.

26. Upon information and belief, at all relevant times, there has existed a unity of interest and ownership between UAC, UIM, and REX (referred to collectively herein as Defendants or Unison). There is no individuality or separateness between Defendants and their affiliates, and they are the mere instrumentalities, agents, conduits, or adjuncts of one another. As an example of this unity of interest, UIM’s Form ADV Part 2A notes that its affiliates (which includes UAC and REX) are “typically under common control and/or possess substantial identity of personnel and/or equity owners.”

27. Defendants have combined their property, skill, and knowledge for the purpose of carrying out a single business enterprise, namely the origination of and realizing financial gains from the Unison products described herein.

28. Together, Defendants are a vertically integrated home equity mortgage origination, securitization, and investment advising firm focused on the asset class of owner-occupied residential real estate joined in a common enterprise. As an example, the same persons

dominate, control, and manage Defendants, namely Thomas Sponholtz (CEO of all three entities), Scott Case (CFO of all three entities), and Matthew O’Hara (CIO of UAC and UIM), among others.

29. Upon information and belief, Defendants use the same offices and employees, including offices located at 4 Embarcadero Center, Ste. 710, San Francisco, CA 94111.

30. Defendants were, and are, the alter egos of one another and adherence to the fiction of the separate existence of Defendants would permit an abuse of the corporate privilege, sanction fraud and/or promote injustice, and result in inequitable consequences, such that any liability incurred by one Defendant is chargeable against the other.

31. Because of their agreement and cooperation in the wrongful acts set forth herein, Defendants are responsible for the acts of one another.

32. Unison operates in thirty states and Washington D.C., including over 240 metro areas.

FACTS

A. Unison is Developed to Provide Investors Access to the Multitrillion Dollar Home Equity Market

33. According to Unison’s 2024 Home Equity Report, the American home equity market has “reached new heights.” As of June 2024, the market totaled \$35 trillion.¹ Older adults often have the highest level of home equity—valued at \$14 trillion—because they have owned their homes the longest.²

¹ Jian Tong Chua & Winfield Xu, *2024 Unison Home Equity Report* 1 (Nov. 2024), <https://contentimages.prod.unison.com/pdf/2024%20Home%20Equity%20Report.pdf> (last visited on Feb. 3, 2026).

² *Senior Home Equity Stands at \$13.95 Trillion*, NRMLA (Mar. 31, 2025), <https://www.nrmlaonline.org/about/press-releases/senior-home-equity-stands-at-13-95-trillion> (last visited on Feb. 3, 2026).

34. Across the country, including in the District of Columbia, homeownership remains one of the most reliable ways to build wealth, primarily through the gradual accumulation of home equity. In D.C., as of 2024, single family homes with at least twenty years of continuous ownership had an estimated average home equity of \$780,022.³ Condominiums had an average equity of \$355,615.⁴

35. Home equity plays a critical role in homeowners' financial security. Many homeowners access their home equity to supplement their retirement or pay off debts. Others use home equity to pay for significant expenses such as home improvements, education, healthcare costs, or long-term care. Products that allow homeowners to access their equity for these reasons are commonplace and include home equity lines of credit (HELOC), home equity loans (sometimes referred to as a second mortgage), cash-out refinances, and reverse mortgages.

36. In the early 2000s, Thomas Sponholtz (Sponholtz), the founder and Chief Executive Officer of Unison, got the “big idea” for Unison’s home equity product.⁵ The idea came to him while working at Barclays Global Investors and “looking around for large asset classes [he] could add to [his] client’s portfolio.”⁶ Sponholtz noticed that the residential real estate market was largely untapped by institutional investors, despite it being the “largest asset class, both globally and in the U.S.”⁷

³ Khamiyah Lewis & Daniel Muhammad, *Women in DC’s Homestead Market*, OFFICE OF REVENUE ANALYSIS (Oct. 20, 2025, 11:15 AM), <https://ora-cfo.dc.gov/blog/women-dc%E2%80%99s-homestead-market> (last visited on Feb. 3, 2026) (D.C. Market Report).

⁴ *Id.*

⁵ Lend Academy, *Podcast 103: Thomas Sponholtz and Jim Riccitelli of Unison*, (June 7, 2017) <https://www.heyfuturenexus.com/podcast-103-thomas-sponholtz-jim-riccitelli-unison/> (last visited on Feb. 3, 2026). (Podcast 103).

⁶ *Id.*

⁷ *Id.*

37. The absence of institutional investors in the market was driven by the burdens associated with the traditional way of investing in and profiting from residential real estate, which requires purchasing a home and renting it or reselling it. Sponholtz recognized that this method of investment is often inefficient and comes with “tremendous amount of administrative cost in maintaining and being a property manager of [] homes.”⁸

38. With his clients and investors in mind, Sponholtz created Unison. Unison gives investors access to the residential real estate asset class—that is, to the equity that individual homeowners have accrued over time—through Unison’s “equity sharing” products. In essence, these products are designed to allow Unison to claim a portion of homeowners’ equity without taking on any of the concomitant costs, labor, burdens, or obligations of homeownership or real estate management.

39. At Unison’s inception, it offered two products, one for homeowners and one for homebuyers, referred to as the HomeOwner Product and the HomeBuyer Product, respectively.⁹ According to Spohnholtz, the products “work the same way so if you understand one, you’ll understand both.”¹⁰

40. The products work by Unison providing homeowners an upfront cash payment (either at time of purchase or during ownership) in exchange for a purported “option” to purchase a substantial percentage of the home in the future.

⁸ *Podcast 103*, *supra* note 5.

⁹ Throughout this Complaint the term “homeowner” is used to describe the individuals who are in Unison contracts, regardless of whether they entered into the HomeBuyer or HomeOwner product.

¹⁰ *Podcast 103*, *supra* note 5.

41. The homeowner retains all responsibility for the costs, labor, and burdens of homeownership, while Unison and its investors reap the rewards of increased equity without purchasing or maintaining the home themselves.

42. Further, Unison deploys a variety of mechanisms throughout the transaction to all but guarantee against the risk of any loss for the company, including lowering the starting values of homes on the front end and then inflating the values on the back end to maximize the equity Unison can extract from the homeowner at the conclusion of the transaction.

43. Unison was launched in 2005. As of today, Unison's website boasts that the "total value of homes [it has] invested in across the country" is \$8.8 billion.¹¹ Unison has agreements with over 10,000 homeowners and a wide geographical presence, operating in "30 states + Washington, D.C."¹² Together, Unison notes, those markets make up more than 83% of U.S. real estate by value.¹³ The D.C. market is particularly valuable, with median sale prices much higher than the national average.

44. It is no coincidence that Unison operates in markets that represent the vast majority of the country's real estate value. Unison has a "10-year forecast on every house in America"¹⁴ and uses its "proprietary investment decision engine" to carefully select the markets in which it will operate. The investment decision engine "capture[s] and integrate[s] the most recent market and industry research about real estate, demographic trends, and key economic indicators such as employment and population growth. ... With this information, Unison seeks to

¹¹ *Company: About Us*, UNISON, <https://www.unison.com/about-us>, (last visited on Feb. 3, 2026).

¹² *Id.* See also, *About*, UNISON IM, <https://www.unisonim.com/about-us>, (last visited on Feb. 3, 2026).

¹³ *Id.*

¹⁴ *Podcast 103*, *supra* note 5.

invest in Unison Agreements on properties that it believes have a greater likelihood of appreciation.”¹⁵

45. Unison’s investment decision engine has paid off, at least for Unison and its investors. Notably, Unison describes “institutional investors” and “high net worth individuals” as “typical[]” investors.¹⁶ Over the ten-year period from 2012 -2022, Unison had a net annualized return of 20.7% for its investors.

46. Unison touts the “unlimited upside and limited downside”¹⁷ of its product to its investors, highlighting that “residential real estate has historically generated strong returns,” and that its portfolios provide “low volatility and high risk-adjusted net returns.”¹⁸

47. In recent years, Unison has begun securitizing its product. To date, it has securitized over a billion dollars of its agreements in at least three different funds managed by Unison IM, further filling the coffers of Unison investors.

48. Thus, Unison’s business model is designed to benefit its high net worth individual and corporate investors, not the homeowners it purports to help. Because of Unison’s misleading and deceptive tactics, homeowners do not find out the devastating impact of their decision to invest in the Unison product until after they have already signed away a significant portion of equity in their home.

¹⁵ Unison Investment Management, LLC, Firm Brochure 8 (Form ADV Part 2A) (June 23, 2025) https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=982540

¹⁶ *Id.*

¹⁷ *About*, UNISON IM, <https://www.unisonim.com/about-us>, (last visited on Feb. 3, 2026).

¹⁸ UNISON IM, <https://www.unisonim.com>, (last visited on Feb. 3, 2026). *See also About*, UNISON IM, <https://www.unisonim.com/about-us>, (last visited on Feb. 3, 2026).

B. The Basic Structure of the Unison Transaction

49. As discussed further below, the Unison transaction is complex and confusing. It involves four primary documents with interlocking and cross-cutting terms and obligations: the HomeOwner Covenant Agreement, the HomeOwner Option Agreement, the Unison Memorandum of HomeOwner Agreement, and the Unison Deed of Trust and Security Agreement. These four documents are referred to collectively herein as the “Agreement.”¹⁹

50. While the details of the Unison transaction are nuanced and riddled with complexity, the basic structure is straightforward.

51. At the outset of the transaction, the homeowner receives an initial upfront payment of money, called a “Unison Investment Payment.” This payment is determined, in part, based on an appraisal ordered and controlled by Unison, but paid for by the homeowner. Unison then applies a discount to the appraised amount to determine the Unison Investment Payment.

52. In return for this payment, the homeowner grants Unison a percentage share in the future value of the home, called the “Investor Percentage.” The Agreement term is set for thirty years, although according to Sponholtz, homeowners typically exit the agreement much earlier, after just ten years.

53. The homeowner pays all origination costs and fees associated with the Agreement, including appraisal fees, transaction costs, and any settlement and closing costs (such as title, state taxes, and recording fees).

54. After the Agreement is signed, Unison records a Deed of Trust to secure its interest in the property and the obligations of the homeowner.

¹⁹ The four documents are attached hereto as **Exhibits A – D** respectively. The HomeBuyer Product is comprised of the same four primary documents, but the term “HomeBuyer” rather than “HomeOwner” appears in the titles. Otherwise, the documents and material terms are substantially identical.

55. During the term of the Agreement, the homeowner pays all costs for the home, such as insurance and property taxes, and the costs of maintenance and repair. The homeowner must maintain the home to Unison's standard during the Agreement. Additionally, in nearly all cases, the homeowner must remain owner occupied, and the homeowner is unable to rent the property to a third-party according to the terms of Unison's agreement.

56. If the homeowner falls behind on insurance or property taxes, Unison can obtain forced place insurance and make "Protective Advances" to cover missed payments. Protective Advances accrue interest at 1.5% per month.

57. At the conclusion of the Agreement, the homeowner must pay Unison an amount called the "Investor Interest," which is determined by a formula that considers the "Ending Value" of the home (as defined by Unison) and the Investor Percentage identified at the start of the Agreement, as well as any other unpaid obligations of the homeowner, such as any Protective Advances made by Unison.

58. The homeowner must repay Unison in a single lump sum. No prepayments or partial payments are permitted. As such, many Unison customers are unable to pay the company without first selling their home. If the homeowner initiates a sale to repay Unison, the homeowner must pay all costs associated with the sale, including closing costs and appraisal costs, which could be in the thousands of dollars.

59. By manipulating property appraisals, avoiding responsibility of the costs of maintenance and repairs, and requiring homeowners to bear all risks and fees, Unison seeks to maximize the portion of a homeowner's equity that it can claim as its own. In other words, its entire business model is to find ways to benefit by claiming a right to the equity that homeowners have built up over time.

C. Unison's Home Equity Product is an Unlicensed Mortgage Loan

60. Unison claims its product is an “option” contract and not a loan. According to Unison, this is because the homeowner only has to pay if Unison decides, upon a triggering event, to exercise its “option” to acquire its interest in the value of the home. The triggering events are discussed more fully in Section E.

61. Unison attempts to label its product as something other than a loan so that it does not have to abide by required mortgage lending and licensing laws. But, regardless of the label Unison affixes to its product, it *is* a mortgage loan. Unison provides homeowners with an advance of money, secures its interests via a deed of trust, and requires repayment that is typically many times more than the initial amount advanced.

62. These are all hallmarks of a mortgage loan. The Unison Investment Payment made to the homeowner at the outset is equivalent to the mortgage loan principal, the Deed of Trust placed on the home is equivalent to the lien a mortgage lender places on the mortgaged property to secure its interests, and the Investor Interest due to Unison at the conclusion of the Agreement is aptly named, because it is the equivalent to interest on the principal of a mortgage loan.

63. While it is *possible*, even if not *probable*, that Unison could lose money on any given Agreement, that possibility does not insulate the product from being a loan. The risk of loss is a long-understood feature of both traditional and reverse mortgage products. The lender always bears a risk of loss, as demonstrated by the 2008 housing crisis. The risk of loss is particularly present for non-recourse mortgages, like Unison’s, where the lender can only recover the amount of collateral securing the mortgage, *i.e.*, the value of the home.

64. While the risk of loss does not define whether the product is a loan, it is worth noting that for Unison, loss seems unlikely. It carefully selects favorable markets in which to

offer its product, touts to its investors that the Agreements have “unlimited upside” and only “limited downside,” and markets its portfolio’s 20.7% annualized returns over a ten-year period.

65. Additionally, Unison structures the deal to decrease the risk of loss, including by discounting the Original Agreed Value of the home, requiring the homeowner to shoulder all initiation, termination, and maintenance costs, and exercising control over how the Ending Agreed Value of the home is determined. All of these actions ensure that Unison maximizes the dollar amount of home value to which it is entitled and minimizes the impacts of any potential depreciation.

66. To further minimize the risk of loss, Unison bundles the Agreements and places them into an asset-backed security, exactly how other mortgage lenders securitize mortgage loans to reduce risks to the lender.

67. Unison claims that because it can choose not to exercise its “option,” there is no repayment obligation, thus no loan. But its “exercise right” is nothing more than another loss mitigation mechanism. It strains credulity to imagine Unison would not exercise the “option” in a scenario where doing so would result in a profit to Unison. Instead, it is most likely that Unison will not “exercise its option” when a loss would occur, similar to when a non-recourse mortgage lender is unable to recover because the home has depreciated too far in value.

68. Moreover, numerous statements made by Unison, including on its website, indicate that the payment obligation is absolute and not necessarily tied to an exercise event. In its Frequently Asked Question Section, one question reads: “What happens at the end of the

agreement?” The response is: “You can use the funds provided by Unison for up to 30 years.

After 30 years, you will need to either sell your home or buy us out.”²⁰

69. Moreover, despite Unison’s efforts to conceal the nature of its product, various documents involved in the process state that Unison is extending a loan.

70. Documents from at least one title company engaged by Unison for a transaction involving a D.C. Consumer refer to the consumer as the “borrower” during the closing process.

71. The same documents refer to “Unison Home Ownership Investors” as the lender.

72. Unison’s Deed of Trust also purports to constitute “a financing statement” under D.C.’s Uniform Commercial Code, which is a document required to memorialize the terms of a secured debt and that must expressly identify a debtor and secured party.²¹

73. On information and belief, similar statements appear in other title documents used by Unison in the District.

74. Similarly, Unison admits that the lien it places on consumers’ homes to secure its interest is “very similar to what a mortgage lender would use to secure its investment in your home.”²²

D. Unison is Operating as an Unlicensed Mortgage Lender in the District of Columbia

75. Home equity and mortgage products are complex and come with certain costs and potential risks for homeowners. To ensure that homeowners are protected and informed when

²⁰ *What happens at the end of the agreement?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026).

²¹ **Exhibit D**, Deed of Trust & Security Agreement at 3 ¶3. See D.C. Code § 28:9-502.

²² *How does Unison secure its interest in the property?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026).

using such products, the District of Columbia has enacted laws governing mortgage lending activity. These laws include licensing and disclosure requirements.

76. Under the District of Columbia’s Mortgage Lender and Broker Act (MLBA), mortgage lenders, mortgage loan originators, and mortgage brokers must obtain a license to originate mortgage loans.²³

77. Additionally, the MLBA requires licensees to make certain disclosures to borrowers, including the principal amount of the loan, an explanation of the type of mortgage being offered, the term of the loan, and the rate of interest that will apply to the loan. If the interest rate is subject to change or subject to a final determination at a future date based on an objective standard, then the disclosure must include a specific statement of those facts. The disclosure must also identify the points and all fees to be paid by the borrower or the seller.²⁴

78. For non-conventional mortgage loans, as defined in § 26-1101 (12A), licensees are required to make additional disclosures that conform with a model form in accordance with § 26-1113(a)(1) and (a-1). Licensees are further required to provide borrowers with these written disclosures within three business days of an application for a non-conventional mortgage loan. Licensees are prohibited from consummating a non-conventional loan unless the borrowers have signed and returned the written disclosures.²⁵

79. Further, the MLBA prohibits “any person required to be licensed” from “fail[ing] to make disclosures as required by ... any applicable federal or District law.”²⁶ This provision requires licensees in D.C. to make disclosures that are consistent with the federal Truth in

²³ D.C. Code §§ 26-1103(a)(1), 26-1114(a)(11).

²⁴ D.C. Code § 26-1113(a)(1).

²⁵ D.C. Code § 26-1113(a-1)(1)-(3).

²⁶ D.C. Code § 26-1114(d), 1114(d)(7).

Lending Act (TILA). TILA requires disclosures similar to the MLBA about the total costs of the loan.²⁷

80. D.C.’s usury statute likewise has similar disclosure requirements, requiring any “loan or financial transaction which is secured by a mortgage or deed of trust on residential real property” to furnish a statement that complies with the disclosure provisions of TILA.²⁸

81. Unison, however, does not follow these licensing and disclosure laws. Unison’s website proclaims: “Equity sharing agreements issued by Unison [] are not offered under mortgage lending licenses. Where offered by Unison [] equity sharing agreements offered are not currently required to be licensed.”²⁹

82. But, as discussed in Section C, Unison’s product *is* a mortgage loan despite Unison labeling it an option.

83. Unison has been issuing its unlicensed mortgage loans in the District since at least 2017. Based on land records, more than 20 District residents are currently ensnared in Unison products, and Unison continues to advertise to its investors that it operates in the D.C. market.

84. It is not surprising that Unison finds the District an attractive market for its products. The median home sale price in the District has increased by \$171,059, or 35%, between 2014 and 2024.³⁰ In 2024, D.C. ranked as one of the most expensive markets in the United States, with 1,742 homes (27.5% of all sales), topping more than \$1 million, and the median sale price being \$655,000 (compared to a national median of \$420,300).³¹ In 2024,

²⁷ 15 U.S.C. § 1638.

²⁸ D.C. Code § 28-3301(f), 3301(f)(3).

²⁹ *State Licenses*, UNISON, <https://www.unison.com/licenses>, (last visited on Feb. 3, 2026).

³⁰ *D.C. Market Report*, *supra* note 3.

³¹ *Id.*

owners of single-family homes who had twenty years of continuous ownership had an estimated average home equity of \$780,022. Condominiums had an average equity of \$355,615.³²

85. As of the date of this filing, Unison is not a licensed mortgage lender in the District and is continuing to operate in violation of the CCPA. To the extent that Unison is additionally or alternatively acting as a mortgage broker or mortgage loan originator, it is likewise subject to licensing requirements and in violation of those requirements.³³

86. Under D.C. law, a contract entered into in violation of a licensing statute or regulation directed at protecting the public is void and unenforceable.

87. By failing to comply with the MLBA, TILA, and D.C. usury law, Unison engages in unfair and deceptive practices in the District.

88. By failing to make the required mortgage loan disclosures, D.C. residents who enter into Unison Agreements are misled as to the true nature and cost of Unison's Agreements. D.C. residents are told they are entering into a "loan alternative" that is easy and flexible when in reality they are unknowingly entering into a dangerous unlicensed mortgage loan, that comes with significant consequences and risks, but without any protections.

89. Unison's violations of the MLBA, TILA, and D.C.'s usury statute give rise to violations of the CCPA.

E. Unison's Product is Unfair and Deceptive Because it Misleads Homeowners about the Actual Cost of the Agreement

90. Unison's product may be alluring to a homeowner looking to access their equity. After all, homeowners are told by Unison that they can access cash to "live the life you really want" with "no added debt, no interest and no monthly payment."

³² D.C. *Market Report*, *supra* note 3.

³³ D.C. Code §§ 26–1103(a)(1), 26–1114(a)(11).

91. But, as discussed in Section C, these statements are false. Unison’s product *does* create debt and carries interest.

92. Additionally, noticeably missing from communications to homeowners is the *amount* the homeowner will be required to pay Unison.

93. Instead, Unison informs homeowners they are in a partnership “fair and square” and both Unison and the homeowner will “either both profit or … share in the loss.”³⁴

94. Nor does Unison make clear to homeowners up front the total costs associated with its product, including information on total fees and costs that will have to be paid at initiation, termination, and throughout the transaction.

95. Unison further misleads homeowners about the total cost of the transaction by representing that its product is “better than a traditional home equity line of credit,” but not providing homeowners with proper comparison tools for other traditional equity products that may be better suited for the homeowner.³⁵

96. Unison claims that because its product is not a mortgage loan, it is not required to disclose information about the total costs in the form and manner required by mortgage lending laws.

97. But, as alleged in Section C, Unison’s product *is* a loan and those disclosures are required.

98. Even if the product were not a loan, however, the Agreement is unfair and deceptive because it misleads and confuses homeowners as to the total cost and ultimate payment obligations due, including the amount of the final lump sum balloon payment.

³⁴ Unison, *How it Works – Unison Equity Sharing – Homeowner*, YOUTUBE, at 0:42, 1:25-27 (June 30, 2023), https://www.youtube.com/watch?v=KG7ygY6_sWM, (last visited on Feb. 3, 2026).

³⁵ *Id.* at 0:39-40.

99. These practices impart significant harm on D.C. residents. At the conclusion of the Agreement, homeowners are at risk of losing what is likely their largest asset – their home.

100. This risk is not just theoretical, the amount due at the end of the Agreement can be in the hundreds of thousands of dollars.³⁶ Many homeowners will be forced to sell their home to satisfy the payment or face foreclosure.³⁷

i. Unison's Product is Unfair and Deceptive Because the Homeowner Cannot Understand or Determine the Final Payment Amount Due Under the Agreement

101. The Unison transaction is structured so as to confuse and mislead homeowners.

102. The details and obligations under the Agreement are spread across four primary documents: the HomeOwner Covenant Agreement, the HomeOwner Option Agreement, the Unision Memorandum of HomeOwner Agreement, and the Unison Deed of Trust and Security Agreement.

103. There are also several other documents that cover the transaction, including, but not limited to, the Unison Closing Statement, the Unison Homeowner Agreement Closing Instructions, a Deferred Maintenance Addendum, a Notice and Acknowledgment for Non-Signatories to the Agreement, and various title documents.

104. Together these documents can span approximately 100 pages, contain confusing cross-references, dozens of definitions (many of which also contain cross-references), and several complex formulas.

³⁶ *Issue Spotlight: Home Equity Contracts: Market Overview*, CFPB OFFICE OF MORTGAGE MARKETS (Jan. 15, 2025), <https://www.consumerfinance.gov/data-research/research-reports/issue-spotlight-home-equity-contracts-market-overview/>, (last visited on Feb. 3, 2026).

³⁷ *Id.*

105. Examination of the various payment scenarios in the Agreement documents highlights how difficult, if not impossible, it is for a homeowner to understand how much they will owe Unison at the conclusion of the Agreement.

106. A homeowner's payment obligation becomes due upon several "Exercise Events." The Agreement outlines four such events, each of which requires the homeowner to pay Unison either directly or out of the proceeds of a sale of the home. The four Exercise Events are: (1) the sale or transfer of the property by the owner, (2) death of the last surviving owner, (3) expiration of the Agreement term, (4) a material and uncured event of default by the homeowner.

107. The amount due to Unison from the homeowner after an Exercise Event is called the Investor Interest.

108. The Agreement's explanation of how the Investor Interest is calculated is a prime example of how difficult it is for a homeowner to understand what the final payment obligation will be.

109. According to the Agreement, the "Investor Interest . . . shall be defined and calculated as the Investor Proceeds, if any, *plus* the Unpaid Owner Obligations, if any."³⁸ Investor Proceeds "shall be defined and calculated as follows: Ending Agreed Value *multiplied by* Investor Percentage *minus* the Unison Purchase Price Balance."³⁹

110. To decode what this means, the homeowner must understand the definition of "Ending Agreed Value" which the Agreement explains is calculated as "**Base Ending Agreed Value** (as set forth in **Section 10.4** below) *minus any* Remodeling Adjustment* *plus any* Deferred Maintenance Adjustment."⁴⁰ The asterisk explains "If there is a Negative Remodeling

³⁸ **Exhibit A**, Covenant Agreement at ¶ 10.1(c) (emphasis in original).

³⁹ *Id.* at ¶ 10.1(a) (emphasis in original).

⁴⁰ *Id.* at 10.3, embedded in ¶ 10.2 (emphasis in original).

Adjustment, the absolute value of that number is added rather than subtracted.”⁴¹ The terms “Remodeling Adjustment” and “Deferred Maintenance Adjustment” are defined several pages later, in Schedule A, among more than 80 other definitions over 5 pages in smaller font than the rest of the document.

111. The homeowner must then move to Section 10.4 to understand the “Base Ending Value,” which is a component of the Ending Agreed Value formula, and can be calculated *ten different ways*, as described in Sections 10.4(a) – 10.4(j). Each of these different calculations cross-references other defined terms and formulas, some of which make the ultimate calculation subject to Unison’s discretion.

112. If the homeowner is able to determine the appropriate Base Ending Value calculation, they then must plug it into the Ending Agreed Value formula. Once they determine the Ending Agreed Value, they can then, finally, attempt to determine the Investor Interest, assuming all information needed for the formula is accurate and available (for example, if an appraisal value is needed for any of the formula inputs, but an appraisal has not yet been conducted, the homeowner cannot definitively determine the amount due).

113. Understandably, any homeowner embarking on this byzantine set of cross-references, definitions, and confusing formulas would have difficulty discerning the amount they must pay Unison at the conclusion of the Agreement.

114. Further obscuring the total amount the homeowner will owe is the “Unison Purchase Price Balance” which is subtracted from the Investor Proceeds to determine the Investor Interest, as described in Paragraph 109.

⁴¹ **Exhibit A**, Covenant Agreement at 10.3, embedded in ¶ 10.2 (emphasis in original).

115. The Unison Purchase Price is the amount of the purported “second payment” Unison will pay the homeowner upon an Exercise Event. In reality, this “payment” is merely an offset of the profits Unison takes from the sale of the home (or an offset on the amount paid directly by the homeowner if no sale). The Unison Purchase Price Balance is never actually deposited into a homeowner’s account.

116. But, because the Unison Purchase Price Balance amount is prominently displayed, and can reach into the six figures, it can mislead consumers, causing them to either misunderstand how much they will owe or causing them to believe they will receive a deposit of a significant sum of money at the conclusion of the Agreement.⁴²

117. In addition to the “Exercise Events” there are other events that terminate the Agreement and guarantee Unison express repayment. These events similarly make it difficult for the homeowner to understand the total cost of the product.

118. First, if the homeowner sells or terminates the contract during the start of the agreement (a period that used to be three years long, and on information and belief, now appears to be five years in more recent agreements), the homeowner must repay Unison. If the home has declined in value during this period, Unison *will not share* in any decline in value, and the Base Ending Agreed Value will be the Effective Sale Price or the Original Agreed Value, *whichever is greater*.⁴³

119. To determine how much the homeowner will owe under this scenario they would need to understand the definition of Effective Sale Price and Original Agreed Value and then

⁴² See, e.g., **Exhibit B**, Option Agreement at 4.

⁴³ *What is the “restriction period”? Can I sell my home at any time?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026); *see also What happens when I decide to sell my home?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026); **Exhibit A**, Covenant Agreement at ¶ 10.4(b).

determine which would be greater. Both terms are defined in the long list of definitions found in Schedule A, attached to the Homeowner Covenant Agreement document.⁴⁴

120. If the homeowner can accurately determine the Effective Sale Price and the Original Agreed Value, and then determine which is greater, they must then plug the greater number into the Ending Agreed Value formula. After determining the Ending Agreed Value, the homeowner can then insert that number into the Investor Proceeds formula, discussed in Paragraph 109 in order to decipher the Investor Interest amount they must pay Unison.

121. A homeowner who wants to exit the Agreement after the three-to-five-year period, but before an Exercise Event, is also obligated to pay Unison. This is called a “Special Termination,” and the amount due is “the greater of” (a) “the Unison Investment Payment plus any Unpaid Owner Obligations”, or (b) “the Investor Interest.”⁴⁵

122. The Special Termination Event is explained to the homeowner in the Homeowner Option Agreement, but the homeowner must also reference the Homeowner Covenant Agreement for a full understanding of how it operates.⁴⁶ The Homeowner Covenant Agreement notes that the “[t]he Investor Proceeds in any Special Termination shall be calculated using an Ending Agreed Value equal to the greater of the Appraised Value of the Property at the time of the Special Termination, or the **Solicited Sale Value**.⁴⁷

123. To discover what this means in terms of payment, homeowners would have to embark on the same journey as for other payment events. They would have to dive into the definitions in Schedule A to ascertain the definition of “Appraised Value” and “Solicited Sale

⁴⁴ **Exhibit A**, Covenant Agreement, Schedule A at 36-40.

⁴⁵ **Exhibit A**, Covenant Agreement at ¶ 6.2.

⁴⁶ **Exhibit B**, Option Agreement at 3 § 7.

⁴⁷ **Exhibit A**, Covenant Agreement at ¶ 6.2 (emphasis in original).

Value” and then determine which is greater. After calculating these two numbers and determining the greater of the two, the homeowner must then plug the greater number into the Ending Agreed Value formula. Once they have that number, they can then move to the Investor Proceeds formulas to ultimately determine the Investor Interest amount due.

124. Finally, a homeowner is also required to pay Unison upon a default. In this scenario Unison can foreclose and force a sale of the home.⁴⁸ Unison can also implement forced place insurance and make “Protective Advances” for missed insurance or tax payments, which accrue interest at 1.5% per month, from the date of demand until paid in full.⁴⁹ Unison can also seek additional liquidated damages if the home is foreclosed upon.⁵⁰

125. If Unison terminates the agreement due to a default, the homeowner is required to pay the Unison Investment Payment (the initial amount advanced), at a minimum, but also may have to pay the amount of the Investor Interest that “exceeds the Unison Investment Payment.”⁵¹ Further, the Unison Purchase Price Balance used in the Investor Interest formula is subject to a 10% reduction.⁵² As with the other payment conditions, to determine the amount due, the homeowner would have to consult multiple definitions and use multiple formulas. Additionally, in this scenario, the homeowner must also pay attorney’s fees and costs incurred by Unison, and the Unison Purchase Price Balance.

126. Unison’s practice of making the total amount due under the Agreement difficult, if not impossible to ascertain is unfair, deceptive, and misleading. It harms consumers by obscuring

⁴⁸ **Exhibit A**, Covenant Agreement at ¶ 7.2.

⁴⁹ *Id.* at ¶ 8.11(b).

⁵⁰ *Id.* at ¶ 7.2(b).

⁵¹ *Id.* at ¶ 7.3(a).

⁵² *Id.* at ¶ 7.3(d).

and/or misleading them as to the true nature and cost of Unison’s product, with grave financial consequences. These practices violate the CCPA.

ii. Unison’s Product is Unfair and Deceptive Because the Homeowner Cannot Understand the Total Costs Due Under the Agreement or How Those Costs Will Impact the Overall Transaction

127. In addition to the final payment due at the conclusion of the Agreement, the homeowner must shoulder various costs and fees throughout the transaction. These fees end up costing the homeowner more than just their total dollar amount. They also increase the amount of money Unison will be entitled to at the conclusion of the Agreement, to the homeowner’s detriment.

128. At the outset of the Agreement, Unison typically discounts the Original Agreed Value of the home and requires the homeowner to pay all transaction fees associated with the initiation and origination of the Agreement.

129. Currently, Unison usually applies a 5% discount to the value of the home to arrive at the Original Agreed Value. Unison describes this discount as a “Risk Adjustment” that “helps account for the uncertainty inherent in the appraisal process. It also allows Unison to deliver your funds faster and without the added costs of multiple appraisals.”⁵³

130. The discount in the Original Agreed Value adversely impacts the advance to the homeowner at the outset of the transaction and the repayment due to Unison at the end of the transaction.

⁵³ *What is the Risk Adjustment and how does Unison determine my home’s starting value?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026)

131. This is because both the Unison Investment Payment (the initial advance to the homeowner) and the Unison Purchase Price Balance (the offset of Unison's profits at the end of the transaction) are keyed off of the Original Agreed Value.

132. For example, Unison advertises that homeowners can access up to 15% of the home's value.⁵⁴

133. By reducing the value of the home by 5% before determining the dollar amount that the homeowner will receive, the homeowner is already receiving a discounted amount of equity at the outset of the Agreement, in return for promising Unison a significant stake in the home's *undiscounted* future value.

134. This 5% reduction in Original Agreed Value also reduces the total amount of the Unison Purchase Price Balance. Although characterized as a payment due to consumers at the end of the transaction, the Unison Purchase Price Balance in fact serves as an offset to the total amount the homeowner will owe at the end of the Agreement.

135. By reducing the Original Agreed Value from which the Unison Purchase Price Balance is derived, Unison reduces the amount by which it will offset its profits and increases the amount Unison will be entitled to demand from homeowners at the conclusion of the Agreement (likely via a sale of the home).

136. The Unison Investment payment is further reduced by the initiation fees, which include a transaction fee and other costs.

⁵⁴ *Products: Equity Sharing Agreement*, UNISON, <https://www.unison.com/equity-sharing-agreement>, (last visited on Feb. 3, 2026).

137. Upon information and belief, Unison may profit from at least some of the transaction fees it purports to cover costs such as credit reports, appraisals, recording fees and taxes, and settlement fees. Currently, the transaction fee is 3.9%.

138. At the conclusion of the Agreement, the homeowner is responsible for all costs associated with selling and closing on the home. Again, these costs can total several thousand dollars.

139. Additionally, the impact of these fees goes beyond their dollar amount. In most scenarios involving the sale of the home, Unison determines the Ending Agreed Value of the home based on the gross proceeds of the sale, meaning the sale price *before* any costs or fees are paid.

140. This is another mechanism to ensure that Unison has access to the largest dollar amount of “home value” from which it can extract its Investor Interest, while the consumer pays the costs.

141. Notably, the Ending Agreed Value of the home is not discounted. This compounds the effect of the discount to the Original Agreed Value at the outset of the Agreement. By discounting the Original Agreed Value but not the Ending Value, Unison increases the amount of home value to which it claims it is entitled.

142. The reason the final payment and the costs of the transaction are not easy to decipher is, itself, plain. If homeowners knew that the ultimate cost of the transaction could be hundreds of thousands of dollars, would likely require them to sell their home, and/or could result in foreclosure, they would be much less likely to enter into the Agreement. This would not bode well for Unison’s profits or its investors. Obscuring the truth is to Unison’s benefit and violates the CCPA.

F. Unison Misrepresents Nearly Every Aspect of its Product and Engages in Other Unfair Practices

143. In addition to obscuring the total cost and final payment amount due under the Agreement, Unison misrepresents nearly every aspect of its product to homeowners.

144. To begin with, Unison markets itself as a “partner” with the homeowner. This representation is made repeatedly throughout Unison’s website and marketing materials with statements like “We win when you win” and “Unison is your partner, here when you need us.”⁵⁵

145. Additionally, a marketing video on Unison’s website and YouTube also emphasizes the purported partnership aspect of the Agreement. The video explains that Unison is a “partnership, fair and square and yes, it’s kind of cool.”⁵⁶

146. The video continues: “Again, we’re partners … so we split the change in value of your home, even if your home depreciates, we actually take the hit along with you. You heard that right. Either we both profit or we both share in the loss. That’s what we mean by a fair partnership. We’re truly there with you through the ups and the downs.”⁵⁷

147. These statements lead the homeowner to believe that they are, in fact, partners with Unison and that they will share together in the increase or decrease in the home.

148. This gives consumers an inaccurate impression of the relationship and the terms of the Agreement. These statements are misleading for many reasons.

⁵⁵ *Products: Equity Sharing Agreement*, UNISON, <https://www.unison.com/equity-sharing-agreement>, (accessed on Nov. 6, 2025 and last visited on Feb. 3, 2026).

⁵⁶ Unison, *How it Works – Unison Equity Sharing – Homeowner*, YOUTUBE, at 0:42-45 (June 30, 2023), https://www.youtube.com/watch?v=KG7ygY6_sWM, (last visited on Feb. 3, 2026).

⁵⁷ *Id.* at 1:15-34.

149. First, the Agreement itself explicitly disclaims any partnership relationship with the homeowner, directly contradicting Unison’s other representations. “Investor shall not be deemed a partner . . . or fiduciary with, or of, Owner.”⁵⁸

150. This makes sense, because one aspect of a partnership is a fiduciary relationship. Unison could not possibly abide by this duty with homeowners, given its goal to increase returns for its investors.

151. Additionally, Unison is not a partner in even the layman’s sense of the word. Unison has built into the Agreement a variety of mechanisms designed to ensure it will maximize the Company’s return and minimize risk, even if the home value depreciates, including by manipulating the Original Agreed Value, requiring the homeowner to shoulder all costs, and having significant influence over the Ending Agreed Value.

152. Further, the representation that Unison will share in any depreciation is misleading because in certain circumstances, Unison expressly disclaims a share of any depreciation. For example, if the homeowner exits the Agreement during the first three to five years (depending on when the Agreement was executed) Unison does not share in any losses.

153. Unison also makes statements about the homeowner maintaining “control [of] the property and receiving the benefits of home ownership, such as occupancy rights.”⁵⁹ It markets the product to homeowners as a “simple, fair way to access the wealth that is tied up in your home”⁶⁰ so that homeowners can “live the life [they] really want.”⁶¹

⁵⁸ **Exhibit A**, Covenant Agreement at ¶ 9.3.

⁵⁹ *If I partner with Unison, who owns the home?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026).

⁶⁰ Unison, *How it Works – Unison Equity Sharing – Homeowner*, YOUTUBE, at 0:17-19 (June 30, 2023), https://www.youtube.com/watch?v=KG7ygY6_sWM, (last visited on Feb. 3, 2026).

⁶¹ *Products: Equity Sharing Agreement*, UNISON, <https://www.unison.com/equity-sharing-agreement>, (last visited on Feb. 3, 2026).

154. These statements mislead consumers about the complexity of the Agreement, including the significant restrictions placed on the home under the Agreement. These restrictions include prohibiting renting out the home, retaining the home as a primary residence, limits on the maximum total debt the homeowner can carry during the Agreement, limits on refinancing and other equity products, and granting Unison the right to interfere in a sale if it believes the sale price is too low.

155. Unison's website mentions some of these restrictions in the Frequently Asked Question section. However, these statements fail to ensure that the homeowner has an accurate understanding of the realities of the product when considered alongside Unison's competing statements about the ease and simplicity of the Agreement that are featured prominently on Unison's website.

156. Further, on information and belief, no Unison representative is present at closing. Only a notary attends, and the homeowner is unable to ask a Unison representative questions about Unison's conflicting statements or the intricacies of the Agreement.

157. Unison also makes misleading representations about the amount homeowners will have to pay at the conclusion of the Agreement. These statements appear in various places throughout the website and give the homeowner the impression the payment will not be significant or impact any equity amassed through their monthly mortgage payments.

158. Another Frequently Asked Question suggests a homeowner may owe *nothing* at the conclusion of the Agreement. The question is "Is it possible I could end up owing Unison back less money at the end than I received at the beginning?" The answer is:

"Yes. Unison is not a loan; we are invested in your home alongside you, so we win and lose together. Though such cases are not common, with significant decline in your home's value—something neither of us are looking for!--it is possible that the value of the

agreement, and your ending amount due to Unison, would be \$0. It's this feature along with the absence of any monthly payments that distinguishes an equity sharing agreement from a loan.”⁶²

159. This is also misleading. As discussed in Sections C and E above, under nearly all circumstances the homeowner will owe Unison amounts that exceed the initial amounts advanced. And Unison has built several mechanisms into the Agreement to ensure that it reaps a return on the Agreement. Highlighting a remote scenario in which a homeowner may owe \$0 at the conclusion of the Agreement despite Unison's one-sided agreement misleads consumers about the total costs and risks associated with Unison's product.

160. These examples, alongside Unison's other statements serve to mislead homeowners about the amount they will be required to pay Unison at the conclusion of the Agreement.

161. Unison repeatedly emphasizes that its product does not create debt.

162. This is misleading. Debt is a future payment obligation. As discussed throughout, the homeowner will have payment obligations to Unison at the end of the Agreement.

163. Unison's statements that there is no interest associated with the Agreement are also misleading and false. Interest is merely the amount owed in return for the use of borrowed money. As discussed, homeowners will, in the vast majority of circumstances, be required to pay Unison more than they were advanced. Indeed, this is key to Unison's success. If Unison did not recover interest on the money it provided homeowners, it would not reap any profits, much less the 20% returns it touts to investors. Additionally, if Unison makes protective advances on behalf of a homeowner, those explicitly accrue interest at 1.5% per month.

⁶² *Is it possible I could end up owing Unison back less money at the end than I received at the beginning?*, UNISON, <https://www.unison.com/faqs/equity-sharing-agreement>, (last visited on Feb. 3, 2026).

164. Unison's statements that its product is not a loan are misleading for the reasons discussed in Sections C and E and designed to lure homeowners into its product, rather than other, potentially more suitable, equity products.

165. Unison also emphasizes throughout its website and promotional videos that there are no monthly payments. This is misleading because the homeowner must continue to make monthly payments under the Agreement, such as property taxes, insurance, and mortgage payments, if applicable.

166. Finally, Unison engages in unfair practices related to appraisals. In many circumstances, the Ending Agreed Value used to determine Unison's Investor Proceeds relies on an appraised value of the home. As a result, Unison has an interest in a high appraisal value at the conclusion of the Agreement. Unison's interest is exemplified by the provision in the Agreement that permits Unison to order an additional appraisal if it determines that a proposed sale price is too low. By invoking this provision, Unison can obtain a higher appraisal that will result in the company's investors recouping a larger amount of the homeowners' equity.

167. The impact of Unison's repeated and prolific misrepresentations is that homeowners have no real understanding of the Agreement they are entering into. They believe the Agreement is simple and easy, allows them to access their home equity with no interest or monthly payment obligations. In reality, while homeowners may get an immediate influx of cash at the start of the Agreement, they risk losing their largest asset. That reality is not made clear to the homeowner at the outset of the Agreement and, by the time they discover it, it is often too late to save their home or the equity in their home that they have built up over many years.

CAUSES OF ACTION

COUNT I

Violation of the Consumer Protection Procedures Act, D.C. Code §§ 28-3901 *et seq.*

168. Plaintiff incorporates by reference all the allegations of the preceding paragraphs.

169. The CPPA prohibits any person from “engag[ing] in an unfair or deceptive trade practice, whether or not any consumer is in fact misled, deceived, or damaged.” D.C. Code § 28–3904.

170. The purpose of the CPPA is to “establish[] an enforceable right to truthful information from merchants about consumer goods and services that are or would be purchased, leased, or received in the District of Columbia.” D.C. Code § 28-3901(c).

171. Defendants are, collectively, “merchants” within the meaning of the CPPA. D.C. Code § 28–3901(3). Defendants, in the ordinary course of business, sell, lease, or transfer, either directly or indirectly, their HomeBuyer and HomeOwner Agreements within the District.

172. The HomeBuyer and HomeOwner Agreements are consumer “goods and services” within the meaning of the CPPA because they are consumer credit transactions, real estate transactions, and/or consumer services of all types. D.C. Code § 28–3901(a)(2), (7).

173. NACA has standing to bring this Count under D.C. Code § 28–3905(k)(l)(D)(i), which provides in relevant part that “a public interest organization may, on behalf of the interests of a consumer or a class of consumers, bring an action seeking relief from the use by any person of a trade practice in violation of a law of the District if the consumer or class could bring an action under subparagraph (A) of this paragraph for relief from such use by such person of such trade practice.” D.C. Code § 28–3905(k)(l)(D)(i).

174. Plaintiff is a nonprofit, public interest organization that has done significant advocacy work on behalf of consumers related to predatory lending, both locally in the District and at the federal level.

175. Plaintiff brings this complaint on behalf of the interests of District consumers who entered into Unison HomeBuyer and HomeOwner Agreements.

176. As alleged in this complaint, Defendants committed unfair or deceptive trade practices affecting consumers within the District. Unison has violated the CPPA by:

- misrepresenting material facts that have a tendency to mislead;
- representing that a transaction confers or involves rights, remedies or obligations which it does not have or involve, or which are prohibited by law;
- failing to state a material fact which has a tendency to mislead;
- using innuendo or ambiguity as to a material fact, which has a tendency to mislead;
- advertising or offering goods or services without the intent to sell them or without the intent to sell them as advertised or offered;
- making or enforcing unconscionable terms or provisions of sales or leases; and
- violating any provision of Chapter 33 (Interest and Usury) of the CPPA;
- failing to make a disclosure as required by § 26-1113(a-1).

D.C. Code §§ 28-3904(e), (e-1), (f), (f-1), (h), (r), (ff), (hh).

177. Violations of other laws can give rise to independent violations of the CPPA.

Here, Unison's violations of the Mortgage Broker and Lender Act, TILA, and the D.C. usury statute give rise to independent violations of the CPPA.

178. The MLBA prohibits engaging in business as a mortgage lender, mortgage loan originator, or mortgage broker without a license issued by the Department of Insurance, Securities, and Banking. D.C. Code. §§ 26–1103(a)(1), 26–1114(a)(11).

179. A “mortgage loan” is “any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling.” D.C. Code § 26–1101(12). As alleged herein, Unison’s product is a mortgage loan.

180. A “mortgage lender” is any person who “makes a mortgage loan.” D.C. Code § 26–1101(11). As alleged herein, because Unison makes mortgage loans, Unison is a “mortgage lender.”

181. Alternatively and/or additionally Unison operates as a “mortgage loan originator” or “mortgage broker” as it offers terms of mortgage loans. D.C. Code §§ 26–1101(10), (12B)(A).

182. Unison does not have a license issued by the Department of Insurance, Securities, and Banking.

183. The MLBA also requires that licensees make certain disclosures for mortgage loans. Those disclosures include information regarding the term and principal amount of the loan, an explanation of the type of mortgage that is being offered, the term of the loan and the rate of interest that will apply to the loan. If the interest rate is subject to change or subject to a final determination at a future date based on some objective standard, a specific statement of those facts must be made. The disclosure must also identify the points and all fees to be paid by the borrower or the seller. D.C. Code § 26-1113(a)(1)-(2), (a-1).

184. For non-conventional mortgage loans, licensees are required to provide additional disclosures in accordance with § 26-1113(a)(1) and (a-1). A non-conventional loan is “any mortgage loan that is not a fixed-rate mortgage loan with an amortization period of 30 years or

less.” D.C. Code § 26-1101(12A). The borrower must sign the disclosures before the loan is consummated. D.C. Code § 26-1113(a-1).

185. Unison does not make the required MLBA disclosures.

186. The MLBA also requires compliance with federal disclosure laws, § 26-1114(a)(7), (d)(7), including those found in the TILA.

187. TILA imposes a number of obligations on creditors and mortgage originators “to assure that consumers … receive residential mortgage loans on terms that reasonably reflect their ability to repay[,] … that are understandable, and not unfair, deceptive or abusive,” which are thereby incorporated into the MLBA. 15 U.S.C. § 1639b; D.C. Code § 26-1114(a)(7), (d)(7).

188. Under TILA, a residential mortgage loan is “any consumer credit transaction that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling.” 15 U.S.C. § 1602(dd)(5).

189. TILA defines credit as the “right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment.” 15 U.S.C. § 1602(f).

190. TILA defines a mortgage originator as “any person who, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain … takes a residential mortgage loan application.” 15 U.S.C. § 1602(dd)(2).

191. Under TILA, creditors must disclose key information concerning the terms of a residential mortgage loan, including the finance charge and annual percentage rate of the loan. 15 U.S.C. § 1638. A finance charge is the cost of consumer credit expressed as a dollar amount. 12 C.F.R. § 1026.4(a). TILA also requires mortgage originators to be licensed in accordance with state and federal law. 15 U.S.C. § 1639b(b).

192. Unison fails to comply with the TILA provisions required under the MLBA.

193. Consistent with the MLBA and TILA, D.C.'s local usury statute creates a number of protections with regard to residential mortgage loans. D.C. Code § 28-3301 *et. seq.*

194. Among other things, the usury statute prohibits lenders from misrepresenting material facts, failing to state material facts, and advertising or offering services without the intent to provide them as offered or advertised. D.C. Code § 28-3312(1), (2), (3).

195. It also requires lenders to comply with TILA's disclosure requirements prior to the execution of the loan. D.C. Code § 28-3301(f)(3).

196. Unison does not make the disclosures, including those under TILA, that are required under D.C.'s usury statute.

JURY TRIAL DEMAND

197. NACA hereby demands a trial by jury.

PRAYER FOR RELIEF

198. WHEREFORE, NACA respectfully requests this Court enter judgment in its favor and against Unison:

- a. Permanently enjoin Unison from enforcing or selling its HomeBuyer and HomeOwner Agreement products, pursuant to D.C. Code § 28–3905(k)(2)(D);
- b. Permanently enjoin Unison from engaging in conduct found to be in violation of the CCPA, pursuant to D.C. Code § 28–3905(k)(2)(D);
- c. Order that all documents related to the HomeBuyer and HomeOwner products filed by Unison with the District of Columbia Recorder's Office are void and must be released, pursuant to D.C. Code § 28–3905(k)(2)(D), (E);

- d. Declare that Unison is a mortgage lender, mortgage loan originator, and/or mortgage broker and that it offers mortgage loans and/or non-conventional mortgage loans as defined by the Mortgage Lender and Broker Act, D.C. Code § 26–1101 *et seq*, pursuant to D.C. Code § 28–3905(k)(2)(E), (F);
- e. Declare that Unison’s HomeBuyer and HomeOwner products are void, unenforceable, and have no legal force or effect, pursuant to D.C. Code § 28–3905(k)(2)(E), (F);
- f. Disgorge Unison of all profits and money unlawfully obtained from consumers, pursuant to D.C. Code § 28–3905(k)(2)(E), (F);
- g. Award reasonable attorneys’ fees for NACA’s investigation into and prosecution of this action, pursuant to D.C. Code § 28-3905(k)(2)(B);
- h. Grant NACA other and further relief as the Court finds necessary and proper, pursuant to D.C. Code § 28–3905(k)(2)(E), (F).

Respectfully Submitted,

Dated: February 11, 2026

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*Singleton Schreiber, LLP's office in Washington, D.C. will be operational before the end of February 2026, upon which a notice of change in address will be filed accordingly.