

E-FILED

275.00

COMMONWEALTH OF MASSACHUSETTS

Superior Court
Civil No. 2385CV00386-B

Worcester, ss.

_____)
GSG Real Estate LLC)
Plaintiff,)
)
V.)
)
Spectrum Builders, LLC and)
Michael Hodgman)
Defendant)
_____)

1a

COMPLAINT

NOW COMES Plaintiff GSG Real Estate LLC, by and through its attorney, David M. Paratore from Paratore Law, and for his complaint against Spectrum Builders, LLC and Michael Hodgman hereby states as follows:

PARTIES

1. Plaintiff, GSG Real Estate LLC ("Plaintiff"), is Massachusetts Limited Liability Company with an address at 276 Lincoln Circle , Northbridge MA.

2. Defendant, Spectrum Builders, LLC ("Spectrum"), is a New Hampshire corporation with a principal place of business at 6D Dobson Way, Suite 222, Merrimack, New Hampshire 03054 and a registered agent c/o David G. Sturm, Esq., 15 Union Street S3, Milford, NH 03055.

3. The Defendant, Michael Hodgman, is the sole member, manager, and principal of Spectrum, who upon information and belief resides at 6 Paul Street, Auburn, Massachusetts 01501.

STATEMENT OF FACTS

4. On or about October 22, 2021, Plaintiff and Spectrum, entered into a contract (the "Contract"), in which Spectrum agreed to provide labor and materials, including building and engineering services for the construction of a pre-engineered metal building (the "Project") at 600 Commerce Park, Northbridge, Massachusetts (the "Site"). See Exhibit "A", a genuine copy of the Contract.
5. Plaintiff entered into the Contract based upon representations by Hodgman and Spectrum that Hodgman and Spectrum would place the entirety of the advance funds, totaling Ninety Nine Thousand and Ninety Dollars (\$99,090.00 USD) provided by Plaintiff on deposit with Package Steel Systems, (the "Manufacturer") to order and secure engineering services, materials and design immediately upon signing. Hodgman and Spectrum stated that supply chain issues and cost increases would jeopardize the project if signing and deposits were delayed.
6. On or about October 22, 2021 Plaintiff executed the contract and wired the requested funds as directed by Hodgman and Spectrum.
7. To date the funds in question have never been transmitted to Manufacturer nor has any payment or payment arrangement been made on behalf of Plaintiff by Hodgman or Spectrum.
8. Plaintiff has made repeated requests for project updates and was informed that despite, price securement, as listed in the contract, the price would be more than twice that initially stated.
8. Plaintiff requested a refund from Hodgman & Spectrum and was told the funds were on deposit with Manufacturer and he would attempt to retrieve them.
9. Plaintiff made repeated attempts to contact Hodgman and Spectrum and initially received excuses including sickness and being out of state followed by no response.

10. On or about March 13th Plaintiff's representative met with Manufacturer to inquire about the return of the deposit or the status of the materials and work ordered.

11. Plaintiff learned that no deposit was ever placed with Manufacturer by Hodgman or Spectrum and that while Manufacturer was aware of the proposed Project and could have completed the order, as expected by Plaintiff, at the time of contracting between Plaintiff and Spectrum, no funds were provided to the Manufacturer.

12. On March 14th, through its attorney, Plaintiff sent a communication to Hodgman & Spectrum demanding the return of the deposited funds.

13. Hodgman and Spectrum failed or refused to respond to the demand.

Count I – Breach of Contract against Hodgman and Spectrum.

14. Plaintiff hereby incorporates by reference Paragraphs 1 through 13 above.

15. Hodgman and Spectrum have breached their contractual obligations under the Agreement, respectively, by inter alia, failing to order the products as stated or refund the deposited monies and breaching the covenant of good faith and fair dealing.

16. Plaintiff has complied with its obligations under the contract.

17. Plaintiff has sustained damages as a result of Hodgman and Spectrum's conduct.

Count II – Unjust Enrichment against Hodgman and Spectrum

18. Plaintiff hereby incorporates by reference paragraphs 1 through 17 above.

19. Hodgman and Spectrum have been unjustly enriched by receiving the deposited funds without providing the contracted materials, services or any repayment.

20. As a direct and proximate result of defendants' breaches they have thusly been unjustly enriched resulting in Plaintiff having incurred substantial and continued damages, including but not limited to the deposited funds and continuing legal fees and expenses.

20. Equity and good conscience require judgement against Hodgman and Spectrum in the amount to be determined at Trial.

Count III- Fraud and Deceit against Hodgman and Spectrum

21. Plaintiff hereby incorporates by reference Paragraphs 1 through 20 above.

22. As detailed above, Defendants have committed fraudulent acts and made fraudulent material misrepresentations, including but not limited to: (a) a coordinated fraudulent scheme to induce substantial funds from Plaintiff, for services which Defendants never intended to honor, (b) misrepresentations set forth in Paragraphs 4 through 13 above including but not limited statements that product would be delivered within a reasonable time of receiving a deposit and that orders were placed and paid for with stated deposit funds.

23. Defendants knew that such acts were fraudulent and that such misrepresentations were false when they were made, and intended for the Plaintiff to act in reliance on such fraudulent acts and misrepresentations.

24. Plaintiff acted in reliance on Defendants fraudulent acts and misrepresentations, inter alia, by depositing said funds and delaying collection activities.

25. As a direct and proximate result of Defendant's breaches of contract, Plaintiff has incurred substantial and continued damages, including but not limited to the deposited funds and continuing legal fees and expenses.

Count IV - Unfair Trade Acts against Hodgman and Spectrum

26. Plaintiff hereby incorporates by reference Paragraphs 1 through 25 above.

27. At all times relevant hereto, the Plaintiff and the Defendants were engaged in commerce within the meaning of M.G.L. c. 93A.

28. It has become apparent that the Defendants did not act in good faith in connection with the parties' agreement.

29. The above described bad faith conduct, fraudulent scheme, false pretenses, false representation, breach of contract, unjust enrichment, and fraud and deceit constitute unfair and deceptive acts and practices in violation of M.G.L. c. 93A §2 and 11, which were knowingly and willfully performed.

30. As a direct and proximate result of Defendant's breaches of contract, Plaintiff has incurred substantial and continued damages, including but not limited to the loss of deposited funds and continuing legal fees and expenses.

Count IV – INTENTIONAL MISREPRESENTATION against Hodgman & Spectrum

31. Plaintiff hereby incorporates paragraphs 1 through 30 above.

32. The Defendants made false statements and continued misrepresentation of material facts with regard to the availability of products and delivery times in order to convince the Plaintiff to enter the contract and place a sizable deposit when in fact the Defendants had knowledge that the statements were false. The Plaintiff relied on these statements when entering the contract and making the deposit.

33. The Plaintiff has sustained compensatory and incidental damages and demands compensatory and equitable relief.

Count VII – NEGLIGENT MISREPRESENTATION against Hodgman & Spectrum

34. The Plaintiff hereby incorporates paragraphs 1 through 33 above.

35. The Defendant, in the course of business with the Plaintiff, supplied false information for the Plaintiffs guidance in the transaction prior to signing the contract and again after the contract was signed. This caused and resulted in pecuniary loss by the Plaintiff, by his justifiable reliance on the information the Defendants provided, and with failure to exercise reasonable care or competence in communicating the information. The Defendants made misrepresentations regarding when materials would be available, the reasonable completion date of the job, the existence of product orders and availability to purchase said products via local suppliers.

36. The Plaintiff, as a result, has sustained compensatory and incidental damages and demands equitable relief.

JURY DEMAND

The Plaintiff, GSG Real Estate LLC, demands trial by jury on all claims so triable.

WHEREFORE, the Plaintiff, GSG Real Estate LLC, prays that this Court:

A. Order the Defendants to refund the Plaintiff the deposited funds of \$99,090.00;

- B. Award judgement against the Defendant, Spectrum, in the amount to be determined at trial, plus interest, cost, attorneys' fees, expenses, compensatory damaged and punitive damage.
- C. Award Judgement against Defendant Hodgman, in the amount to be determined at trial, plus interest, cost, attorneys' fees, expenses compensatory damaged and punitive damage.
- D. Grant such other relief as the interest of justice and equity demand.
- E. Plaintiff reserves the right to amend this complaint and add additional counts and request relief should more information arise.

Respectfully Submitted,
GSG Real Estate LLC
By his attorney,
/s/ David M. Paratore
David M. Paratore, Esq.
(BBO No. 655870)
80 Broad Street
Suite C-100
Boston Ma 02110
Telephone: (617)212.3962
Email: David@Paratorelaw.com

EXHIBIT A

October 22, 2021

GSG Realty
276 Lincoln Circle
Northbridge, MA 01534

SPECTRUM BUILDERS

497 Hooksett Road #371
Manchester, New Hampshire 03104
6 Paul Street
Auburn, Massachusetts 01501
508-208-0117
www.SpectrumBuildersNE.com

CONTRACT

PROJECT:
BrenTune
600 Commerce Park
Northbridge, MA 01534

This short form contract is between Spectrum Builders LLC, (CONTRACTOR) a NH corporation and GSG Realty (CUSTOMER) a MA realty corporation in the sole purpose of releasing funds as a deposit to PACKAGE STEEL SYSTEMS a pre-engineered metal building manufacturer. CONTRACTOR will order the pre-engineered building specified by CUSTOMER on, 10/22/2021, to release it for engineering, final design, price securement, and delivery date. The deposit, \$99,090.00, will be deducted from the total price for the pre-engineered metal building package. Balance due upon steel delivery, \$413,450.00.

AGREED:

GSG Realty: _____ date: 1 / 1

Spectrum Builders:  _____ date: 10 / 22 / 2021

ALL WORK SHALL BE COMPLETED IN A WORKMANLIKE MANNER ACCORDING TO STANDARD PRACTICES. ANY ALTERATION OR DEVIATION FROM THE ABOVE SPECIFICATIONS SHALL BE EXECUTED ONLY UPON WRITTEN AND SIGNED CHANGE ORDERS. OUR WORKERS ARE FULLY COVERED BY WORKER'S COMPENSATION INSURANCE AND SPECTRUM BUILDERS, LLC IS FULLY COVERED BY GENERAL LIABILITY INSURANCE. PROOF OF INSURANCE FURNISHED UPON SIGNED CONTRACT.
PAYMENTS WILL BE MADE BY AGREED UPON TERMS AT TIME OF CONTRACT SIGNING.
IF SPECTRUM BUILDERS, LLC FINDS IT NECESSARY TO INCUR ANY COSTS OF COLLECTION, FOR THE FILING OF ANY ACTION TO COLLECT ANY AMOUNT OWED TO IT, THE CUSTOMER SHALL PAY ALL COSTS OF COLLECTION, INCLUDING REASONABLE ATTORNEY'S FEES. A SERVICE CHARGE OF TWO PERCENT (2%) PER MONTH SHALL BE CHARGED AFTER THIRTY (30) DAYS (TWENTY-FOUR PERCENT, 24% PER ANNUM). ANY INTEREST WILL BE CHARGED DURING THE PENDENCY OF LEGAL ACTION TO COLLECT THE DEBT OWED TO SPECTRUM BUILDERS, LLC
CUSTOMER IS RESPONSIBLE FOR JOBSITE SECURITY
CUSTOMER IS RESPONSIBLE FOR TEMPORARY JOBSITE ELECTRICITY
NO WINTER CONSTRUCTION COSTS INCLUDED
SPECTRUM BUILDERS, LLC IS NOT HELD TO OR LIABLE FOR ANY PRICE INCREASES ON MATERIALS, LABOR, ETC.