

**COMPARISON OF CASE SUMMARY BY  
CLAUDE, CHATGPT, PERPLEXITY AND PAXTON.AI.**

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**ABSTRACT:**

How do the popular generative AI platforms perform in summarizing a case with a complicated procedural history. Four platforms - Claude, ChatGPT, Perplexity and Paxton,Ai – were tasked to summarize a Fourth Circuit decision that vacated a summary judgment ruling and to provide guidance to the losing party to avoid liability going forward.

As shown below, all of the platforms provided accurate summaries with differences largely stylistic. That said, none of the platforms mentioned that this was the case's second time up at the Fourth Circuit or cited the three-prong test for disparate impact. As for advice on avoiding liability prospectively, Claude and Perplexity offered the most professional advice, with ChatGPT a close second. Paxton ignored that part of the prompt which is a bit troubling. Overall, the tools provide a good head start for a client memo but don't obviate the need for verification and oversight.

**PROMPT USED:** You are a law firm associate working for the firm that represents the appellee Waples Motor Home. The attached decision in [Reyes v. Waples](#), 91 F.4th 270 (4th Cir. 2024) just issued. Please draft a memorandum summarizing the decision, and offer your insights as to why your client Waples lost on appeal and how it can protect itself moving forward.

**RESULTS:**

**Anthropic Claude**

To: Partner From: Associate Re: Reyes v. Waples Mobile Home Park Limited Partnership, No. 22-1660 (4th Cir. Jan. 23, 2024)

I have reviewed the Fourth Circuit's recent decision in Reyes v. Waples Mobile Home Park Limited Partnership. This memo summarizes the key points of the decision and provides insights on why our client Waples lost the appeal and how it can protect itself going forward.

Case Summary: Several Latino families who were residents of Waples Mobile Home Park sued Waples alleging that its policy requiring all adult tenants to provide proof of legal status in the U.S. to renew leases violated the Fair Housing Act (FHA) by disproportionately ousting Latino families. The district court granted summary judgment for Waples, finding the policy was necessary for Waples to avoid criminal liability under the federal anti-harboring statute, 8 U.S.C. § 1324(a).

The Fourth Circuit reversed and remanded. It held that the anti-harboring statute does not plausibly put Waples at risk of prosecution merely for leasing to undocumented immigrants without more evidence of intent to conceal or harbor. The court found Waples failed to meet its burden to show the policy served a legitimate business necessity that justified the discriminatory impact. The dubious circumstances around Waples selectively enforcing the policy after years of

disregard, and only imposing surcharges rather than evictions on undocumented tenants, undermined any claimed necessity to avoid harboring liability.

Why Waples Lost:

1. The anti-harboring statute requires knowing or reckless concealment or shielding of undocumented immigrants, not just renting to them. Appellate precedent uniformly holds that merely leasing to undocumented tenants, without intent to hide them from authorities, does not violate the statute. Waples had no real risk of prosecution.
2. Waples' belated and selective enforcement of the policy, and imposing only monetary penalties rather than prompt eviction of undocumented tenants, fatally undermined its claimed motive of avoiding harboring liability as a business necessity justifying the discriminatory effects. The record was too thin to support a necessity defense.
3. Unlike in the employment context, there is no regulatory scheme, verification requirement or government guidance for landlords on checking immigration status. This undercuts treating it as a legal necessity.

Recommendations:

1. Evaluate all policies that may have a discriminatory impact, especially those related to immigration/citizenship status, to ensure a well-documented legitimate business necessity supports them. Avoid selective enforcement.
2. If a tenant is discovered to be undocumented, consult with immigration counsel on whether the specific facts indicate a real risk of harboring liability before taking any adverse housing action. Charging higher rent is inadvisable if actually concerned about liability.
3. Focus tenant screening on directly relevant criteria like credit, criminal history, prior evictions, etc. Avoid blanket policies on immigration status unless clearly necessary.
4. Train leasing staff on FHA compliance and to refer concerns about a tenant's immigration status to management and legal counsel before taking action.

Let me know if you need anything further on this matter. We should be prepared that the case may now proceed to trial on remand.

**ChatGPT**

Memorandum

To: [Partner/Managing Attorney]

From: [Your Name]

Date: June 3, 2024

## I. Summary of the Decision

The Fourth Circuit Court of Appeals reversed and remanded the district court's summary judgment in favor of Waples Mobile Home Park Limited Partnership ("Waples"). The plaintiffs, several Latino families, argued that Waples' policy requiring all adult tenants to provide proof of legal status to renew their leases violated the Fair Housing Act (FHA) under a disparate-impact theory. The appellate court concluded that the district court erred in granting summary judgment to Waples by misinterpreting the federal anti-harboring statute and failing to properly evaluate the disparate impact of the policy on Latino families.

## II. Key Findings

1. **Disparate Impact:** The court held that the families had established a prima facie case of disparate impact under the FHA. The policy disproportionately affected Latino families, causing them to face eviction compared to non-Latino families.
2. **Misapplication of the Anti-Harboring Statute:** The court found that the district court misinterpreted the federal anti-harboring statute (8 U.S.C. § 1324(a)(1)(A)(iii)). Leasing property to undocumented immigrants does not, without more, constitute "harboring" under the statute. The statute requires intent to conceal or shield undocumented immigrants from detection, which was not proven in Waples' case.
3. **Business Necessity:** Waples failed to demonstrate that the policy was necessary to achieve a legitimate interest. The court noted that Waples' enforcement of the policy was inconsistent and not genuinely aimed at avoiding liability under the anti-harboring statute. Instead of evicting undocumented tenants, Waples increased their rent, undermining the argument that the policy was necessary to avoid criminal liability.

## III. Insights and Recommendations

1. **Policy Review and Revision:** Waples should revisit its policies to ensure compliance with the FHA and other relevant laws. Policies that have a disparate impact on protected classes should be carefully scrutinized. Legal counsel

should be consulted to draft policies that achieve legitimate business interests without disproportionately affecting certain groups.

2. Consistency in Enforcement: Inconsistent enforcement of policies can undermine their legitimacy. Waples should establish clear, consistent procedures for policy implementation and enforcement to avoid claims of discriminatory practices.
3. Documentation and Training: Proper documentation and training are essential. Employees should be trained on the legal requirements and implications of the policies they enforce. Maintaining detailed records of policy enforcement can help demonstrate legitimate business practices if challenged.
4. Exploring Alternatives: Consider alternative means to achieve business objectives that have less discriminatory impact. For instance, instead of requiring proof of legal status from all adult tenants, Waples could implement background checks that do not disproportionately affect minority groups.
5. Legal Consultation: Regular legal consultations can help ensure that Waples' policies comply with evolving legal standards and prevent potential litigation. Engaging with fair housing experts can provide valuable insights into minimizing the risk of disparate impact claims.

#### IV. Conclusion

Waples lost on appeal primarily because the policy was found to have a disparate impact on Latino families and was not justified by a legitimate business necessity. Moving forward, Waples should revise its policies to ensure compliance with fair housing laws, enforce policies consistently, document actions thoroughly, explore less discriminatory alternatives, and consult legal experts regularly.

Please let me know if further analysis or action is required.

#### **Perplexity**

### Summary of the Decision

The Fourth Circuit Court of Appeals reversed the district court's grant of summary judgment in favor of Waples Mobile Home Park Limited Partnership ("Waples") on the plaintiffs' disparate impact claim under the Fair Housing Act (FHA). The key holdings are:

1. The district court erred in finding that Waples' policy requiring all adult tenants to provide proof of legal immigration status (the "Policy") was justified by the need to avoid criminal liability under the federal anti-harboring statute, 8 U.S.C. § 1324(a)(1)(A)(iii). The court clarified that the anti-harboring statute does not criminalize ordinary landlord-tenant transactions and requires more than just renting to undocumented immigrants.
2. The record was insufficient to establish that the Policy served a valid interest under Step Two of the disparate impact analysis. Waples failed to provide evidence showing the Policy was truly motivated by avoiding criminal liability or other valid interests like verifying identities and conducting background checks.
3. There were triable issues of fact as to whether Waples' asserted interests could be served by the less discriminatory alternative of applying the Policy only to leaseholders rather than all occupants, or by accepting alternative forms of identification like Individual Taxpayer Identification Numbers (ITINs).

## Insights on Why Waples Lost and How to Protect Itself Moving Forward

Waples lost primarily because it failed to provide sufficient evidence to justify the discriminatory effects of its Policy under the FHA's disparate impact framework. To avoid liability moving forward, Waples should:

1. Carefully document the legitimate, non-discriminatory business reasons motivating any housing policies that may have a disparate impact on protected classes. Mere speculation about potential criminal liability is insufficient.
2. Thoroughly analyze whether the stated interests behind its policies can be achieved through alternative practices with less discriminatory effects, like only requiring documentation from leaseholders.
3. Consider accepting alternative forms of identification like ITINs for non-discriminatory purposes like verifying identities and conducting background checks, as rejecting such alternatives may be viewed as unjustified discrimination.
4. Ensure housing policies are consistently applied and enforced across all tenants and properties to avoid any appearance of selective or pretextual enforcement against protected classes.
5. Provide training to employees on fair housing laws and the importance of properly documenting legitimate business justifications for policies that may have a disparate impact.

By taking these proactive measures, Waples can reduce its legal exposure under the FHA while still achieving legitimate business objectives through carefully crafted policies applied evenhandedly.

## **Paxton AI**

### **Paxton**

#### **# Executive Summary**

The document is a court opinion from the United States Court of Appeals, Fourth Circuit, regarding the case of *Reyes v. Waples Mobile Home Park Limited Partnership*. The plaintiffs, residents of Waples Mobile Home Park, challenged the Park's policy requiring proof of legal status in the United States for lease renewal, alleging it disproportionately affected Latinos, violating the Fair Housing Act (FHA). The district court initially ruled in favor of Waples, but upon appeal, the Fourth Circuit reversed the decision, finding the policy's justification under the anti-harboring statute implausible and lacking evidence of business necessity.

#### **# Sections**

##### **## Case Header and Introduction (Lines 1-30) [1]**

The case involves a challenge by residents of the Waples Mobile Home Park against the Park's policy requiring all adult tenants to provide proof of their legal status in the United States in order to renew their leases. The residents argued that this policy violated the Fair Housing Act (FHA) because it disproportionately affected Latino tenants.

The district court initially ruled in favor of the Park, finding that the policy was reasonably necessary for the Park to avoid criminal liability under a federal statute prohibiting the harboring of undocumented immigrants. However, on appeal, the United States Court of Appeals for the Fourth Circuit reversed the district court's decision.

The Fourth Circuit found that the district court's ruling was based on a fundamental misunderstanding of the anti-harboring statute. Furthermore, the record was insufficient to establish the Park's proposed defense that the policy was a business necessity. For these reasons, the Fourth Circuit reversed the district court's grant of summary judgment in favor of the Park and remanded the case for further proceedings.

##### **## Background Information (Lines 31-56) [2]**

This section provides the background information on the case of *Reyes v. Waples Mobile Home Park Limited Partnership*. The document is a court opinion from the United States Court of Appeals, Fourth Circuit, regarding a lawsuit filed by four noncitizen Latino families who resided in the Waples Mobile Home Park in Fairfax, Virginia.

Between 2010 and 2015, the Families, consisting of fathers with legal status, mothers who were undocumented, and children who were U.S. citizens, had successfully renewed their leases without issue. However, in 2015, Waples began enforcing a policy that required all adults living

at the Park to present proof of legal status in the United States to renew their leases. The Families sought to use their Individual Taxpayer Identification Numbers (ITINs) as an alternative, but Waples declined to accept them. As a result, the Families were eventually forced to vacate their homes due to the rent increases and fear of eviction.

The Families filed a lawsuit against Waples, alleging the policy violated the Fair Housing Act (FHA) under a disparate-impact theory. The district court initially ruled in favor of Waples, but the Fourth Circuit Court of Appeals reversed the decision, finding the policy's justification under the anti-harboring statute implausible and lacking evidence of business necessity. On remand, the district court initially denied Waples' motion for summary judgment, but a new judge later granted summary judgment in favor of Waples, finding the policy necessary to avoid increased criminal liability under the anti-harboring statute. The Families have appealed the district court's final decision granting summary judgment to Waples.

### ## Legal Analysis: Fair Housing Act and Anti-Harboring Statute (Lines 57-84) [3]

The court is reviewing a grant of summary judgment in the case of *Reyes v. Waples Mobile Home Park Limited Partnership*. The plaintiffs, residents of Waples Mobile Home Park, challenged the Park's policy requiring proof of legal status in the United States for lease renewal, alleging it disproportionately affected Latinos and violated the Fair Housing Act (FHA).

Under the FHA, a facially neutral policy may be deemed violative of the Act under a disparate-impact theory of liability, without evidence of the defendant's subjective intent to discriminate. The court previously determined that the plaintiffs (Families) satisfied their burden at Step One to show a causal connection between Waples' policy and a disparate impact on Latino residents.

At Step Two of the Inclusive Communities framework, Waples argues that its policy of verifying tenants' legal status was justified by the risk of prosecution under the federal anti-harboring statute. The court analyzes whether Waples' policy serves a valid business interest under this step. The court concludes that the anti-harboring statute does not plausibly put Waples at risk of prosecution for merely leasing to families with undocumented immigrants, and therefore Waples did not satisfy its burden at Step Two. As a result, the court holds that the district court erred in granting summary judgment to Waples.

### ## Conclusion and Remand (Lines 85-95) [4]

The Fourth Circuit Court of Appeals reversed the district court's grant of summary judgment in favor of Waples Mobile Home Park. The court found that Waples's justification for its policy requiring proof of legal status for lease renewal was implausible and lacked evidence of business necessity.

The court noted that the policy seemed to come out of nowhere, as the Families had lived at the Park for years before Waples began enforcing the long-dormant policy provision. The decision to enforce the policy stemmed not from any immigration-related developments or discoveries at the Park, but from unrelated violations of other Waples policies at other Waples properties.

Even more puzzling to the court was how Waples proceeded when it discovered that there were undocumented individuals living at the Park. Instead of evicting such tenants, Waples opted to charge them a surcharge, which the court found difficult to reconcile with Waples's claim that it was concerned about facing criminal penalties for harboring undocumented immigrants.

The court concluded that the record was simply too thin to support Waples's business necessity defense, and therefore, the district court erred in granting summary judgment to Waples. The case was remanded to the district court for further proceedings consistent with the Fourth Circuit's decision.

#### ## Additional Information (Lines 96-99) [5]

This section provides a link to the full court opinion on Google Scholar, which is the source document being summarized. The court opinion is from the United States Court of Appeals, Fourth Circuit, regarding the case of *Reyes v. Waples Mobile Home Park Limited Partnership*. In this case, the residents of Waples Mobile Home Park challenged the Park's policy requiring proof of legal status in the U.S. for lease renewal, alleging that the policy disproportionately affected Latinos and violated the Fair Housing Act (FHA). The key information provided in this section is the citation details for the court opinion and the link to access the full text on Google Scholar.