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9 **SUPERIOR COURT OF CALIFORNIA**

10 **COUNTY OF FRESNO**

11 NENG VU, WILLIE THOMPSON,
12 EL VIA REYES, CATALINA
13 MENDOZA, ANTONIO MARTINEZ and
14 MALAQUIAS ESTEVEZ, individually
15 and on behalf of all others similarly
16 situated,

17 Plaintiff(s),

18 v.

19 JOHN HOVANNISIAN, an individual and
20 dba JD HOME RENTALS; DAVID
21 HOVANNISIAN, an individual and dba
22 JD HOME RENTALS; BRYCE
23 HOVANNISIAN, an individual and dba
24 JD HOME RENTALS; BDHOV, LP, a
25 California limited liability partnership;
26 JHS FAMILY LIMITED PARTNERSHIP,
27 a California limited liability partnership;
28 JCH FAMILY LIMITED
29 PARTNERSHIP, a California limited
30 liability partnership, and DOES I – 100,
31 inclusive,

32 Defendant(s).

Case No. 14 CECG 00062

NOTICE OF ENTRY OF ORDER

Complaint Filed: January 9, 2014

Trial Date: None

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1 TO THE COURT, THE PARTIES AND ALL ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that on December 20, 2019 the Fresno County Superior Court
3 entered the Order Conditionally Certifying Class for Settlement Purposes Only, Preliminarily
4 Approving Class Action Settlement, Approving Notice of Class Action Settlement, and Setting
5 Hearing for Final Approval, a copy of which is attached hereto as Exhibit A.

6 Dated: January 8, 2020

LAW OFFICES OF WILLIAM C. HAHESY

7
8 By: 

9 William C. Hahesy
10 Attorney for Defendants
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EXHIBIT A

FILED

DEC 20 2019

FRESNO COUNTY SUPERIOR COURT

By _____ DEPUTY

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SUPERIOR COURT OF CALIFORNIA

COUNTY OF FRESNO

NENG VU; WILLIE THOMPSON; ELVIA
REYES; CATALINA MENDOZA; ANTONIO
MARTINEZ; and MALAQUIAS ESTEVEZ
individually and on behalf of all others similarly
situated,

Plaintiffs,

v.

JOHN HOVANNISIAN, an individual and
d/b/a JD HOME RENTALS; DAVID
HOVANNISIAN, an individual d/b/a JD
HOME RENTALS; BRYCE HOVANNISIAN
an individual, and d/b/a JD HOME RENTALS;
BDHOV, LP, a California limited liability
partnership; JHS Family Limited Partnership, a
California limited liability partnership; JCH
Family Limited Partnership, a California limited
liability partnership and DOES 1-100, inclusive,

Defendants.

Case No. 14 CECG 00062

CLASS ACTION

~~PROPOSED~~ ORDER
CONDITIONALLY CERTIFYING
CLASS FOR SETTLEMENT PURPOSES
ONLY, PRELIMINARILY APPROVING
CLASS ACTION SETTLEMENT,
APPROVING NOTICE OF CLASS
ACTION SETTLEMENT, AND
SETTING HEARING FOR FINAL
APPROVAL

On November 22, 2019, this Court, by and through Judge Kimberly A. Gaab, considered
Plaintiffs' Motion for Preliminary Approval of the Joint Stipulation of Settlement ("Joint
Stipulation") and For Conditional Class Certification, and the papers submitted in support
thereof. Michelle Marie Kezirian, Attorney at Law, 2335 E. Colorado Boulevard, Suite 115,
Pasadena CA 91107; Barrett Stephen Litt of Kaye, McLane, Bednarski & Litt, LLP, 234 E.
Colorado Boulevard, Suite 230, Pasadena, CA 91101; Julius C. Thompson and Jenna Miara of

PRELIMINARY APPROVAL ORDER

1 Bet Tzedek Legal Services, 3250 Wilshire Boulevard, Suite 1300, Los Angeles, CA 90010
2 appeared as Class Counsel for the Representative Plaintiffs and the Settlement Class. William
3 C. Haesy of Law Offices of William C. Haesy, 225 W. Shaw Avenue, Suite 105, Fresno, CA
4 93704 and Linda Northrup of Northrup Schlueter Professional Law Corporation, 31365 Oak
5 Crest Drive, Suite 250, Westlake Village, CA 91361 appeared on behalf of Defendants.

6 Having considered the Joint Stipulation, as well as the documents filed in support
7 thereof, **IT IS HEREBY ORDERED THAT:**

8 1. This Order incorporates by reference the definitions in the Joint Stipulation and
9 all terms defined therein shall have the same meaning in this Order.

10 2. The Court finds that the Class, as defined in the Joint Stipulation, meets all the
11 requirements for class certification of a settlement Class. The Court hereby conditionally
12 certifies the Class for settlement purposes only. In the event the Final Judgment is overturned,
13 reversed, not affirmed in its entirety or never becomes final, the Effective Date of the Joint
14 Stipulation does not occur or the Joint Stipulation is nullified or invalidated for any reason, the
15 fact that the Parties were willing to stipulate to Class certification only as part of the Joint
16 Stipulation shall have no bearing on, nor be admissible in connection with, any issue in this
17 Action or in any other action. The Court attaches hereto as Exhibit 2 its ruling dated November
18 22, 2019.

19 3. Representative Plaintiffs, Neng Vu; Willie Thompson; Elvia Reyes; Catalina
20 Mendoza; Antonio Martinez; and Malaquias Estevez, are hereby appointed and designated, for
21 all purposes, as the Representative Plaintiffs and the representative of the Class for settlement
22 purposes.

23 4. The following attorneys are hereby appointed and designated as counsel for the
24 Representative Plaintiffs and the Class for settlement purposes ("Class Counsel"):

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26 Attorney at Law
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28 Pasadena, CA 91107
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PRELIMINARY APPROVAL ORDER

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14 Julius C. Thompson
15 Bet Tzedek Legal Services
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17 Los Angeles, CA 90010
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20 5. Class Counsel are authorized to act on behalf of the Representative Plaintiffs and
21 the Class with respect to all acts or consents required by or which may be given pursuant to the
22 Joint Stipulation and such other acts reasonably necessary to consummate the Joint Stipulation.
23 The authority of Class Counsel includes entering into any modifications or amendments to the
24 Joint Stipulation on behalf of the Representative Plaintiffs and the Class which they deem
25 appropriate.

26 6. The class action settlement set forth in the Joint Stipulation appears to be proper
27 and falls within the range of reasonableness and appears to be presumptively valid subject only
28 to resolution of any valid objections that may be raised at the Final Approval Hearing.

7. The Court preliminarily approves the terms of the Joint Stipulation, which is
attached hereto as Exhibit 1, including the following provisions:

a. The inspection program set forth for Current Tenant Settlement Class
Members as further referenced in Section 3 of the Joint Stipulation of Settlement;

b. The appointment of Russell D. Cook, Esq. as the Ombudsman to perform

1 the functions set forth in Section 3.C. of the Joint Stipulation of Settlement;

2 c. The Voucher and Cash Alternative programs set forth in Section 6
3 relating to Former Tenant Settlement Class Members; provided, however, that the time period
4 for Former Tenant Settlement Class Members to submit a claim as set forth in Section 6.C. shall
5 be extended from 45 days to 75 days. This change is reflected in Exhibit 3 to this Preliminary
6 Approval Order.

7 d. The other settlement terms relating to pest control and termination of
8 tenancy set forth in Section 7 of the Joint Stipulation of Settlement;

9 e. The payment of the amounts set forth in Section 10 to the Representative
10 Plaintiffs and the claims by the other occupants, subject to receipt of the releases, all required
11 information and approval of all minors' compromises;

12 f. The payment of attorneys' fees as set forth in Section 11 of the Joint
13 Stipulation of Settlement;

14 g. The Releases set forth in Section 12 of the Joint Stipulation of
15 Settlement;

16 h. No admission of liability in Section 3.B. of the Joint Stipulation of
17 Settlement;

18 i. The confidential and privileged nature of the work as set forth in Section
19 3.C. of the Joint Stipulation of Settlement.

20 j. The provisions of the Joint Stipulation of Settlement referenced in
21 Exhibit 4 attached hereto are deleted and the Plaintiffs shall not hold a press conference or issue
22 a press release concerning this matter as previously set forth in those provisions.

23 8. KCC, LLC is hereby appointed as Settlement Administrator and is hereby
24 authorized to perform all of the duties, tasks and other activities set forth in the Joint Stipulation
25 and the orders of the Court.

26 9. The Court orders that a Qualified Settlement Fund, as defined in Treasury
27 Regulations Section 1.468B-1, or other applicable law, shall be established to effectuate the
28 terms of the Joint Stipulation and the orders of the Court, if so requested by Defendants. The

PRELIMINARY APPROVAL ORDER

1 Court hereby finds and orders that the Qualified Settlement Fund:

2 a. Shall be established pursuant to this order of the Court prior to the receipt
3 of any monies from any Defendant.

4 b. That it shall be established to resolve and satisfy the contested Claims
5 that have resulted, or may result, from the matters that are the subject of this Action and that are
6 released in Section 12 of the Joint Stipulation.

7 c. That the contested Claims have given rise to multiple claims by the
8 Releasors asserting liability arising out of tort, breach of contract or other violations of law; and

9 d. That the fund or account be established and its assets be segregated
10 (within a separately established fund or account) from the assets of any and all Defendants, and
11 all related other persons in the meaning of Title 26, United States Code, Sections 267(b) and
12 707(b)(1).

13 10. The Notice to be mailed to the Class, a copy of which is attached hereto as
14 Exhibit "5" and incorporated herein, is approved. Social Security numbers of Class Members
15 shall not be included in the Notice. The Notice shall be sent in English, Spanish, Hmong and
16 Lao. The Notice shall be sent by the Settlement Administrator to each Class Member by first
17 class mail no later than sixty (60) calendar days after receipt of the information set forth below
18 in paragraph 15.a.

19 11. A Newspaper Notice shall also be published in English and Spanish in The
20 Fresno Bee and Vida En El Valle, respectively, at least one time per week for four weeks
21 beginning as soon as practicable after the first mailing of the Notice to the Class. The Notice to
22 be published in the newspaper shall be the Newspaper Notice attached hereto as Exhibit 6 and
23 incorporated herein, which Newspaper Notice is approved.

24 12. The Notice attached hereto as Exhibit 5 shall also be available on a website
25 established by the Settlement Administrator beginning no later than the date that the Settlement
26 Administrator first mails the Class Notice as referenced above.

27 13. The Class Period shall be January 9, 2010 through the date of the Opt-Out
28 Deadline.1111

1 14. The Court finds that the Class conditionally certified for settlement purposes
2 consists of the following group of individuals:

3 **CURRENT TENANT SETTLEMENT CLASS**

4 The "Current Tenant Settlement Class" is defined as all individuals who, at the time of
5 the Order Granting Preliminary Approval of this Joint Stipulation of Settlement, are current
6 tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property
7 owned or managed, in whole or in part, including through a partnership or corporation, by any
8 of the Defendants, including JD Home Rentals and/or any of the owners of the units listed on
9 the Properties List (as defined herein), in the City or County of Fresno, California.

10 The Current Tenant Settlement Class Members are all those who meet the definition of
11 the Current Tenant Settlement Class and do not opt out of the Settlement.

12 **FORMER TENANT SETTLEMENT CLASS**

13 The Former Tenant Settlement Class is defined as all individuals who, on or after
14 January 9, 2010, had been, but were not as of the time of the Order Granting Preliminary
15 Approval of this Joint Stipulation of Settlement, tenants (i.e., lease signatories and/or adult
16 occupants listed on a lease) in a residential property owned or managed, in whole or in part,
17 including through a partnership or corporation, by any of the Defendants, including JD Home
18 Rentals and/or any of the owners of the units listed on the Properties List (as defined herein), in
19 the City or County of Fresno, California.

20 The Former Tenant Settlement Class Members are all those who meet the definition of
21 the Former Tenant Settlement Class and do not opt out of the Settlement.

22 Current Tenants who move such that they no longer qualify as current tenants between
23 the filing date of the Order Granting Preliminary Approval of the Settlement and the Effective
24 Date of the Settlement shall not be considered Former Tenant Settlement Class Members for
25 purposes of sending class notice and being provided the option to opt out as Former Tenant
26 Settlement Class Members. They will have received notice as and still be considered as Current
27 Tenant Settlement Class Members.
28

1 Current tenants who did not opt out, who were current tenants at the time of the
2 Effective Date of the Settlement, and who requested an inspection, but moved out of their unit
3 before receiving their requested inspection, shall have the right to participate in the Cash
4 Alternative program upon the same terms as Former Tenant Settlement Class Members.

5 Current tenants who did not opt out, who were current tenants at the time of the
6 Effective Date of the Settlement, but who did not request an inspection, and therefore received
7 the immediate benefit of the rent freeze available to such persons (or some portion thereof),
8 shall not have the right to participate in the Voucher or Cash Alternative program.

9 15. The Court sets the following further dates for purposes of this Action:

10 a. Class Data: Defendants shall provide the information set forth in Section
11 4.A. of the Joint Stipulation to the Settlement Administrator within sixty (60) calendar days
12 from the filing date of this Order Granting Preliminary Approval.

13 b. First Mailing of Class Notice to Class: Within sixty (60) calendar days of
14 the receipt of the above-referenced data.

15 c. First Publication of the Newspaper Notice to Class: The first publication
16 of the Newspaper Notice in The Fresno Bee and Vida En El Valle shall occur no later than
17 seven (7) calendar days from the first mailing of the Notice to the Class.

18 d. Follow-up Mailing of Notice Where First Mailing is Returned: To be
19 completed as needed, but no later than thirty (30) calendar days after the first mailing set forth
20 in paragraph 13.b. above.

21 e. Deadline to Opt-Out of Settlement Class: Sixty (60) calendar days of the
22 date of the first mailing of the Class Notice.

23 f. Opt-Out List: Settlement Administrator to provide Class Counsel and
24 Defendants' Counsel with complete list of all Class Members who have timely requested to opt
25 out, within ten (10) business days of the Opt-Out Deadline.

26 g. Defendants' Nullification Rights: Each Defendant will have the option, in
27 his/its sole discretion, to nullify this Settlement if in the event that more than 35 Class Members
28 timely request to opt out. If any Defendant so elects, it will notify Class Counsel and the Court

1 of its election within twenty (20) business days after actual receipt of the list referenced in
2 paragraph 15.f. above.

3 h. Objection Deadline: All objections to the Joint Stipulation to be heard at
4 the Final Approval Hearing and all written notices of intent to appear at the Final Approval
5 Hearing must be filed with the Court and served on the Settlement Administrator, Class Counsel
6 and Defendants' Counsel by no later than sixty (60) calendar days from the date of the first
7 mailing of the Notice.

8 i. Deadline to file Briefs Regarding Final Approval Hearing: Fifteen (15)
9 court days before the Final Approval Hearing. Plaintiffs' Motion Regarding Attorneys' Fees
10 and Costs: April 16, 2020.

11 j. Final Approval Hearing: September 15, 2020 at 3:30 p.m. in Department
12 No. 503.

13 16. Class Counsel is hereby ordered either to obtain a written release from any other
14 counsel who may have served or who claim to have served in this action as counsel that they are
15 not seeking and do not seek any attorneys' fees, costs or expenses in connection with this
16 Action or Settlement in any way and/or to effect valid service of the Joint Stipulation and the
17 Order Granting Preliminary Approval upon any and all attorneys who may have served or who
18 may claim to have served in this Action. If the written release is obtained, it must be provided
19 to Defendants' Counsel within five (5) business days of the filing date of the Order Granting
20 Preliminary Approval. If the service alternative is used, the service shall be by hand delivery
21 and/or registered mail to all such attorneys and shall be made no later than five (5) business
22 days after entry of the Order Granting Preliminary Approval. In addition, Class Counsel shall
23 also include a letter addressed to at least the senior partners of any and all firms that explains
24 such documents; explains why they are being delivered and served and advises the recipients
25 that counsel must present any claim to the amounts set forth in the Joint Stipulation relative to
26 attorneys' fees, costs or expenses (or any portions thereof) by no later than fourteen (14)
27 calendar days for the deadline for filing objections to the Settlement. Class Counsel shall
28 further advise the attorneys that any claims for attorneys' fees, costs or expenses will be

1 extinguished by the Judgment.

2 **IT IS SO ORDERED.**

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4 DATED: 12/20/19


Judge of the Fresno County Superior Court

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PRELIMINARY APPROVAL ORDER

EXHIBIT 1

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT**

[Counsel listed on following two pages]

SUPERIOR COURT OF CALIFORNIA
COUNTY OF FRESNO

NENG VU, et al.,

Plaintiffs,

v.

JOHN HOVANNISIAN, et al.,

Defendants.

Case No. 14 CE CG 00062

JOINT STIPULATION OF CLASS
ACTION SETTLEMENT

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18 RENTALS, JHS Family Limited Partnership and JCH Family Limited Partnership
19
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1 This Joint Stipulation of Settlement ("Joint Stipulation") is made and entered into by
2 and between Defendants JOHN HOVANNISIAN, sued as an individual and d/b/a JD HOME
3 RENTALS; DAVID HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS;
4 BRYCE HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BDHOV,
5 LP, a California limited liability partnership; JHS Family Limited Partnership, a California
6 limited liability partnership; and JCH Family Limited Partnership, a California limited liability
7 partnership and DOES 1 – 100 ("Defendants"), on the one hand, and Plaintiffs NENG VU;
8 WILLIE THOMPSON; ELVIA REYES; CATALINA MENDOZA; ANTONIO MARTINEZ;
9 and MALAQUIAS ESTEVEZ (the "Representative Plaintiffs"), on the other hand, on behalf
10 of themselves and on behalf of all putative Class Members (as defined below), to be certified
11 for settlement purposes only as provided for in this Joint Stipulation, in the action pending in
12 the Superior Court of the State of California, Fresno County (the "Court"), Case No. 14 CE
13 CG 00062 (the "Action") and subject to the terms and conditions hereof. This Joint Stipulation
14 is subject to approval of the Court and is made for the sole purpose of attempting to
15 consummate settlement of this Action on a class-wide basis subject to the following terms and
16 conditions. By entering into this Joint Stipulation, Defendants do not make any admissions,
17 including that the Action is properly certified as a class action. As detailed below, in the event
18 the Court does not enter an order granting preliminary and final approval of the Joint
19 Stipulation or the condition precedents are not met for any reason, this Joint Stipulation shall
20 be void and shall be of no force or effect whatsoever.

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18	Exhibit G - Deadline Form to Challenge Extended Repair Form.....	G-1
19	Exhibit H - Extended Repair Challenge Form.....	H-1
20	Exhibit I - Inspector's Notice of Impasse	I-1
21	Exhibit J - Settlement Administrator's Notice of Deadline to File Court Challenge.....	J-1
22	Exhibit K - Press Release.....	K-1 and K-2
23	Exhibit L - General Release by Representative Plaintiff/Other Occupants	L-1 to L-5
24	Exhibit M - Class Notice.....	M-1 to M-4
25	Exhibit 1 to Exhibit M - Release Language.....	1-1
26	Exhibit N - Former Tenant Settlement Class Member Claim Form.....	N-1 to N-3
27	Exhibit O - Newspaper Notice.....	O-1 and O-2
28	Exhibit P - [Proposed] Preliminary Approval Order	P-1 to P-9

1	Exhibit Q - Final Judgment and Order.....	Q-1 to Q-14
2	Exhibit R - Voucher.....	R-1 and R-2
3	Exhibit S - Notice re: Ombudsman.....	S-1
4	Exhibit T - Confidentiality Agreement.....	T-1 to T-3

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1. "Action."

2. "Administrative Expenses."

3. **"Checklist."** Checklist means the Checklist attached hereto as Exhibit C.

5. "Class."

6. "Class Counsel."

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1 **7. "Class Lists."**

2 The list or lists prepared by JD Home Rentals setting forth the Current Tenant
3 Settlement Class or Current Tenant Settlement Class Members and the Former Tenant
4 Settlement Class or Former Tenant Settlement Class Members. These lists are based on the
5 review by JD Home Rentals of reasonably available data. JD Home Rentals and the Defendants
6 are not responsible in the event a person is omitted from or not included on a list.

7 **8. "Class Member(s)" or "Members of the Class."**

8 Consists of the Former Tenant Settlement Class Members and the Current Tenant
9 Settlement Class Members.

10 **9. "Class Notice"**

11 The Court-approved form of notice to Class Members, substantially in the form
12 attached as Exhibit M hereto, which will, among other things, notify Class Members of the
13 preliminary approval of the Settlement and scheduling of the Final Approval Hearing. This
14 notice will also be translated into Spanish, Hmong and Lao.

15 **10. "Class Period."**

16 The period from January 9, 2010, through the date of the Opt Out Deadline.

17 **11. "Complaint."**

18 The Complaint (or any amended complaint) filed by the Representative Plaintiffs in this
19 Action.

20 **12. "Court."**

21 The Fresno County Superior Court.

22 **13. "Current Tenant Settlement Class" or "Current Tenant Settlement Class**
23 **Members."**

24 The "Current Tenant Settlement Class" is defined as all individuals who, at the time of
25 the Order Granting Preliminary Approval of this Joint Stipulation of Settlement, are current
26 tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property
27 owned or managed, in whole or in part, including through a partnership or corporation, by any
28 of the Defendants, including JD Home Rentals and/or any of the owners of the units listed on

the Properties List (as defined herein), in the City or County of Fresno, California. The list of Current Tenant Settlement Class Members compiled by JD Home Rental is based on its review of reasonably available data. JD Home Rentals and the Defendants are not responsible in the event a person is omitted from or not included on such list. Any person omitted from such a list is not a Class Member and is not bound by this Settlement.

The Current Tenant Settlement Class Members are all those who meet the definition of the Current Tenant Settlement Class and do not opt out of the Settlement.

14. "Defendants."

JOHN HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS;
DAVID HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BRYCE
HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BDHOV, LP, a
California limited liability partnership; JHS Family Limited Partnership, a California limited
liability partnership; and JCH Family Limited Partnership, a California limited liability
partnership. The definition of Defendants includes JD Home Rentals.

15. "Defendants' Counsel."

Benjamin T. Nicholson of McCormick Barstow, LLP, 7647 North Fresno Street, P.O. Box 28912, Fresno, CA 93729-8912; William C. Hahesy of Law Offices of William C. Hahesy, 225 W. Shaw Avenue, Suite 105, Fresno, CA 93704; Mark L. Kincaid of Kincaid & Associates, LLP, 1851 East First Street, Suite 900, Santa Ana, CA 92705; and Linda Northrup of Northrup Schlueter Professional Law Corporation, 31365 Oak Crest Drive, Suite 250, Westlake Village, CA 91361.

16. "Effective Date."

The Effective Date of the Settlement shall be the date when all of the following events have occurred: (a) this Joint Stipulation has been executed by the Representative Plaintiffs, Class Counsel, Defendants and Defendants' Counsel; (b) the Court has given preliminary approval to the Joint Stipulation; (c) notice has been given to the Class Members providing them with an opportunity to opt out of the Settlement; (d) the Court has held a Final Approval Hearing and entered a final order and judgment certifying the Current Tenant Class and the

1 Former Tenant Class and approving this Joint Stipulation; and (e) the later of the following
2 events: (i) the date on which the period for filing any appeal, writ, or other appellate
3 proceeding opposing the Settlement has lapsed without any appeal, writ or other appellate
4 proceeding having been filed; or (ii) the date of the dismissal of any appeal, writ, or other
5 appellate proceeding opposing the Settlement with no right to pursue further remedies or relief;
6 or (iii) the date of the issuance of such other final appellate order upholding the Court's final
7 order with no right to pursue further remedies or relief. The Effective Date of the Settlement
8 shall be no earlier than sixty (60) calendar days from the date of entry of the Judgment.

9 **17. "Final Approval Hearing."**

10 The final hearing at which the Court approves the Settlement.

11 **18. "Final Approval of the Settlement"**

12 The date of the Final Approval Hearing where the Court finally approves the
13 Settlement.

14 **19. "Former Tenant Settlement Class" or "Former Tenant Settlement Class**
15 **Members."**

16 The Former Tenant Settlement Class is defined as all individuals who, on or after
17 January 9, 2010, had been, but were not as of the time of the Order Granting Preliminary
18 Approval of this Joint Stipulation of Settlement, tenants (i.e., lease signatories and/or adult
19 occupants listed on a lease) in a residential property owned or managed, in whole or in part,
20 including through a partnership or corporation, by any of the Defendants, including JD Home
21 Rentals and/or any of the owners of the units listed on the Properties List (as defined herein), in
22 the City or County of Fresno, California. The list of Former Tenant Settlement Class Members
23 compiled by JD Home Rental is based on its review of reasonably available data. JD Home
24 Rentals and the Defendants are not responsible in the event a person is omitted from or not
25 included on such list. Any person omitted from such a list is not a Class Member and is not
26 bound by this Settlement.

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1 The Former Tenant Settlement Class Members are all those who meet the definition of
2 the Former Tenant Settlement Class and do not opt out of the Settlement.

3 Current tenants who move between the filing date of the Order Granting Preliminary
4 Approval of the Settlement and the Effective Date of the Settlement shall not be considered
5 Former Tenant Settlement Class Members for purposes of sending class notice and being
6 provided the option to opt out as Former Tenant Settlement Class Members. They will have
7 received notice as a Current Tenant Settlement Class Member. However, for these individuals,
8 JD Home Rentals will notify the Settlement Administrator within fifteen (15) calendar days of
9 the Effective Date of the Settlement of the tenants who have so moved out and the Settlement
10 Administrator shall mail them a Former Tenant Settlement Class Claim Form, which they must
11 send to the Settlement Administrator as set forth below in Section 6 and as ordered by the
12 Court if they wish to participate in the Voucher or Cash Alternative program available to
13 Former Tenant Settlement Class Members. Such individuals shall not have a further right to
14 object or opt out as they had that opportunity as Current Tenant Settlement Class Members.
15 These tenants may at times be referred to as "Current Tenants Who Moved," but will, for
16 purposes of this Joint Stipulation and membership in the proposed Class, still be considered
17 Current Tenant Settlement Class Members.

18 Current tenants who did not opt out, who were current tenants at the time of the
19 Effective Date of the Settlement, and who requested an inspection, but moved out of their unit
20 before receiving their requested inspection, shall have the right to participate in the Cash
21 Alternative program upon the same terms as Former Tenant Settlement Class Members
22 including the timing of the payment. However, for purposes of this Joint Stipulation and
23 membership in the proposed Class, these tenants still will be considered Current Tenant
24 Settlement Class Members. For these individuals, JD Home Rentals will compile a list every
25 sixty (60) calendar days of the names and last-known or known forwarding addresses of these
26 individuals and send it to the Settlement Administrator. Within thirty (30) calendar days of
27 receipt of that list, the Settlement Administrator will mail them a Former Tenant Settlement
28 Class Claim Form, which they must return to the Settlement Administrator within forty-five

1 (45) calendar days of the mailing if they wish to participate in the Cash Alternative program
2 available to Former Tenant Settlement Class Members.

3 Current tenants who did not opt out, who were current tenants at the time of the
4 Effective Date of the Settlement, but who did not request an inspection, and therefore received
5 the immediate benefit of the rent freeze available to such persons (or some portion thereof),
6 shall not have the right to participate in the Voucher or Cash Alternative program. For
7 purposes of this Joint Stipulation and membership in the proposed Class, these tenants will still
8 be considered Current Tenant Settlement Class Members.

9 **20. "Former Tenants' Settlement Class Claim Form."**

10 A proof of claim in substantially the form as Exhibit N attached hereto. This form will
11 also be translated into Spanish, Hmong and Lao.

12 **21. "Inspection Notice."**

13 Inspection Notice means the Notice attached hereto as Exhibit A. This form will also
14 be translated into Spanish, Hmong and Lao.

15 **22. "Inspected Unit."**

16 Inspected Unit refers to a specific unit inspected pursuant to the terms of Section 5.B of
17 this Joint Stipulation of Settlement.

18 **23. "JD Home Rentals."**

19 Defendant JD Home Rentals and/or any successor, assignee and/or delegatee.

20 **24. "Joint Stipulation"**

21 This Joint Stipulation of Settlement, including all exhibits.

22 **25. "Judgment."**

23 A final order and judgment issued by the Court following the Final Approval Hearing,
24 with content substantially identical to Exhibit Q attached hereto.

25 **26. "Mediator."**

26 The term "Mediator" (when capitalized) for purposes of this Joint Stipulation refer to
27 Hon. Oliver Wanger (Ret.). At times, this Joint Stipulation refers to "mediator" (not
28 capitalized), in which case it refers to a professional mediator retained to assist the parties in

1 resolving specified case issues on a going forward basis. When the term "mediator" is used in
2 this Joint Stipulation, the use of said mediator will be at the sole option of Defendants and his
3 or her services will be paid for by Defendants. The Parties agree to propose James Phillips,
4 Esq. to be the mediator, subject to Court approval.

5 **27. "Newspaper Notice."**

6 The Court-approved notice to be published as set forth in the Joint Stipulation or as
7 otherwise ordered by the Court. A copy of the proposed Newspaper Notice is attached hereto as
8 Exhibit O.

9 **28. "Objection Deadline."**

10 The date set by the Court by which all objections to the Joint Stipulation and all written
11 notices of intent to appear as described more fully in Section 9 of the Joint Stipulation must be
12 filed and served as set forth therein.

13 **29. "Opt-Out Deadlines."**

14 The date by which a Class Member must exclude himself or herself from the Class in
15 the manner provided in Section 4 of this Joint Stipulation or order of the Court.

16 **30. "Order Granting Preliminary Approval."**

17 The order preliminarily approving the Joint Stipulation, with content substantially
18 identical to Exhibit P attached hereto.

19 **31. "Parties."**

20 The Representative Plaintiffs, Class Members, Current Tenant Settlement Class
21 Members, Former Tenant Settlement Class Members and Defendants.

22 **32. "Plaintiffs."**

23 The Representative Plaintiffs, the Class, the Class Members, Current Tenant Settlement
24 Class Members and Former Tenant Settlement Class Members.

25 **33. "Press Release."**

26 The Press Release refers to the Press Release attached hereto as Exhibit K.

27 **34. "Release"**

28 The provisions of Section 12 of this Joint Stipulation.

1 **35. "Released Claims."**

2 The claims released as more fully set forth in Section 12 of this Joint Stipulation.

3 **36. "Releasees."**

4 Defendants DAVID B. HOVANNISIAN, individually and d/b/a JD HOME RENTALS;
5 JOHN HOVANNISIAN, individually and d/b/a JD HOME RENTALS; BRYCE
6 HOVANNISIAN, individually and doing business as JD HOME RENTALS; LINDA R.
7 HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JJD MANAGEMENT
8 ASSOCIATES d/b/a JD HOME RENTALS; JD INVESTMENTS; J&V PROPERTIES, INC., a
9 California corporation; BDHOV, LP, a California limited partnership; JDHOV, LP, a California
10 limited partnership; LEHOV, LP, a California limited partnership; WRHOV, LP, a California
11 limited partnership; JHS FAMILY LIMITED PARTNERSHIP, a California limited partnership;
12 JCH FAMILY LIMITED PARTNERSHIP, a California limited partnership; DBH FAMILY
13 LIMITED PARTNERSHIP, a California limited partnership, owners of the properties on the
14 Properties List (as defined herein); and each of them, and each of their fictitious business
15 names, dbas, current and former parent companies, affiliates, subsidiaries, divisions, trusts,
16 limited partnerships, entities, successors, predecessors, related companies, joint ventures or
17 partnerships, and each of their present and former employees, contractors, vendors, all persons,
18 entities or others performing or engaged to perform any work or service relating to any of the
19 units on the Properties List (as defined herein), Lindsay Hovannisian, John Hovannisian, Jr.,
20 John David Hovannisian, Whitney Hovannisian, officers, directors, stockholders, spouses,
21 agents, servants, advisors, representatives, attorneys, consultants, insurers, trustees, general and
22 limited partners, predecessors, successors, and assigns and all their heirs, executors, successors,
23 assignees or transferees of the foregoing.

24 **37. "Releasors."**

25 All Class Members, all Current Tenant Settlement Class Members, all Former Tenant
26 Settlement Class Members and the Representative Plaintiffs.

27 **38. "Rent Freeze."**

28 Rent Freeze means that the rent charged for a particular unit occupied by a Current

1 Tenant Settlement Class Member as of the date of the Final Approval Hearing, shall not be
2 increased for a period of eight (8) months thereafter.

3 **39. "Representative Plaintiffs."**

4 Plaintiffs NENG VU; WILLIE THOMPSON; ELVIA REYES; CATALINA
5 MENDOZA; ANTONIO MARTINEZ VEGA; and MALAQUIAS ESTEVES.

6 **40. "Settlement."**

7 The terms and conditions set forth in the Joint Stipulation.

8 **41. "Settlement Administrator."**

9 The Settlement Administrator approved by the Court.

10 **42. "Voucher."** The Voucher to be provided to Former Tenant Settlement Class
11 Members, a proposed copy of which is attached hereto as Exhibit R. The Voucher will also be
12 translated into Spanish, Hmong and Lao.

13 **SECTION 2 – BRIEF DESCRIPTION OF THE ACTION**

14 **A. Plaintiffs' Complaint**

15 This Joint Stipulation briefly summarizes the allegations of the Complaint, but is not
16 intended to be exhaustive. This Joint Stipulation applies to all claims and the underlying facts
17 alleged in the Complaint.

18 The Complaint alleges that:

19 1. The Plaintiffs are or were tenants or authorized occupants in rental
20 properties located in the City and County of Fresno, California, and owned or managed by one
21 or more of the Defendants, in whole or in part, either directly or through an entity of some kind
22 (e.g., partnership, limited liability company), which Plaintiffs assert are managed by JD Home
23 Rentals.

24 2. JD Home Rentals is a fictitious business name for a property
25 management company that is owned and operated and/or managed by one or more Defendants,
26 and manages the properties presently or previously occupied by the Representative Plaintiffs
27 and the putative class(es), which portfolio constitutes one of the largest providers of residential
28 property in California. (As used in this summary by Plaintiffs, JD Homes Rentals and

1 Defendants are interchangeable.)

2 3. JD Home Rentals maintains a huge portfolio of untenable housing,
3 which it rents to tenants without bringing the units into compliance with applicable health and
4 safety laws; fails to timely respond to requests for repairs; makes inadequate, cosmetic repairs
5 when it does make them, whether sought or requested by tenants or government agencies; and
6 often retaliates against tenants who complain or seek repairs by raising the rent or otherwise
7 harassing and intimidating the tenants.

8 4. JD Home Rentals rents to vulnerable income tenants, who have few
9 housing options and are afraid to assert their rights; fails to invest sufficient money into repair
10 and maintenance to have Defendants' properties in tenantable condition, so as to maximize
11 their profits; and rents grossly substandard housing.

12 5. Defendants acquire untenable properties, list them as available, let
13 them stand vacant unless and until a tenant applies to rent one, and promise to repair them
14 within two weeks of a tenant filing a rental application, but only perform cosmetic repairs.

15 6. The Plaintiffs and the putative class have suffered from dilapidated,
16 untenable, unsafe, dangerous and/or substandard conditions in their homes, including but not
17 limited to: severe roach infestations; substantial mold growth; collapsed ceilings; water-
18 damaged walls, ceilings and flooring; lack of proper security in common areas; criminal
19 activity in common areas; non-original construction without proper permits; corroded piping;
20 leaking roofs; long standing, pervasive and visibly dilapidated sink and bathtub enamel;
21 evidence of raw sewage leakage; out-of-date fire extinguishers; unsanitary construction debris
22 blocking emergency means of egress for habitable space; unprofessional, unfinished, and failed
23 work on window repairs evidenced by leakage and damage; rust and corrosion around metal
24 window frames; loose ground connectors on outlets near sinks constituting shock and fire
25 hazards; large holes in walls constituting a fire hazard and allowing vermin to enter;
26 undermined walkways due to improper irrigation and ensuing erosion; rotted, cracked, loose,
27 and detaching wood material on windows; rain gutters clogged with dead plant growth;
28 defective downspouts which both cause and aggravate mold conditions and excessive

1 dampness in buildings; large stains on ceilings consistent with water intrusion from a failed
2 roof; evidence of painting and caulking as a means of abatement of previous mold growth;
3 plumbing lines missing flanges at entry point, allowing moisture and vermin into structures;
4 and stagnant water and other liquids in outdoor common areas with visible mosquito larvae;
5 visible structural damage, including bowed walls and ceilings, large holes in ceilings, and
6 sinking floors; extensive water damage to ceilings, floors, and areas under and around sinks,
7 showers, and toilets; excessive and visible mold on ceilings, floors, and walls; leaking pipes
8 connected to sinks and toilets; improperly installed and loose toilets; kitchen and bathroom
9 flooring that is old, cracking, and corroded; carpeting that is old, dirty, matted, stained, and
10 constitutes a trip hazard; dilapidated kitchen and bathroom cabinetry, with doors off hinges or
11 otherwise inoperable; non-working appliances, heaters, and air-conditioning units; inadequate
12 and exposed lighting; exposed light sockets and electrical wiring; missing or inoperable closet
13 doors; doors that do not fit properly into door jambs; non-working locks on doors and
14 windows; broken, inoperable, missing, and/or uninsulated windows; non-working smoke
15 alarms; non-existent carbon monoxide detectors and alarms; unstable and unsafe walkways;
16 unstable and unsafe balconies; leaking and damaged roofs; lack of adequate weather protection;
17 filthy and unsafe common areas; and infestation by cockroaches, bedbugs, mice, rats, and/or
18 other vermin. Plaintiffs contend that the defective conditions in the rental properties were not
19 caused by the wrongful or abnormal use of the premises by tenants or by anyone acting on the
20 authority of tenants.

21 7. Defendants have had knowledge of the foregoing conditions and have
22 not taken proper steps to abate them, leaving the properties in a state of extreme neglect and
23 disrepair.

24 8. Defendants have a pattern and practice of engaging in the above listed
25 conduct and maintaining their properties in unsafe, untenable and/or substandard conditions
26 within the meaning of various California Health & Safety Code and California Civil Code
27 housing statutes, all of which constitute unlawful and unfair business practices within the
28 meaning of Business and Professions Code Sections 17200 et seq.

1 9. The Representative Plaintiffs and other JD Homes tenants in Fresno have
2 experienced the following harms, among others: having to pay rent for an untenable unit;
3 incurring expenses for making their own repairs; incurring expenses for medical bills and the
4 cost of treatment; sustaining physical injuries including respiratory problems, allergies,
5 infections, bites from vermin, insomnia, depression, and anxiety; and suffering from extreme
6 emotional distress including fear, frustration, humiliation, and hopelessness, for which they
7 prayed for compensatory and punitive damages, and for pre and post-judgment interest.

8 On behalf of the classes, Representative Plaintiffs sought a variety of forms of relief
9 including injunctive relief, appointment of a receiver, a rent rebate, and attorneys' fees. On
10 behalf of the Representative Plaintiffs individually (as opposed to for the Class), Representative
11 Plaintiffs asserted the tort of negligent maintenance of the premises and sought compensatory
12 damages, punitive damages, pre-and post-judgment interest and other relief.

13 **B. Class Counsel's Investigation and Opinions.**

14 Class Counsel has conducted a significant investigation of the facts and law during the
15 prosecution of this Action. Such investigation has included, *inter alia*, the exchange of
16 information pursuant to informal discovery, interviews with many JD Home Rentals tenants in
17 addition to the Named Plaintiffs, and hiring an inspector to inspect some of the JD Home
18 Rentals units. Class Counsel has further investigated the applicable law as applied to the facts
19 discovered regarding the causes of action and damages claimed in the Action and the potential
20 defenses thereto. In addition, the Parties engaged in multiple sessions of mediated negotiations
21 of this dispute with two different professional mediators experienced in class actions, including
22 at least five in-person sessions and several additional phone sessions between the parties, some
23 with the participation of a professional mediator and some without. The first Mediator was
24 Hon. Alfred G. Chiantelli (Ret.), with whom two in-person sessions were done, and the second
25 was Hon. Oliver Wanger (Ret.), with whom the remaining in-person sessions were done
26 involving all or some of the parties and/or others. Judge Wanger also met separately, in person
27 and by telephone with each side on several occasions, and had several joint telephone
28 conferences involving both sides.

1 Class Counsel is of the opinion that the Joint Stipulation is fair, reasonable, adequate,
2 and is in the best interest of the Current Tenant Settlement Class and Former Tenant Settlement
3 Class in light of all known facts and circumstances, including the risk of significant delay and
4 the numerous defenses and arguments Defendants are asserting. Class Counsel has fully
5 advised the Representative Plaintiffs of this Joint Stipulation and represents that each approves
6 of and consents to this Joint Stipulation.

7 **C. Defendants' Denials of Liability.**

8 Defendants have denied and continue to deny the claims asserted or attempted to be
9 asserted in this Action. Defendants further deny any and all other claims raised, asserted or
10 attempted to be asserted in the Action. Defendants have asserted and continue to assert
11 defenses to this Action and have expressly denied and continue to deny any wrongdoing or
12 legal liability arising out of the Action. Neither the Joint Stipulation nor any action taken to
13 carry out the Joint Stipulation is or may be construed as or used as an admission, concession, or
14 indication by or against Defendants or anyone else of any fault, wrongdoing, liability
15 whatsoever or agreement that a class action is appropriately asserted here.

16 **D. Bona Fide Dispute and Cooperation.**

17 The Parties desire fully, finally, and forever to settle, compromise, and discharge all
18 Claims arising from or related to the Action, as more particularly set forth in Section 12 of this
19 Joint Stipulation. The Parties agree that a bona fide dispute exists concerning the relief
20 requested by the Plaintiffs, the Class, the Current Tenant Settlement Class and the Former
21 Tenant Settlement Class in this Action. The Parties agree to cooperate and to take all steps
22 reasonable, necessary and/or appropriate to effectuate this Joint Stipulation.

23 **E. No Injunctive Relief.**

24 Defendants shall not be required as part of the Joint Stipulation to enter into any consent
25 decree nor shall Defendants be required to agree to or be subject to any provision for injunctive
26 relief. Any recourse Plaintiffs may have regarding an alleged breach of this Joint Stipulation
27 are solely those set forth in this Joint Stipulation and in the Judgment.

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1 Whether or not the Settlement is finally approved, neither the Settlement nor any of its
2 terms, nor any document, statement, orders, judgments, proceeding or conduct related to this
3 Joint Stipulation nor any accounts or reports thereof, shall in any event be:

4 a. Construed as, offered or admitted in evidence as, received as, or deemed
5 to be evidence for any purpose adverse to the Releasees, including, but not limited to, evidence
6 of a presumption, concession, indication or admission by any of the Releasees of any liability,
7 fault, wrongdoing, omission, concession or damage; and/or

8 b. Disclosed, referred to or offered to receive in evidence against any of
9 the Releasees, in any further proceeding in this Action, or in any other civil, criminal,
10 administrative action or proceeding of any types or used in any other way for any other
11 purpose, except for the purposes of settling this Action pursuant to the terms of this Joint
12 Stipulation, enforcing the Judgment or enforcing the release of the Released Claims and the
13 claims released by the Representative Plaintiffs and Other Occupants.

14 **C. Confidential and Privileged Nature of Work**

15 As a further material term of the Settlement, the Parties, Class Counsel and
16 Defendants' Counsel all agree and the Court shall order that any work performed by the
17 Inspector, Ombudsman, pest control inspector, the Mediators who assisted in settlement
18 (Chiantelli and Wanger), any mediator used on a going forward basis, and/or the Defendants
19 relating to the inspections and repairs, or reports or other information generated by or
20 provided to them, shall be considered confidential, subject to the mediation privilege, if
21 applicable, and not be used for any purpose other than solely in connection with this Action
22 and shall not be used in or admissible in any other proceeding, except that information
23 pertinent to a particular unit may be used by a tenant in opposition to an unlawful detainer
24 action or to enforce the terms of the Settlement in this Action.

25 As a condition prior to their performing work and as part of the Court's orders
26 approving this Settlement, the Inspector, the Ombudsman, the pest control inspector and the
27 mediator shall execute confidentiality agreements in the form and content attached hereto as
28 Exhibit T with Class Counsel, Defendants' Counsel, Plaintiffs, Defendants and the Class.

1 (executed by Class Counsel on their behalf) agreeing, among other things, that all work
2 product or other information generated by, for or relating in any way to the Inspectors, pest
3 control personnel, the Ombudsman, and/or by, for or relating to any repairs performed under
4 this Settlement by anyone, including any of the Defendants, shall be confidential, not be used
5 for any purpose other than solely in connection with this Action and shall not be used in or
6 admissible in any other proceeding, except that information pertinent to a particular unit may
7 be used by a tenant in opposition to an unlawful detainer action or to enforce the terms of the
8 Settlement in this Action.

9 **D. No Right to Appeal.**

10 Neither the Representative Plaintiffs nor Defendants shall have any right to appeal any
11 order or judgment finally approving this Joint Stipulation so long as the final approval and
12 Judgment by the Court is consistent with all the terms of this Joint Stipulation.

13 **SECTION 4: CLASS NOTICE AND OPT OUT**

14 **A. Information Regarding Class Members**

15 Within sixty (60) calendar days following the date of entry of the Court's Order
16 Granting Preliminary Approval, Defendants, through JD Home Rentals, shall provide the
17 Settlement Administrator only with the following information for each Former Tenant Class
18 Member whom JD Home Rentals has been able to locate based on its review of its data
19 reasonably available in JD Home Rentals' electronic records or from the information obtained
20 by JD Home Rentals from hard copy records prior to execution of this Joint Stipulation: first
21 and last names, last-known address, social security number, and driver's license number. By
22 the same deadline above, for Current Tenant Class Members, only the name and current
23 address need be provided since, by definition, their current address is correct. Neither JD Home
24 Rentals nor Defendants shall be responsible in the event a person is omitted from or not
25 included on a list. In the event of an omission, said person or persons will not be part of the
26 Class.

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1 **B. Distribution of Class Notice**

2 Within sixty (60) calendar days of receipt of the above-referenced information, the
3 Settlement Administrator will send by first class mail the Class Notice to all Class Members. In
4 addition to sending the Class Notice by first class mail, the Newspaper Notice shall be
5 published in English and Spanish in The Fresno Bee and Vida En La Valle, respectively, at
6 least one time per week for four weeks or as otherwise ordered by the Court. Furthermore, the
7 Class Notice shall be available on a website established by the Settlement Administrator
8 beginning no later than the date that the Settlement Administrator first mails the Class Notice
9 as referenced above.

10 The Settlement Administrator will use reasonable best efforts to locate and send the
11 Class Notice to the most recent address of each Class Member. The Settlement Administrator
12 shall be responsible for taking reasonable steps, consistent with its agreed job parameters and
13 any court orders, to trace the address of any Class Member for whom a Class Notice is returned
14 by the post office as undeliverable. These reasonable steps shall include, at a minimum:
15 tracking of all undelivered mail; performing additional address searches using additional
16 address databases or equivalent or other available means for all mail returned without a
17 forwarding address; and promptly re-mailing to Class Members for whom new addresses are
18 found. Any returned envelopes with forwarding addresses will be utilized by the Settlement
19 Administrator to trace Class Members.

20 The Settlement Administrator shall provide updates to Class Counsel and Defendants'
21 Counsel at least every two weeks of (1) the number of undeliverable notices, if any; (2) the
22 number of opt-outs, if any; and (3) the number and content of objections received, if any.

23 It will be conclusively presumed that, if an envelope has not been returned within thirty
24 (30) calendar days of the date of mailing, the Class Member received the Class Notice.

25 Within fifteen (15) business days after the close of the Opt-Out Deadline, the Settlement
26 Administrator will provide to Class Counsel and Defendants' Counsel a declaration including a
27 statement of due diligence and proof of mailing of the Class Notice to the Class Members,
28 publication of the Newspaper Notice, a statement as to the number of opt-outs received and a

1 statement of the number of objections received. Class Counsel shall provide this information to
2 the Court in the motion for final approval of this Joint Stipulation.

3 Nothing in this Settlement shall grant Class Counsel any permission to review any Class
4 List provided to the Settlement Administrator. The Class List shall be kept confidential by the
5 Settlement Administrator and not disclosed to anyone absent a further order of the Court after
6 hearing. The Settlement Administrator shall maintain the Class List for a period of ten (10)
7 years. The Settlement Administrator will provide Defendants and Defendants' Counsel with
8 written verification that all persons set forth on the Class List were provided notice as ordered
9 by the Court. The verification will include as an attachment the Class List.

10 **C. Opt-out Provisions.**

11 The Class Notice shall provide that Class Members who wish to opt-out of the
12 Settlement must send a written notice to the Settlement Administrator requesting to opt-out of
13 the Settlement Class on or before the applicable Opt-Out Deadline. The Parties agree to request
14 an Opt-Out Deadline that is sixty (60) calendar days after the first mailing of the Class Notice.
15 Such written notice to opt-out (1) must contain the name, address, social security number of the
16 person seeking to opt-out, and home telephone number, if any; (2) must be returned to the
17 Settlement Administrator at the specific address referenced in the Class Notice; (3) and must be
18 postmarked (if mailed) or received (if otherwise delivered) by the Settlement Administrator on
19 or before the applicable Opt-Out Deadline.

20 Any Class Member who properly requests to opt out will not be entitled to participate in
21 the Settlement and will not be bound by the Joint Stipulation or have any right to object,
22 appeal, or comment thereon.

23 Class Members who fail to submit a valid and timely request to opt-out shall be bound
24 by all terms of the Joint Stipulation, including the releases, and any Final Judgment entered in
25 the Action if the Joint Stipulation is finally approved by the Court.

26 Prior to the Opt-Out Deadline, any Class Member who has elected to opt-out may
27 withdraw that election by notifying the Settlement Administrator in writing that he or she
28 wishes to be a Class Member.

1 The Settlement Administrator shall maintain records, including copies of the submitted
2 materials, of all withdrawn opt-outs and all opt-outs and objections.

3 Within ten (10) business days following the Opt Out Deadline, the Settlement
4 Administrator shall provide Defendants' Counsel with a complete list of all Class Members
5 who have timely requested to opt-out of the Class, as well as a copy of all documents received.

6 **D. Defendants' Nullification Rights.**

7 In the event that more than thirty-five (35) Class Members timely request to opt-out,
8 each Defendant will have the option, in his/its sole discretion, to nullify this Joint Stipulation. If
9 any Defendant so elects, it will notify Class Counsel and the Court of its election within twenty
10 (20) business days after actual receipt of the complete list of all person who timely request to
11 opt-out.

12 **SECTION 5: INSPECTION AND RENT FREEZE TERMS RELATING TO CURRENT**
13 **TENANT SETTLEMENT CLASS**

14 **A. Introduction**

15 This Section relates to the Current Tenant Settlement Class. Pursuant to the terms of
16 this Joint Stipulation, the Current Tenant Settlement Class will have the option of an inspection
17 of the unit a tenant occupies or a Rent Freeze for a period of eight months after the Final
18 Approval Hearing. In addition, for a period of two years after the Effective Date of the
19 Settlement or expiration of the applicable budget set forth below, the Current Tenant Settlement
20 Class and others will have access to an Ombudsman to receive complaints about repair and
21 maintenance matters, as more particularly set forth below. Furthermore, a pest control inspector
22 will perform a single pest control inspection and assessment and treatment of each unit
23 occupied by the Current Tenant Settlement Class as provided further below. Finally, for a
24 period of 12 months after the Effective Date of the Settlement, JD Home Rentals will not
25 terminate any tenancy except for good cause as discussed below.

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1 this Joint Stipulation in advance of the signing of this Joint Stipulation. Normal maintenance
2 repair requests and response will continue to be made available to Current Settlement Class
3 members whether or not they request an inspection. The normal maintenance repair requests
4 and responses are not part of the terms of this Settlement, however.

5 Within thirty (30) calendar days of receipt of the Properties List and the list of Current
6 Tenant Settlement Class Members, the Settlement Administrator will mail the Inspection
7 Notice to all Current Tenant Settlement Class Members. If a copy of the Inspection Notice is
8 not returned by a Current Tenant Settlement Class Member within forty-five (45) calendar days
9 of its mailing ("Inspection Notice Period"), the unit will not be inspected under this Settlement.

10 The determination of whether or not to request an inspection shall be made by the
11 Current Tenant Settlement Class Member personally, or in consultation with co-habitants,
12 family members or close personal friends, or by seeking advice from the Settlement
13 Administrator, Class Counsel or counsel of their own choosing other than Class Counsel. After
14 such consultation, the Current Tenant Settlement Class Member must personally conclude in
15 good faith that there may be the types of problem conditions described in the Inspection Notice
16 before requesting an inspection. The Inspection Notice to be provided to the Current Tenant
17 Settlement Class Members will require that each Current Tenant Settlement Class Member who
18 requests an inspection state under oath that he or she made such an independent determination.

19 During the Inspection Notice Period, Current Tenant Settlement Class Members may
20 contact Class Counsel, but Class Counsel, including Kaye, McLane, Bednarski & Litt; Bet
21 Tzedek Legal Services; Tenants Together; Greenstein and McDonald; Michelle Marie
22 Kezirian, and all of their agents and employees, agree not to initiate contact with (but may
23 respond to contact by) Current Tenant Settlement Class Members from the date of execution of
24 this Joint Stipulation up until the end of the Inspection Notice Period without approval of the
25 Court for good cause shown or agreement of the Parties and their counsel.

26 Class Counsel will not knowingly canvass, organize, mail or conduct other direct
27 outreach at any of the units or with Current Tenant Settlement Class Members covered by this
28 Settlement from the date of execution of this Joint Stipulation up until the end of the Inspection

1 Notice Period, but instead will rely on the Inspection Notice to inform tenants of their rights
2 under the Settlement. Notwithstanding the foregoing, this provision does not include any
3 unsolicited contact with any Current Tenant Settlement Class Member who, on their own
4 initiative, seeks assistance for any reason at a regular clinic conducted no more than once per
5 month by Tenants Together as a regular, ongoing activity by Tenants Together independently of
6 Defendants or JD Home Rentals at a regular location in the City or County of Fresno, California
7 during the Inspection Notice Period. Tenants Together may operate said regular tenant clinic
8 and to engage in its normal outreach for such clinics and other organizing activities, which
9 consists generally of the following: distribution of organizational brochure referrals to and from
10 Tenants Together Statewide Hotline, emails to Tenants Together members and supporters, flyer
11 distribution at nonprofit and community partner locations, tabling at community events,
12 referrals from legal services and other non-profit service providers, advertisement in the
13 Community Alliance and other media outlets, letters to the editor, billboards, bus signs,
14 television and radio public service announcements and stories in media outlets (all hereinafter
15 referred to as "Outreach Materials or Activities"); provided, however, from the date of
16 execution of this Joint Stipulation and up until the end of the Inspection Notice Period, none of
17 Tenants Together's Outreach Materials or Activities will refer to or mention JD Home Rentals,
18 any of the Defendants, this Settlement or this Action except as set forth below:

19 A. Within thirty (30) calendar days of the Preliminary Approval Hearing Order, Plaintiffs
20 and their counsel may hold a press conference to announce the settlement, but will
21 confine their comments to the contents of the Press Release attached as Exhibit K. In
22 connection with that press conference, Plaintiffs and their counsel may distribute a
23 single Press Release, and contact press regarding it or respond to press inquiries
24 concerning it, but will confine their comments accompanying that distribution to the
25 contents of the Press Release.

26 B. Within thirty (30) calendar days of the Preliminary Approval Hearing Order, the Parties
27 and their counsel may distribute a single Press Release concerning the above-referenced
28 press conference, and respond to press inquiries regarding it, but will confine their

1 comments accompanying that distribution to be consistent with the contents of the Press
2 Release.

3 C. The Parties and their counsel may respond to press or other public inquiries, and answer
4 their questions; in doing so, their responses shall be consistent with the contents and
5 limitations of the Press Release (Exhibit K).

6 D. Tenants Together's email outreach materials may only refer to or mention JD Home
7 Rentals, any of the Defendants, the Settlement or this Action once in any given
8 promotional email communication to supporters so long as the communication is not
9 targeted at JD Home Rentals' tenants or knowingly distributed to JD Home Rentals'
10 tenants. Any such references shall be limited to language contained in the Press
11 Release.

12 E. Tenants Together's physical documents that are distributed at Outreach Activities (as
13 defined above) within Fresno County shall not refer to or mention JD Home Rentals,
14 any of the Defendants, the Settlement or this Action.

15 F. Tenants Together's physical documents that are distributed at Outreach Activities (as
16 defined above) outside of Fresno County may refer to or mention JD Homes, any of the
17 Defendants, the Settlement or this Action once in any given Activity so long as the
18 communication is not targeted at JD Home Rentals' tenants or knowingly distributed to
19 JD Home Rental tenants. Any such references shall be limited to language contained in
20 the Press Release.

21 G. During the above-referenced period, Tenants Together's Outreach Materials or
22 Activities will not include advertisement in the Community Alliance or other media
23 outlets, letters to the editor, billboards, bus signs, television and radio public service
24 announcements and stories in media outlets that mention JD Home Rentals, any of the
25 Defendants, the Settlement, or this Action.

26 H. Nothing in this Joint Stipulation does or shall prevent Bet Tzedek Legal Services from
27 operating tenant clinics outside the City and County of Fresno, or from mentioning or
28 referring to this case or this settlement in any of its Outreach Materials under the same

standards as those applicable to Tenants Together in Sections D-G above.

Except as provided herein, JD Home Rentals and the Named Plaintiffs' and Class Counsel will restrict their public statements to the press regarding the Action or the Settlement to the contents of the Press Release during the period from the date of the Preliminary Approval Hearing Order to the end of the Inspection Notice Period, and will not initiate statements to the press beyond the Press Release; provided, however, that during said period JD Home Rentals may respond to inquiries from the press or other social media sources and make comments beyond the Press Release; provided further, however, if JD Home Rentals makes comments to the press or other social media sources during said period, the Plaintiffs and their Counsel may respond and will not be limited in their response to the contents of the Press Release or this Joint Stipulation. Nothing in this Agreement is intended to limit any communications by Defendants or any Class Member with any governmental agency.

To the extent a tenant initiates contact with Class Counsel, Class Counsel's advice to a Current Tenant Settlement Class Member about how to proceed with the request for inspection shall be consistent with the guidelines and standards approved and ordered by the Court and set forth in the Inspection Notice to be sent to Current Tenant Settlement Class Members regarding their right to seek an inspection, which essentially summarizes conditions identified by the relevant California codes.

For those Current Tenant Settlement Class Members who do not want their unit inspected, the notice will include information about a telephone number to call for any repairs if they believe they have any needed repairs. For those Current Tenant Class Settlement Members who do not return the Notice, they will receive the Rent Freeze.

Nothing in this Settlement shall grant Class Counsel any permission to review any class list provided to the Settlement Administrator. The class list shall be kept confidential by the Settlement Administrator and not disclosed to anyone absent a further order of the Court after hearing.

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1 3. The Inspector

2 The inspector will be Beam & Company, Inc. (hereinafter referred to as "Inspector"),
3 which has been selected to perform inspections pursuant to the Checklist, subject to Court
4 approval. The Inspector will endeavor to provide sufficient inspection staff to be able to likely
5 complete all inspections within 18 months of commencement of the Inspection Schedule. The
6 costs of the Inspector will be borne by Defendants.

7 4. Creation of Inspection List and Initial Inspection Schedule

8 Within thirty (30) calendar days after the final date for return of the Inspection Notice,
9 the Settlement Administrator will prepare and provide to Defendants only a list of all returned
10 notices, setting forth the names and addresses of the Current Tenant Class Members
11 ("Inspection List"). Defendants shall not retaliate in any form against a tenant for requesting
12 an inspection; however, notwithstanding the foregoing, nothing herein shall be construed as
13 limiting in any way the exercise by Defendants of their rights under any lease or agreement or
14 any law pertaining to the hiring of property or of their right to do any acts permitted under the
15 law for any lawful cause.

16 Within thirty (30) calendar days after receipt of the Inspection List by Defendants,
17 through JD Home Rentals, the Inspector or Inspectors will meet, develop and provide to the
18 Settlement Administrator an initial schedule for the conduct of the inspections, including
19 proposed dates and times for the inspections ("Initial Inspection Schedule"). To the extent
20 consistent with existing law, the Settlement Administrator shall mail a notice to the tenants at
21 least 14 calendar days before the date of inspection advising them of the date and time of the
22 inspection in a form attached hereto as Exhibit B. Said notice will be in English, Spanish,
23 Hmong and Lao. The notice will advise the tenant that, if they desire not to have their unit
24 inspected at that date and time, they must advise the Settlement Administrator in writing by
25 no later than seven calendar days prior to the date of the inspection, and must provide three or
26 more dates and times (within normal business hours, Monday through Friday) that would be
27 suitable for an inspection. Absent such timely notice from the tenant or if the tenant either
28 refuses or declines to permit the inspection or otherwise does not make the unit available for

1 inspection by being personally present at the date and time set by the Inspector, said unit shall
2 not be inspected.

3 The inspections shall begin no later than thirty (30) calendar days from the time of
4 development of the Initial Inspection Schedule by Defendants and the Inspector or Inspectors
5 provided for herein.

6 **5. Inspection/Repair Process for Units**

7 The inspections shall begin no later than thirty (30) calendar days from the time of
8 development of the Initial Inspection Schedule by Defendants and the Inspector.

9 The Inspector will inspect units as set forth below and, to the extent needed or
10 required, Defendants will repair those units, subject to their right to remove any unit from the
11 rental market in lieu of repairs if the estimated cost of the repairs exceeds 36 months' rent for
12 the subject unit.

13 In the event a unit is removed from the market in lieu of repairs, Defendants agree to
14 pay as relocation costs to the affected tenants the following sums based on the number of leased
15 bedrooms in a unit: \$1,000 for a one-bedroom unit; \$1,500 for a two-bedroom unit; and \$2,000
16 for a three-bedroom or more unit. This amount is per unit and not per tenant. Unless it presents
17 a safety hazard for tenants to remain in the unit, the tenant will have 90 days' notice before s/he
18 has to move out of the unit; if it does present a safety hazard, the tenant will be immediately
19 relocated to another JD Home Rentals unit (which the tenant can have the option to remain in).
20 In addition to the relocation amounts set forth above, for those situations where tenants cannot
21 remain in a unit while repairs are being made to address a safety hazard and thus must be
22 relocated to a different unit, Defendants will provide the further sum for relocation expenses for
23 each type of unit in the following amount: \$400 for a one-bedroom unit; \$475 for a two-
24 bedroom unit; and \$550 for a three-bedroom or more unit. These additional sums are per unit
25 and not per tenant.

26 While the tenant is residing in the new unit and up until the original unit is available
27 again for occupancy, the tenant shall pay all costs and charges, including rent, that the tenant
28 last paid while occupying the original unit unless the rent for the relocated unit is less than the

1 rent for the unit to be repaired, in which case the tenant shall pay the rent for the relocated unit.
2 If a tenant with children occupants must be relocated due to removal of a unit from the rental
3 market or due to a safety hazard, JD Home Rentals will make a reasonable effort to seek to
4 relocate the tenant to a vacant JD Homes Rental unit of the same type within the same school
5 district, provided such a unit is available. The tenant will be provided the same relocation costs
6 for the move to the new unit as set forth above. If the tenant decides to return to the original
7 unit when it is available again for occupancy, JD Home Rentals will provide the tenant with the
8 same relocation costs as set forth above for the return move. If the tenant does not return to the
9 original unit when it is available again for occupancy, the tenant shall execute a new lease
10 agreement for the new unit and shall be responsible for paying all rent and charges that the
11 tenant is responsible for under the new lease agreement.

12 A unit is defined by a single door (i.e., a single occupancy area, such as an apartment
13 within a complex, single family residence, etc.). For purposes of this Settlement, "unit" means
14 a separate single leased unit. For example, if an apartment complex has five two-bedroom
15 apartments within the apartment complex, each two-bedroom apartment is a "unit."

16 **6. Checklist and Inspection/Repair Process.**

17 The Checklist will be used for the inspections. The Inspector shall diligently and
18 thoroughly complete the Checklist for each of the Inspected Units. The Inspector shall not
19 require any repairs that are not consistent with all applicable building and safety codes for the
20 particular unit. Defendants may challenge any Extended Repairs (as defined herein) as set forth
21 below.

22 Defendants may have a representative present during the inspections to observe and
23 answer questions and to ask his or her own questions to clarify any of the inspection items or
24 requested repairs, respond to questions or provide information. The Defendants' representative
25 who will be present during the inspections shall sign a statement that they understand their
26 function is solely as described above. The inspector(s) shall have the right to determine that the
27 particular Defendants' representative is interfering with the inspection and to advise
28 Defendants that the individual is not to participate in future inspections. The inspector will be

1 advised that he or she has this right.

2 The Inspector shall provide a copy of the Checklists for the completed inspections to
3 the mediator (if used at the election of Defendants) and the Settlement Administrator at the end
4 of each week during which inspections were performed. The mediator (if used) will examine
5 the Checklists to ensure that they are completed consistent with the terms of the Joint
6 Stipulation. Within seven (7) calendar days after being advised by the mediator that the
7 Checklists are completed consistent with the terms of the Joint Stipulation, the Settlement
8 Administrator shall mail the received Checklists to JD Home Rentals and Defendants' Counsel.
9 If a mediator is not used for these purposes, the Settlement Administrator shall mail the
10 received Checklists to JD Home Rentals and Defendants' Counsel within seven (7) calendar
11 days of receipt of them.

12 After receipt of each completed Checklist, JD Home Rentals shall promptly prepare a
13 brief written repair action plan for any repairs called for by the Checklist, which shall include a
14 proposed date for completion of any repairs. Each month, JD Home Rentals will provide the
15 Settlement Administrator a spreadsheet that lists the units under repair or repaired to date and
16 the projected or actual completion date of the repairs. Each month the Settlement Administrator
17 will compare that spreadsheet against the completed Checklists it has received to determine if
18 all units are accounted for on the spreadsheet. In the event any unit is not accounted for, the
19 Settlement Administrator will advise Defendants' Counsel.

20 The repairs shall be completed diligently in accordance with the specific physical and
21 structural needs, all applicable building and safety codes for the particular unit and the
22 circumstances called for by the repairs described by the Inspector in the Checklist. After
23 completing the repairs, JD Home Rentals will provide the Current Tenant Settlement Class
24 Members (or, if they are no longer residing in the unit, the then current residents) with a notice
25 in the form attached hereto as Exhibit D. This notice will be in English, Spanish, Hmong and
26 Lao.

27 On a quarterly basis after the inspections have commenced, the inspector will provide a
28 list to the Settlement Administrator of inspections that have been completed and JD Home

1 Rentals will provide the Settlement Administrator with a list of the units for which repairs have
2 been completed or for which no repairs were required. Using that information, the Settlement
3 Administrator shall prepare a report in the form attached hereto as Exhibit E and provide said
4 report to Defendants' Counsel and Class Counsel.

5 The Settlement Administrator shall advise Class Counsel and Defendants' Counsel
6 when all inspections and repairs as set forth herein are completed.

7 **7. Extended Repairs**

8 The Inspector will be provided access to the remaining portions of the premises or
9 entire complex as the Inspector deems necessary to perform the inspection for the specific
10 Inspected Unit, subject to any notices being given to tenants or others that may be required by
11 law. If during the course of the inspections of any Inspected Unit within a complex having two-
12 to-15 units or over-15 units, the Inspector determines that the repair of a specific Inspected Unit
13 requires a repair that extends beyond that specific Inspected Unit (i.e., to another unit or the
14 complex as a whole), the Inspector shall prepare a written report setting forth the specific repair
15 and the reasons therefor. As used herein, such repairs noted by the Inspector that extend beyond
16 the specific Inspected Unit being inspected shall be referred to as "Extended Repairs." The
17 Inspector shall prepare a report on Exhibit F setting forth the specific repairs required and all
18 reasons therefor, a copy of which shall be provided to the mediator (if used at the election of
19 Defendants) and Defendants' counsel. The mediator will examine the report to ensure it is
20 prepared consistent with the terms of the Joint Stipulation. If the report is prepared consistent
21 with the terms of the Joint Stipulation, the mediator shall so advise Defendants' counsel, who
22 shall then forward a copy of the report to the Settlement Administrator. This report shall be
23 known as the "Extended Repair Form." If a mediator is not used, the Inspector shall forward a
24 copy of the report directly to the Settlement Administrator.

25 Defendants may challenge an Extended Repairs determination. The challenge procedure
26 is set forth below. If Defendants do not challenge that determination, JD Home Rentals will
27 make the repairs subject to its right to remove a unit from the rental market as set forth herein.

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1 The Inspector shall provide the Extended Repair Form as set forth above. Within seven
2 (7) calendar days of receipt of the Extended Repair Form, the Settlement Administrator shall
3 mail that form to JD Home Rentals and Defendants' Counsel. The mailing shall include a
4 notice in the form of Exhibit G notifying JD Home Rentals of the deadline to challenge an
5 Extended Repair Form as set forth below. The deadline shall be thirty (30) calendar days from
6 the date of this mailing to JD Home Rentals and Defendants' Counsel. The Settlement
7 Administrator will also notify designated Class Counsel by email of the date of mailing of this
8 form, without providing the form to Class Counsel. After receipt of the Extended Repair Form,
9 JD Home Rentals, without counsel, may first challenge an Extended Repair Form by discussing
10 the matter initially with the Inspector. If as a result of the discussion, the Inspector withdraws
11 the Extended Repair Form, the Inspector shall prepare a brief report setting forth the initial
12 recommendation, the challenge, the resolution and a brief summary of the reasons therefor. A
13 copy of the report shall be provided to the Settlement Administrator and counsel for Class and
14 Defendants.

15 In lieu of or in addition to initially discussing the Extended Repair Form with the
16 Inspector, JD Home Rentals may also challenge an Extended Repair Form by completing a
17 written challenge form (the "Challenge Form") attached hereto as Exhibit H, which shall
18 concisely but with specificity set forth the position of JD Home Rentals on the need for or
19 advisability of the repairs noted in that Checklist, or any other pertinent or relevant positions on
20 the determination. A challenge may be made on any basis, including, but not limited to, the
21 need for, reasonable alternatives to, advisability of, and economic cost-effectiveness of the
22 recommended repairs. By the deadline, JD Home Rentals will mail the Challenge Form to the
23 Settlement Administrator and the Designated Class Counsel. A challenge will be considered
24 timely made if the mailing is postmarked by the deadline. In the event JD Home Rentals did not
25 receive an Extended Repair Form in due course after mailing by the Settlement Administrator,
26 the deadline to challenge shall begin on the date of actual receipt of the form by JD Home
27 Rentals. After mailing the Challenge Form, JD Home Rentals, the Inspector and Class counsel
28 shall seek informally to resolve the challenge within seven business days. If JD Home Rentals,

1 the Inspector and Class Counsel are able to resolve the challenge, the Inspector shall prepare a
2 brief report setting forth the resolution and a brief summary of the reasons therefor, a copy of
3 which shall be provided to JD Home Rental's and Class Counsel within seven business days
4 after such agreement. If JD Home Rentals, the Inspector and Class Counsel cannot informally
5 resolve the challenge within the seven-day time period set forth in the above paragraph, the
6 matter will be deemed to be at an impasse by the Inspector. The Inspector shall issue a Notice
7 of Impasse in the form attached hereto as Exhibit I, which shall be sent to the Settlement
8 Administrator. Within seven (7) calendar days of receipt of the Notice of Impasse, the
9 Settlement Administrator will mail Exhibit J attached hereto to JD Home Rentals, Defendants'
10 Counsel and Class Counsel.

11 If JD Home Rentals determines to further challenge any Extended Repairs Form, it
12 shall, within thirty (30) calendar days of mailing of the Notice of Impasse, file with the Court
13 or Special Master, if appointed, a motion challenging the Extended Repairs for decision by the
14 Court or Special Master. The motion shall be served on the Inspector and Class Counsel. JD
15 Home Rentals has the burden to prove that the repair is not reasonably necessary or that another
16 repair will resolve the issue. In addition to the moving papers and the Extended Repair Form,
17 the parties in any such review proceeding shall have the right to submit no more than two (2)
18 declarations, each of no more than three (3) pages, supporting their position. If JD Home
19 Rentals submits an expert declaration, the Inspector may be permitted to review that expert's
20 declaration and, if the Inspector agrees to do so in his or her sole discretion, provide a written
21 response under oath to that declaration. The funding by JD Home Rentals for such work shall
22 be limited to two hours of time compensated at the inspector's regular hourly rate. If the
23 Inspector declines to provide a written response, the Inspector shall prepare a brief report as to
24 the reason or reasons. If JD Home Rentals submits an expert or expert declarations and the
25 Class oppose such declaration or declarations using a counter declaration or declarations by an
26 expert or experts, the Class, if JD Home Rentals does not prevail in the challenge, may seek
27 payment from JD Home Rentals for the amount the Class actually paid their expert or experts
28 up to the amount that JD Home Rentals actually paid to its opposing expert or experts who

1 countered the expert or experts offered by the Class. The Court or Special Master, in its
2 discretion in response to a request by any party, may allow oral testimony at the hearing on this
3 matter. If an expert is permitted to testify on behalf of JD Home Rentals, then the Inspector
4 may also testify on behalf of the tenant, the cost of which shall be borne by JD Home Rentals
5 up to a maximum of two hours of time compensated at the inspector's regular hourly rate, plus
6 any travel time. JD Home Rentals or the tenant may offer such evidence as is relevant and
7 material to the dispute. Conformity to legal rules of evidence shall not be necessary. The Court
8 or Special Master shall determine the admissibility, relevance and materiality of the evidence
9 and may exclude evidence deemed by the Court or Special Master to be cumulative or
10 irrelevant. The Court or Special Master shall take into account applicable principles of legal
11 privilege, such as those involving the confidentiality of communications between a lawyer and
12 client. The Extended Repair Form will not be subject to a hearsay objection based on the fact
13 that it was prepared out of court or is not sworn; however, the Court or Special Master will
14 have discretion to strike portions of the Extended Repair Form pursuant to the standards set
15 forth above.

16 The attorneys' fees paid to Class Counsel in connection with this Settlement include
17 monies allocated as attorneys' fees payable for up to five (5) Extended Repair challenges made
18 by JD Home Rentals under this Section. No attorneys' fees shall be sought or awarded to Class
19 counsel for any and all attorneys' fees incurred relating in any way to up to five (5) challenges
20 made by JD Home Rentals under this Section, and Defendants shall not be entitled to claim any
21 right to a refund of any attorney's fees on the ground that they did not exercise up to five (5)
22 Extended Repair challenges. In the event that JD Home Rentals initiates more than five (5)
23 challenges under this Section, Class Counsel (or any Designated counsel) may seek recovery of
24 their attorneys' fees as permitted by law (other than under Civil Code Section 1717), with the
25 hourly rate for said fees capped at \$350 per hour. Class Counsel (or Designated counsel) shall
26 have up to six months from the date of the decision on the challenge to file a motion for
27 attorney's fees. The decision of the Court will be final and non-appealable.

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1 In the event that Class Counsel seek recovery of fees pursuant to the immediately above
2 paragraph and relies on the provisions of Code of Civil Procedure Section 1021.5, JD Home
3 Rentals will not oppose such motion on the basis that Class Counsel have not shown that the
4 relief did not confer a significant benefit on the general public or a large class of persons. By
5 so agreeing, JD Home Rentals is not making any admissions that the relief conferred a
6 significant benefit on the general public or large class of persons, but rather is making this
7 agreement solely for purposes of this settlement only and reserves the right to oppose the
8 motion on all other bases, including all other bases under Code of Civil Procedure Section
9 1021.5. It is further agreed that the term "Class Counsel" as used above refers both to Class
10 Counsel of record and any counsel not of record that Class Counsel of record designates.

11 **8. Tenant Challenge**

12 A tenant shall have no right to challenge any repairs called or not called for in a
13 Checklist, or any work relating thereto. Rather, the tenant, if not satisfied with the repairs made
14 pursuant to the inspections, may contact the Ombudsman within thirty (30) calendar days of the
15 completion of the subject repairs, setting forth concisely and specifically the reasons for the
16 dissatisfaction with the repairs. The Ombudsman will handle this complaint as set forth below.
17 In addition, nothing in this Agreement precludes the tenant from contacting any government
18 agency if s/he deems it appropriate to do so.

19 **C. The Ombudsman.**

20 The Parties have selected Russell Cook, Esq. as a tenant ombudsman to receive
21 complaints about repair and maintenance matters, subject to Court approval. This person will
22 be independently contracted for this role and will not be a full-time employee of any Party
23 hereto. This individual will establish a hotline for communications to him or her, and will be
24 bi-lingual in both Spanish and English or use the language resources as set forth below.
25 Defendants are responsible for payment of the sums set forth below in this section relating to
26 the Ombudsman.

27 The duties of the Ombudsman will be to receive and endeavor to resolve complaints
28 from a tenant or tenants relative to repairs and maintenance of units managed by JD Home

1 Rentals. The Ombudsman will not be designated as the initial intake person for receipt of
2 repair or maintenance requests from tenants. JD Home Rentals will continue to receive
3 requests for repair or maintenance in the first instance.

4 The Ombudsman will commence acting in that capacity only after the Effective Date
5 of the Settlement. S/he shall serve for a two-year term or exhaustion of the agreed budget
6 between the parties, whichever occurs first. The Ombudsman's budget shall be a total of
7 \$60,000 for the two-year term, exclusive of telephone and interpretative services provided for
8 in the following paragraphs.

9 During the Ombudsman's period of service, the Ombudsman will establish a telephone
10 number that will be paid by JD Home Rentals up to an agreed monthly amount of \$150.

11 To the extent possible, the non-English speaking tenants will seek the assistance of
12 adult family members or other third parties available to them to translate or interpret as needed
13 in order to communicate with the Ombudsman. To the extent needed, the Ombudsman will
14 have the authority up to a monthly dollar amount of \$750 to engage verbal interpretation
15 services from an agreed upon interpreting service or services for purposes of assisting the
16 Ombudsman's own communication with non-English speaking tenants. Because it is
17 anticipated that usage volume may be heavier in the initial months, the Ombudsman will have
18 the authority to use up to three months of interpreter service budget (\$2,250) in advance during
19 the first year of his/her tenure.

20 In the event that the actual monthly expense amount for verbal interpretation services
21 exceeds three months' advance usage (i.e., \$2,250 in advance), the Ombudsman may, for good
22 cause shown, after meeting and conferring with Defendants' Counsel and Class Counsel, apply
23 to the Court to increase the budgeted amount by an amount not to exceed 50% of the initial
24 monthly budgeted amount of \$750. The Ombudsman will use his or her own counsel in
25 seeking the increase, whose reasonable fees will be reimbursed by JD Home Rentals in an
26 amount not to exceed \$300 per hour.

27 In the event that the Ombudsman requires additional verbal interpretive services whose
28 costs will exceed the average sum of \$1,125 per month after seeking and receiving an increase

1 from the Court as set forth above, the Ombudsman will first exhaust the monthly budget using
2 the outside language services (e.g., Language Line) and then proceed to use JD Home Rentals
3 representatives to provide said services to the extent such language services are available. Prior
4 to providing the language services, each JD Home Rentals representative who performs said
5 services will sign and date a document to be provided to the Ombudsman which states as
6 follows:

7 I, _____, understand that I have been requested to provide verbal interpretive
8 services to assist communications between the Ombudsman and current tenants. I agree
9 that to the best of my ability I will in good faith seek to fully and accurately translate
10 those communications from _____ into English and English into
11 _____. In doing so, I understand that it is not my job or purpose to advance
12 anyone's interests, including my employer's, and that I am not to disagree or dispute
13 what the tenant says, even if I do disagree with it. I understand that, in providing
14 translation, I am assisting the Ombudsman to ensure that what the tenant says is
15 correctly and accurately communicated. I understand that, if I do not fully and
16 accurately provide translation, I will not be requested to provide said services in the
17 future."

18 The Ombudsman will have the discretion not to use or continue to use any particular JD
19 Home Rentals person to perform said services if she/he determines, in his or her sole
20 discretion, that the person is not performing satisfactorily.

21 If the Ombudsman determines at the end of one year of his or her service that his or her
22 need for verbal interpretative services cannot be met using the budgeted amount for outside
23 services and with the supplementation provided by a JD Home Rentals person, Defendants'
24 Counsel and Class Counsel, after notice from the Ombudsman, will meet and confer, with the
25 participation of the Ombudsman, in an effort to seek to negotiate a further budgeted amount. If
26 Plaintiffs' counsel and Defendants' Counsel cannot agree within fifteen (15) calendar days of
27 said notice on a further budgeted amount, the Ombudsman, using his own counsel and subject
28 to the reimbursement of fees as set forth above, may apply to the Court for an increase in the

1 budgeted amount. The Ombudsman will be required to show good cause for any increase. In
2 determining whether good cause exists and in what amount to authorize for additional verbal
3 interpretative services, the Court will consider the need for such additional services, whether
4 there are less costly alternatives that would meet the need and the reasonableness of the added
5 cost in relationship to the benefit conferred by provision of the added verbal interpretive
6 services. In no event shall the budget for verbal interpretative services exceed a total sum of
7 \$30,000.00.

8 The Settlement Administrator will issue a notice by mail to all then-existing
9 signatory tenants advising them of the identity of the Ombudsman, the contact information
10 and duties. (See Exhibit S.) This notice will be in English, Spanish, Hmong and Lao. All
11 new tenants during the Ombudsman's period of service will receive the same notice directly
12 from JD Home Rentals.

13 The Ombudsman will maintain a record of all complaints and disposition thereof. At
14 three-month intervals over the two-year period, the Ombudsman will issue a brief report to
15 both Plaintiffs' counsel and Defendants' counsel that identifies all pending complaints that
16 have not been resolved as of the date of the report after exhaustion of all efforts by the
17 Ombudsman. The form of this report must be agreed to by the parties.

18 The monetary sums set forth in this Section relating to the Ombudsman and related
19 items shall be paid by Defendants.

20 **SECTION 6: TERMS RELATING TO FORMER TENANT SETTLEMENT CLASS**

21 For the Former Tenant Settlement Class Members, Defendants agree to provide the
22 Former Tenant Class Members the choice of either a Voucher, as set forth further below, or
23 Cash Alternative, as described below:

24 **A. Voucher Program**

25 1. Each written lease agreement will be a single tenancy group, regardless
26 of the number of signatories, listed parties or other residents. In other words, if a unit was
27 rented under a written lease agreement to one person from January 9, 2010 to January 9, 2011
28 and then a new tenant started February 1, 2011 to February 1, 2012, there would be two

1 tenancy groups, each of which would be entitled to participate in the Voucher program. If there
2 are multiple Former Tenants in a single tenancy group, the Voucher amount will be divided pro
3 rata and separate Vouchers will be issued to each former tenant in his or her respective amount.
4 If they so desire, the multiple Former Tenants may combine their respective Vouchers and use
5 them for the purposes set forth below.

6 2. The Voucher amount for each single tenancy group will be as follows:
7 \$250 for a one-bedroom unit; \$350 for two bedrooms and \$500 for three bedrooms or more in a
8 rental unit.

9 3. The Voucher may be applied to the cost of a credit check at JD Home
10 Rentals for a future tenancy within a period up to 24 months after mailing of the Voucher with
11 the remainder applied toward the first month's rent for such a tenancy.

12 4. The Voucher will be good for up to 24 months from the date of mailing.

13 5. The Voucher may be transferred one time by the Former Tenant
14 Settlement Class Member (or, if applicable, the Current Tenants Who Moved) to a person who
15 is not part of the single tenancy group for use in the same manner.

16 6. The Former Tenant Settlement Class Claim Form will include places for
17 a Former Tenant Settlement Class Member to provide information to determine their eligibility
18 to participate, including the address of their leased place, the months of tenancy during the
19 period January 9, 2010 to the filing of the Order Granting Preliminary Approval and number of
20 bedrooms. Only those Former Tenant Settlement Class Members who return a Former Tenant
21 Settlement Class Claim Form will be eligible to participate in the Voucher program.

22 7. If a Former Tenant Settlement Class Member seeks to use the Voucher to
23 commence a new tenancy with JD Home Rentals during the above-referenced 24-month period,
24 the former tenant will not be required to post a security deposit for the new tenancy created
25 during the 24-month period. Any future tenancies thereafter may be charged a security deposit
26 by JD Home Rentals. In its sole discretion, JD Home Rentals may elect to provide the Cash
27 Alternative set forth below to any Former Tenant Settlement Class Member in lieu of providing
28 a Voucher. Such individuals will be deemed to have timely submitted their request for a Cash

1 Alternative and need not file one as explained in the next section. If JD Home Rentals so elects,
2 the Cash Alternative will be provided to the Former Tenant Settlement Class Members as set
3 forth below. .

4 8. In its sole discretion, Defendants may elect to provide the Cash
5 Alternative set forth below to any Former Tenant Settlement Class Member in lieu of providing
6 a Voucher. If a Defendant so elects, the Cash Alternative will be provided to the Former Tenant
7 Settlement Class Members pursuant to the terms for the Cash Alternative as set forth below.

8 **B. Cash Alternative:**

9 1. The Cash Alternative relates to those Former Tenant Settlement Class
10 Members who do not participate in the Voucher program by using or transferring it as set forth
11 above, or for whom a Defendant exercises the election to offer the Cash Alternative to a
12 Former Tenant Settlement Class Member in lieu of the Voucher. As set forth above, the
13 Voucher program will be in existence for 24 months after the Voucher is mailed. The Voucher
14 may be transferred one time during that 24-month timeframe. After the 24-month time frame,
15 the Former Tenant Settlement Class Members will have forty-five (45) calendar days during a
16 date certain time frame to return an unused or un-transferred Voucher to the Settlement
17 Administrator and seek the Cash Alternative. The Class Notice shall advise the Former Tenant
18 Settlement Class Members that they should retain their Voucher and calendar the time to file a
19 claim for the Cash Alternative if they do not exercise the Voucher, and that they can obtain a
20 substitute Voucher from the Settlement Administrator if they lose the Voucher. The date certain
21 time frame will be set forth on the Voucher.

22 2. A portion of the Voucher to the Former Tenant Settlement Class
23 Member, as well as the Class Notice (absent the bold and font size requirement) shall contain in
24 type of at least 12 font size and in bold the following provisions relating to the Cash
25 Alternative:

26 ///

27 ///

28 ///

1 a. the specific time frame during which the Cash Alternative may be
2 claimed by the Former Tenants Settlement Class;

3 b. that the Former Tenants Settlement Class shall not be receiving
4 any further notice concerning their ability to claim the Cash Alternative;

5 c. that in order to claim the Cash Alternative they must retain
6 possession of the Voucher or, if they lose the Voucher and it is not redeemed by anyone else,
7 they may contact the Settlement Administrator to obtain a substitute Voucher;

8 d. that it will be the responsibility of Former Tenants to keep track
9 of the dates when to make a claim for the Cash Alternative; and that if they do not make a
10 claim within the time frame set forth in the Class Notice they will not be able to receive any
11 portion of the Cash Alternative. As noted above, it is very important that they do so since they
12 will not receive a reminder.

13 3. The amount of the Cash Alternative will be computed for each tenancy
14 group and will be as follows:

15 a. 1 bedroom and studio groups: Each tenancy group will get \$10
16 per occupancy month up to a maximum of \$250;

17 b. 2 bedroom groups: Each tenancy group will get \$10 per month up
18 to a maximum of \$350;

19 c. 3 bedroom and up groups: Each tenancy group will get \$10 per
20 month up to a maximum of \$500.

21 d. In determining the number of months for each tenancy group, the
22 Settlement Administrator will use the information provided by JD Home Rentals concerning
23 the number of months of occupancy for a single tenancy group. Defendants will agree to fund
24 only up to the total dollar amount of all the claims for the Cash Alternative, with the total
25 funding capped at \$222,500. If the total of the claims for the Cash Alternative is less than
26 \$222,500, Defendants pay the allocated amount for each claim as set forth above. If, however,
27 the total of the claims for the Cash Alternative exceeds \$222,500, each claim shall be reduced
28 on a prorated basis so that Defendants' total obligation to pay is capped at \$222,500.

1 C. Claim Process for Former Tenant Settlement Class Members: Within sixty
2 (60) calendar days of the Effective Date of the Settlement, the Settlement Administrator will
3 send by first class mail the Former Tenant Settlement Class Claim Form to all Former Tenant
4 Settlement Class Members.

5 Only those Former Tenant Settlement Class Members who return a Former Tenant
6 Settlement Class Claim Form to the Settlement Administrator within forty-five (45) calendar
7 days after its mailing ("45-day Claim Period") will be eligible to participate in the Voucher or
8 Cash Alternative terms discussed above. Any Former Tenant Settlement Class Claim Form (1)
9 not postmarked by the end of the 45-day Claim Period, (2) not received by the Settlement
10 Administrator by the fifth (5th) calendar day after the 45-day Claim Period (or, if timely
11 postmarked but lost in the mail and delivered no later than 90 calendar days after the end of the
12 45-day Claim Period); (3) not received by other means by the Settlement Administrator by the
13 end of the 45-day Claim Period (4) not signed by the Class Member under penalty of perjury;
14 and/or (5) that does not otherwise comply with the claims process is not considered a valid
15 Former Tenant Settlement Class Claim Form. Any Former Tenant Class Member who submits
16 a Former Tenant Settlement Class Claim Form that is not considered timely and valid will not
17 be entitled to participate in the Voucher or the Cash Alternative terms set forth above.

18 The Settlement Administrator will use reasonable best efforts to locate and send the
19 Class Notice and Former Tenant Settlement Class Claim Form to the most recent address of
20 said Former Tenant Settlement Class Member. The Settlement Administrator shall be
21 responsible for taking reasonable steps, consistent with its agreed job parameters and any court
22 orders, to trace the address of any Former Tenant Settlement Class Member for whom a Former
23 Tenant Settlement Class Claim Form are returned by the post office as undeliverable. These
24 reasonable steps shall include, at a minimum: tracking of all undelivered mail; performing
25 additional address searches using additional address databases or equivalent means for all mail
26 returned without a forwarding address; and promptly re-mailing to Class Members for whom
27 new addresses are found. Any returned envelopes with forwarding addresses will be utilized by
28 the Settlement Administrator to trace Class Members.

1 It will be conclusively presumed that, if an envelope has not been returned within thirty
2 (30) calendar days of the date of mailing, the Class Member received the Former Tenant
3 Settlement Class Claim Form.

4 The Settlement Administrator will mail the Vouchers no later than thirty (30) calendar
5 days after the deadline for return of the Former Tenant Settlement Class Claim Form.

6 Nothing in this Settlement shall grant Class Counsel any permission to review any
7 Class List provided to the Settlement Administrator. The Class List shall be kept confidential
8 by the Settlement Administrator and not disclosed to anyone absent a further order of the Court
9 after hearing.

10 **SECTION 7: OTHER SETTLEMENT TERMS RELATING TO PEST CONTROL AND**

11 **TERMINATION OF TENANCIES**

12 **A. Fumigation and Pest Remediation.**

13 No later than 18 months after the Effective Date of the Settlement, a pest control
14 inspector will perform a single pest control inspection and assessment of each occupied unit;
15 provided, however, if a tenant refuses or otherwise fails to permit an inspection and assessment,
16 the unit will not be inspected, assessed or treated under this Settlement. The pest control
17 inspector will use its standard form. The pest control inspector will provide tenants with written
18 literature regarding control of pests. The pest control inspector will document if a pest control
19 infestation exists. If so, that pest control infestation will be treated by the pest control inspector
20 without charge to the tenant for the initial and a second treatment. While this Joint Stipulation
21 does not specifically obligate Defendants to pay for more than two treatments, nothing in this
22 Joint Stipulation waives any class members' rights that Defendants perform further fumigations
23 at their expense to which they are or may become obligated by law. As with other provisions,
24 nothing in this Agreement prohibits or limits a tenants' right to seek governmental code
25 enforcement, use JD Home Rentals' normal maintenance program or otherwise exercise his or
26 her rights under law, except to the extent that any of those rights have otherwise been expressly
27 released under this Settlement.

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1 The presence of bed bugs in a unit will be handled according to existing or future law.

2 JD Home Rentals reserves the right to charge the tenant for any further or subsequent
3 treatments, which the Tenant may dispute. Any disputes about cause may be submitted to the
4 Ombudsman for informal resolution. No further challenges will be permitted. Any such pest
5 control charges will be considered a miscellaneous charge and the non-payment thereof may
6 not be the basis for an unlawful detainer action.

7 Beginning with the Effective Date of the Settlement and continuing during the 18-
8 month period set forth above, all vacant units that are rented by JD Home Rentals will be
9 treated by a pest control service prior to occupancy by a tenant.

10 **B. Limitations on Tenancy's Terminations.**

11 JD Home Rentals will not terminate any tenancy except for good cause for a period of
12 12 months after the Effective Date of the Settlement. "Good Cause" shall be defined to include:

13 A. Tenant has not timely paid the rent due.

14 B. Tenant has violated a condition or covenant of the tenancy and has failed to
15 cure the violation after having received written notice thereof from the owner.

16 C. Tenant is committing waste upon the premises; is maintaining, committing or
17 permitting the maintenance or commission of a nuisance upon the premises; or is using the
18 premises for an unlawful purpose.

19 D. Landlord is a natural person who seeks in good faith to recover possession of
20 the rental unit for use and occupancy as a principal residence by himself or herself, or by his or
21 her spouse, domestic partner, brother, sister, child, parent, grandparent or grandchild.

22 E. Landlord seeks in good faith to displace tenant temporarily to make capital
23 improvements that cannot be performed safely with the tenant in possession. Landlord shall
24 allow tenant to return immediately upon completion of the improvements, which shall not be
25 unreasonably delayed.

26 F. Landlord is required by order of a governmental agency to remove the unit
27 from housing use.

28 ///

1 G. If any property managed by JD Home Rentals is sold to an unrelated third-party
2 who will occupy it.

3 H. Prior to lease termination under D-G, above, JD Home Rentals must serve on
4 the tenant a 90-day notice to quit or any other notice that may be required by a governmental
5 agency.

6 **SECTION 8 - THE SETTLEMENT ADMINISTRATOR**

7 **A. Duties of Settlement Administrator.**

8 The Parties have selected KCC Class Action Services as the Settlement Administrator
9 to administer the Joint Stipulation and all orders of the Court, subject to Court approval. The
10 duties of the Settlement Administrator shall include, without limitation: the printing and
11 mailing of court-approved notices and claim forms to Class Members or others as directed by
12 the Court or as otherwise set forth in the Joint Stipulation, to the extent fully approved; taking
13 all steps as are reasonably necessary to ensure Class Members timely receive notices and claim
14 forms, including conducting a National Change of Address search before mailing the Class
15 Notice and associated claim forms; communicating with Class Members and others as required
16 so as to receive corrections and/or additional information, or for any other reasons as deemed
17 reasonably necessary by the Settlement Administrator in order to ensure that the highest
18 percentage of Class Members receive notice of this Joint Stipulation; the utilization of
19 sufficient methods to ensure the most up-to-date and accurate addresses for Class Members;
20 conducting address searches on all returned, undelivered mail and re-mailing notices and claim
21 forms to Class Members for whom addresses are found; the providing of toll-free, live operator
22 telephone support to receive telephone calls from Class Members or others regarding the Joint
23 Stipulation; the maintenance of appropriate databases to fulfill its duties; the receipt and control
24 of all returned notices, claim forms and other documents, requests for opt-out, and objections;
25 all other duties referenced in this Joint Stipulation that are to be performed by the Settlement
26 Administrator and any and all other duties as agreed to with Class Counsel and Defendants'
27 Counsel consistent with the terms of this Joint Stipulation.

28 ///

1 **B. Other Provisions.**

2 All disputes, if any, relating to the Settlement Administrator's duties or performance
3 thereof shall be resolved by the Court.

4 As part of this Settlement, it is agreed that all the costs incurred by the Settlement
5 Administrator, including those relating to the preparing, mailing and re-mailing and publishing
6 the Class Notice, the work relating to the opt outs, the work relating to the objections and other
7 work expressly set forth in the Joint Stipulation to be performed between the period of the
8 Order Granting Preliminary Approval and the Effective Date of the Settlement, shall be borne
9 by Defendants. During that period, the Settlement Administrator shall not perform any other
10 work during that time period unless and if agreed to by Defendants in writing.

11 It is anticipated that certain Administrative Expenses will be incurred and submitted to
12 the Court for approval at the time of the Final Approval Hearing. If approved and consistent
13 with the above provisions, Defendants shall pay said approved sums within 30 calendar days of
14 the Effective Date of the Settlement. It is also anticipated that further Administrative Expenses
15 will be incurred and submitted to the Court for review and approval after hearing (or, if
16 stipulated to, pursuant to a stipulation) for the period after the Effective Date of Settlement. The
17 further Administrative Expenses will be paid by Defendants within 30 calendar days of notice
18 of the Court's order approving said expenses.

19 In the event it becomes necessary to replace the Settlement Administrator, Class
20 Counsel and Defendants' Counsel shall confer and select, if able, a replacement Settlement
21 Administrator, subject to Court approval. If Counsel are unable to select a replacement
22 Settlement Administrator, they shall notify the Court and file appropriate motions seeking an
23 order by the Court appointing a replacement Settlement Administrator.

24 Within thirty (30) calendar days after the close of the Objection Deadline, the
25 Settlement Administrator will provide to Class Counsel and Defendants' Counsel a declaration
26 including a statement of due diligence and proof of mailing of the Class Notice and Claim
27 Forms to the Class Members (without including any names or addresses), proof of compliance
28 with the publication of the Newspaper Notice, and a statement as to the number of opt-outs and

1 objections received. Class Counsel shall provide this information to the Court in the motion for
2 final approval of this Joint Stipulation.

3 **SECTION 9 - OBJECTIONS TO JOINT STIPULATION**

4 **A. Objection Procedure.**

5 The Parties agree that a Class Member who has standing may enter an appearance,
6 personally or through an attorney, and may object to the Joint Stipulation by filing his or her
7 objections with the Court and by also submitting objections to Class Counsel and Defendants'
8 Counsel. Any objection to the Settlement must be sent to the Settlement Administrator with a
9 postmark no later than 60 calendar days after the date of the initial mailing of the Notice. The
10 Class Notice shall advise Class Members to send copies of any objections to Class Counsel and
11 Defendants' counsel. Any objections should clearly explain why the Class Member objects to
12 the Settlement and state whether the Class Member (or someone on his or her behalf) intends to
13 appear at the Final Approval Hearing.

14 No Class Member who files an objection shall be heard to argue his or her objection at
15 the Final Approval Hearing, and no briefs or papers beyond the objection itself submitted by
16 any such person shall be considered by the Court, unless written notice of intention to appear at
17 the Final Approval Hearing, together with copies of all papers and briefs, shall have been filed
18 with the Court and mailed to Class Counsel and Defendants' Counsel. If those procedures have
19 been complied with, the objector may appear and request to be heard personally at the Final
20 Approval Hearing. It shall be within the discretion of the Court to determine whether it will
21 allow oral argument on the objection. In any event, the Court will consider all timely filed
22 objections even if they are not accompanied by such a written notice of intention to appear at
23 the Final Approval Hearing.

24 All objections and written notices of intention to appear must be signed and must
25 contain the Class Member's name, the address of counsel, if any, and the name of and the case
26 number for the Action. Upon request, the objector must also provide the Parties any address
27 information or other necessary information so as to identify the objector.

28 ///

1 If a Class Member objects to the Joint Stipulation, the Class Member will remain a
2 member of the Class and if the Court approves the Joint Stipulation, the Class Member will be
3 bound by the terms of the Joint Stipulation and Final Judgment in the same way and to the
4 same extent as a Class Member who does not object. Any member of the Class who does not
5 make and serve his or her written objections in the manner provided above, shall be deemed to
6 have waived such objections and shall be foreclosed from making any objections, by appeal or
7 otherwise, to the Joint Stipulation and/or Final Judgment. Any member of the Class who is
8 satisfied with the Joint Stipulation need not appear at the Final Settlement Hearing.

9 **SECTION 10 - SETTLEMENT OF REPRESENTATIVE PLAINTIFFS' INDIVIDUAL**
10 **CLAIMS AND CLAIMS BY OTHER OCCUPANTS**

11 The Representative Plaintiffs have made claims on their own behalf and on behalf of all
12 Other Occupants in the units occupied or formerly occupied by the Representative Plaintiffs at
13 any time up to the Effective Date of the Settlement. The claims include, without limitation,
14 allegations of general and special damages, pain and suffering, emotional distress, rent rebates,
15 and personal injuries. In connection with this Settlement, all of the claims by the Representative
16 Plaintiffs and Other Occupants from the beginning of time up until the Effective Date of the
17 Settlement will be resolved, subject to Court approval of this Settlement and Court approval of
18 any and all necessary minor compromises.

19 Within thirty (30) calendar days of the latter of the Effective Date of the Settlement,
20 receipt of all general releases from all Representative Plaintiffs and Other Occupants in the
21 form attached hereto as Exhibit L, all necessary Court orders approving this Settlement,
22 including all necessary minors' compromises and receipt by Defendants of all required
23 information from the Representative Plaintiffs and Other Occupants concerning dates of birth,
24 taxpayer identification numbers or any other information that may be required by law or by any
25 insurer of any Defendant and all required communications from Medicare or other government
26 agencies or representatives concerning any and all liens as discussed further below, Defendants
27 will pay the total sum of Two Hundred Forty-Thousand Dollars (\$240,000.00) to Class
28 Counsel, into an attorney trust account designated by Plaintiffs' counsel, for all the

1 Representative Plaintiffs and Other Occupants. These are not incentive award payments, but
2 rather are compensation for alleged personal injuries or physical injuries as set forth further in
3 the releases attached as Exhibit L. The total sum will be allocated as follows:

4 A. Occupants at 3508 S. Elm Ave., #107, Fresno, CA ALLOCATED SUM

5	1.	Malaquias Esteves	\$40,186.00
6	2.	Angelica Luengas	\$5,000.00
7	3.	Jesucita Esteves	\$4,000.00
8	4.	Pedro Santiago	\$2,500.00
9	5.	Erika Esteves	\$4,000.00
10	6.	Yesenia Esteves	\$4,000.00
11	7.	Carlos Esteves	\$5,000.00
12	8.	Mauricio Esteves	\$4,000.00
13	9.	Jocenith Santiago	\$2,000.00

14 B. Occupants at 230 W. Geary St., Fresno, CA

15	1.	Elvia Reyes	\$36,792.00
16	2.	Hector Miranda Carbajal	\$5,000.00
17	3.	Hector Miranda Reyes	\$3,000.00
18	4.	Diamante Miranda	\$3,000.00
19	5.	Miriam Miranda Reyes	\$5,000.00
20	6.	Adrian Ventura Miranda	\$3,000.00
21	7.	Esmeralda Ventura Miranda	\$3,000.00
22	8.	Savannah Elvia Miranda	\$2,000.00
23	9.	Ruby Maday Oros Miranda	\$2,000.00
24	10.	Zayliah Medina Miranda	\$2,000.00

25 C. Occupants at 2616 E. Washington St., Apt. 102, Fresno, CA

26	1.	Catalina Mendoza	\$20,022.00
27	2.	Antonio Martinez Vega	\$5,000.00
28	3.	Rene Martinez	\$3,000.00

1 4. Iccel Evelina Martinez \$3,000.00

2 5. Emily Elizabeth Martinez \$3,000.00

3 6. Cathy Ariana Martinez \$2,000.00

4 D. Previous Occupant of 3622 E. Clay St., Apt. B, Fresno, CA

5 1. Neng Vu \$28,000.00

6 2. Zang Moua \$5,000.00

7 E. Previous Occupant of 2211 W. Princeton Ave., Fresno, CA and 360 N. Roosevelt Ave.,
8 #101, Fresno, CA

9 1. Willie Thompson \$35,500.00

10 The Class Counsel will have the responsibility for seeking and obtaining all necessary
11 orders from the Court approving all minor compromises. All minor compromises must be
12 obtained prior to the Final Approval Hearing and any orders must be expressly conditioned on
13 the Court finally approving this Joint Stipulation and the Effective Date of the Settlement
14 having occurred. Any and all payments to a minor shall be made as specifically stated in the
15 minor's compromise order or other orders relating to funds paid for the benefit of a minor listed
16 above.

17 Class Counsel represents that they have all necessary and binding written consents from
18 each of their clients (Representative Plaintiffs and Other Occupants) to enter into this
19 Agreement and to the allocation of sums as set forth above between the Representative
20 Plaintiffs and Other Occupants.

21 A. Representative Plaintiffs agree and acknowledge that it is their sole and
22 exclusive obligation to satisfy all liens, conditional payments, debts, rights of subrogation,
23 and/or any other claims or actions asserted against them and/or the proceeds of this settlement,
24 whether now known or unknown, including, but not limited, to any liens by any medical
25 provider, or any Medicaid or Medicare liens resulting from the payment of expenses for
26 hospital or other care and treatment of Plaintiffs and/or Other Occupants. Prior to payment of
27 any settlement funds under this Section, the Representative Plaintiffs, Other Occupants and
28 Class Counsel shall certify that there are no non-Medicare liens that relate to the payment of

1 any of the settlement funds set forth in this Section regarding which there is not an agreement
2 for its satisfaction from the settlement proceeds. In addition, prior to payment of any settlement
3 funds under this Section, the insurance carriers for Defendants will report the names of the
4 Representative Plaintiffs and Other Occupants to the appropriate government agencies for the
5 purpose of determining if there are any Medicare or other government liens. The payment of
6 the settlement funds under this Section will not be made until final letters have been received
7 from Medicare and other government agencies or representatives, which will state whether or
8 not there are any Medicare or other liens to any government agency and the total amounts
9 needed to satisfy the lien or liens applicable to each person. If there are any such liens, the
10 amounts paid under this Section for a particular person shall first be used to pay such lien or
11 liens by a check or checks issued to Medicare or other government agency, with any excess to
12 be paid by check to the particular Representative Plaintiff and/or Other Occupant and delivered
13 to Class Counsel with a notation of the deduction for the applicable lien.

14 B. Representative Plaintiffs further agree to release Releasees and their agents,
15 representatives, attorneys and insurance carriers from any liens, debts, rights of subrogation,
16 and/or any other claims or actions asserted against them and/or the proceeds of this Settlement
17 by anyone claiming by, through or under Representative Plaintiffs or Other Occupants, whether
18 now known or unknown, including any Medicaid or Medicare liens resulting from the payment
19 of expenses for hospital or other care and treatment of Representative Plaintiffs and/or Other
20 Occupants.

21 C. Representative Plaintiffs further agree to defend, indemnify and hold harmless
22 Releasees and their agents, representatives, attorneys and insurance carriers from any damages,
23 demands for payment or reimbursement, liens, debts, rights of subrogation, and/or any other
24 claims or actions asserted against them and the proceeds of this Settlement, by anyone claiming
25 by, through or under Representative Plaintiffs or Other Occupants, whether now known or
26 unknown, including any Medicaid or Medicare liens resulting from the payment of expenses
27 for hospital or other care and treatment of Representative Plaintiffs and/or Other Occupants.

28 ///

1 D. Representative Plaintiffs specifically warrant that they are not aware of any
2 Medicare or Medicaid benefits paid for the medical care and treatment rendered to treatment of
3 Representative Plaintiffs and/or Other Occupants except as may be revealed as a result of the
4 reporting and disclosure set forth above in Paragraph A. Representative Plaintiffs further
5 warrant that any Medicare or Medicaid liens, whether now known or unknown, resulting from
6 the payment of expenses for hospital or other care and treatment of injuries and damages
7 claimed by Plaintiffs and/or Other Occupants, will be fully satisfied, if sufficient funds exist
8 from the allocated payments in this Section, as set forth herein. If insufficient funds exist to
9 fully satisfy a lien, the lien will be partially satisfied only, with no remaining proceeds payable
10 to the particular Representative Plaintiff or Other Occupant from the settlement proceeds.

11 E. Provision of All Information Necessary for Section 111 Reporting and Any
12 Other Required Reporting: Representative Plaintiffs will provide Releasees and their agents,
13 representatives, attorneys and insurance carriers with complete, accurate, and up-to-date
14 information regarding Representative Plaintiffs' and Other Occupants' Medicare and other
15 government aid eligibility status. Representative Plaintiffs also will provide any and all
16 information Releasees and their agents, representatives, attorneys and insurance carriers require
17 to facilitate and meet their reporting obligations under 42 U.S.C. §1395y(b)(8). Such
18 information may include, but is not limited to: Representative Plaintiffs' full name, Social
19 Security Number (SSN), Medicare Health Insurance Claim Number (HICN), gender, and date
20 of birth or any other information that may be required by law or by any insurer of any
21 Defendant.

22 F. Representations and Warranties Regarding Medicare Eligibility and Conditional
23 Payments: Representative Plaintiffs represent and warrant that they have provided Releasees
24 and their agents, representatives, attorneys and insurance carriers with complete, accurate, and
25 up-to-date information regarding Representative Plaintiffs' and Other Occupants' Medicare and
26 other government aid eligibility status. The parties agree that all representations and warranties
27 made herein shall survive settlement.

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1 G. Remedies for Breach and Protection of Medicare's Interests: The parties agree
2 that, in the event of a breach of the representations and warranties made by Representative
3 Plaintiffs in the paragraphs above, Releasees and their agents, representatives, attorneys and
4 insurance carriers shall be entitled to set off any remaining payments due under the terms of
5 this Settlement, as well as to the full extent of damages and other relief available at law and
6 equity.

7 H. The parties have attempted to resolve this matter in compliance with both state
8 and federal law, and believe that the settlement terms adequately consider Medicare's interest
9 and do not reflect any attempt to shift responsibility for payment of medical expenses covered
10 under this settlement to Medicare pursuant to 42 U.S.C. § 1395y(b). The parties acknowledge
11 and understand that any present or future action or decision by CMS or Medicare, including
12 actions regarding the Representative Plaintiffs' eligibility or entitlement to receive Medicare or
13 Medicare payments, will not render this Release void or ineffective, or in any way affect the
14 finality of this Settlement.

15 **SECTION 11 - ATTORNEYS' FEES AND COSTS**

16 Class Counsel will submit an application for attorneys' fees and costs for preliminary
17 and final approval by the Court as follows:

- 18 a. \$1,050,000.00 for attorneys' fees and costs up through and including
19 March 31, 2016. In seeking to support this claim for attorneys' fees,
20 Class Counsel is permitted to claim any hourly rate they claim is
21 reasonable and Defendants are permitted to comment on or challenge
22 any such rates. Notwithstanding the foregoing, the amount awarded by
23 the Court for attorneys' fees and costs for all work and expenses up to
24 and including March 31, 2016 shall not exceed \$1,050,000;
- 25 b. \$100,000.00 for attorneys' fees and costs for the period April 1, 2016 to
26 the Effective Date of the Settlement, provided all such fees are actually
27 incurred based on a rate of \$350 per hour, with proof in the form of time
28 records submitted to the Defendants' Counsel prior to the Final Approval

Hearing. For purposes of calculating this \$100,000 amount only, and pursuant to a separately negotiated portion of their agreement regarding this aspect of the fee claim only, the Parties, including Class Counsel, have agreed that no party or counsel will deviate (higher or lower) from the use of \$350 per hour for such fees. Any paralegal time related to the portion of the motion for preliminary and final approval of the attorneys' fees and costs shall be calculated at a rate lower than \$350 per hour as established by the Court. In no event shall the attorneys' fees and costs, including paralegals, awarded for this period of work and expenses exceed \$100,000.00; and

- c. \$70,000.00 for all attorneys' fees and costs after the Effective Date of the Settlement relating in any way to this Action, the Settlement or the Judgment, provided all such fees are actually and reasonably incurred; excepting, however, attorneys' fees and costs incurred after the fifth Extended Repair Challenge as set forth in Section 5, the final amount of which shall either be agreed to by the parties or determined by Mediator Judge Wanger through an informal process he directs. (The costs of Judge Wanger if he is used shall be borne by Defendants.)

These figures were negotiated at arm's length with the assistance of Mediator Judge Wanger. In agreeing to the figure, Plaintiffs' counsel contends that they substantially discounted their normal rates. It is understood that, in filing their motion, Plaintiffs will explain that they believe a reasonable fee, in the absence of the agreement reached by the parties capping the fees and costs, would be substantially more than the \$1,150,000 agreed to cap on fees and costs, and will present to the Court what they believe would otherwise be a reasonable fee. Plaintiffs' purpose in presenting this information will be to ensure that the Court is able to determine that the agreed-to amount of fees and costs is reasonable. While the Court may determine that a higher fee award would be reasonable in the absence of the agreed to cap, in no event shall Plaintiffs request, or the Court order, more than \$1,150,000 for fees and costs

1 through the Effective Date of the Settlement or more than a maximum of \$70,000 for all
2 attorneys' fees and costs after the Effective Date of the Settlement relating in any way to this
3 Action, the Settlement or the Judgment other than for Extended Repair Challenges, if any,
4 beyond a fifth challenge.

5 The attorneys' fees and costs paid by Defendants pursuant to this Joint Stipulation shall
6 not exceed, under any circumstances, the total sum of \$1,220,000, as set forth above, for any
7 and all matters relating to this Action, the Settlement, including any steps prior thereto or
8 subsequent to the entry of the Judgment; excepting, however, attorneys' fees that may be
9 awarded under Section 5.B.7 concerning Extended Repair Challenges after the fifth such
10 challenge. Any award of attorneys' fees by the Court must not exceed the aforementioned sum,
11 under any circumstances, and the Judgment will extinguish any and all claims or potential
12 claims for attorneys' fees, costs and expenses of and by the Class Counsel or any other counsel
13 who may have served or who may claim to have served in any respect in connection with this
14 Action or the Settlement. Class Counsel agree either to obtain and provide to Defendants'
15 counsel no later than five (5) business days after the filing date of the Order Granting
16 Preliminary Approval a written release from any other counsel who may have served or who
17 may have claimed to serve in this Action that they are not seeking and do not seek any
18 attorneys' fees, costs or expenses in connection with this Action or the Settlement.
19 Alternatively, Class Counsel shall effect valid service (as set forth below) of this Joint
20 Stipulation and the Order Granting Preliminary Approval upon any and all attorneys who may
21 have served or who may have claimed to have served in this Action and to deliver by hand
22 delivery and by registered mail to all such lawyers, no later than five (5) business days after
23 entry of the Order Granting Preliminary Approval, the above-referenced documents, together
24 with correspondence addressed at least to the senior partners of any and all firms that explain
25 such documents; why they are being delivered and served and that the counsel must present any
26 claim to the amounts set forth above (or portions thereof) for attorneys' fees, costs or expenses
27 in a manner consistent with the Order Granting Preliminary Approval, which date shall not be
28 later than at least fourteen (14) calendar days before the deadline for filing objections to the

1 Settlement; and that any such claims that the counsel may have will be extinguished by the
2 Judgment.

3 Defendants agree not to oppose the application, so long as the application is consistent
4 with the provisions of this Joint Stipulation. Notwithstanding the foregoing, Defendants reserve
5 the right to advise the Court about their position concerning the hourly rate, hours and other
6 factors used by Class Counsel in seeking approval of the attorneys' fees and costs. Class
7 Counsel shall not seek in any way any additional fees or costs other than as set forth above and
8 in connection with Extended Repair Challenges as set forth in this Joint Stipulation.

9 Subject to the provisions of this Joint Stipulation and approval by the Court, Defendants
10 agree to transfer to or deliver a check to the Settlement Administrator for immediate
11 distribution to an account specified by Class Counsel, within thirty (30) calendar days of the
12 Effective Date of the Settlement, the amount of \$1,050,000 (or other sum approved by the
13 Court) and a further amount up to \$100,000 as set forth above provided said fees and costs are
14 actually and reasonably incurred as determined by the Court at the Final Approval Hearing.

15 The remaining amount of up to \$70,000 shall be paid by Defendants into an account
16 specified by Class Counsel within 30 calendar days of agreement or order by Judge Wanger.
17 Plaintiffs may seek such fees the earlier of 1) two years from Effective Date of the Settlement
18 or 2) after the Effective Date of the Settlement and once their fees and costs total \$25,000, and
19 again when they total an additional \$25,000 and again when they total an additional \$20,000.
20 Judge Wanger's determination shall be binding and enforceable and may not be appealed.
21 Plaintiffs may enforce a failure to pay these fees by filing an action in Fresno County Superior
22 Court, to be related to this case; the prevailing party on this specific issue shall be entitled to an
23 award of fees and costs pursuant to Civil Code § 1717.

24 Defendants are responsible for their own attorneys' fees and costs.

25 SECTION 12 – RELEASES

26 Upon the Effective Date of this Settlement, the Class, Class Members, Current Tenant
27 Settlement Class Members and Former Tenant Settlement Class Members, and each of them,
28 fully and finally release and forever discharge Releasees, and each of them, and shall be

1 deemed to have, and by operation of the Judgment and any related order shall have expressly
2 waived, released, discharged and relinquished the Released Claims defined below.
3 The Released Claims consist of all such claims from January 9, 2010 to the end of the Class
4 Period.

5 **A. Definition of Released Claims.**

6 "Released Claims" means claims, demands, rights, debts, obligations, costs, expenses,
7 wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations,
8 statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action
9 that were or might have been asserted (whether in tort, contract or otherwise), for violation of
10 any state or federal law for claims that are set forth or attempted to be set forth in the
11 Complaint in the Action which are, could be or could have been the basis of claims by the
12 Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other
13 monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of
14 deposits, collection of rent while permitting rental units to be maintained in untenable or
15 uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable
16 unit, expenses incurred to make repairs, and/or other lost money or property paid by a Class
17 Member relating in any way to the condition or maintenance of the unit.

18 The Released Claims include, without limitation all of the following as it relates to
19 restitution, disgorgement, equitable relief, injunctive relief or monetary relief and all of the
20 following to the extent (and only to the extent) of the categories contained in the foregoing
21 paragraph:

- 22 1. Any and all claims under Business & Professions Code Section 17200, *et*
23 *seq.* as set forth in the First Cause of Action of the Complaint, including, but not limited
24 to, the permitting of rental units to be maintained in untenable conditions and
25 continue to collect rent, in violation of the Civil Code, including Sections 1941, 1941.1,
26 1941.3 and 1942.4 and Health & Safety Code Sections 17980, *et seq.*, engaging in a
27 scheme that caused, permitted and maintained untenable rental units, in violation of
28 Civil Code Sections 1714, 1940.2, 1941, 1941.1, 1941.3, 1942.5, 1954 and the Health &

1 Safety Code including Sections 17920.3 and 17920.10;

2 2. Any and all claims relating to lost money or property by the Class
3 Members relating to the payment of rent or deposits relating to any of the rental units
4 rented or offered for rent by any of the Defendants in the City and/or County of Fresno,
5 California;

6 3. Any and all claims for injunctive relief or other relief under Business &
7 Professions Code Section 17203;

8 4. Any and all claims set forth or attempted to be set forth in the Second
9 Cause of Action;

10 5. Any and all claims alleged or attempted to be alleged in the Third Cause
11 of Action to the extent the Third Cause of Action incorporates the First and Second
12 Causes of Action.

13 6. Any and all claims alleged or attempted to be alleged in the Complaint
14 that JD Homes engaged in a pattern and practice of violating the basic housing rights of
15 its tenants by refusing to make its rental properties habitable by refusing to comply with
16 all applicable health and safety laws; and taking advantage of, harassing and retaliating
17 against any tenants who exert their rights and request repairs, as alleged in Paragraph 8
18 of the Complaint;

19 7. Any and all claims relating in any way to any rent rebates or any other
20 return of rent or other charges paid by any Class Member to Defendants relative to any
21 properties rented or offered for rent during the Class Period;

22 8. Any and all claims that Defendants have failed to keep the properties
23 habitable and fit for occupancy as alleged in Paragraph 30 of the Complaint;

24 9. Any and all claims relating to untenable rental property or properties
25 not meeting the standards of California Civil Code Section 1941.1 and Health & Safety
26 Code Sections 17920, 17920.3 and 17920.10 or other applicable law;

27 10. Any and all claims that Defendants have failed to abate untenable
28 living conditions after receiving notice of them from tenants and/or the City of Fresno,

1 as alleged in Paragraph 30 of the Complaint;

2 11. Any and all claims that Defendants have retaliated and/or harassed
3 tenants, including Plaintiffs and others similarly situated, when they attempt to enforce
4 their legal rights as alleged in Paragraph 30 of the Complaint; and

5 12. Any other claim asserted or attempted to be asserted in the Complaint,
6 including any and all claims for injunctive relief, restitution, disgorgement, retroactive
7 rent rebate, rent reductions, rent abatement and attorneys' fees and costs for this Action.

8 Notwithstanding any of the foregoing, the Released Claims do not include, and are not
9 intended to release, damages claims for physical injury or personal bodily injury (including but
10 not limited to illness, mental stress, emotional distress, anxiety, annoyance and discomfort),
11 including such damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9.
12 The Released Claims do include statutory damages recoverable under any of the statutes listed
13 in sub-paragraphs 1 and 9, but do not otherwise include statutory damages under any other
14 statute.

15 **B. Waiver of Civil Code Section 1542 as to Released Claims.**

16 With respect to the Released Claims, the Class, Class Members, Current Tenant
17 Settlement Class Members and Former Tenant Settlement Class Members each further waive
18 all rights and benefits afforded by section 1542 of the Civil Code of the State of California.
19 Section 1542 provides:

20 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
21 **CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
22 **FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN**
23 **BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER**
24 **SETTLEMENT WITH THE DEBTOR.**

25 The Class, Class Members, Current Tenant Settlement Class Members and Former
26 Tenant Settlement Class Members agree not to sue or otherwise make a claim against any of
27 the Releasees that is in any way related to, arises out of or is connected in any way with the
28 Released Claims.

1 The Class Notice will include this section in its entirety.

2 **SECTION 13 - DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

3 The Representative Plaintiffs shall promptly submit this Joint Stipulation to the Court
4 for the Court's preliminary approval and determination as to the Joint Stipulation's fairness,
5 adequacy, and reasonableness at the Preliminary Approval Hearing.

6 **A. Stipulation for Preliminary Approval.**

7 The Representative Plaintiffs shall apply to the Court for the entry of a preliminary
8 order in the form attached hereto as Exhibit P seeking the following:

9 a. The scheduling of the Final Approval Hearing on the question of
10 whether this Joint Stipulation should be approved as fair, reasonable and adequate as to Class
11 Members. The approval shall also include that the Class be conditionally certified for
12 settlement purposes only. In the event that this Joint Stipulation is nullified or invalidated for
13 any reason, including that the Court fails to give preliminary or final approval to this Joint
14 Stipulation, the Court fails to order any of the other relief set forth in this Joint Stipulation, a
15 failure of a condition precedent occurs, the Court disapproves of any term or condition of the
16 Joint Stipulation, or if the Court modifies or amends any portion of the Joint Stipulation, the
17 conditional certification shall be vacated, shall be null and void and shall be of no force or
18 effect in the Action as to all Parties herein at the option of either party. The option shall expire
19 upon the Effective Date of the Settlement.

20 b. Approval as to form and content of the proposed Class Notice,
21 the proposed Newspaper Notice and all claim forms;

22 c. A direction to mail the Class Notice as set forth therein;

23 d. A direction to publish the Class Notice;

24 e. That the Class Members shall have sixty (60) calendar days from
25 the date of the initial mailing of the Class Notice to opt-out of the terms of this Joint Stipulation
26 as set forth therein;

27 f. That the Class Members shall have sixty (60) calendar days from
28 the date of the initial mailing of the Notice and Claim Form to file any objections to this Joint

1 Stipulation as set forth therein; and

2 g. Approval of the Settlement Administrator as set forth therein.
3 Class Counsel shall submit the motion for preliminary approval papers to Defendants' Counsel
4 for their review no less than seven (7) days prior to the filing of such papers with the Court.

5 **SECTION 14 - DUTIES OF THE PARTIES CONCERNING FINAL COURT**

6 **APPROVAL**

7 Following final approval of this Joint Stipulation by the Court at the Final Approval
8 Hearing, Class Counsel will submit a proposed final order and Judgment in the form attached
9 as Exhibit Q or as modified by the Court, any modification of which must be consistent with
10 the terms of this Joint Stipulation:

11 a. Approving the Joint Stipulation, adjudging, among other things, the
12 terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and
13 provisions;

14 b. Approving Plaintiffs' counsel's application for an award of attorneys'
15 fees and reimbursement of costs;

16 c. Approving settlement certification of the Class;

17 e. Approving any required payments under this Joint Stipulation;

18 f. Entering final judgment that allows the Court to retain jurisdiction of the
19 Action to enforce this Joint Stipulation and the Final Judgment;

20 g. Including in the Judgment the provisions set forth in Section 3 of this
21 Joint Stipulation; and,

22 h. Including in the Judgment the Releases set forth in Section 12 of this
23 Joint Stipulation.

24 **SECTION 15 - CONTINUING JURISDICTION**

25 The Court has, and shall continue to have, jurisdiction to make any orders as may be
26 appropriate to effectuate, consummate, and enforce the terms of this Joint Stipulation and
27 Judgment, including the Releases, and any orders it enters pursuant to it. Any dispute or
28 question relating to or concerning the interpretation, validity, enforcement or application of this

1 Joint Stipulation shall be presented to the Court for resolution, and the Parties, Plaintiffs and
2 the Class agree to submit to the personal and exclusive jurisdiction of the Court.

3 **SECTION 16 – OTHER PROVISIONS**

4 **A. Enforcing/Voiding the Agreement.**

5 If any material or substantial term set forth in the preceding sections is not met and
6 satisfied or not ordered or included by the Court, this Joint Stipulation shall, at the option of the
7 affected party, be ineffective, void and of no further force or effect and shall not be used nor be
8 admissible in any subsequent proceedings in this Court or in any other forum or proceeding of
9 any type. In the event of a failure of any condition precedent, a failure of the Court to give final
10 approval to the Joint Stipulation at the Final Approval Hearing, a failure of the Court to issue
11 any of the other relief set forth in this Joint Stipulation, any decision by the Court to disapprove
12 any condition or term of the Joint Stipulation, any modification or amendment by the Court of
13 any portion of the Joint Stipulation, this Joint Stipulation shall then be void and unenforceable
14 as to all Parties herein at the option of either party. Each party may exercise his/its options
15 under this Section to void this Joint Stipulation by giving notice, in writing, to the other and to
16 the Court at any time prior to the Effective Date of this Settlement.

17 **B. Mutual Full Cooperation.**

18 The Parties agree to cooperate fully with each other to accomplish the terms of this
19 Joint Stipulation, including but not limited to, executing such documents and taking such other
20 action as may be reasonable and necessary to implement the terms and intent of this Joint
21 Stipulation.

22 **C. No Prior Assignments.**

23 The Representative Plaintiffs and the Class Members represent, covenant, and warrant
24 that they have not directly or indirectly, assigned, transferred, encumbered, or purported to
25 assign, transfer, or encumber to any person or entity any of the Released Claims set forth in
26 Section 12. Defendants shall have no obligation to pay or otherwise resolve any liens that are or
27 may be asserted against any payments made hereunder. In the event that any such lien is
28 asserted, it is the responsibility of the Class Member and/or the Representative Plaintiffs to pay,

1 compromise or otherwise resolve the lien at no cost to Defendants.

2 **D. Attorneys' Fees.**

3 In the event that Defendants, the Representative Plaintiffs or any Class Member
4 institutes any legal action, arbitration, or other proceeding against the other to enforce the
5 provisions of this Joint Stipulation or Final Judgment or to declare rights and/or obligations
6 under this Joint Stipulation or Final Judgment, the successful litigant shall be entitled to recover
7 from the unsuccessful litigant reasonable attorneys' fees and costs, including expert witness
8 fees, incurred in connection with any such action, arbitration or proceeding.

9 **E. Notices.**

10 Unless otherwise specifically provided herein, all notices, demands or other
11 communications given hereunder shall be in writing and shall be deemed to have been duly
12 given as of the third business day after mailing by first class mail or overnight mail, addressed
13 as follows:

14 **CLASS COUNSEL:**

15 Michelle Marie Kezirian, #189481
16 Attorney at Law
2335 E. Colorado Blvd., Suite 115
17 Pasadena, CA 91107

DEFENDANTS' COUNSEL:

William C. Haesy
Law Offices of William C. Haesy
225 W. Shaw Ave., Suite 105
Fresno, Ca. 93704

18
19 Either party may re-designate the Person to receive notices, requests, demands or other
20 communications required or permitted by this Joint Stipulation by providing written notice to
21 the other Party and the Court.

22 **F. Construction.**

23 The Parties agree that the terms and conditions of this Joint Stipulation are the result of
24 lengthy, intensive arms-length negotiations between them, and that this Joint Stipulation shall
25 not be construed in favor of or against any of the Parties.

26 **G. Captions and Interpretations.**

27 Section titles or captions contained herein are inserted as a matter of convenience and
28 for reference, and in no way define, limit, extend or describe the scope of this Joint Stipulation
or any provision hereof.

1 **H. Modification.**

2 This Joint Stipulation may not be changed, altered, or modified, except in writing and
3 signed by Representative Plaintiff and Class Counsel, Defendants and Defendants' Counsel and
4 approved by the Court. This Joint Stipulation may not be discharged except by performance in
5 accordance with its terms or by a writing signed by Class Counsel, Defendants and Defendants'
6 Counsel.

7 **I. Integration Clause.**

8 This Joint Stipulation contains the entire agreement between the Parties, Class Counsel,
9 Defendants and the Class Members, with respect to the subject matter hereof. The parties
10 acknowledge that no representations, inducements, promises or statements, oral or otherwise,
11 have been made or relied on by any of the Parties or by anyone acting on behalf of the Parties
12 which are not embodied or incorporated by reference herein, and further agree that no other
13 covenant, representation, inducement, promise or statement not set forth in writing in this Joint
14 Stipulation shall be valid or binding.

15 **J. Binding on Assigns.**

16 This Joint Stipulation shall be binding upon and inure to the benefit of Releasees, the
17 Representative Plaintiffs and the Class Members, and their respective heirs, trustees, and
18 executors, administrators, successors and assignees.

19 **K. Class Counsel Signatories.**

20 It is agreed that because the Class Members are so numerous, it is impossible or
21 impractical to have each Class Member execute this Joint Stipulation. Upon entry of the Order
22 Granting Preliminary Approval, Class Counsel shall be authorized by the Class Members, and
23 by the Court, to take all appropriate action required or permitted to be taken by the Class
24 pursuant to this Joint Stipulation to effectuate its terms, and is authorized to enter into any
25 modification or amendment to this Joint Stipulation on behalf of the Class which they deem
26 appropriate.

27 ///

28 ///

1 **L. Counterparts.**

2 This Joint Stipulation may be executed in counterparts, including electronic or fax
3 counterparts, and when at least one such counterpart has been signed and delivered, each
4 counterpart shall be deemed an original, and, when taken together with other signed
5 counterparts, shall constitute one Joint Stipulation, which shall be binding upon and effective as
6 to Defendants and the Class Members.

7 **M. Choice of Law and Forum.**

8 Any action pertaining to the terms of this Joint Stipulation or Final Judgment shall be
9 brought in the Fresno County Superior Court, State of California and decided under the law of
10 the State of California.

11 **N. Interim Stay of Proceedings.**

12 The Parties agree to hold in abeyance all proceedings in the Action, except such
13 proceedings necessary to implement and complete the Settlement, pending the Final Approval
14 Hearing to be conducted by the Court.

15 **O. Publicity.**

16 Other than as necessary to implement the Settlement or as set forth herein, neither the
17 Representative Plaintiffs nor Class Counsel shall initiate any publicity, disclosure or contact
18 with the media, or respond to any inquiry from the media regarding the Settlement.

19 **P. Privacy of Documents and Information.**

20 At the request of Defendants, the Representative Plaintiff and Class Counsel agree that
21 they will return to Defendants all documents and information provided to them by Defendants
22 within thirty (30) days after Defendants' satisfaction of all of their obligations under this Joint
23 Stipulation and that none of the documents and information provided them by Defendants shall
24 be used for any purpose other than the prosecution of this Action or the enforcement of this
25 Joint Stipulation. Alternatively, Defendants can require that the Class Counsel certify that all
26 such documents have been securely destroyed.

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28 ///

EXHIBIT A
JOINT STIPULATION

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT**

[Counsel listed on following two pages]

SUPERIOR COURT OF CALIFORNIA
COUNTY OF FRESNO

NENG VU, et al.,

Plaintiffs,

v.

JOHN HOVANNISIAN, et al.,

Defendants.

Case No. 14 CE CG 00062

JOINT STIPULATION OF CLASS
ACTION SETTLEMENT

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2 Kaye, McLane, Bednarski & Litt, LLP
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4 Pasadena, CA 91106
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9 Los Angeles, CA 90010-1577
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1 This Joint Stipulation of Settlement ("Joint Stipulation") is made and entered into by
2 and between Defendants JOHN HOVANNISIAN, sued as an individual and d/b/a JD HOME
3 RENTALS; DAVID HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS;
4 BRYCE HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BDHOV,
5 LP, a California limited liability partnership; JHS Family Limited Partnership, a California
6 limited liability partnership; and JCH Family Limited Partnership, a California limited liability
7 partnership and DOES 1 – 100 ("Defendants"), on the one hand, and Plaintiffs NENG VU;
8 WILLIE THOMPSON; ELVIA REYES; CATALINA MENDOZA; ANTONIO MARTINEZ;
9 and MALAQUIAS ESTEVEZ (the "Representative Plaintiffs"), on the other hand, on behalf
10 of themselves and on behalf of all putative Class Members (as defined below), to be certified
11 for settlement purposes only as provided for in this Joint Stipulation, in the action pending in
12 the Superior Court of the State of California, Fresno County (the "Court"), Case No. 14 CE
13 CG 00062 (the "Action") and subject to the terms and conditions hereof. This Joint Stipulation
14 is subject to approval of the Court and is made for the sole purpose of attempting to
15 consummate settlement of this Action on a class-wide basis subject to the following terms and
16 conditions. By entering into this Joint Stipulation, Defendants do not make any admissions,
17 including that the Action is properly certified as a class action. As detailed below, in the event
18 the Court does not enter an order granting preliminary and final approval of the Joint
19 Stipulation or the condition precedents are not met for any reason, this Joint Stipulation shall
20 be void and shall be of no force or effect whatsoever.

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SECTION 1 - DEFINITIONS

For the purposes of this Joint Stipulation, the following terms shall carry the following accompanying definitions. To the extent terms or phrases used in this Joint Stipulation are not specifically defined below, but are defined elsewhere in this Joint Stipulation, they are incorporated by reference into this definitions section.

1. "Action."

The action entitled *Neng Vu, et al., individually and on behalf of all others similarly situated v. JOHN HOVANNISIAN, an individual and d/b/a JD HOME RENTALS; DAVID HOVANNISIAN, an individual and d/b/a JD HOME RENTALS; BRYCE HOVANNISIAN, an individual and d/b/a JD HOME RENTALS; BDHOV, LP, a California limited liability partnership; JHS Family Limited Partnership, a California limited liability partnership; JCH Family Limited Partnership, a California limited liability partnership and DOES 1-100*, Case No. 14 CE CG 00062, pending in the Superior Court for the State of California, Fresno County.

2. "Administrative Expenses."

All court-approved costs and expenses associated with the Settlement Administrator.

3. "Checklist." Checklist means the Checklist attached hereto as Exhibit C.

4. "Claims." All claims referenced in the Release in Section 12 of this Joint Stipulation.

5. "Class."

Consists of the Former Tenant Settlement Class Members and the Current Tenant Settlement Class Members which are defined *infra*.

6. "Class Counsel."

Michelle Marie Kezirian, Attorney at Law, 2335 E. Colorado Blvd., Suite 115, Pasadena, CA 91107; Dean Preston of Tenants Together, 995 Market Street, Suite 1202, San Francisco, CA 94103; Barrett Stephen Litt of Kaye, McLane, Bednarski & Litt, LLP, 975 East Green Street, Pasadena, CA 91106; Kenneth M. Greenstein of Greenstein and McDonald, 300 Montgomery Street, Suite 621, San Francisco, CA 94104; and Julius C. Thompson of Bet Tzedek Legal Services, 3250 Wilshire Boulevard, 13th Floor, Los Angeles, CA 90010.

1 7. **"Class Lists."**

2 The list or lists prepared by JD Home Rentals setting forth the Current Tenant
3 Settlement Class or Current Tenant Settlement Class Members and the Former Tenant
4 Settlement Class or Former Tenant Settlement Class Members. These lists are based on the
5 review by JD Home Rentals of reasonably available data. JD Home Rentals and the Defendants
6 are not responsible in the event a person is omitted from or not included on a list.

7 8. **"Class Member(s)" or "Members of the Class."**

8 Consists of the Former Tenant Settlement Class Members and the Current Tenant
9 Settlement Class Members.

10 9. **"Class Notice"**

11 The Court-approved form of notice to Class Members, substantially in the form
12 attached as Exhibit M hereto, which will, among other things, notify Class Members of the
13 preliminary approval of the Settlement and scheduling of the Final Approval Hearing. This
14 notice will also be translated into Spanish, Hmong and Lao.

15 10. **"Class Period."**

16 The period from January 9, 2010, through the date of the Opt Out Deadline.

17 11. **"Complaint."**

18 The Complaint (or any amended complaint) filed by the Representative Plaintiffs in this
19 Action.

20 12. **"Court."**

21 The Fresno County Superior Court.

22 13. **"Current Tenant Settlement Class" or "Current Tenant Settlement Class**
23 **Members."**

24 The "Current Tenant Settlement Class" is defined as all individuals who, at the time of
25 the Order Granting Preliminary Approval of this Joint Stipulation of Settlement, are current
26 tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property
27 owned or managed, in whole or in part, including through a partnership or corporation, by any
28 of the Defendants, including JD Home Rentals and/or any of the owners of the units listed on

1 the Properties List (as defined herein), in the City or County of Fresno, California. The list of
2 Current Tenant Settlement Class Members compiled by JD Home Rental is based on its review
3 of reasonably available data. JD Home Rentals and the Defendants are not responsible in the
4 event a person is omitted from or not included on such list. Any person omitted from such a list
5 is not a Class Member and is not bound by this Settlement.

6 The Current Tenant Settlement Class Members are all those who meet the definition of
7 the Current Tenant Settlement Class and do not opt out of the Settlement.

8 **14. "Defendants."**

9 JOHN HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS;
10 DAVID HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BRYCE
11 HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BDHOV, LP, a
12 California limited liability partnership; JHS Family Limited Partnership, a California limited
13 liability partnership; and JCH Family Limited Partnership, a California limited liability
14 partnership. The definition of Defendants includes JD Home Rentals.

15 **15. "Defendants' Counsel."**

16 Benjamin T. Nicholson of McCormick Barstow, LLP, 7647 North Fresno Street, P.O.
17 Box 28912, Fresno, CA 93729-8912; William C. Haesey of Law Offices of William C.
18 Haesey, 225 W. Shaw Avenue, Suite 105, Fresno, CA 93704; Mark L. Kincaid of Kincaid &
19 Associates, LLP, 1851 East First Street, Suite 900, Santa Ana, CA 92705; and Linda Northrup
20 of Northrup Schlueter Professional Law Corporation, 31365 Oak Crest Drive, Suite 250,
21 Westlake Village, CA 91361.

22 **16. "Effective Date."**

23 The Effective Date of the Settlement shall be the date when all of the following events
24 have occurred: (a) this Joint Stipulation has been executed by the Representative Plaintiffs,
25 Class Counsel, Defendants and Defendants' Counsel; (b) the Court has given preliminary
26 approval to the Joint Stipulation; (c) notice has been given to the Class Members providing
27 them with an opportunity to opt out of the Settlement; (d) the Court has held a Final Approval
28 Hearing and entered a final order and judgment certifying the Current Tenant Class and the

1 Former Tenant Class and approving this Joint Stipulation; and (e) the later of the following
2 events: (i) the date on which the period for filing any appeal, writ, or other appellate
3 proceeding opposing the Settlement has lapsed without any appeal, writ or other appellate
4 proceeding having been filed; or (ii) the date of the dismissal of any appeal, writ, or other
5 appellate proceeding opposing the Settlement with no right to pursue further remedies or relief;
6 or (iii) the date of the issuance of such other final appellate order upholding the Court's final
7 order with no right to pursue further remedies or relief. The Effective Date of the Settlement
8 shall be no earlier than sixty (60) calendar days from the date of entry of the Judgment.

9 **17. "Final Approval Hearing."**

10 The final hearing at which the Court approves the Settlement.

11 **18. "Final Approval of the Settlement"**

12 The date of the Final Approval Hearing where the Court finally approves the
13 Settlement.

14 **19. "Former Tenant Settlement Class" or "Former Tenant Settlement Class**
15 **Members."**

16 The Former Tenant Settlement Class is defined as all individuals who, on or after
17 January 9, 2010, had been, but were not as of the time of the Order Granting Preliminary
18 Approval of this Joint Stipulation of Settlement, tenants (i.e., lease signatories and/or adult
19 occupants listed on a lease) in a residential property owned or managed, in whole or in part,
20 including through a partnership or corporation, by any of the Defendants, including JD Home
21 Rentals and/or any of the owners of the units listed on the Properties List (as defined herein), in
22 the City or County of Fresno, California. The list of Former Tenant Settlement Class Members
23 compiled by JD Home Rental is based on its review of reasonably available data. JD Home
24 Rentals and the Defendants are not responsible in the event a person is omitted from or not
25 included on such list. Any person omitted from such a list is not a Class Member and is not
26 bound by this Settlement.

27 ///

28 ///

1 The Former Tenant Settlement Class Members are all those who meet the definition of
2 the Former Tenant Settlement Class and do not opt out of the Settlement.

3 Current tenants who move between the filing date of the Order Granting Preliminary
4 Approval of the Settlement and the Effective Date of the Settlement shall not be considered
5 Former Tenant Settlement Class Members for purposes of sending class notice and being
6 provided the option to opt out as Former Tenant Settlement Class Members. They will have
7 received notice as a Current Tenant Settlement Class Member. However, for these individuals,
8 JD Home Rentals will notify the Settlement Administrator within fifteen (15) calendar days of
9 the Effective Date of the Settlement of the tenants who have so moved out and the Settlement
10 Administrator shall mail them a Former Tenant Settlement Class Claim Form, which they must
11 send to the Settlement Administrator as set forth below in Section 6 and as ordered by the
12 Court if they wish to participate in the Voucher or Cash Alternative program available to
13 Former Tenant Settlement Class Members. Such individuals shall not have a further right to
14 object or opt out as they had that opportunity as Current Tenant Settlement Class Members.
15 These tenants may at times be referred to as "Current Tenants Who Moved," but will, for
16 purposes of this Joint Stipulation and membership in the proposed Class, still be considered
17 Current Tenant Settlement Class Members.

18 Current tenants who did not opt out, who were current tenants at the time of the
19 Effective Date of the Settlement, and who requested an inspection, but moved out of their unit
20 before receiving their requested inspection, shall have the right to participate in the Cash
21 Alternative program upon the same terms as Former Tenant Settlement Class Members
22 including the timing of the payment. However, for purposes of this Joint Stipulation and
23 membership in the proposed Class, these tenants still will be considered Current Tenant
24 Settlement Class Members. For these individuals, JD Home Rentals will compile a list every
25 sixty (60) calendar days of the names and last-known or known forwarding addresses of these
26 individuals and send it to the Settlement Administrator. Within thirty (30) calendar days of
27 receipt of that list, the Settlement Administrator will mail them a Former Tenant Settlement
28 Class Claim Form, which they must return to the Settlement Administrator within forty-five

1 (45) calendar days of the mailing if they wish to participate in the Cash Alternative program
2 available to Former Tenant Settlement Class Members.

3 Current tenants who did not opt out, who were current tenants at the time of the
4 Effective Date of the Settlement, but who did not request an inspection, and therefore received
5 the immediate benefit of the rent freeze available to such persons (or some portion thereof),
6 shall not have the right to participate in the Voucher or Cash Alternative program. For
7 purposes of this Joint Stipulation and membership in the proposed Class, these tenants will still
8 be considered Current Tenant Settlement Class Members.

9 **20. "Former Tenants' Settlement Class Claim Form."**

10 A proof of claim in substantially the form as Exhibit N attached hereto. This form will
11 also be translated into Spanish, Hmong and Lao.

12 **21. "Inspection Notice."**

13 Inspection Notice means the Notice attached hereto as Exhibit A. This form will also
14 be translated into Spanish, Hmong and Lao.

15 **22. "Inspected Unit."**

16 Inspected Unit refers to a specific unit inspected pursuant to the terms of Section 5.B of
17 this Joint Stipulation of Settlement.

18 **23. "JD Home Rentals."**

19 Defendant JD Home Rentals and/or any successor, assignee and/or delegatee.

20 **24. "Joint Stipulation"**

21 This Joint Stipulation of Settlement, including all exhibits.

22 **25. "Judgment."**

23 A final order and judgment issued by the Court following the Final Approval Hearing,
24 with content substantially identical to Exhibit Q attached hereto.

25 **26. "Mediator."**

26 The term "Mediator" (when capitalized) for purposes of this Joint Stipulation refer to
27 Hon. Oliver Wanger (Ret.). At times, this Joint Stipulation refers to "mediator" (not
28 capitalized), in which case it refers to a professional mediator retained to assist the parties in

1 resolving specified case issues on a going forward basis. When the term "mediator" is used in
2 this Joint Stipulation, the use of said mediator will be at the sole option of Defendants and his
3 or her services will be paid for by Defendants. The Parties agree to propose James Phillips,
4 Esq. to be the mediator, subject to Court approval.

5 **27. "Newspaper Notice."**

6 The Court-approved notice to be published as set forth in the Joint Stipulation or as
7 otherwise ordered by the Court. A copy of the proposed Newspaper Notice is attached hereto as
8 Exhibit O.

9 **28. "Objection Deadline."**

10 The date set by the Court by which all objections to the Joint Stipulation and all written
11 notices of intent to appear as described more fully in Section 9 of the Joint Stipulation must be
12 filed and served as set forth therein.

13 **29. "Opt-Out Deadlines."**

14 The date by which a Class Member must exclude himself or herself from the Class in
15 the manner provided in Section 4 of this Joint Stipulation or order of the Court.

16 **30. "Order Granting Preliminary Approval."**

17 The order preliminarily approving the Joint Stipulation, with content substantially
18 identical to Exhibit P attached hereto.

19 **31. "Parties."**

20 The Representative Plaintiffs, Class Members, Current Tenant Settlement Class
21 Members, Former Tenant Settlement Class Members and Defendants.

22 **32. "Plaintiffs."**

23 The Representative Plaintiffs, the Class, the Class Members, Current Tenant Settlement
24 Class Members and Former Tenant Settlement Class Members.

25 **33. "Press Release."**

26 The Press Release refers to the Press Release attached hereto as Exhibit K.

27 **34. "Release"**

28 The provisions of Section 12 of this Joint Stipulation.

1 35. "Released Claims."

2 The claims released as more fully set forth in Section 12 of this Joint Stipulation.

3 36. "Releasees."

4 Defendants DAVID B. HOVANNISIAN, individually and d/b/a JD HOME RENTALS;
5 JOHN HOVANNISIAN, individually and d/b/a JD HOME RENTALS; BRYCE
6 HOVANNISIAN, individually and doing business as JD HOME RENTALS; LINDA R.
7 HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JJD MANAGEMENT
8 ASSOCIATES d/b/a JD HOME RENTALS; JD INVESTMENTS; J&V PROPERTIES, INC., a
9 California corporation; BDHOV, LP, a California limited partnership; JDHOV, LP, a California
10 limited partnership; LEHOV, LP, a California limited partnership; WRHOV, LP, a California
11 limited partnership; JHS FAMILY LIMITED PARTNERSHIP, a California limited partnership;
12 JCH FAMILY LIMITED PARTNERSHIP, a California limited partnership; DBH FAMILY
13 LIMITED PARTNERSHIP, a California limited partnership, owners of the properties on the
14 Properties List (as defined herein); and each of them, and each of their fictitious business
15 names, dbas, current and former parent companies, affiliates, subsidiaries, divisions, trusts,
16 limited partnerships, entities, successors, predecessors, related companies, joint ventures or
17 partnerships, and each of their present and former employees, contractors, vendors, all persons,
18 entities or others performing or engaged to perform any work or service relating to any of the
19 units on the Properties List (as defined herein), Lindsay Hovannisian, John Hovannisian, Jr.,
20 John David Hovannisian, Whitney Hovannisian, officers, directors, stockholders, spouses,
21 agents, servants, advisors, representatives, attorneys, consultants, insurers, trustees, general and
22 limited partners, predecessors, successors, and assigns and all their heirs, executors, successors,
23 assignees or transferees of the foregoing.

24 37. "Releasors."

25 All Class Members, all Current Tenant Settlement Class Members, all Former Tenant
26 Settlement Class Members and the Representative Plaintiffs.

27 38. "Rent Freeze."

28 Rent Freeze means that the rent charged for a particular unit occupied by a Current

1 Tenant Settlement Class Member as of the date of the Final Approval Hearing, shall not be
2 increased for a period of eight (8) months thereafter.

3 39. "Representative Plaintiffs."

4 Plaintiffs NENG VU; WILLIE THOMPSON; ELVIA REYES; CATALINA
5 MENDOZA; ANTONIO MARTINEZ VEGA; and MALAQUIAS ESTEVES.

6 40. "Settlement."

7 The terms and conditions set forth in the Joint Stipulation.

8 41. "Settlement Administrator."

9 The Settlement Administrator approved by the Court.

10 42. "Voucher." The Voucher to be provided to Former Tenant Settlement Class
11 Members, a proposed copy of which is attached hereto as Exhibit R. The Voucher will also be,
12 translated into Spanish, Hmong and Lao.

13 **SECTION 2 – BRIEF DESCRIPTION OF THE ACTION**

14 A. **Plaintiffs' Complaint**

15 This Joint Stipulation briefly summarizes the allegations of the Complaint, but is not
16 intended to be exhaustive. This Joint Stipulation applies to all claims and the underlying facts
17 alleged in the Complaint.

18 The Complaint alleges that:

19 1. The Plaintiffs are or were tenants or authorized occupants in rental
20 properties located in the City and County of Fresno, California, and owned or managed by one
21 or more of the Defendants, in whole or in part, either directly or through an entity of some kind
22 (e.g., partnership, limited liability company), which Plaintiffs assert are managed by JD Home
23 Rentals.

24 2. JD Home Rentals is a fictitious business name for a property
25 management company that is owned and operated and/or managed by one or more Defendants,
26 and manages the properties presently or previously occupied by the Representative Plaintiffs
27 and the putative class(es), which portfolio constitutes one of the largest providers of residential
28 property in California. (As used in this summary by Plaintiffs, JD Homes Rentals and

1 Defendants are interchangeable.)

2 3. JD Home Rentals maintains a huge portfolio of untenable housing,
3 which it rents to tenants without bringing the units into compliance with applicable health and
4 safety laws; fails to timely respond to requests for repairs; makes inadequate, cosmetic repairs
5 when it does make them, whether sought or requested by tenants or government agencies; and
6 often retaliates against tenants who complain or seek repairs by raising the rent or otherwise
7 harassing and intimidating the tenants.

8 4. JD Home Rentals rents to vulnerable income tenants, who have few
9 housing options and are afraid to assert their rights; fails to invest sufficient money into repair
10 and maintenance to have Defendants' properties in tenable condition, so as to maximize
11 their profits; and rents grossly substandard housing.

12 5. Defendants acquire untenable properties, list them as available, let
13 them stand vacant unless and until a tenant applies to rent one, and promise to repair them
14 within two weeks of a tenant filing a rental application, but only perform cosmetic repairs.

15 6. The Plaintiffs and the putative class have suffered from dilapidated,
16 untenable, unsafe, dangerous and/or substandard conditions in their homes, including but not
17 limited to: severe roach infestations; substantial mold growth; collapsed ceilings; water-
18 damaged walls, ceilings and flooring; lack of proper security in common areas; criminal
19 activity in common areas; non-original construction without proper permits; corroded piping;
20 leaking roofs; long standing, pervasive and visibly dilapidated sink and bathtub enamel;
21 evidence of raw sewage leakage; out-of-date fire extinguishers; unsanitary construction debris
22 blocking emergency means of egress for habitable space; unprofessional, unfinished, and failed
23 work on window repairs evidenced by leakage and damage; rust and corrosion around metal
24 window frames; loose ground connectors on outlets near sinks constituting shock and fire
25 hazards; large holes in walls constituting a fire hazard and allowing vermin to enter;
26 undermined walkways due to improper irrigation and ensuing erosion; rotted, cracked, loose,
27 and detaching wood material on windows; rain gutters clogged with dead plant growth;
28 defective downspouts which both cause and aggravate mold conditions and excessive

1 dampness in buildings; large stains on ceilings consistent with water intrusion from a failed
2 roof; evidence of painting and caulking as a means of abatement of previous mold growth;
3 plumbing lines missing flanges at entry point, allowing moisture and vermin into structures;
4 and stagnant water and other liquids in outdoor common areas with visible mosquito larvae;
5 visible structural damage, including bowed walls and ceilings, large holes in ceilings, and
6 sinking floors; extensive water damage to ceilings, floors, and areas under and around sinks,
7 showers, and toilets; excessive and visible mold on ceilings, floors, and walls; leaking pipes
8 connected to sinks and toilets; improperly installed and loose toilets; kitchen and bathroom
9 flooring that is old, cracking, and corroded; carpeting that is old, dirty, matted, stained, and
10 constitutes a trip hazard; dilapidated kitchen and bathroom cabinetry, with doors off hinges or
11 otherwise inoperable; non-working appliances, heaters, and air-conditioning units; inadequate
12 and exposed lighting; exposed light sockets and electrical wiring; missing or inoperable closet
13 doors; doors that do not fit properly into door jambs; non-working locks on doors and
14 windows; broken, inoperable, missing, and/or uninsulated windows; non-working smoke
15 alarms; non-existent carbon monoxide detectors and alarms; unstable and unsafe walkways;
16 unstable and unsafe balconies; leaking and damaged roofs; lack of adequate weather protection;
17 filthy and unsafe common areas; and infestation by cockroaches, bedbugs, mice, rats, and/or
18 other vermin. Plaintiffs contend that the defective conditions in the rental properties were not
19 caused by the wrongful or abnormal use of the premises by tenants or by anyone acting on the
20 authority of tenants.

21 7. Defendants have had knowledge of the foregoing conditions and have
22 not taken proper steps to abate them, leaving the properties in a state of extreme neglect and
23 disrepair.

24 8. Defendants have a pattern and practice of engaging in the above listed
25 conduct and maintaining their properties in unsafe, untenable and/or substandard conditions
26 within the meaning of various California Health & Safety Code and California Civil Code
27 housing statutes, all of which constitute unlawful and unfair business practices within the
28 meaning of Business and Professions Code Sections 17200 et seq.

1 9. The Representative Plaintiffs and other JD Homes tenants in Fresno have
2 experienced the following harms, among others: having to pay rent for an untenable unit;
3 incurring expenses for making their own repairs; incurring expenses for medical bills and the
4 cost of treatment; sustaining physical injuries including respiratory problems, allergies,
5 infections, bites from vermin, insomnia, depression, and anxiety; and suffering from extreme
6 emotional distress including fear, frustration, humiliation, and hopelessness, for which they
7 prayed for compensatory and punitive damages, and for pre and post-judgment interest.

8 On behalf of the classes, Representative Plaintiffs sought a variety of forms of relief
9 including injunctive relief, appointment of a receiver, a rent rebate, and attorneys' fees. On
10 behalf of the Representative Plaintiffs individually (as opposed to for the Class), Representative
11 Plaintiffs asserted the tort of negligent maintenance of the premises and sought compensatory
12 damages, punitive damages, pre-and post-judgment interest and other relief.

13 **B. Class Counsel's Investigation and Opinions.**

14 Class Counsel has conducted a significant investigation of the facts and law during the
15 prosecution of this Action. Such investigation has included, *inter alia*, the exchange of
16 information pursuant to informal discovery, interviews with many JD Home Rentals tenants in
17 addition to the Named Plaintiffs, and hiring an inspector to inspect some of the JD Home
18 Rentals units. Class Counsel has further investigated the applicable law as applied to the facts
19 discovered regarding the causes of action and damages claimed in the Action and the potential
20 defenses thereto. In addition, the Parties engaged in multiple sessions of mediated negotiations
21 of this dispute with two different professional mediators experienced in class actions, including
22 at least five in-person sessions and several additional phone sessions between the parties, some
23 with the participation of a professional mediator and some without. The first Mediator was
24 Hon. Alfred G. Chiantelli (Ret.), with whom two in-person sessions were done, and the second
25 was Hon. Oliver Wanger (Ret.), with whom the remaining in-person sessions were done
26 involving all or some of the parties and/or others. Judge Wanger also met separately, in person
27 and by telephone with each side on several occasions, and had several joint telephone
28 conferences involving both sides.

1 Class Counsel is of the opinion that the Joint Stipulation is fair, reasonable, adequate,
2 and is in the best interest of the Current Tenant Settlement Class and Former Tenant Settlement
3 Class in light of all known facts and circumstances, including the risk of significant delay and
4 the numerous defenses and arguments Defendants are asserting. Class Counsel has fully
5 advised the Representative Plaintiffs of this Joint Stipulation and represents that each approves
6 of and consents to this Joint Stipulation.

7 **C. Defendants' Denials of Liability.**

8 Defendants have denied and continue to deny the claims asserted or attempted to be
9 asserted in this Action. Defendants further deny any and all other claims raised, asserted or
10 attempted to be asserted in the Action. Defendants have asserted and continue to assert
11 defenses to this Action and have expressly denied and continue to deny any wrongdoing or
12 legal liability arising out of the Action. Neither the Joint Stipulation nor any action taken to
13 carry out the Joint Stipulation is or may be construed as or used as an admission, concession, or
14 indication by or against Defendants or anyone else of any fault, wrongdoing, liability
15 whatsoever or agreement that a class action is appropriately asserted here.

16 **D. Bona Fide Dispute and Cooperation.**

17 The Parties desire fully, finally, and forever to settle, compromise, and discharge all
18 Claims arising from or related to the Action, as more particularly set forth in Section 12 of this
19 Joint Stipulation. The Parties agree that a bona fide dispute exists concerning the relief
20 requested by the Plaintiffs, the Class, the Current Tenant Settlement Class and the Former
21 Tenant Settlement Class in this Action. The Parties agree to cooperate and to take all steps
22 reasonable, necessary and/or appropriate to effectuate this Joint Stipulation.

23 **E. No Injunctive Relief.**

24 Defendants shall not be required as part of the Joint Stipulation to enter into any consent
25 decree nor shall Defendants be required to agree to or be subject to any provision for injunctive
26 relief. Any recourse Plaintiffs may have regarding an alleged breach of this Joint Stipulation
27 are solely those set forth in this Joint Stipulation and in the Judgment.

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1 Whether or not the Settlement is finally approved, neither the Settlement nor any of its
2 terms, nor any document, statement, orders, judgments, proceeding or conduct related to this
3 Joint Stipulation nor any accounts or reports thereof, shall in any event be:

4 a. Construed as, offered or admitted in evidence as, received as, or deemed
5 to be evidence for any purpose adverse to the Releasees, including, but not limited to, evidence
6 of a presumption, concession, indication or admission by any of the Releasees of any liability,
7 fault, wrongdoing, omission, concession or damage; and/or

8 b. Disclosed, referred to or offered to receive in evidence against any of
9 the Releasees, in any further proceeding in this Action, or in any other civil, criminal,
10 administrative action or proceeding of any types or used in any other way for any other
11 purpose, except for the purposes of settling this Action pursuant to the terms of this Joint
12 Stipulation, enforcing the Judgment or enforcing the release of the Released Claims and the
13 claims released by the Representative Plaintiffs and Other Occupants.

14 C. Confidential and Privileged Nature of Work

15 As a further material term of the Settlement, the Parties, Class Counsel and
16 Defendants' Counsel all agree and the Court shall order that any work performed by the
17 Inspector, Ombudsman, pest control inspector, the Mediators who assisted in settlement
18 (Chiantelli and Wanger), any mediator used on a going forward basis, and/or the Defendants
19 relating to the inspections and repairs, or reports or other information generated by or
20 provided to them, shall be considered confidential, subject to the mediation privilege, if
21 applicable, and not be used for any purpose other than solely in connection with this Action
22 and shall not be used in or admissible in any other proceeding, except that information
23 pertinent to a particular unit may be used by a tenant in opposition to an unlawful detainer
24 action or to enforce the terms of the Settlement in this Action.

25 As a condition prior to their performing work and as part of the Court's orders
26 approving this Settlement, the Inspector, the Ombudsman, the pest control inspector and the
27 mediator shall execute confidentiality agreements in the form and content attached hereto as
28 Exhibit T with Class Counsel, Defendants' Counsel, Plaintiffs, Defendants and the Class.

1 (executed by Class Counsel on their behalf) agreeing, among other things, that all work
2 product or other information generated by, for or relating in any way to the Inspectors, pest
3 control personnel, the Ombudsman, and/or by, for or relating to any repairs performed under
4 this Settlement by anyone, including any of the Defendants, shall be confidential, not be used
5 for any purpose other than solely in connection with this Action and shall not be used in or
6 admissible in any other proceeding, except that information pertinent to a particular unit may
7 be used by a tenant in opposition to an unlawful detainer action or to enforce the terms of the
8 Settlement in this Action.

9 **D. No Right to Appeal.**

10 Neither the Representative Plaintiffs nor Defendants shall have any right to appeal any
11 order or judgment finally approving this Joint Stipulation so long as the final approval and
12 Judgment by the Court is consistent with all the terms of this Joint Stipulation.

13 **SECTION 4: CLASS NOTICE AND OPT OUT**

14 **A. Information Regarding Class Members**

15 Within sixty (60) calendar days following the date of entry of the Court's Order
16 Granting Preliminary Approval, Defendants, through JD Home Rentals, shall provide the
17 Settlement Administrator only with the following information for each Former Tenant Class
18 Member whom JD Home Rentals has been able to locate based on its review of its data
19 reasonably available in JD Home Rentals' electronic records or from the information obtained
20 by JD Home Rentals from hard copy records prior to execution of this Joint Stipulation: first
21 and last names, last-known address, social security number, and driver's license number. By
22 the same deadline above, for Current Tenant Class Members, only the name and current
23 address need be provided since, by definition, their current address is correct. Neither JD Home
24 Rentals nor Defendants shall be responsible in the event a person is omitted from or not
25 included on a list. In the event of an omission, said person or persons will not be part of the
26 Class.

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1 **B. Distribution of Class Notice**

2 Within sixty (60) calendar days of receipt of the above-referenced information, the
3 Settlement Administrator will send by first class mail the Class Notice to all Class Members. In
4 addition to sending the Class Notice by first class mail, the Newspaper Notice shall be
5 published in English and Spanish in The Fresno Bee and Vida En La Valle, respectively, at
6 least one time per week for four weeks or as otherwise ordered by the Court. Furthermore, the
7 Class Notice shall be available on a website established by the Settlement Administrator
8 beginning no later than the date that the Settlement Administrator first mails the Class Notice
9 as referenced above.

10 The Settlement Administrator will use reasonable best efforts to locate and send the
11 Class Notice to the most recent address of each Class Member. The Settlement Administrator
12 shall be responsible for taking reasonable steps, consistent with its agreed job parameters and
13 any court orders, to trace the address of any Class Member for whom a Class Notice is returned
14 by the post office as undeliverable. These reasonable steps shall include, at a minimum:
15 tracking of all undelivered mail; performing additional address searches using additional
16 address databases or equivalent or other available means for all mail returned without a
17 forwarding address; and promptly re-mailing to Class Members for whom new addresses are
18 found. Any returned envelopes with forwarding addresses will be utilized by the Settlement
19 Administrator to trace Class Members.

20 The Settlement Administrator shall provide updates to Class Counsel and Defendants'
21 Counsel at least every two weeks of (1) the number of undeliverable notices, if any; (2) the
22 number of opt-outs, if any; and (3) the number and content of objections received, if any.

23 It will be conclusively presumed that, if an envelope has not been returned within thirty
24 (30) calendar days of the date of mailing, the Class Member received the Class Notice.

25 Within fifteen (15) business days after the close of the Opt-Out Deadline, the Settlement
26 Administrator will provide to Class Counsel and Defendants' Counsel a declaration including a
27 statement of due diligence and proof of mailing of the Class Notice to the Class Members,
28 publication of the Newspaper Notice, a statement as to the number of opt-outs received and a

1 statement of the number of objections received. Class Counsel shall provide this information to
2 the Court in the motion for final approval of this Joint Stipulation.

3 Nothing in this Settlement shall grant Class Counsel any permission to review any Class
4 List provided to the Settlement Administrator. The Class List shall be kept confidential by the
5 Settlement Administrator and not disclosed to anyone absent a further order of the Court after
6 hearing. The Settlement Administrator shall maintain the Class List for a period of ten (10)
7 years. The Settlement Administrator will provide Defendants and Defendants' Counsel with
8 written verification that all persons set forth on the Class List were provided notice as ordered
9 by the Court. The verification will include as an attachment the Class List.

10 **C. Opt-out Provisions.**

11 The Class Notice shall provide that Class Members who wish to opt-out of the
12 Settlement must send a written notice to the Settlement Administrator requesting to opt-out of
13 the Settlement Class on or before the applicable Opt-Out Deadline. The Parties agree to request
14 an Opt-Out Deadline that is sixty (60) calendar days after the first mailing of the Class Notice.
15 Such written notice to opt-out (1) must contain the name, address, social security number of the
16 person seeking to opt-out, and home telephone number, if any; (2) must be returned to the
17 Settlement Administrator at the specific address referenced in the Class Notice; (3) and must be
18 postmarked (if mailed) or received (if otherwise delivered) by the Settlement Administrator on
19 or before the applicable Opt-Out Deadline.

20 Any Class Member who properly requests to opt out will not be entitled to participate in
21 the Settlement and will not be bound by the Joint Stipulation or have any right to object,
22 appeal, or comment thereon.

23 Class Members who fail to submit a valid and timely request to opt-out shall be bound
24 by all terms of the Joint Stipulation, including the releases, and any Final Judgment entered in
25 the Action if the Joint Stipulation is finally approved by the Court.

26 Prior to the Opt-Out Deadline, any Class Member who has elected to opt-out may
27 withdraw that election by notifying the Settlement Administrator in writing that he or she
28 wishes to be a Class Member.

1 The Settlement Administrator shall maintain records, including copies of the submitted
2 materials, of all withdrawn opt-outs and all opt-outs and objections.

3 Within ten (10) business days following the Opt Out Deadline, the Settlement
4 Administrator shall provide Defendants' Counsel with a complete list of all Class Members
5 who have timely requested to opt-out of the Class, as well as a copy of all documents received.

6 **D. Defendants' Nullification Rights.**

7 In the event that more than thirty-five (35) Class Members timely request to opt-out,
8 each Defendant will have the option, in his/its sole discretion, to nullify this Joint Stipulation. If
9 any Defendant so elects, it will notify Class Counsel and the Court of its election within twenty
10 (20) business days after actual receipt of the complete list of all person who timely request to
11 opt-out.

12 **SECTION 5: INSPECTION AND RENT FREEZE TERMS RELATING TO CURRENT**
13 **TENANT SETTLEMENT CLASS**

14 **A. Introduction**

15 This Section relates to the Current Tenant Settlement Class. Pursuant to the terms of
16 this Joint Stipulation, the Current Tenant Settlement Class will have the option of an inspection
17 of the unit a tenant occupies or a Rent Freeze for a period of eight months after the Final
18 Approval Hearing. In addition, for a period of two years after the Effective Date of the
19 Settlement or expiration of the applicable budget set forth below, the Current Tenant Settlement
20 Class and others will have access to an Ombudsman to receive complaints about repair and
21 maintenance matters, as more particularly set forth below. Furthermore, a pest control inspector
22 will perform a single pest control inspection and assessment and treatment of each unit
23 occupied by the Current Tenant Settlement Class as provided further below. Finally, for a
24 period of 12 months after the Effective Date of the Settlement, JD Home Rentals will not
25 terminate any tenancy except for good cause as discussed below.

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1 B. Inspection/Repair Process for Units

2 1. Units Subject to Inspection.

3 Defendants will prepare a list of all their Fresno County units ("Properties List"). This
4 list will set forth the address for each unit in Fresno County that is not vacant or not in the
5 eviction process and the number of leased bedrooms for each unit. Units located in Fresno
6 County and owned or managed, in whole or in part, including through a partnership or
7 corporation, by any of the Defendants shall be included on the list. The list will be provided
8 solely to the Settlement Administrator, who shall keep said list in strict confidence and not
9 disclose it to anyone. Defendants shall provide to the Court and Class Counsel a certification
10 under penalty of perjury that all units located in Fresno County and owned or managed, in
11 whole or in part, by any of the Defendants are included on the confidential list. The list does
12 not include personal residences occupied by any of the Defendants.

13 The list will be provided to the Settlement Administrator within thirty (30) calendar
14 days of the Effective Date of the Settlement. The certification set forth above will also be
15 provided within thirty (30) calendar days of the Effective Date of the Settlement.

16 This list will exclude the units currently occupied by the Representative Plaintiffs.
17 Through their counsel, the Representative Plaintiffs have communicated to Defendants'
18 Counsel any repairs that the Representative Plaintiffs believe are needed prior to execution of
19 this Joint Stipulation. The repairs have been performed and the Representative Plaintiffs have
20 approved the work prior to the execution of the Joint Stipulation.

21 2. Notice to Current Tenant Settlement Class Members

22 As part of the Settlement, the Parties, with the assistance of the Mediator, have also
23 agreed to certain provisions regarding a Current Tenant Settlement Class Member's decision to
24 request an inspection. Specifically, the Settlement includes a provision under which Current
25 Tenant Settlement Class Members have the right, after the Effective Date of the Settlement, to
26 request an inspection of their unit by an Inspector who will determine whether, and what,
27 repairs are needed for the unit. Said Inspector will be a qualified, independent inspector who is
28 not a regular employee of any of the Defendants and who has been agreed to by the parties to

1 this Joint Stipulation in advance of the signing of this Joint Stipulation. Normal maintenance
2 repair requests and response will continue to be made available to Current Settlement Class
3 members whether or not they request an inspection. The normal maintenance repair requests
4 and responses are not part of the terms of this Settlement, however.

5 Within thirty (30) calendar days of receipt of the Properties List and the list of Current
6 Tenant Settlement Class Members, the Settlement Administrator will mail the Inspection
7 Notice to all Current Tenant Settlement Class Members. If a copy of the Inspection Notice is
8 not returned by a Current Tenant Settlement Class Member within forty-five (45) calendar days
9 of its mailing ("Inspection Notice Period"), the unit will not be inspected under this Settlement.

10 The determination of whether or not to request an inspection shall be made by the
11 Current Tenant Settlement Class Member personally, or in consultation with co-habitants,
12 family members or close personal friends, or by seeking advice from the Settlement
13 Administrator, Class Counsel or counsel of their own choosing other than Class Counsel. After
14 such consultation, the Current Tenant Settlement Class Member must personally conclude in
15 good faith that there may be the types of problem conditions described in the Inspection Notice
16 before requesting an inspection. The Inspection Notice to be provided to the Current Tenant
17 Settlement Class Members will require that each Current Tenant Settlement Class Member who
18 requests an inspection state under oath that he or she made such an independent determination.

19 During the Inspection Notice Period, Current Tenant Settlement Class Members may
20 contact Class Counsel, but Class Counsel, including Kaye, McLane, Bednarski & Litt; Bet
21 Tzedek Legal Services; Tenants Together; Greenstein and McDonald; Michelle Marie
22 Kezirian, and all of their agents and employees, agree not to initiate contact with (but may
23 respond to contact by) Current Tenant Settlement Class Members from the date of execution of
24 this Joint Stipulation up until the end of the Inspection Notice Period without approval of the
25 Court for good cause shown or agreement of the Parties and their counsel.

26 Class Counsel will not knowingly canvass, organize, mail or conduct other direct
27 outreach at any of the units or with Current Tenant Settlement Class Members covered by this
28 Settlement from the date of execution of this Joint Stipulation up until the end of the Inspection

1 Notice Period, but instead will rely on the Inspection Notice to inform tenants of their rights
2 under the Settlement. Notwithstanding the foregoing, this provision does not include any
3 unsolicited contact with any Current Tenant Settlement Class Member who, on their own
4 initiative, seeks assistance for any reason at a regular clinic conducted no more than once per
5 month by Tenants Together as a regular, ongoing activity by Tenants Together independently of
6 Defendants or JD Home Rentals at a regular location in the City or County of Fresno, California
7 during the Inspection Notice Period. Tenants Together may operate said regular tenant clinic
8 and to engage in its normal outreach for such clinics and other organizing activities, which
9 consists generally of the following: distribution of organizational brochure referrals to and from
10 Tenants Together Statewide Hotline, emails to Tenants Together members and supporters, flyer
11 distribution at nonprofit and community partner locations, tabling at community events,
12 referrals from legal services and other non-profit service providers, advertisement in the
13 Community Alliance and other media outlets, letters to the editor, billboards, bus signs,
14 television and radio public service announcements and stories in media outlets (all hereinafter
15 referred to as "Outreach Materials or Activities"); provided, however, from the date of
16 execution of this Joint Stipulation and up until the end of the Inspection Notice Period, none of
17 Tenants Together's Outreach Materials or Activities will refer to or mention JD Home Rentals,
18 any of the Defendants, this Settlement or this Action except as set forth below:

19 A. Within thirty (30) calendar days of the Preliminary Approval Hearing Order, Plaintiffs
20 and their counsel may hold a press conference to announce the settlement, but will
21 confine their comments to the contents of the Press Release attached as Exhibit K. In
22 connection with that press conference, Plaintiffs and their counsel may distribute a
23 single Press Release, and contact press regarding it or respond to press inquiries
24 concerning it, but will confine their comments accompanying that distribution to the
25 contents of the Press Release.

26 B. Within thirty (30) calendar days of the Preliminary Approval Hearing Order, the Parties
27 and their counsel may distribute a single Press Release concerning the above-referenced
28 press conference, and respond to press inquiries regarding it, but will confine their

1 comments accompanying that distribution to be consistent with the contents of the Press
2 Release.

3 C. The Parties and their counsel may respond to press or other public inquiries, and answer
4 their questions; in doing so, their responses shall be consistent with the contents and
5 limitations of the Press Release (Exhibit K).

6 D. Tenants Together's email outreach materials may only refer to or mention JD Home
7 Rentals, any of the Defendants, the Settlement or this Action once in any given
8 promotional email communication to supporters so long as the communication is not
9 targeted at JD Home Rentals' tenants or knowingly distributed to JD Home Rentals'
10 tenants. Any such references shall be limited to language contained in the Press
11 Release.

12 E. Tenants Together's physical documents that are distributed at Outreach Activities (as
13 defined above) within Fresno County shall not refer to or mention JD Home Rentals,
14 any of the Defendants, the Settlement or this Action.

15 F. Tenants Together's physical documents that are distributed at Outreach Activities (as
16 defined above) outside of Fresno County may refer to or mention JD Homes, any of the
17 Defendants, the Settlement or this Action once in any given Activity so long as the
18 communication is not targeted at JD Home Rentals' tenants or knowingly distributed to
19 JD Home Rental tenants. Any such references shall be limited to language contained in
20 the Press Release.

21 G. During the above-referenced period, Tenants Together's Outreach Materials or
22 Activities will not include advertisement in the Community Alliance or other media
23 outlets, letters to the editor, billboards, bus signs, television and radio public service
24 announcements and stories in media outlets that mention JD Home Rentals, any of the
25 Defendants, the Settlement, or this Action.

26 H. Nothing in this Joint Stipulation does or shall prevent Bet Tzedek Legal Services from
27 operating tenant clinics outside the City and County of Fresno, or from mentioning or
28 referring to this case or this settlement in any of its Outreach Materials under the same

standards as those applicable to Tenants Together in Sections D-G above.

Except as provided herein, JD Home Rentals and the Named Plaintiffs' and Class Counsel will restrict their public statements to the press regarding the Action or the Settlement to the contents of the Press Release during the period from the date of the Preliminary Approval Hearing Order to the end of the Inspection Notice Period, and will not initiate statements to the press beyond the Press Release; provided, however, that during said period JD Home Rentals may respond to inquiries from the press or other social media sources and make comments beyond the Press Release; provided further, however, if JD Home Rentals makes comments to the press or other social media sources during said period, the Plaintiffs and their Counsel may respond and will not be limited in their response to the contents of the Press Release or this Joint Stipulation. Nothing in this Agreement is intended to limit any communications by Defendants or any Class Member with any governmental agency.

To the extent a tenant initiates contact with Class Counsel, Class Counsel's advice to a Current Tenant Settlement Class Member about how to proceed with the request for inspection shall be consistent with the guidelines and standards approved and ordered by the Court and set forth in the Inspection Notice to be sent to Current Tenant Settlement Class Members regarding their right to seek an inspection, which essentially summarizes conditions identified by the relevant California codes.

For those Current Tenant Settlement Class Members who do not want their unit inspected, the notice will include information about a telephone number to call for any repairs if they believe they have any needed repairs. For those Current Tenant Class Settlement Members who do not return the Notice, they will receive the Rent Freeze.

Nothing in this Settlement shall grant Class Counsel any permission to review any class list provided to the Settlement Administrator. The class list shall be kept confidential by the Settlement Administrator and not disclosed to anyone absent a further order of the Court after hearing.

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1 3. The Inspector

2 The inspector will be Beam & Company, Inc. (hereinafter referred to as "Inspector"),
3 which has been selected to perform inspections pursuant to the Checklist, subject to Court
4 approval. The Inspector will endeavor to provide sufficient inspection staff to be able to likely
5 complete all inspections within 18 months of commencement of the Inspection Schedule. The
6 costs of the Inspector will be borne by Defendants.

7 4. Creation of Inspection List and Initial Inspection Schedule

8 Within thirty (30) calendar days after the final date for return of the Inspection Notice,
9 the Settlement Administrator will prepare and provide to Defendants only a list of all returned
10 notices, setting forth the names and addresses of the Current Tenant Class Members
11 ("Inspection List"). Defendants shall not retaliate in any form against a tenant for requesting
12 an inspection; however, notwithstanding the foregoing, nothing herein shall be construed as
13 limiting in any way the exercise by Defendants of their rights under any lease or agreement or
14 any law pertaining to the hiring of property or of their right to do any acts permitted under the
15 law for any lawful cause.

16 Within thirty (30) calendar days after receipt of the Inspection List by Defendants,
17 through JD Home Rentals, the Inspector or Inspectors will meet, develop and provide to the
18 Settlement Administrator an initial schedule for the conduct of the inspections, including
19 proposed dates and times for the inspections ("Initial Inspection Schedule"). To the extent
20 consistent with existing law, the Settlement Administrator shall mail a notice to the tenants at
21 least 14 calendar days before the date of inspection advising them of the date and time of the
22 inspection in a form attached hereto as Exhibit B. Said notice will be in English, Spanish,
23 Hmong and Lao. The notice will advise the tenant that, if they desire not to have their unit
24 inspected at that date and time, they must advise the Settlement Administrator in writing by
25 no later than seven calendar days prior to the date of the inspection, and must provide three or
26 more dates and times (within normal business hours, Monday through Friday) that would be
27 suitable for an inspection. Absent such timely notice from the tenant or if the tenant either
28 refuses or declines to permit the inspection or otherwise does not make the unit available for

1 inspection by being personally present at the date and time set by the Inspector, said unit shall
2 not be inspected.

3 The inspections shall begin no later than thirty (30) calendar days from the time of
4 development of the Initial Inspection Schedule by Defendants and the Inspector or Inspectors
5 provided for herein.

6 **5. Inspection/Repair Process for Units**

7 The inspections shall begin no later than thirty (30) calendar days from the time of
8 development of the Initial Inspection Schedule by Defendants and the Inspector.

9 The Inspector will inspect units as set forth below and, to the extent needed or
10 required, Defendants will repair those units, subject to their right to remove any unit from the
11 rental market in lieu of repairs if the estimated cost of the repairs exceeds 36 months' rent for
12 the subject unit.

13 In the event a unit is removed from the market in lieu of repairs, Defendants agree to
14 pay as relocation costs to the affected tenants the following sums based on the number of leased
15 bedrooms in a unit: \$1,000 for a one-bedroom unit; \$1,500 for a two-bedroom unit; and \$2,000
16 for a three-bedroom or more unit. This amount is per unit and not per tenant. Unless it presents
17 a safety hazard for tenants to remain in the unit, the tenant will have 90 days' notice before s/he
18 has to move out of the unit; if it does present a safety hazard, the tenant will be immediately
19 relocated to another JD Home Rentals unit (which the tenant can have the option to remain in).
20 In addition to the relocation amounts set forth above, for those situations where tenants cannot
21 remain in a unit while repairs are being made to address a safety hazard and thus must be
22 relocated to a different unit, Defendants will provide the further sum for relocation expenses for
23 each type of unit in the following amount: \$400 for a one-bedroom unit; \$475 for a two-
24 bedroom unit; and \$550 for a three-bedroom or more unit. These additional sums are per unit
25 and not per tenant.

26 While the tenant is residing in the new unit and up until the original unit is available
27 again for occupancy, the tenant shall pay all costs and charges, including rent, that the tenant
28 last paid while occupying the original unit unless the rent for the relocated unit is less than the

1 rent for the unit to be repaired, in which case the tenant shall pay the rent for the relocated unit.
2 If a tenant with children occupants must be relocated due to removal of a unit from the rental
3 market or due to a safety hazard, JD Home Rentals will make a reasonable effort to seek to
4 relocate the tenant to a vacant JD Homes Rental unit of the same type within the same school
5 district, provided such a unit is available. The tenant will be provided the same relocation costs
6 for the move to the new unit as set forth above. If the tenant decides to return to the original
7 unit when it is available again for occupancy, JD Home Rentals will provide the tenant with the
8 same relocation costs as set forth above for the return move. If the tenant does not return to the
9 original unit when it is available again for occupancy, the tenant shall execute a new lease
10 agreement for the new unit and shall be responsible for paying all rent and charges that the
11 tenant is responsible for under the new lease agreement.

12 A unit is defined by a single door (i.e., a single occupancy area, such as an apartment
13 within a complex, single family residence, etc.). For purposes of this Settlement, "unit" means
14 a separate single leased unit. For example, if an apartment complex has five two-bedroom
15 apartments within the apartment complex, each two-bedroom apartment is a "unit."

16 **6. Checklist and Inspection/Repair Process.**

17 The Checklist will be used for the inspections. The Inspector shall diligently and
18 thoroughly complete the Checklist for each of the Inspected Units. The Inspector shall not
19 require any repairs that are not consistent with all applicable building and safety codes for the
20 particular unit. Defendants may challenge any Extended Repairs (as defined herein) as set forth
21 below.

22 Defendants may have a representative present during the inspections to observe and
23 answer questions and to ask his or her own questions to clarify any of the inspection items or
24 requested repairs, respond to questions or provide information. The Defendants' representative
25 who will be present during the inspections shall sign a statement that they understand their
26 function is solely as described above. The inspector(s) shall have the right to determine that the
27 particular Defendants' representative is interfering with the inspection and to advise
28 Defendants that the individual is not to participate in future inspections. The inspector will be

1 advised that he or she has this right.

2 The Inspector shall provide a copy of the Checklists for the completed inspections to
3 the mediator (if used at the election of Defendants) and the Settlement Administrator at the end
4 of each week during which inspections were performed. The mediator (if used) will examine
5 the Checklists to ensure that they are completed consistent with the terms of the Joint
6 Stipulation. Within seven (7) calendar days after being advised by the mediator that the
7 Checklists are completed consistent with the terms of the Joint Stipulation, the Settlement
8 Administrator shall mail the received Checklists to JD Home Rentals and Defendants' Counsel.
9 If a mediator is not used for these purposes, the Settlement Administrator shall mail the
10 received Checklists to JD Home Rentals and Defendants' Counsel within seven (7) calendar
11 days of receipt of them.

12 After receipt of each completed Checklist, JD Home Rentals shall promptly prepare a
13 brief written repair action plan for any repairs called for by the Checklist, which shall include a
14 proposed date for completion of any repairs. Each month, JD Home Rentals will provide the
15 Settlement Administrator a spreadsheet that lists the units under repair or repaired to date and
16 the projected or actual completion date of the repairs. Each month the Settlement Administrator
17 will compare that spreadsheet against the completed Checklists it has received to determine if
18 all units are accounted for on the spreadsheet. In the event any unit is not accounted for, the
19 Settlement Administrator will advise Defendants' Counsel.

20 The repairs shall be completed diligently in accordance with the specific physical and
21 structural needs, all applicable building and safety codes for the particular unit and the
22 circumstances called for by the repairs described by the Inspector in the Checklist. After
23 completing the repairs, JD Home Rentals will provide the Current Tenant Settlement Class
24 Members (or, if they are no longer residing in the unit, the then current residents) with a notice
25 in the form attached hereto as Exhibit D. This notice will be in English, Spanish, Hmong and
26 Lao.

27 On a quarterly basis after the inspections have commenced, the inspector will provide a
28 list to the Settlement Administrator of inspections that have been completed and JD Home

1 Rentals will provide the Settlement Administrator with a list of the units for which repairs have
2 been completed or for which no repairs were required. Using that information, the Settlement
3 Administrator shall prepare a report in the form attached hereto as Exhibit E and provide said
4 report to Defendants' Counsel and Class Counsel.

5 The Settlement Administrator shall advise Class Counsel and Defendants' Counsel
6 when all inspections and repairs as set forth herein are completed.

7 **7. Extended Repairs**

8 The Inspector will be provided access to the remaining portions of the premises or
9 entire complex as the Inspector deems necessary to perform the inspection for the specific
10 Inspected Unit, subject to any notices being given to tenants or others that may be required by
11 law. If during the course of the inspections of any Inspected Unit within a complex having two-
12 to-15 units or over-15 units, the Inspector determines that the repair of a specific Inspected Unit
13 requires a repair that extends beyond that specific Inspected Unit (i.e., to another unit or the
14 complex as a whole), the Inspector shall prepare a written report setting forth the specific repair
15 and the reasons therefor. As used herein, such repairs noted by the Inspector that extend beyond
16 the specific Inspected Unit being inspected shall be referred to as "Extended Repairs." The
17 Inspector shall prepare a report on Exhibit F setting forth the specific repairs required and all
18 reasons therefor, a copy of which shall be provided to the mediator (if used at the election of
19 Defendants) and Defendants' counsel. The mediator will examine the report to ensure it is
20 prepared consistent with the terms of the Joint Stipulation. If the report is prepared consistent
21 with the terms of the Joint Stipulation, the mediator shall so advise Defendants' counsel, who
22 shall then forward a copy of the report to the Settlement Administrator. This report shall be
23 known as the "Extended Repair Form." If a mediator is not used, the Inspector shall forward a
24 copy of the report directly to the Settlement Administrator.

25 Defendants may challenge an Extended Repairs determination. The challenge procedure
26 is set forth below. If Defendants do not challenge that determination, JD Home Rentals will
27 make the repairs subject to its right to remove a unit from the rental market as set forth herein.

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1 The Inspector shall provide the Extended Repair Form as set forth above. Within seven
2 (7) calendar days of receipt of the Extended Repair Form, the Settlement Administrator shall
3 mail that form to JD Home Rentals and Defendants' Counsel. The mailing shall include a
4 notice in the form of Exhibit G notifying JD Home Rentals of the deadline to challenge an
5 Extended Repair Form as set forth below. The deadline shall be thirty (30) calendar days from
6 the date of this mailing to JD Home Rentals and Defendants' Counsel. The Settlement
7 Administrator will also notify designated Class Counsel by email of the date of mailing of this
8 form, without providing the form to Class Counsel. After receipt of the Extended Repair Form,
9 JD Home Rentals, without counsel, may first challenge an Extended Repair Form by discussing
10 the matter initially with the Inspector. If as a result of the discussion, the Inspector withdraws
11 the Extended Repair Form, the Inspector shall prepare a brief report setting forth the initial
12 recommendation, the challenge, the resolution and a brief summary of the reasons therefor. A
13 copy of the report shall be provided to the Settlement Administrator and counsel for Class and
14 Defendants.

15 In lieu of or in addition to initially discussing the Extended Repair Form with the
16 Inspector, JD Home Rentals may also challenge an Extended Repair Form by completing a
17 written challenge form (the "Challenge Form") attached hereto as Exhibit H, which shall
18 concisely but with specificity set forth the position of JD Home Rentals on the need for or
19 advisability of the repairs noted in that Checklist, or any other pertinent or relevant positions on
20 the determination. A challenge may be made on any basis, including, but not limited to, the
21 need for, reasonable alternatives to, advisability of, and economic cost-effectiveness of the
22 recommended repairs. By the deadline, JD Home Rentals will mail the Challenge Form to the
23 Settlement Administrator and the Designated Class Counsel. A challenge will be considered
24 timely made if the mailing is postmarked by the deadline. In the event JD Home Rentals did not
25 receive an Extended Repair Form in due course after mailing by the Settlement Administrator,
26 the deadline to challenge shall begin on the date of actual receipt of the form by JD Home
27 Rentals. After mailing the Challenge Form, JD Home Rentals, the Inspector and Class counsel
28 shall seek informally to resolve the challenge within seven business days. If JD Home Rentals,

1 the Inspector and Class Counsel are able to resolve the challenge, the Inspector shall prepare a
2 brief report setting forth the resolution and a brief summary of the reasons therefor, a copy of
3 which shall be provided to JD Home Rental's and Class Counsel within seven business days
4 after such agreement. If JD Home Rentals, the Inspector and Class Counsel cannot informally
5 resolve the challenge within the seven-day time period set forth in the above paragraph, the
6 matter will be deemed to be at an impasse by the Inspector. The Inspector shall issue a Notice
7 of Impasse in the form attached hereto as Exhibit I, which shall be sent to the Settlement
8 Administrator. Within seven (7) calendar days of receipt of the Notice of Impasse, the
9 Settlement Administrator will mail Exhibit J attached hereto to JD Home Rentals, Defendants'
10 Counsel and Class Counsel.

11 If JD Home Rentals determines to further challenge any Extended Repairs Form, it
12 shall, within thirty (30) calendar days of mailing of the Notice of Impasse, file with the Court
13 or Special Master, if appointed, a motion challenging the Extended Repairs for decision by the
14 Court or Special Master. The motion shall be served on the Inspector and Class Counsel. JD
15 Home Rentals has the burden to prove that the repair is not reasonably necessary or that another
16 repair will resolve the issue. In addition to the moving papers and the Extended Repair Form,
17 the parties in any such review proceeding shall have the right to submit no more than two (2)
18 declarations, each of no more than three (3) pages, supporting their position. If JD Home
19 Rentals submits an expert declaration, the Inspector may be permitted to review that expert's
20 declaration and, if the Inspector agrees to do so in his or her sole discretion, provide a written
21 response under oath to that declaration. The funding by JD Home Rentals for such work shall
22 be limited to two hours of time compensated at the inspector's regular hourly rate. If the
23 Inspector declines to provide a written response, the Inspector shall prepare a brief report as to
24 the reason or reasons. If JD Home Rentals submits an expert or expert declarations and the
25 Class oppose such declaration or declarations using a counter declaration or declarations by an
26 expert or experts, the Class, if JD Home Rentals does not prevail in the challenge, may seek
27 payment from JD Home Rentals for the amount the Class actually paid their expert or experts
28 up to the amount that JD Home Rentals actually paid to its opposing expert or experts who

1 countered the expert or experts offered by the Class. The Court or Special Master, in its
2 discretion in response to a request by any party, may allow oral testimony at the hearing on this
3 matter. If an expert is permitted to testify on behalf of JD Home Rentals, then the Inspector
4 may also testify on behalf of the tenant, the cost of which shall be borne by JD Home Rentals
5 up to a maximum of two hours of time compensated at the inspector's regular hourly rate, plus
6 any travel time. JD Home Rentals or the tenant may offer such evidence as is relevant and
7 material to the dispute. Conformity to legal rules of evidence shall not be necessary. The Court
8 or Special Master shall determine the admissibility, relevance and materiality of the evidence
9 and may exclude evidence deemed by the Court or Special Master to be cumulative or
10 irrelevant. The Court or Special Master shall take into account applicable principles of legal
11 privilege, such as those involving the confidentiality of communications between a lawyer and
12 client. The Extended Repair Form will not be subject to a hearsay objection based on the fact
13 that it was prepared out of court or is not sworn; however, the Court or Special Master will
14 have discretion to strike portions of the Extended Repair Form pursuant to the standards set
15 forth above.

16 The attorneys' fees paid to Class Counsel in connection with this Settlement include
17 monies allocated as attorneys' fees payable for up to five (5) Extended Repair challenges made
18 by JD Home Rentals under this Section. No attorneys' fees shall be sought or awarded to Class
19 counsel for any and all attorneys' fees incurred relating in any way to up to five (5) challenges
20 made by JD Home Rentals under this Section, and Defendants shall not be entitled to claim any
21 right to a refund of any attorney's fees on the ground that they did not exercise up to five (5)
22 Extended Repair challenges. In the event that JD Home Rentals initiates more than five (5)
23 challenges under this Section, Class Counsel (or any Designated counsel) may seek recovery of
24 their attorneys' fees as permitted by law (other than under Civil Code Section 1717), with the
25 hourly rate for said fees capped at \$350 per hour. Class Counsel (or Designated counsel) shall
26 have up to six months from the date of the decision on the challenge to file a motion for
27 attorney's fees. The decision of the Court will be final and non-appealable.

28 ///

1 In the event that Class Counsel seek recovery of fees pursuant to the immediately above
2 paragraph and relies on the provisions of Code of Civil Procedure Section 1021.5, JD Home
3 Rentals will not oppose such motion on the basis that Class Counsel have not shown that the
4 relief did not confer a significant benefit on the general public or a large class of persons. By
5 so agreeing, JD Home Rentals is not making any admissions that the relief conferred a
6 significant benefit on the general public or large class of persons, but rather is making this
7 agreement solely for purposes of this settlement only and reserves the right to oppose the
8 motion on all other bases, including all other bases under Code of Civil Procedure Section
9 1021.5. It is further agreed that the term "Class Counsel" as used above refers both to Class
10 Counsel of record and any counsel not of record that Class Counsel of record designates.

11 **8. Tenant Challenge**

12 A tenant shall have no right to challenge any repairs called or not called for in a
13 Checklist, or any work relating thereto. Rather, the tenant, if not satisfied with the repairs made
14 pursuant to the inspections, may contact the Ombudsman within thirty (30) calendar days of the
15 completion of the subject repairs, setting forth concisely and specifically the reasons for the
16 dissatisfaction with the repairs. The Ombudsman will handle this complaint as set forth below.
17 In addition, nothing in this Agreement precludes the tenant from contacting any government
18 agency if s/he deems it appropriate to do so.

19 **C. The Ombudsman.**

20 The Parties have selected Russell Cook, Esq. as a tenant ombudsman to receive
21 complaints about repair and maintenance matters, subject to Court approval. This person will
22 be independently contracted for this role and will not be a full-time employee of any Party
23 hereto. This individual will establish a hotline for communications to him or her, and will be
24 bi-lingual in both Spanish and English or use the language resources as set forth below.
25 Defendants are responsible for payment of the sums set forth below in this section relating to
26 the Ombudsman.

27 The duties of the Ombudsman will be to receive and endeavor to resolve complaints
28 from a tenant or tenants relative to repairs and maintenance of units managed by JD Home

1 Rentals. The Ombudsman will not be designated as the initial intake person for receipt of
2 repair or maintenance requests from tenants. JD Home Rentals will continue to receive
3 requests for repair or maintenance in the first instance.

4 The Ombudsman will commence acting in that capacity only after the Effective Date
5 of the Settlement. S/he shall serve for a two-year term or exhaustion of the agreed budget
6 between the parties, whichever occurs first. The Ombudsman's budget shall be a total of
7 \$60,000 for the two-year term, exclusive of telephone and interpretative services provided for
8 in the following paragraphs.

9 During the Ombudsman's period of service, the Ombudsman will establish a telephone
10 number that will be paid by JD Home Rentals up to an agreed monthly amount of \$150.

11 To the extent possible, the non-English speaking tenants will seek the assistance of
12 adult family members or other third parties available to them to translate or interpret as needed
13 in order to communicate with the Ombudsman. To the extent needed, the Ombudsman will
14 have the authority up to a monthly dollar amount of \$750 to engage verbal interpretation
15 services from an agreed upon interpreting service or services for purposes of assisting the
16 Ombudsman's own communication with non-English speaking tenants. Because it is
17 anticipated that usage volume may be heavier in the initial months, the Ombudsman will have
18 the authority to use up to three months of interpreter service budget (\$2,250) in advance during
19 the first year of his/her tenure.

20 In the event that the actual monthly expense amount for verbal interpretation services
21 exceeds three months' advance usage (i.e., \$2,250 in advance), the Ombudsman may, for good
22 cause shown, after meeting and conferring with Defendants' Counsel and Class Counsel, apply
23 to the Court to increase the budgeted amount by an amount not to exceed 50% of the initial
24 monthly budgeted amount of \$750. The Ombudsman will use his or her own counsel in
25 seeking the increase, whose reasonable fees will be reimbursed by JD Home Rentals in an
26 amount not to exceed \$300 per hour.

27 In the event that the Ombudsman requires additional verbal interpretive services whose
28 costs will exceed the average sum of \$1,125 per month after seeking and receiving an increase

1 from the Court as set forth above, the Ombudsman will first exhaust the monthly budget using
2 the outside language services (e.g., Language Line) and then proceed to use JD Home Rentals
3 representatives to provide said services to the extent such language services are available. Prior
4 to providing the language services, each JD Home Rentals representative who performs said
5 services will sign and date a document to be provided to the Ombudsman which states as
6 follows:

7 I, _____, understand that I have been requested to provide verbal interpretive
8 services to assist communications between the Ombudsman and current tenants. I agree
9 that to the best of my ability I will in good faith seek to fully and accurately translate
10 those communications from _____ into English and English into
11 _____. In doing so, I understand that it is not my job or purpose to advance
12 anyone's interests, including my employer's, and that I am not to disagree or dispute
13 what the tenant says, even if I do disagree with it. I understand that, in providing
14 translation, I am assisting the Ombudsman to ensure that what the tenant says is
15 correctly and accurately communicated. I understand that, if I do not fully and
16 accurately provide translation, I will not be requested to provide said services in the
17 future."

18 The Ombudsman will have the discretion not to use or continue to use any particular JD
19 Home Rentals person to perform said services if she/he determines, in his or her sole
20 discretion, that the person is not performing satisfactorily.

21 If the Ombudsman determines at the end of one year of his or her service that his or her
22 need for verbal interpretative services cannot be met using the budgeted amount for outside
23 services and with the supplementation provided by a JD Home Rentals person, Defendants'
24 Counsel and Class Counsel, after notice from the Ombudsman, will meet and confer, with the
25 participation of the Ombudsman, in an effort to seek to negotiate a further budgeted amount. If
26 Plaintiffs' counsel and Defendants' Counsel cannot agree within fifteen (15) calendar days of
27 said notice on a further budgeted amount, the Ombudsman, using his own counsel and subject
28 to the reimbursement of fees as set forth above, may apply to the Court for an increase in the

1 budgeted amount. The Ombudsman will be required to show good cause for any increase. In
2 determining whether good cause exists and in what amount to authorize for additional verbal
3 interpretative services, the Court will consider the need for such additional services, whether
4 there are less costly alternatives that would meet the need and the reasonableness of the added
5 cost in relationship to the benefit conferred by provision of the added verbal interpretive
6 services. In no event shall the budget for verbal interpretative services exceed a total sum of
7 \$30,000.00.

8 The Settlement Administrator will issue a notice by mail to all then-existing
9 signatory tenants advising them of the identity of the Ombudsman, the contact information
10 and duties. (See Exhibit S.) This notice will be in English, Spanish, Hmong and Lao. All
11 new tenants during the Ombudsman's period of service will receive the same notice directly
12 from JD Home Rentals.

13 The Ombudsman will maintain a record of all complaints and disposition thereof. At
14 three-month intervals over the two-year period, the Ombudsman will issue a brief report to
15 both Plaintiffs' counsel and Defendants' counsel that identifies all pending complaints that
16 have not been resolved as of the date of the report after exhaustion of all efforts by the
17 Ombudsman. The form of this report must be agreed to by the parties.

18 The monetary sums set forth in this Section relating to the Ombudsman and related
19 items shall be paid by Defendants.

20 **SECTION 6: TERMS RELATING TO FORMER TENANT SETTLEMENT CLASS**

21 For the Former Tenant Settlement Class Members, Defendants agree to provide the
22 Former Tenant Class Members the choice of either a Voucher, as set forth further below, or
23 Cash Alternative, as described below:

24 **A. Voucher Program**

25 1. Each written lease agreement will be a single tenancy group, regardless
26 of the number of signatories, listed parties or other residents. In other words, if a unit was
27 rented under a written lease agreement to one person from January 9, 2010 to January 9, 2011
28 and then a new tenant started February 1, 2011 to February 1, 2012, there would be two

1 tenancy groups, each of which would be entitled to participate in the Voucher program. If there
2 are multiple Former Tenants in a single tenancy group, the Voucher amount will be divided pro
3 rata and separate Vouchers will be issued to each former tenant in his or her respective amount.
4 If they so desire, the multiple Former Tenants may combine their respective Vouchers and use
5 them for the purposes set forth below.

6 2. The Voucher amount for each single tenancy group will be as follows:
7 \$250 for a one-bedroom unit; \$350 for two bedrooms and \$500 for three bedrooms or more in a
8 rental unit.

9 3. The Voucher may be applied to the cost of a credit check at JD Home
10 Rentals for a future tenancy within a period up to 24 months after mailing of the Voucher with
11 the remainder applied toward the first month's rent for such a tenancy.

12 4. The Voucher will be good for up to 24 months from the date of mailing.

13 5. The Voucher may be transferred one time by the Former Tenant
14 Settlement Class Member (or, if applicable, the Current Tenants Who Moved) to a person who
15 is not part of the single tenancy group for use in the same manner.

16 6. The Former Tenant Settlement Class Claim Form will include places for
17 a Former Tenant Settlement Class Member to provide information to determine their eligibility
18 to participate, including the address of their leased place, the months of tenancy during the
19 period January 9, 2010 to the filing of the Order Granting Preliminary Approval and number of
20 bedrooms. Only those Former Tenant Settlement Class Members who return a Former Tenant
21 Settlement Class Claim Form will be eligible to participate in the Voucher program.

22 7. If a Former Tenant Settlement Class Member seeks to use the Voucher to
23 commence a new tenancy with JD Home Rentals during the above-referenced 24-month period,
24 the former tenant will not be required to post a security deposit for the new tenancy created
25 during the 24-month period. Any future tenancies thereafter may be charged a security deposit
26 by JD Home Rentals. In its sole discretion, JD Home Rentals may elect to provide the Cash
27 Alternative set forth below to any Former Tenant Settlement Class Member in lieu of providing
28 a Voucher. Such individuals will be deemed to have timely submitted their request for a Cash

1 Alternative and need not file one as explained in the next section. If JD Home Rentals so elects,
2 the Cash Alternative will be provided to the Former Tenant Settlement Class Members as set
3 forth below.

4 8. In its sole discretion, Defendants may elect to provide the Cash
5 Alternative set forth below to any Former Tenant Settlement Class Member in lieu of providing
6 a Voucher. If a Defendant so elects, the Cash Alternative will be provided to the Former Tenant
7 Settlement Class Members pursuant to the terms for the Cash Alternative as set forth below.

8 **B. Cash Alternative:**

9 1. The Cash Alternative relates to those Former Tenant Settlement Class
10 Members who do not participate in the Voucher program by using or transferring it as set forth
11 above, or for whom a Defendant exercises the election to offer the Cash Alternative to a
12 Former Tenant Settlement Class Member in lieu of the Voucher. As set forth above, the
13 Voucher program will be in existence for 24 months after the Voucher is mailed. The Voucher
14 may be transferred one time during that 24-month timeframe. After the 24-month time frame,
15 the Former Tenant Settlement Class Members will have forty-five (45) calendar days during a
16 date certain time frame to return an unused or un-transferred Voucher to the Settlement
17 Administrator and seek the Cash Alternative. The Class Notice shall advise the Former Tenant
18 Settlement Class Members that they should retain their Voucher and calendar the time to file a
19 claim for the Cash Alternative if they do not exercise the Voucher, and that they can obtain a
20 substitute Voucher from the Settlement Administrator if they lose the Voucher. The date certain
21 time frame will be set forth on the Voucher.

22 2. A portion of the Voucher to the Former Tenant Settlement Class
23 Member, as well as the Class Notice (absent the bold and font size requirement) shall contain in
24 type of at least 12 font size and in bold the following provisions relating to the Cash
25 Alternative:

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1 a. the specific time frame during which the Cash Alternative may be
2 claimed by the Former Tenants Settlement Class;

3 b. that the Former Tenants Settlement Class shall not be receiving
4 any further notice concerning their ability to claim the Cash Alternative;

5 c. that in order to claim the Cash Alternative they must retain
6 possession of the Voucher or, if they lose the Voucher and it is not redeemed by anyone else,
7 they may contact the Settlement Administrator to obtain a substitute Voucher;

8 d. that it will be the responsibility of Former Tenants to keep track
9 of the dates when to make a claim for the Cash Alternative; and that if they do not make a
10 claim within the time frame set forth in the Class Notice they will not be able to receive any
11 portion of the Cash Alternative. As noted above, it is very important that they do so since they
12 will not receive a reminder.

13 3. The amount of the Cash Alternative will be computed for each tenancy
14 group and will be as follows:

15 a. 1 bedroom and studio groups: Each tenancy group will get \$10
16 per occupancy month up to a maximum of \$250;

17 b. 2 bedroom groups: Each tenancy group will get \$10 per month up
18 to a maximum of \$350;

19 c. 3 bedroom and up groups: Each tenancy group will get \$10 per
20 month up to a maximum of \$500.

21 d. In determining the number of months for each tenancy group, the
22 Settlement Administrator will use the information provided by JD Home Rentals concerning
23 the number of months of occupancy for a single tenancy group. Defendants will agree to fund
24 only up to the total dollar amount of all the claims for the Cash Alternative, with the total
25 funding capped at \$222,500. If the total of the claims for the Cash Alternative is less than
26 \$222,500, Defendants pay the allocated amount for each claim as set forth above. If, however,
27 the total of the claims for the Cash Alternative exceeds \$222,500, each claim shall be reduced
28 on a prorated basis so that Defendants' total obligation to pay is capped at \$222,500.

1 C. Claim Process for Former Tenant Settlement Class Members: Within sixty
2 (60) calendar days of the Effective Date of the Settlement, the Settlement Administrator will
3 send by first class mail the Former Tenant Settlement Class Claim Form to all Former Tenant
4 Settlement Class Members.

5 Only those Former Tenant Settlement Class Members who return a Former Tenant
6 Settlement Class Claim Form to the Settlement Administrator within forty-five (45) calendar
7 days after its mailing ("45-day Claim Period") will be eligible to participate in the Voucher or
8 Cash Alternative terms discussed above. Any Former Tenant Settlement Class Claim Form (1)
9 not postmarked by the end of the 45-day Claim Period, (2) not received by the Settlement
10 Administrator by the fifth (5th) calendar day after the 45-day Claim Period (or, if timely
11 postmarked but lost in the mail and delivered no later than 90 calendar days after the end of the
12 45-day Claim Period); (3) not received by other means by the Settlement Administrator by the
13 end of the 45-day Claim Period (4) not signed by the Class Member under penalty of perjury;
14 and/or (5) that does not otherwise comply with the claims process is not considered a valid
15 Former Tenant Settlement Class Claim Form. Any Former Tenant Class Member who submits
16 a Former Tenant Settlement Class Claim Form that is not considered timely and valid will not
17 be entitled to participate in the Voucher or the Cash Alternative terms set forth above.

18 The Settlement Administrator will use reasonable best efforts to locate and send the
19 Class Notice and Former Tenant Settlement Class Claim Form to the most recent address of
20 said Former Tenant Settlement Class Member. The Settlement Administrator shall be
21 responsible for taking reasonable steps, consistent with its agreed job parameters and any court
22 orders, to trace the address of any Former Tenant Settlement Class Member for whom a Former
23 Tenant Settlement Class Claim Form are returned by the post office as undeliverable. These
24 reasonable steps shall include, at a minimum: tracking of all undelivered mail; performing
25 additional address searches using additional address databases or equivalent means for all mail
26 returned without a forwarding address; and promptly re-mailing to Class Members for whom
27 new addresses are found. Any returned envelopes with forwarding addresses will be utilized by
28 the Settlement Administrator to trace Class Members.

1 It will be conclusively presumed that, if an envelope has not been returned within thirty
2 (30) calendar days of the date of mailing, the Class Member received the Former Tenant
3 Settlement Class Claim Form.

4 The Settlement Administrator will mail the Vouchers no later than thirty (30) calendar
5 days after the deadline for return of the Former Tenant Settlement Class Claim Form.

6 Nothing in this Settlement shall grant Class Counsel any permission to review any
7 Class List provided to the Settlement Administrator. The Class List shall be kept confidential
8 by the Settlement Administrator and not disclosed to anyone absent a further order of the Court
9 after hearing.

10 **SECTION 7: OTHER SETTLEMENT TERMS RELATING TO PEST CONTROL AND**
11 **TERMINATION OF TENANCIES**

12 **A. Fumigation and Pest Remediation.**

13 No later than 18 months after the Effective Date of the Settlement, a pest control
14 inspector will perform a single pest control inspection and assessment of each occupied unit;
15 provided, however, if a tenant refuses or otherwise fails to permit an inspection and assessment,
16 the unit will not be inspected, assessed or treated under this Settlement. The pest control
17 inspector will use its standard form. The pest control inspector will provide tenants with written
18 literature regarding control of pests. The pest control inspector will document if a pest control
19 infestation exists. If so, that pest control infestation will be treated by the pest control inspector
20 without charge to the tenant for the initial and a second treatment. While this Joint Stipulation
21 does not specifically obligate Defendants to pay for more than two treatments, nothing in this
22 Joint Stipulation waives any class members' rights that Defendants perform further fumigations
23 at their expense to which they are or may become obligated by law. As with other provisions,
24 nothing in this Agreement prohibits or limits a tenants' right to seek governmental code
25 enforcement, use JD Home Rentals' normal maintenance program or otherwise exercise his or
26 her rights under law, except to the extent that any of those rights have otherwise been expressly
27 released under this Settlement.

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1 The presence of bed bugs in a unit will be handled according to existing or future law.
2 JD Home Rentals reserves the right to charge the tenant for any further or subsequent
3 treatments, which the Tenant may dispute. Any disputes about cause may be submitted to the
4 Ombudsman for informal resolution. No further challenges will be permitted. Any such pest
5 control charges will be considered a miscellaneous charge and the non-payment thereof may
6 not be the basis for an unlawful detainer action.

7 Beginning with the Effective Date of the Settlement and continuing during the 18-
8 month period set forth above, all vacant units that are rented by JD Home Rentals will be
9 treated by a pest control service prior to occupancy by a tenant.

10 **B. Limitations on Tenancy's Terminations.**

11 JD Home Rentals will not terminate any tenancy except for good cause for a period of
12 12 months after the Effective Date of the Settlement. "Good Cause" shall be defined to include:

13 A. Tenant has not timely paid the rent due.

14 B. Tenant has violated a condition or covenant of the tenancy and has failed to
15 cure the violation after having received written notice thereof from the owner.

16 C. Tenant is committing waste upon the premises; is maintaining, committing or
17 permitting the maintenance or commission of a nuisance upon the premises; or is using the
18 premises for an unlawful purpose.

19 D. Landlord is a natural person who seeks in good faith to recover possession of
20 the rental unit for use and occupancy as a principal residence by himself or herself, or by his or
21 her spouse, domestic partner, brother, sister, child, parent, grandparent or grandchild.

22 E. Landlord seeks in good faith to displace tenant temporarily to make capital
23 improvements that cannot be performed safely with the tenant in possession. Landlord shall
24 allow tenant to return immediately upon completion of the improvements, which shall not be
25 unreasonably delayed.

26 F. Landlord is required by order of a governmental agency to remove the unit
27 from housing use.

28 ///

1 G. If any property managed by JD Home Rentals is sold to an unrelated third-party
2 who will occupy it.

3 H. Prior to lease termination under D-G, above, JD Home Rentals must serve on
4 the tenant a 90-day notice to quit or any other notice that may be required by a governmental
5 agency.

6 **SECTION 8 - THE SETTLEMENT ADMINISTRATOR**

7 **A. Duties of Settlement Administrator.**

8 The Parties have selected KCC Class Action Services as the Settlement Administrator
9 to administer the Joint Stipulation and all orders of the Court, subject to Court approval. The
10 duties of the Settlement Administrator shall include, without limitation: the printing and
11 mailing of court-approved notices and claim forms to Class Members or others as directed by
12 the Court or as otherwise set forth in the Joint Stipulation, to the extent fully approved; taking
13 all steps as are reasonably necessary to ensure Class Members timely receive notices and claim
14 forms, including conducting a National Change of Address search before mailing the Class
15 Notice and associated claim forms; communicating with Class Members and others as required
16 so as to receive corrections and/or additional information, or for any other reasons as deemed
17 reasonably necessary by the Settlement Administrator in order to ensure that the highest
18 percentage of Class Members receive notice of this Joint Stipulation; the utilization of
19 sufficient methods to ensure the most up-to-date and accurate addresses for Class Members;
20 conducting address searches on all returned, undelivered mail and re-mailing notices and claim
21 forms to Class Members for whom addresses are found; the providing of toll-free, live operator
22 telephone support to receive telephone calls from Class Members or others regarding the Joint
23 Stipulation; the maintenance of appropriate databases to fulfill its duties; the receipt and control
24 of all returned notices, claim forms and other documents, requests for opt-out, and objections;
25 all other duties referenced in this Joint Stipulation that are to be performed by the Settlement
26 Administrator and any and all other duties as agreed to with Class Counsel and Defendants'
27 Counsel consistent with the terms of this Joint Stipulation.

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1 **B. Other Provisions.**

2 All disputes, if any, relating to the Settlement Administrator's duties or performance
3 thereof shall be resolved by the Court.

4 As part of this Settlement, it is agreed that all the costs incurred by the Settlement
5 Administrator, including those relating to the preparing, mailing and re-mailing and publishing
6 the Class Notice, the work relating to the opt outs, the work relating to the objections and other
7 work expressly set forth in the Joint Stipulation to be performed between the period of the
8 Order Granting Preliminary Approval and the Effective Date of the Settlement, shall be borne
9 by Defendants. During that period, the Settlement Administrator shall not perform any other
10 work during that time period unless and if agreed to by Defendants in writing.

11 It is anticipated that certain Administrative Expenses will be incurred and submitted to
12 the Court for approval at the time of the Final Approval Hearing. If approved and consistent
13 with the above provisions, Defendants shall pay said approved sums within 30 calendar days of
14 the Effective Date of the Settlement. It is also anticipated that further Administrative Expenses
15 will be incurred and submitted to the Court for review and approval after hearing (or, if
16 stipulated to, pursuant to a stipulation) for the period after the Effective Date of Settlement. The
17 further Administrative Expenses will be paid by Defendants within 30 calendar days of notice
18 of the Court's order approving said expenses.

19 In the event it becomes necessary to replace the Settlement Administrator, Class
20 Counsel and Defendants' Counsel shall confer and select, if able, a replacement Settlement
21 Administrator, subject to Court approval. If Counsel are unable to select a replacement
22 Settlement Administrator, they shall notify the Court and file appropriate motions seeking an
23 order by the Court appointing a replacement Settlement Administrator.

24 Within thirty (30) calendar days after the close of the Objection Deadline, the
25 Settlement Administrator will provide to Class Counsel and Defendants' Counsel a declaration
26 including a statement of due diligence and proof of mailing of the Class Notice and Claim
27 Forms to the Class Members (without including any names or addresses), proof of compliance
28 with the publication of the Newspaper Notice, and a statement as to the number of opt-outs and

1 objections received. Class Counsel shall provide this information to the Court in the motion for
2 final approval of this Joint Stipulation.

3 **SECTION 9 - OBJECTIONS TO JOINT STIPULATION**

4 **A. Objection Procedure.**

5 The Parties agree that a Class Member who has standing may enter an appearance,
6 personally or through an attorney, and may object to the Joint Stipulation by filing his or her
7 objections with the Court and by also submitting objections to Class Counsel and Defendants'
8 Counsel. Any objection to the Settlement must be sent to the Settlement Administrator with a
9 postmark no later than 60 calendar days after the date of the initial mailing of the Notice. The
10 Class Notice shall advise Class Members to send copies of any objections to Class Counsel and
11 Defendants' counsel. Any objections should clearly explain why the Class Member objects to
12 the Settlement and state whether the Class Member (or someone on his or her behalf) intends to
13 appear at the Final Approval Hearing.

14 No Class Member who files an objection shall be heard to argue his or her objection at
15 the Final Approval Hearing, and no briefs or papers beyond the objection itself submitted by
16 any such person shall be considered by the Court, unless written notice of intention to appear at
17 the Final Approval Hearing, together with copies of all papers and briefs, shall have been filed
18 with the Court and mailed to Class Counsel and Defendants' Counsel. If those procedures have
19 been complied with, the objector may appear and request to be heard personally at the Final
20 Approval Hearing. It shall be within the discretion of the Court to determine whether it will
21 allow oral argument on the objection. In any event, the Court will consider all timely filed
22 objections even if they are not accompanied by such a written notice of intention to appear at
23 the Final Approval Hearing.

24 All objections and written notices of intention to appear must be signed and must
25 contain the Class Member's name, the address of counsel, if any, and the name of and the case
26 number for the Action. Upon request, the objector must also provide the Parties any address
27 information or other necessary information so as to identify the objector.

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1 If a Class Member objects to the Joint Stipulation, the Class Member will remain a
2 member of the Class and if the Court approves the Joint Stipulation, the Class Member will be
3 bound by the terms of the Joint Stipulation and Final Judgment in the same way and to the
4 same extent as a Class Member who does not object. Any member of the Class who does not
5 make and serve his or her written objections in the manner provided above, shall be deemed to
6 have waived such objections and shall be foreclosed from making any objections, by appeal or
7 otherwise, to the Joint Stipulation and/or Final Judgment. Any member of the Class who is
8 satisfied with the Joint Stipulation need not appear at the Final Settlement Hearing.

9 **SECTION 10 - SETTLEMENT OF REPRESENTATIVE PLAINTIFFS' INDIVIDUAL**
10 **CLAIMS AND CLAIMS BY OTHER OCCUPANTS**

11 The Representative Plaintiffs have made claims on their own behalf and on behalf of all
12 Other Occupants in the units occupied or formerly occupied by the Representative Plaintiffs at
13 any time up to the Effective Date of the Settlement. The claims include, without limitation,
14 allegations of general and special damages, pain and suffering, emotional distress, rent rebates,
15 and personal injuries. In connection with this Settlement, all of the claims by the Representative
16 Plaintiffs and Other Occupants from the beginning of time up until the Effective Date of the
17 Settlement will be resolved, subject to Court approval of this Settlement and Court approval of
18 any and all necessary minor compromises.

19 Within thirty (30) calendar days of the latter of the Effective Date of the Settlement,
20 receipt of all general releases from all Representative Plaintiffs and Other Occupants in the
21 form attached hereto as Exhibit L, all necessary Court orders approving this Settlement,
22 including all necessary minors' compromises and receipt by Defendants of all required
23 information from the Representative Plaintiffs and Other Occupants concerning dates of birth,
24 taxpayer identification numbers or any other information that may be required by law or by any
25 insurer of any Defendant and all required communications from Medicare or other government
26 agencies or representatives concerning any and all liens as discussed further below, Defendants
27 will pay the total sum of Two Hundred Forty-Thousand Dollars (\$240,000.00) to Class
28 Counsel, into an attorney trust account designated by Plaintiffs' counsel, for all the

1 Representative Plaintiffs and Other Occupants. These are not incentive award payments, but
2 rather are compensation for alleged personal injuries or physical injuries as set forth further in
3 the releases attached as Exhibit L. The total sum will be allocated as follows:

4 A. Occupants at 3508 S. Elm Ave., #107, Fresno, CA ALLOCATED SUM

5	1.	Malaquias Esteves	\$40,186.00
6	2.	Angelica Luengas	\$5,000.00
7	3.	Jesucita Esteves	\$4,000.00
8	4.	Pedro Santiago	\$2,500.00
9	5.	Erika Esteves	\$4,000.00
10	6.	Yesenia Esteves	\$4,000.00
11	7.	Carlos Esteves	\$5,000.00
12	8.	Mauricio Esteves	\$4,000.00
13	9.	Jocenith Santiago	\$2,000.00

14 B. Occupants at 230 W. Geary St., Fresno, CA

15	1.	Elvia Reyes	\$36,792.00
16	2.	Hector Miranda Carbajal	\$5,000.00
17	3.	Hector Miranda Reyes	\$3,000.00
18	4.	Diamante Miranda	\$3,000.00
19	5.	Miriam Miranda Reyes	\$5,000.00
20	6.	Adrian Ventura Miranda	\$3,000.00
21	7.	Esmeralda Ventura Miranda	\$3,000.00
22	8.	Savannah Elvia Miranda	\$2,000.00
23	9.	Ruby Maday Oros Miranda	\$2,000.00
24	10.	Zayliah Medina Miranda	\$2,000.00

25 C. Occupants at 2616 B. Washington St., Apt. 102, Fresno, CA

26	1.	Catalina Mendoza	\$20,022.00
27	2.	Antonio Martinez Vega	\$5,000.00
28	3.	Rene Martinez	\$3,000.00

- 1 4. Iccel Evelina Martinez \$3,000.00
- 2 5. Emily Elizabeth Martinez \$3,000.00
- 3 6. Cathy Ariana Martinez \$2,000.00

4 D. Previous Occupant of 3622 E. Clay St., Apt. B, Fresno, CA

- 5 1. Neng Vu \$28,000.00
- 6 2. Zang Moua \$5,000.00

7 E. Previous Occupant of 2211 W. Princeton Ave., Fresno, CA and 360 N. Roosevelt Ave.,
8 #101, Fresno, CA

- 9 1. Willie Thompson \$35,500.00

10 The Class Counsel will have the responsibility for seeking and obtaining all necessary
11 orders from the Court approving all minor compromises. All minor compromises must be
12 obtained prior to the Final Approval Hearing and any orders must be expressly conditioned on
13 the Court finally approving this Joint Stipulation and the Effective Date of the Settlement
14 having occurred. Any and all payments to a minor shall be made as specifically stated in the
15 minor's compromise order or other orders relating to funds paid for the benefit of a minor listed
16 above.

17 Class Counsel represents that they have all necessary and binding written consents from
18 each of their clients (Representative Plaintiffs and Other Occupants) to enter into this
19 Agreement and to the allocation of sums as set forth above between the Representative
20 Plaintiffs and Other Occupants.

21 A. Representative Plaintiffs agree and acknowledge that it is their sole and
22 exclusive obligation to satisfy all liens, conditional payments, debts, rights of subrogation,
23 and/or any other claims or actions asserted against them and/or the proceeds of this settlement,
24 whether now known or unknown, including, but not limited, to any liens by any medical
25 provider, or any Medicaid or Medicare liens resulting from the payment of expenses for
26 hospital or other care and treatment of Plaintiffs and/or Other Occupants. Prior to payment of
27 any settlement funds under this Section, the Representative Plaintiffs, Other Occupants and
28 Class Counsel shall certify that there are no non-Medicare liens that relate to the payment of

1 any of the settlement funds set forth in this Section regarding which there is not an agreement
2 for its satisfaction from the settlement proceeds. In addition, prior to payment of any settlement
3 funds under this Section, the insurance carriers for Defendants will report the names of the
4 Representative Plaintiffs and Other Occupants to the appropriate government agencies for the
5 purpose of determining if there are any Medicare or other government liens. The payment of
6 the settlement funds under this Section will not be made until final letters have been received
7 from Medicare and other government agencies or representatives, which will state whether or
8 not there are any Medicare or other liens to any government agency and the total amounts
9 needed to satisfy the lien or liens applicable to each person. If there are any such liens, the
10 amounts paid under this Section for a particular person shall first be used to pay such lien or
11 liens by a check or checks issued to Medicare or other government agency, with any excess to
12 be paid by check to the particular Representative Plaintiff and/or Other Occupant and delivered
13 to Class Counsel with a notation of the deduction for the applicable lien.

14 B. Representative Plaintiffs further agree to release Releasees and their agents,
15 representatives, attorneys and insurance carriers from any liens, debts, rights of subrogation.
16 and/or any other claims or actions asserted against them and/or the proceeds of this Settlement
17 by anyone claiming by, through or under Representative Plaintiffs or Other Occupants, whether
18 now known or unknown, including any Medicaid or Medicare liens resulting from the payment
19 of expenses for hospital or other care and treatment of Representative Plaintiffs and/or Other
20 Occupants.

21 C. Representative Plaintiffs further agree to defend, indemnify and hold harmless
22 Releasees and their agents, representatives, attorneys and insurance carriers from any damages,
23 demands for payment or reimbursement, liens, debts, rights of subrogation, and/or any other
24 claims or actions asserted against them and the proceeds of this Settlement, by anyone claiming
25 by, through or under Representative Plaintiffs or Other Occupants, whether now known or
26 unknown, including any Medicaid or Medicare liens resulting from the payment of expenses
27 for hospital or other care and treatment of Representative Plaintiffs and/or Other Occupants.

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1 D. Representative Plaintiffs specifically warrant that they are not aware of any
2 Medicare or Medicaid benefits paid for the medical care and treatment rendered to treatment of
3 Representative Plaintiffs and/or Other Occupants except as may be revealed as a result of the
4 reporting and disclosure set forth above in Paragraph A. Representative Plaintiffs further
5 warrant that any Medicare or Medicaid liens, whether now known or unknown, resulting from
6 the payment of expenses for hospital or other care and treatment of injuries and damages
7 claimed by Plaintiffs and/or Other Occupants, will be fully satisfied, if sufficient funds exist
8 from the allocated payments in this Section, as set forth herein. If insufficient funds exist to
9 fully satisfy a lien, the lien will be partially satisfied only, with no remaining proceeds payable
10 to the particular Representative Plaintiff or Other Occupant from the settlement proceeds.

11 E. Provision of All Information Necessary for Section 111 Reporting and Any
12 Other Required Reporting: Representative Plaintiffs will provide Releasees and their agents,
13 representatives, attorneys and insurance carriers with complete, accurate, and up-to-date
14 information regarding Representative Plaintiffs' and Other Occupants' Medicare and other
15 government aid eligibility status. Representative Plaintiffs also will provide any and all
16 information Releasees and their agents, representatives, attorneys and insurance carriers require
17 to facilitate and meet their reporting obligations under 42 U.S.C. §1395y(b)(8). Such
18 information may include, but is not limited to: Representative Plaintiffs' full name, Social
19 Security Number (SSN), Medicare Health Insurance Claim Number (HICN), gender, and date
20 of birth or any other information that may be required by law or by any insurer of any
21 Defendant.

22 F. Representations and Warranties Regarding Medicare Eligibility and Conditional
23 Payments: Representative Plaintiffs represent and warrant that they have provided Releasees
24 and their agents, representatives, attorneys and insurance carriers with complete, accurate, and
25 up-to-date information regarding Representative Plaintiffs' and Other Occupants' Medicare and
26 other government aid eligibility status. The parties agree that all representations and warranties
27 made herein shall survive settlement.

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1 G. Remedies for Breach and Protection of Medicare's Interests: The parties agree
2 that, in the event of a breach of the representations and warranties made by Representative
3 Plaintiffs in the paragraphs above, Releasees and their agents, representatives, attorneys and
4 insurance carriers shall be entitled to set off any remaining payments due under the terms of
5 this Settlement, as well as to the full extent of damages and other relief available at law and
6 equity.

7 H. The parties have attempted to resolve this matter in compliance with both state
8 and federal law, and believe that the settlement terms adequately consider Medicare's interest
9 and do not reflect any attempt to shift responsibility for payment of medical expenses covered
10 under this settlement to Medicare pursuant to 42 U.S.C. § 1395y(b). The parties acknowledge
11 and understand that any present or future action or decision by CMS or Medicare, including
12 actions regarding the Representative Plaintiffs' eligibility or entitlement to receive Medicare or
13 Medicare payments, will not render this Release void or ineffective, or in any way affect the
14 finality of this Settlement.

15 **SECTION 11 - ATTORNEYS' FEES AND COSTS**

16 Class Counsel will submit an application for attorneys' fees and costs for preliminary
17 and final approval by the Court as follows:

- 18 a. \$1,050,000.00 for attorneys' fees and costs up through and including
19 March 31, 2016. In seeking to support this claim for attorneys' fees,
20 Class Counsel is permitted to claim any hourly rate they claim is
21 reasonable and Defendants are permitted to comment on or challenge
22 any such rates. Notwithstanding the foregoing, the amount awarded by
23 the Court for attorneys' fees and costs for all work and expenses up to
24 and including March 31, 2016 shall not exceed \$1,050,000;
- 25 b. \$100,000.00 for attorneys' fees and costs for the period April 1, 2016 to
26 the Effective Date of the Settlement, provided all such fees are actually
27 incurred based on a rate of \$350 per hour, with proof in the form of time
28 records submitted to the Defendants' Counsel prior to the Final Approval

1 Hearing. For purposes of calculating this \$100,000 amount only, and
2 pursuant to a separately negotiated portion of their agreement regarding
3 this aspect of the fee claim only, the Parties, including Class Counsel,
4 have agreed that no party or counsel will deviate (higher or lower) from
5 the use of \$350 per hour for such fees. Any paralegal time related to the
6 portion of the motion for preliminary and final approval of the attorneys'
7 fees and costs shall be calculated at a rate lower than \$350 per hour as
8 established by the Court. In no event shall the attorneys' fees and costs,
9 including paralegals, awarded for this period of work and expenses
10 exceed \$100,000.00; and

- 11 c. \$70,000.00 for all attorneys' fees and costs after the Effective Date of the
12 Settlement relating in any way to this Action, the Settlement or the
13 Judgment, provided all such fees are actually and reasonably incurred;
14 excepting, however, attorneys' fees and costs incurred after the fifth
15 Extended Repair Challenge as set forth in Section 5, the final amount of
16 which shall either be agreed to by the parties or determined by Mediator
17 Judge Wanger through an informal process he directs. (The costs of
18 Judge Wanger if he is used shall be borne by Defendants.)

19 These figures were negotiated at arm's length with the assistance of Mediator Judge
20 Wanger. In agreeing to the figure, Plaintiffs' counsel contends that they substantially
21 discounted their normal rates. It is understood that, in filing their motion, Plaintiffs will explain
22 that they believe a reasonable fee, in the absence of the agreement reached by the parties
23 capping the fees and costs, would be substantially more than the \$1,150,000 agreed to cap on
24 fees and costs, and will present to the Court what they believe would otherwise be a reasonable
25 fee. Plaintiffs' purpose in presenting this information will be to ensure that the Court is able to
26 determine that the agreed-to amount of fees and costs is reasonable. While the Court may
27 determine that a higher fee award would be reasonable in the absence of the agreed to cap, in
28 no event shall Plaintiffs request, or the Court order, more than \$1,150,000 for fees and costs

1 through the Effective Date of the Settlement or more than a maximum of \$70,000 for all
2 attorneys' fees and costs after the Effective Date of the Settlement relating in any way to this
3 Action, the Settlement or the Judgment other than for Extended Repair Challenges, if any,
4 beyond a fifth challenge.

5 The attorneys' fees and costs paid by Defendants pursuant to this Joint Stipulation shall
6 not exceed, under any circumstances, the total sum of \$1,220,000, as set forth above, for any
7 and all matters relating to this Action, the Settlement, including any steps prior thereto or
8 subsequent to the entry of the Judgment; excepting, however, attorneys' fees that may be
9 awarded under Section 5.B.7 concerning Extended Repair Challenges after the fifth such
10 challenge. Any award of attorneys' fees by the Court must not exceed the aforementioned sum,
11 under any circumstances, and the Judgment will extinguish any and all claims or potential
12 claims for attorneys' fees, costs and expenses of and by the Class Counsel or any other counsel
13 who may have served or who may claim to have served in any respect in connection with this
14 Action or the Settlement. Class Counsel agree either to obtain and provide to Defendants'
15 counsel no later than five (5) business days after the filing date of the Order Granting
16 Preliminary Approval a written release from any other counsel who may have served or who
17 may have claimed to serve in this Action that they are not seeking and do not seek any
18 attorneys' fees, costs or expenses in connection with this Action or the Settlement.

19 Alternatively, Class Counsel shall effect valid service (as set forth below) of this Joint
20 Stipulation and the Order Granting Preliminary Approval upon any and all attorneys who may
21 have served or who may have claimed to have served in this Action and to deliver by hand
22 delivery and by registered mail to all such lawyers, no later than five (5) business days after
23 entry of the Order Granting Preliminary Approval, the above-referenced documents, together
24 with correspondence addressed at least to the senior partners of any and all firms that explain
25 such documents; why they are being delivered and served and that the counsel must present any
26 claim to the amounts set forth above (or portions thereof) for attorneys' fees, costs or expenses
27 in a manner consistent with the Order Granting Preliminary Approval, which date shall not be
28 later than at least fourteen (14) calendar days before the deadline for filing objections to the

1 Settlement; and that any such claims that the counsel may have will be extinguished by the
2 Judgment.

3 Defendants agree not to oppose the application, so long as the application is consistent
4 with the provisions of this Joint Stipulation. Notwithstanding the foregoing, Defendants reserve
5 the right to advise the Court about their position concerning the hourly rate, hours and other
6 factors used by Class Counsel in seeking approval of the attorneys' fees and costs. Class
7 Counsel shall not seek in any way any additional fees or costs other than as set forth above and
8 in connection with Extended Repair Challenges as set forth in this Joint Stipulation.

9 Subject to the provisions of this Joint Stipulation and approval by the Court, Defendants
10 agree to transfer to or deliver a check to the Settlement Administrator for immediate
11 distribution to an account specified by Class Counsel, within thirty (30) calendar days of the
12 Effective Date of the Settlement, the amount of \$1,050,000 (or other sum approved by the
13 Court) and a further amount up to \$100,000 as set forth above provided said fees and costs are
14 actually and reasonably incurred as determined by the Court at the Final Approval Hearing.

15 The remaining amount of up to \$70,000 shall be paid by Defendants into an account
16 specified by Class Counsel within 30 calendar days of agreement or order by Judge Wanger.
17 Plaintiffs may seek such fees the earlier of 1) two years from Effective Date of the Settlement
18 or 2) after the Effective Date of the Settlement and once their fees and costs total \$25,000, and
19 again when they total an additional \$25,000 and again when they total an additional \$20,000.
20 Judge Wanger's determination shall be binding and enforceable and may not be appealed.
21 Plaintiffs may enforce a failure to pay these fees by filing an action in Fresno County Superior
22 Court, to be related to this case; the prevailing party on this specific issue shall be entitled to an
23 award of fees and costs pursuant to Civil Code § 1717.

24 Defendants are responsible for their own attorneys' fees and costs.

25 SECTION 12 – RELEASES

26 Upon the Effective Date of this Settlement, the Class, Class Members, Current Tenant
27 Settlement Class Members and Former Tenant Settlement Class Members, and each of them,
28 fully and finally release and forever discharge Releasees, and each of them, and shall be

1 deemed to have, and by operation of the Judgment and any related order shall have expressly
2 waived, released, discharged and relinquished the Released Claims defined below.

3 The Released Claims consist of all such claims from January 9, 2010 to the end of the Class
4 Period.

5 **A. Definition of Released Claims.**

6 "Released Claims" means claims, demands, rights, debts, obligations, costs, expenses,
7 wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations,
8 statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action
9 that were or might have been asserted (whether in tort, contract or otherwise), for violation of
10 any state or federal law for claims that are set forth or attempted to be set forth in the
11 Complaint in the Action which are, could be or could have been the basis of claims by the
12 Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other
13 monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of
14 deposits, collection of rent while permitting rental units to be maintained in untenable or
15 uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable
16 unit, expenses incurred to make repairs, and/or other lost money or property paid by a Class
17 Member relating in any way to the condition or maintenance of the unit.

18 The Released Claims include, without limitation all of the following as it relates to
19 restitution, disgorgement, equitable relief, injunctive relief or monetary relief and all of the
20 following to the extent (and only to the extent) of the categories contained in the foregoing
21 paragraph:

- 22 1. Any and all claims under Business & Professions Code Section 17200, *et*
23 *seq.* as set forth in the First Cause of Action of the Complaint, including, but not limited
24 to, the permitting of rental units to be maintained in untenable conditions and
25 continue to collect rent, in violation of the Civil Code, including Sections 1941, 1941.1,
26 1941.3 and 1942.4 and Health & Safety Code Sections 17980, *et seq.*, engaging in a
27 scheme that caused, permitted and maintained untenable rental units, in violation of
28 Civil Code Sections 1714, 1940.2, 1941, 1941.1, 1941.3, 1942.5, 1954 and the Health &

1 Safety Code including Sections 17920.3 and 17920.10;

2 2. Any and all claims relating to lost money or property by the Class
3 Members relating to the payment of rent or deposits relating to any of the rental units
4 rented or offered for rent by any of the Defendants in the City and/or County of Fresno,
5 California;

6 3. Any and all claims for injunctive relief or other relief under Business &
7 Professions Code Section 17203;

8 4. Any and all claims set forth or attempted to be set forth in the Second
9 Cause of Action;

10 5. Any and all claims alleged or attempted to be alleged in the Third Cause
11 of Action to the extent the Third Cause of Action incorporates the First and Second
12 Causes of Action.

13 6. Any and all claims alleged or attempted to be alleged in the Complaint
14 that JD Homes engaged in a pattern and practice of violating the basic housing rights of
15 its tenants by refusing to make its rental properties habitable by refusing to comply with
16 all applicable health and safety laws; and taking advantage of, harassing and retaliating
17 against any tenants who exert their rights and request repairs, as alleged in Paragraph 8
18 of the Complaint;

19 7. Any and all claims relating in any way to any rent rebates or any other
20 return of rent or other charges paid by any Class Member to Defendants relative to any
21 properties rented or offered for rent during the Class Period;

22 8. Any and all claims that Defendants have failed to keep the properties
23 habitable and fit for occupancy as alleged in Paragraph 30 of the Complaint;

24 9. Any and all claims relating to untenable rental property or properties
25 not meeting the standards of California Civil Code Section 1941.1 and Health & Safety
26 Code Sections 17920, 17920.3 and 17920.10 or other applicable law;

27 10. Any and all claims that Defendants have failed to abate untenable
28 living conditions after receiving notice of them from tenants and/or the City of Fresno,

1 as alleged in Paragraph 30 of the Complaint;

2 11. Any and all claims that Defendants have retaliated and/or harassed
3 tenants, including Plaintiffs and others similarly situated, when they attempt to enforce
4 their legal rights as alleged in Paragraph 30 of the Complaint; and

5 12. Any other claim asserted or attempted to be asserted in the Complaint,
6 including any and all claims for injunctive relief, restitution, disgorgement, retroactive
7 rent rebate, rent reductions, rent abatement and attorneys' fees and costs for this Action.

8 Notwithstanding any of the foregoing, the Released Claims do not include, and are not
9 intended to release, damages claims for physical injury or personal bodily injury (including but
10 not limited to illness, mental stress, emotional distress, anxiety, annoyance and discomfort),
11 including such damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9.
12 The Released Claims do include statutory damages recoverable under any of the statutes listed
13 in sub-paragraphs 1 and 9, but do not otherwise include statutory damages under any other
14 statute.

15 **B. Waiver of Civil Code Section 1542 as to Released Claims.**

16 With respect to the Released Claims, the Class, Class Members, Current Tenant
17 Settlement Class Members and Former Tenant Settlement Class Members each further waive
18 all rights and benefits afforded by section 1542 of the Civil Code of the State of California.
19 Section 1542 provides:

20 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
21 **CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
22 **FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN**
23 **BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER**
24 **SETTLEMENT WITH THE DEBTOR.**

25 The Class, Class Members, Current Tenant Settlement Class Members and Former
26 Tenant Settlement Class Members agree not to sue or otherwise make a claim against any of
27 the Releasees that is in any way related to, arises out of or is connected in any way with the
28 Released Claims.

1 The Class Notice will include this section in its entirety.

2 **SECTION 13 - DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

3 The Representative Plaintiffs shall promptly submit this Joint Stipulation to the Court
4 for the Court's preliminary approval and determination as to the Joint Stipulation's fairness,
5 adequacy, and reasonableness at the Preliminary Approval Hearing.

6 **A. Stipulation for Preliminary Approval.**

7 The Representative Plaintiffs shall apply to the Court for the entry of a preliminary
8 order in the form attached hereto as Exhibit P seeking the following:

9 a. The scheduling of the Final Approval Hearing on the question of
10 whether this Joint Stipulation should be approved as fair, reasonable and adequate as to Class
11 Members. The approval shall also include that the Class be conditionally certified for
12 settlement purposes only. In the event that this Joint Stipulation is nullified or invalidated for
13 any reason, including that the Court fails to give preliminary or final approval to this Joint
14 Stipulation, the Court fails to order any of the other relief set forth in this Joint Stipulation, a
15 failure of a condition precedent occurs, the Court disapproves of any term or condition of the
16 Joint Stipulation, or if the Court modifies or amends any portion of the Joint Stipulation, the
17 conditional certification shall be vacated, shall be null and void and shall be of no force or
18 effect in the Action as to all Parties herein at the option of either party. The option shall expire
19 upon the Effective Date of the Settlement.

20 b. Approval as to form and content of the proposed Class Notice,
21 the proposed Newspaper Notice and all claim forms;

22 c. A direction to mail the Class Notice as set forth therein;

23 d. A direction to publish the Class Notice;

24 e. That the Class Members shall have sixty (60) calendar days from
25 the date of the initial mailing of the Class Notice to opt-out of the terms of this Joint Stipulation
26 as set forth therein;

27 f. That the Class Members shall have sixty (60) calendar days from
28 the date of the initial mailing of the Notice and Claim Form to file any objections to this Joint

1 Stipulation as set forth therein; and

2 g. Approval of the Settlement Administrator as set forth therein.
3 Class Counsel shall submit the motion for preliminary approval papers to Defendants' Counsel
4 for their review no less than seven (7) days prior to the filing of such papers with the Court.

5 **SECTION 14 - DUTIES OF THE PARTIES CONCERNING FINAL COURT**

6 **APPROVAL**

7 Following final approval of this Joint Stipulation by the Court at the Final Approval
8 Hearing, Class Counsel will submit a proposed final order and Judgment in the form attached
9 as Exhibit Q or as modified by the Court, any modification of which must be consistent with
10 the terms of this Joint Stipulation:

11 a. Approving the Joint Stipulation, adjudging, among other things, the
12 terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and
13 provisions;

14 b. Approving Plaintiffs' counsel's application for an award of attorneys'
15 fees and reimbursement of costs;

16 c. Approving settlement certification of the Class;

17 e. Approving any required payments under this Joint Stipulation;

18 f. Entering final judgment that allows the Court to retain jurisdiction of the
19 Action to enforce this Joint Stipulation and the Final Judgment;

20 g. Including in the Judgment the provisions set forth in Section 3 of this
21 Joint Stipulation; and,

22 h. Including in the Judgment the Releases set forth in Section 12 of this
23 Joint Stipulation.

24 **SECTION 15 - CONTINUING JURISDICTION**

25 The Court has, and shall continue to have, jurisdiction to make any orders as may be
26 appropriate to effectuate, consummate, and enforce the terms of this Joint Stipulation and
27 Judgment, including the Releases, and any orders it enters pursuant to it. Any dispute or
28 question relating to or concerning the interpretation, validity, enforcement or application of this

1 Joint Stipulation shall be presented to the Court for resolution, and the Parties, Plaintiffs and
2 the Class agree to submit to the personal and exclusive jurisdiction of the Court.

3 **SECTION 16 – OTHER PROVISIONS**

4 **A. Enforcing/Voiding the Agreement.**

5 If any material or substantial term set forth in the preceding sections is not met and
6 satisfied or not ordered or included by the Court, this Joint Stipulation shall, at the option of the
7 affected party, be ineffective, void and of no further force or effect and shall not be used nor be
8 admissible in any subsequent proceedings in this Court or in any other forum or proceeding of
9 any type. In the event of a failure of any condition precedent, a failure of the Court to give final
10 approval to the Joint Stipulation at the Final Approval Hearing, a failure of the Court to issue
11 any of the other relief set forth in this Joint Stipulation, any decision by the Court to disapprove
12 any condition or term of the Joint Stipulation, any modification or amendment by the Court of
13 any portion of the Joint Stipulation, this Joint Stipulation shall then be void and unenforceable
14 as to all Parties herein at the option of either party. Each party may exercise his/its options
15 under this Section to void this Joint Stipulation by giving notice, in writing, to the other and to
16 the Court at any time prior to the Effective Date of this Settlement.

17 **B. Mutual Full Cooperation.**

18 The Parties agree to cooperate fully with each other to accomplish the terms of this
19 Joint Stipulation, including but not limited to, executing such documents and taking such other
20 action as may be reasonable and necessary to implement the terms and intent of this Joint
21 Stipulation.

22 **C. No Prior Assignments.**

23 The Representative Plaintiffs and the Class Members represent, covenant, and warrant
24 that they have not directly or indirectly, assigned, transferred, encumbered, or purported to
25 assign, transfer, or encumber to any person or entity any of the Released Claims set forth in
26 Section 12. Defendants shall have no obligation to pay or otherwise resolve any liens that are or
27 may be asserted against any payments made hereunder. In the event that any such lien is
28 asserted, it is the responsibility of the Class Member and/or the Representative Plaintiffs to pay,

1 compromise or otherwise resolve the lien at no cost to Defendants.

2 **D. Attorneys' Fees.**

3 In the event that Defendants, the Representative Plaintiffs or any Class Member
4 institutes any legal action, arbitration, or other proceeding against the other to enforce the
5 provisions of this Joint Stipulation or Final Judgment or to declare rights and/or obligations
6 under this Joint Stipulation or Final Judgment, the successful litigant shall be entitled to recover
7 from the unsuccessful litigant reasonable attorneys' fees and costs, including expert witness
8 fees, incurred in connection with any such action, arbitration or proceeding.

9 **E. Notices.**

10 Unless otherwise specifically provided herein, all notices, demands or other
11 communications given hereunder shall be in writing and shall be deemed to have been duly
12 given as of the third business day after mailing by first class mail or overnight mail, addressed
13 as follows:

14 **CLASS COUNSEL:**

15 Michelle Marie Kezirian, #189481
16 Attorney at Law
2335 E. Colorado Blvd., Suite 115
17 Pasadena, CA 91107

DEFENDANTS' COUNSEL:

William C. Haheisy
Law Offices of William C. Haheisy
225 W. Shaw Ave., Suite 105
Fresno, Ca. 93704

18 Either party may re-designate the Person to receive notices, requests, demands or other
19 communications required or permitted by this Joint Stipulation by providing written notice to
20 the other Party and the Court.

21 **F. Construction.**

22 The Parties agree that the terms and conditions of this Joint Stipulation are the result of
23 lengthy, intensive arms-length negotiations between them, and that this Joint Stipulation shall
24 not be construed in favor of or against any of the Parties.

25 **G. Captions and Interpretations.**

26 Section titles or captions contained herein are inserted as a matter of convenience and
27 for reference, and in no way define, limit, extend or describe the scope of this Joint Stipulation
28 or any provision hereof.

1 **H. Modification.**

2 This Joint Stipulation may not be changed, altered, or modified, except in writing and
3 signed by Representative Plaintiff and Class Counsel, Defendants and Defendants' Counsel and
4 approved by the Court. This Joint Stipulation may not be discharged except by performance in
5 accordance with its terms or by a writing signed by Class Counsel, Defendants and Defendants'
6 Counsel.

7 **I. Integration Clause.**

8 This Joint Stipulation contains the entire agreement between the Parties, Class Counsel,
9 Defendants and the Class Members, with respect to the subject matter hereof. The parties
10 acknowledge that no representations, inducements, promises or statements, oral or otherwise,
11 have been made or relied on by any of the Parties or by anyone acting on behalf of the Parties
12 which are not embodied or incorporated by reference herein, and further agree that no other
13 covenant, representation, inducement, promise or statement not set forth in writing in this Joint
14 Stipulation shall be valid or binding.

15 **J. Binding on Assigns.**

16 This Joint Stipulation shall be binding upon and inure to the benefit of Releasees, the
17 Representative Plaintiffs and the Class Members, and their respective heirs, trustees, and
18 executors, administrators, successors and assignees.

19 **K. Class Counsel Signatories.**

20 It is agreed that because the Class Members are so numerous, it is impossible or
21 impractical to have each Class Member execute this Joint Stipulation. Upon entry of the Order
22 Granting Preliminary Approval, Class Counsel shall be authorized by the Class Members, and
23 by the Court, to take all appropriate action required or permitted to be taken by the Class
24 pursuant to this Joint Stipulation to effectuate its terms, and is authorized to enter into any
25 modification or amendment to this Joint Stipulation on behalf of the Class which they deem
26 appropriate.

27 ///

28 ///

1 **L. Counterparts.**

2 This Joint Stipulation may be executed in counterparts, including electronic or fax
3 counterparts, and when at least one such counterpart has been signed and delivered, each
4 counterpart shall be deemed an original, and, when taken together with other signed
5 counterparts, shall constitute one Joint Stipulation, which shall be binding upon and effective as
6 to Defendants and the Class Members.

7 **M. Choice of Law and Forum.**

8 Any action pertaining to the terms of this Joint Stipulation or Final Judgment shall be
9 brought in the Fresno County Superior Court, State of California and decided under the law of
10 the State of California.

11 **N. Interim Stay of Proceedings.**

12 The Parties agree to hold in abeyance all proceedings in the Action, except such
13 proceedings necessary to implement and complete the Settlement, pending the Final Approval
14 Hearing to be conducted by the Court.

15 **O. Publicity.**

16 Other than as necessary to implement the Settlement or as set forth herein, neither the
17 Representative Plaintiffs nor Class Counsel shall initiate any publicity, disclosure or contact
18 with the media, or respond to any inquiry from the media regarding the Settlement.

19 **P. Privacy of Documents and Information.**

20 At the request of Defendants, the Representative Plaintiff and Class Counsel agree that
21 they will return to Defendants all documents and information provided to them by Defendants
22 within thirty (30) days after Defendants' satisfaction of all of their obligations under this Joint
23 Stipulation and that none of the documents and information provided them by Defendants shall
24 be used for any purpose other than the prosecution of this Action or the enforcement of this
25 Joint Stipulation. Alternatively, Defendants can require that the Class Counsel certify that all
26 such documents have been securely destroyed.

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1 DATED: _____

David Hovannisian, sued as an individual
and d/b/a JD Home Rentals

2
3 DATED: _____

Bryce Hovannisian, sued as an individual
and d/b/a JD Home Rentals

4
5
6 BDHOV, LP, a California limited liability
partnership

7
8 DATED: _____

By: _____

9
10 JHS Family Limited Partnership, a California
limited liability partnership

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12 DATED: _____

By: _____

13
14 JCH Family Limited Partnership, a California
limited liability partnership

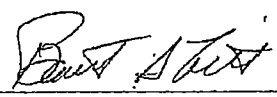
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16 DATED: _____

By: _____

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18 APPROVED AS TO FORM AND CONTENT:

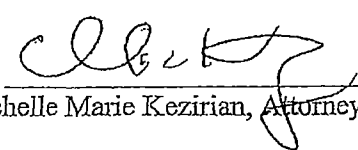
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20 KAYE, McLANE, BEDNARSKI & LITT, LLP

21
22 DATED: 2/22/2019

By: 
Barrett S. Litt
Attorneys for Plaintiffs

23
24
25 MICHELLE MARIE KEZIRIAN, ATTORNEY
AT LAW

26
27 DATED: 2/22/2019

By: 
Michelle Marie Kezirian, Attorney for Plaintiffs

1 DATED: _____

David Hovannisian, sued as an individual
and d/b/a JD Home Rentals

2
3 DATED: _____

Bryce Hovannisian, sued as an individual
and d/b/a JD Home Rentals

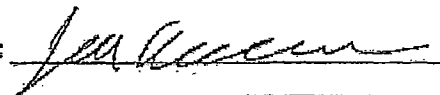
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partnership

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8 DATED: _____

By: _____

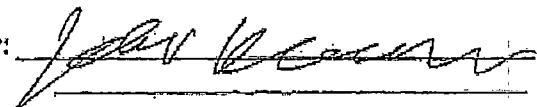
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10 JHS Family Limited Partnership, a California
limited liability partnership

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12 DATED: _____

By: 

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14 JCH Family Limited Partnership, a California
limited liability partnership

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16 DATED: _____

By: 

17
18 **APPROVED AS TO FORM AND CONTENT:**

19
20 KAYE, McLANE, BEDNARSKI & LITT, LLP

21
22 DATED: _____

By: _____

Barrett S. Litt
Attorneys for Plaintiffs

23
24
25 Michelle Marie Kezirian, Attorney at Law

26
27 DATED: _____

Michelle Marie Kezirian, Attorney for Plaintiffs

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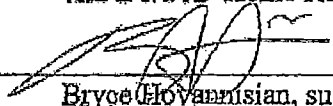
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DATED: _____




David Hovannisian, sued as an individual
and d/b/a JD Home Rentals



Bryce Hovannisian, sued as an individual
and d/b/a JD Home Rentals

BDHCV, LP, a California limited liability
partnership

By: 

JHS Family Limited Partnership, a California
limited liability partnership

By: _____

JCH Family Limited Partnership, a California
limited liability partnership

By: _____

APPROVED AS TO FORM AND CONTENT:

KAYE, McLANE, BEDNARSKI & LITT, LLP

By: _____

Barrett S. Litt
Attorneys for Plaintiffs

Michelle Marie Kezirian, Attorney at Law

Michelle Marie Kezirian, Attorney for Plaintiffs

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DATED: February 22, 2019

BET TZEDEK LEGAL SERVICES

By: Julius Thompson MK
Julius C. Thompson
Attorneys for Plaintiffs

DATED: February 22, 2019

GREENSTEIN and McDONALD

By: Kenneth Greenstein MK
Kenneth M. Greenstein
Attorneys for Plaintiffs

DATED: February 22, 2019

TENANTS TOGETHER

By: Dean Preston MK
Dean Preston
Attorneys for Plaintiffs

DATED: _____

McCORMICK BARSTOW LLP

By: _____
Benjamin T. Nicholson
Attorneys for Defendants
DAVID HOVANNISIAN, an individual
and dba JD HOME RENTALS, BRYCE
HOVANNISIAN, an individual and dba
JD HOME RENTALS, BDHOV, LP, a
California limited liability partnership

DATED: _____

KINCAID & ASSOCIATES, LLP

By: _____
Mark L. Kincaid
Attorneys for Defendants
DAVID HOVANNISIAN, an individual
and dba JD HOME RENTALS, BRYCE
HOVANNISIAN, an individual and dba
JD HOME RENTALS, BDHOV, LP, a
California limited liability partnership

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DATED: _____

DATED: _____

DATED: _____

DATED: _____

DATED: 8/14/18

BET TZEDEK LEGAL SERVICES

By: _____
Julius C. Thompson
Attorneys for Plaintiffs

GREENSTEIN and McDONALD

By: _____
Kenneth M. Greenstein
Attorneys for Plaintiffs

TENANTS TOGETHER

By: _____
Dean Preston
Attorneys for Plaintiffs

~~McCORMICK BARSTOW LLP~~

By: _____
Benjamin T. Nicholson
Attorneys for Defendants
DAVID HOVANNISIAN, an individual
and dba JD HOME RENTALS, BRYCE
HOVANNISIAN, an individual and dba
JD HOME RENTALS, BDHOV, LP, a
California limited liability partnership

KINCAID & ASSOCIATES, LLP

By: _____
Mark L. Kincaid
Attorneys for Defendants
DAVID HOVANNISIAN, an individual
and dba JD HOME RENTALS, BRYCE
HOVANNISIAN, an individual and dba
JD HOME RENTALS, BDHOV, LP, a
California limited liability partnership

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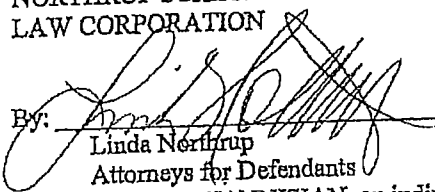
LAW OFFICES OF WILLIAM C. HAHESEY

DATED: _____

By: _____
William C. Hahesey
Attorney for Defendants
JOHN HOVANNISIAN, an individual and
dba JD HOME RENTALS, JHS Family
Limited Partnership and JCH Family
Limited Partnership

NORTHRUP SCHLUETER PROFESSIONAL
LAW CORPORATION

DATED: August 19, 2018


By:  _____
Linda Northrup
Attorneys for Defendants
JOHN HOVANNISIAN, an individual and
dba JD HOME RENTALS, JHS Family
Limited Partnership and JCH Family
Limited Partnership

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LAW OFFICES OF WILLIAM C. HAHESY

DATED: Feb 21, 2019

By: 
William C. Hahezy
Attorney for Defendants
JOHN HOVANNISIAN, an individual and
dba JD HOME RENTALS, JHS Family
Limited Partnership and JCH Family
Limited Partnership

NORTHRUP SCHLUETER PROFESSIONAL
LAW CORPORATION

DATED: _____

By: _____
Linda Northrup
Attorneys for Defendants
JOHN HOVANNISIAN, an individual and
dba JD HOME RENTALS, JHS Family
Limited Partnership and JCH Family
Limited Partnership

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EXHIBIT A

EXHIBIT A

**Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062**

**CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION**

TO: [Current Tenant Name and address]
FROM: _____, Settlement Administrator
DATE: _____
RE: *Vu, et al. v. JD Home Rentals, et al.,
Fresno County Superior Court Action No. 14 CECG 00062 ("Action")*

Pursuant to a settlement of the above class action case, we have been appointed by the Court as the Settlement Administrator for this Action. In this lawsuit, Plaintiffs and Defendants have agreed to an inspection process for those units managed by JD Home Rentals. The primary relief offered to current tenants through this settlement is the opportunity to request an independent inspection of their unit by a person who is not an employee or agent of any Defendant, but rather is an independent inspector appointed by the Court to determine whether and what repairs, if any, are needed, after which those repairs are to be done.

Under the settlement, you have the right, if you desire, to have your rental unit inspected by an independent inspector appointed by the court and to have repairs made as may be determined by the inspector. If you want to have your rental unit inspected, you must return a copy of this notice by mail to us by no later than _____ indicating below that you want your unit inspected. Our mailing address is as follows: (to be provided.) If you do not return a copy of this notice by _____, your unit will not be inspected.

If you do or do not want your unit inspected, you may also request repairs using the normal procedure available to you through JD Home Rentals or by calling the following number: (to be provided)

You are not required to return this notice unless you want your rental unit to be inspected.

In making the decision as to whether or not you want your rental unit inspected, the following list identifies the primary conditions that you should consider in deciding if you want your unit inspected. A rental unit should have: effective weather proofing of the roof and exterior walls; doors, windows or walls that are not broken or open; legal and properly operating gas, electricity and lighting; running cold and hot water; operating sewage, lavatory and bathing facilities; plumbing that works and does not leak; has heat air conditioning or other appliances (where provided by the landlord) that work properly; adequate, clean and well maintained garbage receptacles; adequate foundation, walls, ceilings, floors, stairways and railings; rooms that are not damp; a private, secure mail area (for multi-family units); a usable telephone jack and inside telephone wiring; and no lead hazards. In addition, a consideration for what should lead a tenant to request an inspection is whether the common areas are clean, sanitary, and free from debris, filth, rubbish, and garbage.

The presence of any insects, rodents or vermin should not be a consideration for you to request an inspection. There will be a separate pest control inspection to inspect for infestation of insects, rodents, or vermin for every unit.

The tenant may consult someone to translate this notice into a language she or he understands, or to read and explain the notice if she or he does not read and write, or if she or he has a disability that prevents the tenant from independently being able to determine whether an inspection is appropriate under these standards.

A tenant who, in good faith, after reviewing the conditions in that tenant's unit, concludes that there may be conditions that justify an inspection (as described above) in his or her unit should request an inspection. A tenant who, after reviewing the conditions in that tenant's unit, concludes that there are not such conditions in his or her unit should not request an inspection.

The determination of whether to request an inspection or not should be made by the tenant personally, or in consultation with co-habitants, family members or close personal friends. The tenant must personally conclude in good faith that there may be the types of problem conditions described above before requesting an inspection. The claim form requires that the tenant state under oath that she or he made such an independent determination.

If you do not request an inspection, you will receive a rent freeze for 8 months after court approval of this settlement; a tenant who requests an inspection will not receive such a rent freeze.

Nothing in this settlement gives up any tenant's right to raise the conditions of the property as a defense in an unlawful detainer action, or to claim that any action of the landlord after a tenant requests an inspection under this settlement was in retaliation for requesting an inspection.

If you want your rental unit to be inspected for such conditions, please check the box below and date and sign this notice and return a copy to the address above. You will receive a separate notice later with the date and time of the inspection.

If you have any questions about this notice you may contact the Settlement Administrator at _____ (to be provided.)

☐

I want my rental unit inspected.

Date: _____

Name: _____

I, _____, acknowledge under penalty of perjury that I received this notice and that I have signed it indicating that I want my rental unit inspected.

Signature

EXHIBIT B

EXHIBIT B

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

TO: [Current Tenant Name and address]

FROM: _____, Settlement Administrator

DATE: _____

RE: *Vu, et al. v. JD Home Rentals, et al.,*
Fresno County Superior Court Action No. 14 CECG 00062 ("Action")

Inspection of (address) _____

Date: _____

Time: _____

We received a notice from you that you desire to have your rental unit inspected pursuant to the terms of the settlement in the above-referenced Action. Pursuant to that election, we are writing to advise you that your unit will be inspected on the date and at or about the time stated above in this notice. An adult from your household must be present for the inspection.

If you desire not to have your unit inspected at that date and time, or that time does not work for you for any reason, you must advise us in writing by no later than _____ and provide three other dates and times that you are available to have your unit inspected. It must be at a time when an adult from your household can be present for the inspection.

If we do not receive notice from you seeking a different inspection date, we will appear for the inspection at the above time. If you either refuse or decline to permit the inspection or otherwise do not make the unit available for inspection by having an adult from your household present at the above-referenced date and time, your unit will not be inspected pursuant to the settlement. (If you change the inspection time, the same rule will apply to that changed time.)

If you need to change this date or time and provide the other dates and times, you may contact us as follows:

(contact information to be provided.)

EXHIBIT C

Exhibit C

Confidential and Privileged - Subject to evidence code §§ 1115, et seq. and
1152, et seq.

Subject to confidentiality agreement

Not to be used for any purpose other than this action

J. D. Homes Rental Inspection Checklist						Property ID #	
Date of inspection		Tenant Name				Unit #	
Street No.		Street Name		City		Zip	

Inspected by:	
Name	
Company	
Phone #	
Email	

Estimated Date of Construction:			
	Pre-1920		Pre-1980
	Pre-1930		Pre-1990
	Pre-1940		Pre-2000
	Pre-1950		Pre-2010
	Pre-1960		Other:
	Pre-1970		

J. D. Homes Rental Inspection Checklist

Property ID#:

nt est	Exterior	N/A	Yes	No	Servicable	Needs Repair	Corrective Action
1	Number of floors/stories in the unit: _____						
2	Is there a garage?						
3	The exterior of the property appears in good condition and appears to keep the property properly weatherproofed.						
4	The exterior appears free of deteriorating, crumbling, or loose plaster.						
5A	Does there appear to be weather protection from the exterior walls?						
5B	Does there appear to be weather protection from the foundations?						
5C	Does there appear to be weather protection from the windows?						
5D	Does there appear to be weather protection from the exterior doors?						
6A	Does there appear to be weather protection for exterior wall coverings, including lack of paint or weathering due to lack of paint?						
6B	Does there appear to be any readily observable broken exterior wall coverings?						
6C	Does there appear to be any readily observable rotten exterior wall coverings?						
6D	Does there appear to be any readily observable split exterior wall coverings?						
6E	Does there appear to be any readily observable buckled exterior wall coverings?						
6F	Does there appear to be any other readily observable faulty weather protection?						
7	Do all existing gutters/downspouts appear to direct rainwater away from the structure?						
8	Do all stairs with four (4) or more risers have rails on at least one side?						
9	Do all balconies, porches, or landings that are thirty (30) inches or more off the ground have guardrails?						

J. D. Homes Rental Inspection Checklist							Property ID#:		
Unit	Exterior			N/A	Yes	No	Servicable	Needs Repair	Corrective Action
Ant	Exterior Common Area			N/A	Yes	No	Servicable	Needs Repair	Corrective Action
est	10	Does there appear to be adequate exterior lighting?							
	11	Do any security gates appear to function properly?							
	12	Do interior common areas appear to be in clean and sanitary conditions?							
nant	Premises			N/A	Yes	No	Servicable	Needs Repair	Corrective Action
quest	13	Do areas under the control of the landlord appear to be free of junk, trash, debris or garbage that constitute a safety hazard?							
	14	Do areas under the control of the landlord appear to be free from weeds or excessive plant growth that constitute a fire, health, or safety hazard?							
	15	Do premises appear to be free from stagnant water?							
	16	Do accessory structures (sheds, garages, fences) appear to be in structurally sound condition?							
	17	Do the premises appear to be free from readily observable unrestricted wells, shafts, excavations, or other dangerous							
Tenant	Mailbox			N/A	Yes	No	Servicable	Needs Repair	Corrective Action
Request	18	If an apartment, does the unit have a workable and locking mailbox?							
	19	If a single family home, does the unit have a mailbox or mail slot?							
Tenant	Garbage Containers			N/A	Yes	No	Servicable	Needs Repair	Corrective Action
Request	20	Is the property served with an adequate number of rubbish and garbage containers?							
	21	Do the rubbish and garbage containers appear to be leak free?							

J. D. Homes Rental Inspection Checklist					Property ID#:		
it st	Exterior	N/A	Yes	No	Servicable	Needs Repair	Corrective Action
	General	N/A	Yes	No	Servicable	Needs Repair	Corrective Action
22	Does the unit appear to be free from readily observable structural hazards that affect health and safety?						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
Tenant Request	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
Pre	1	Approximate square-footage of the unit: _____						
Pre	2	Number of bedrooms/sleeping rooms: _____						
Pre	3	Number of rooms not used for sleeping: _____ Office _____ Laundry _____ Other: _____						
	4	Do walls appear in sound condition and without substantial cracking?						
	5	Do walls appear free of peeling paint? Note: if not, and the repair requires certification, such certification will be provided to the neutral inspector.						
	6	Is there any readily visible mold present from a structural problem or defective condition not related to tenant housekeeping?						
	7	Do walls and ceilings appear free from current leaks?						
	8	Do ceilings appear collapsed or collapsing?						
	9	Do floors appear to be structurally sound?						
Tenant Request	Kitchen		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	10	Does there appear to be a proper kitchen sink?						
	11	Does the sink appear to be in good working condition?						
	12	Is there hot and cold running water in the sink?						
	13	Do all readily observable water supply lines and drain lines appear to be free of leaks?						
	14	Is the water pressure at an acceptable level?						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
Request	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
Pre	15	Is an oven or stove provided by the landlord for the unit?						
	16	If oven or stove were provided by landlord, do they appear to be in working order?						
Pre	17	Is a refrigerator provided by the landlord for the unit?						
	18	If refrigerator was provided by landlord, does it appear to be in working order?						
	19	Are the water facilities capable of providing hot and cold running water (hot water at a temperature of not less than 100 degrees)?						
	20	Does water appear to be free of rust, discoloration and odor free? Note: If "no", landlord will provide a certificate that water has been tested and is safe for use. This certification will satisfy any repair requirement.						
	21	Is there a kitchen in the unit?						
Tenant Request	Laundry		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
Pre	22	Is a washing machine provided by the landlord for the unit?						
	23	If provided by landlord, does washing machine appear to be in an operable condition?						
Pre	24	Is a laundry dryer provided by the landlord for the unit?						
	25	If provided by landlord, does laundry dryer appear to be vented to the outside?						
Tenant Request	Bathroom 1		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	26	Does bathroom have a lavatory, bathtub or shower in working condition to serve the unit?						
	27	Does the bathroom or water closet appear to be properly ventilated with either an openable window to the outside or mechanical ventilation?						
	28	Does the bathroom or water closet appear to afford adequate privacy?						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
Tenant Request	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	29	Do all sinks, showers, and bathtubs drain properly?						
	30	Do all sink, shower and tub drains/stoppers close fully?						
	31	Do all readily observable water supply lines and drain lines appear to be free of leaks?						
	32	Do bathroom plumbing fixtures (shower, faucets, and toilets) have adequate water pressure?						
	33	Do shower and faucets have hot and cold running water?						
	34	Are the water facilities capable of providing hot and cold running water (hot water at a temperature of not less than 100 degrees)?						
	35	Does water appear to be free of rust, discoloration and odor free? Note: If "no", landlord will provide a certificate that water has been tested and is safe for use. This certification will satisfy any repair requirement.						
Tenant Request	Bathroom 2		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	36	Does bathroom have a lavatory, bathtub or shower in working condition to serve the unit?						
	37	Is the bathroom or water closet properly ventilated with either an openable window to the outside or mechanical						
	38	Does the bathroom or water closet appear to afford adequate privacy?						
	39	Do all sinks, showers, and bathtubs drain properly?						
	40	Do all sink, shower and tub drains/stoppers close fully?						
	41	Do all readily observable water supply lines and drain lines appear to be free of leaks?						
	42	Do bathroom plumbing fixtures (shower, faucets, and toilets) have adequate water pressure?						
	43	Do shower and faucets have hot and cold running water?						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
tenant request	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	44	Are the water facilities capable of providing hot and cold running water (hot water at a temperature of not less than 100 degrees)?						
	45	Does water appear to be free of rust, discoloration and odor free? Note: If "no", landlord will provide a certificate that water has been tested and safe for use. This certification will satisfy any repair requirement.						
tenant request	Bathroom 3		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	46	Does bathroom have a lavatory, bathtub or shower in working condition to serve the unit?						
	47	Is the bathroom or water closet properly ventilated with either an openable window to the outside or mechanical						
	48	Does the bathroom or water closet appear to afford adequate privacy?						
	49	Do all sinks, showers and bathtubs drain properly?						
	50	Do all sinks, showers and tub drains/stoppers close fully?						
	51	Do all readily observable water supply lines and drain lines appear to be free of leaks?						
	52	Do all bathroom plumbing fixtures (shower, faucets, and toilets) have adequate water pressure?						
	53	Do shower and faucets have hot and cold running water?						
	54	Are the water facilities capable of providing hot and cold running water (hot water at a temperature of not less than 100 degrees)?						
	55	Does water appear to be free of rust, discoloration and odor free? Note: If "no", landlord will provide a certificate that water has been tested and is safe for use. This certification will satisfy any repair requirement.						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
ant test	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
ant test	Fire Safety and Carbon Monoxide		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	56	If the unit has fossil fuel heater/appliance or attached garage, is there a Carbon Monoxide detector or alarm in the unit, in good condition, tested and operable?						
	57	Are smoke detectors located properly -- one in every sleeping area?						
	58	Are all smoke detectors tested and operable?						
	59	Are fire extinguisher(s), if required, lawfully located and currently charged?						
enant request	Gas Lines		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	60	Is there a smell of natural gas odor in the unit?						
enant request	Electrical Wiring and Equipment		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	61	Does the electrical system appear to be in good working order?						
	62	Do all habitable rooms have at least one receptacle and one switched light, and if not, two receptacles?						
	63	Do switches, outlets and electrical fixtures appear to be in good working order and safe for residential use?						
Tenant Request	Heating System and A/C		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	64	Is the heater in good operable condition and capable of delivering a reasonable level of heat (68 degrees)?						
Pre	65	Is an air conditioner provided by the landlord?						
	66	If provided by landlord, is the air conditioner in operable condition?						
Pre	67	Is a water cooler provided by the landlord for the unit?						
	68	If provided by landlord, is the water cooler in operable condition?						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
tenant request	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	69	Does water cooler, if any, have any visible leaks?						
tenant request	Plumbing		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	70	Is there any visible evidence of raw sewage?						
	71	Are there any noticeable odors of sewer gases?						
tenant request	Insect and Rodent Infestation		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	72	Does the unit appear to be free from insect (cockroach and bedbug) infestation?						
	73	Does the unit appear to be free from rodent (mice, rats) infestation?						
Tenant Request	Windows, Ventilation, Natural Light		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	74	Do all rooms that are meant for sleeping have at least one exterior operable window or exterior door?						
	75	Are all windows in good condition and not broken/cracked?						
	76	Are exterior windows lockable, and locking device is operable in a safe manner, if required by Civil Code section 1941.3(a)(2)?						
	77	Do habitable rooms, in which security window bars are installed, have a safety quick-release mechanism in accordance with state law in operable condition?						
	78	Does there appear to be any dampness in any of the habitable rooms of the unit?						
	79	Do all habitable rooms have natural light from windows to the outside?						
Tenant Request	Doors		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	80	Do all exterior entry doors to the common area of the building open and close properly?						

J. D. Homes Rental Inspection Checklist			Interior Inspection Items					Property I.D. #
tenant request	Interior Structure		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
	81	Do main swinging entry doors to the unit have working deadbolt locks?						
	82	Do all individual unit/apartment entry doors open and close properly?						
tenant request	Basement		N/A	Yes	No	Serviceable	Needs Repair	Corrective Action
Pre	83	Is there a basement?						
Pre	84	Is the basement being used as a sleeping area?						

EXHIBIT D

EXHIBIT D

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

TO: [Current Tenant Name and address]

FROM: JD Home Rentals

DATE: _____

RE: *Vu, et al. v. JD Home Rentals, et al.,*
Fresno County Superior Court Action No. 14 CECG 00062 ("Action")

We are hereby notifying you that the repair or repairs to your unit pursuant to the inspection have been completed. If you are not satisfied with the repairs, you may contact the Ombudsman within 30 calendar days of the date of this notice, setting forth concisely and specifically the reasons for your dissatisfaction with the repairs. The name and contact information for the Ombudsman is as follows:

(TO ADD)

EXHIBIT E

EXHIBIT E

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

TO: Plaintiffs' Counsel and JD Homes Counsel

FROM: _____, Settlement Administrator

DATE: _____

RE: *Quarterly Report:* _____ *Quarter*

NUMBER OF TOTAL UNITS INSPECTED TO DATE (Inspector's Data)	NUMBER OF UNITS SUBJECT TO EXTENDED REPAIR	NUMBER OF TOTAL UNITS COMPLETED TO DATE OR NOT NEEDING ANY REPAIRS (JD Homes Data)	NUMBER OF EXTENDED REPAIR UNITS COMPLETED

EXHIBIT F

EXHIBIT F

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
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SUBJECT TO CONFIDENTIALITY AGREEMENT
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Extended Repair Form

TO: _____, Settlement Administrator

FROM: _____, Inspector

DATE: _____

RE: _____ (Unit -- Identifier Number or Address)

The above-referenced inspector hereby submits this Extended Repair Form setting forth the specific repairs required and all reasons therefor for repairs that extend beyond the above-referenced unit. The specific repairs and all reasons are set forth in Exhibit A attached hereto.

EXHIBIT G

EXHIBIT G

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

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TO: JD Home Rentals

FROM: _____, Settlement Administrator

DATE: _____

RE: Extended Repair Form

Property Address: _____

cc: Defendants' Counsel

You are hereby notified that the Settlement Administrator has received the attached Extended Repair Form for the above-referenced property.

Your deadline to challenge the Extended Repair Form is _____.

A challenge will be considered timely made if the mailing of the Challenge Form is postmarked by _____.

The Challenge Form must be mailed to the following address: (Insert)

EXHIBIT H

EXHIBIT H

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
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Extended Repair Challenge Form

TO: _____, Inspector
FROM: JD Home Rentals
DATE: _____
RE: _____ (Unit – Identifier Number or Address)

JD Home Rentals hereby challenges the Extended Repair Form received from the Inspector
on _____. The reasons for the challenge are attached hereto as Exhibit A.

EXHIBIT I

EXHIBIT I

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
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SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

Inspector's Notice of Impasse

TO: _____, Settlement Administrator

FROM: _____, Inspector

DATE: _____

RE: Extended Repair Form Re Unit (Identifier Number or Address)

The Inspector and JD Home Rentals have reached an impasse covering the above-referenced Extended Repair Form.

EXHIBIT J

EXHIBIT J

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

Settlement Administrator's Notice of Deadline to File Court Challenge

TO: JD Home Rentals

FROM: _____, Settlement Administrator

DATE: _____

RE: Extended Repair Form Re Unit (Identified Number or Address)

cc: Defendants' Counsel
Plaintiffs' Counsel

The deadline for JD Home Rentals to file a motion with the Court challenging the
Extended Repair Form is _____ (insert 30 business days after mailing
date.)

EXHIBIT K

EXHIBIT K

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

Press Release

Plaintiffs announced today a settlement of the class action lawsuit *Vu v. Hovannisian*, Superior Court for the County of Fresno, Case No. 14 CE CG 00062, in which Plaintiffs alleged uninhabitable living conditions and deficient maintenance of residential properties against JD Home Rentals and others.

The case was filed on January 9, 2014, and the parties mediated the matter before Retired Federal Judge Oliver Wanger for over 18 months. According to the Plaintiffs, the settlement will resolve the above case against the Defendants, including JD Home Rentals, regarding living conditions alleged in the lawsuit, provide a means of confirming and addressing tenants' complaints regarding their units, and help prevent further disputes between the tenants and the landlord.

Dean Preston of Tenants Together, California's statewide organization for renters' rights and co-counsel in the lawsuit, said "The Defendants in this lawsuit are among the Central Valley's largest residential property managers and/or owners. We believe this is a major settlement of what, to our knowledge, is the largest habitability case ever filed in California. We have achieved through this lawsuit a major breakthrough for thousands of low income tenants in the City and County of Fresno: proactive inspections of a huge portfolio of rental housing to make sure tenants are living in safe, decent, and well maintained homes and, for many tenants, a guaranteed rent freeze for a number of months."

The terms of the settlement, which must be finally approved by a judge, include:

- The right of all tenants who believe there are designated problems in their rental units to have an inspection of their unit by a third party inspector or, for those who do not request an inspection, a guaranteed rent freeze for eight months after approval of the settlement.

- Agreement by the Defendants to make all repairs required by the inspector, that are consistent with the terms of the settlement, along with an enforceable dispute resolution system.
- Establishment of an ombudsman for two years to receive and process tenant complaints.
- Compensation to former tenants through a rent voucher or cash alternative program.
- Agreement that, for one year after the settlement, tenancies may only be terminated by Defendants for good cause

The parties have agreed that _____ will administer the settlement, and tenants with questions about the settlement may contact _____ by calling _____ or going to the website _____.

“Our goal all along has been to work with JD Homes to protect the health and safety of the residents of these properties,” noted lead counsel Michelle Marie Kezirian who filed the case while at Bet Tzedek Legal Services.

While Defendants dispute the allegations in the lawsuit, they joined plaintiffs’ counsel in announcing the news in a joint media release. A spokesperson for JD Homes commented: “We have denied and continue to deny the allegations made in this burdensome and protracted case by the plaintiffs. The settlement will permit us to continue to focus on providing affordable housing in this county without the time-consuming distraction and expense of litigation. This settlement simply serves to reinforce our continuing commitment to the community in providing affordable housing.”

Plaintiffs were represented by Michelle Marie Kezirian, Attorney at Law, attorneys from Bet Tzedek Legal Services, Greenstein and McDonald, Kaye, McLane, Bednarski & Litt, LLP, and Tenants Together.

EXHIBIT L

EXHIBIT L

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

GENERAL RELEASE BY REPRESENTATIVE PLAINTIFF/OTHER OCCUPANTS

(Insert name of each Representative Plaintiff/Other Occupant (who are adults) on separate release form)

Pursuant to the terms of the Joint Stipulation and in further consideration therefor, (insert name), on his/her own behalf, hereby fully and finally releases and forever discharges Releasees (as defined below), and each of them, and hereby expressly waives, releases, discharges and relinquishes the following Representative Released Claims (as defined below) against Releasees. This release is on behalf of (insert name of Representative Plaintiff/Other Occupant) only (and any minors for whom they are a parent or guardian) (collectively in this document referred to as the "Releasing Parties"), and not on behalf of the Class. Subject to approval by the Court of the minors' compromises, the following minor or minors are parties to this General Release as "Other Occupants":

(TO BE INSERTED)

Releasees

Defendants DAVID B. HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JOHN HOVANNISIAN, individually and d/b/a JD HOME RENTALS; BRYCE HOVANNISIAN, individually and doing business as JD HOME RENTALS; LINDA R. HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JJD MANAGEMENT ASSOCIATES d/b/a JD HOME RENTALS; JD INVESTMENTS; J&V PROPERTIES, INC., a California corporation; BDHOV, LP, a California limited partnership; JDHOV, LP, a California limited partnership; LEHOV, LP, a California limited partnership; WRHOV, LP, a California limited partnership; JHS FAMILY LIMITED PARTNERSHIP, a California limited partnership; JCH FAMILY LIMITED PARTNERSHIP, a California limited partnership; DBH FAMILY LIMITED PARTNERSHIP, a California limited partnership, owners of the properties on the Properties List (as defined herein); and each of them, and each of their fictitious business names, dbas, current and former parent companies, affiliates, subsidiaries, divisions, trusts, limited partnerships, entities, successors, predecessors, related companies, joint ventures or partnerships, and each of their present and former employees, contractors, vendors, all persons, entities or others performing or engaged to perform any work or service relating to any of the units on the Properties List (as defined herein), Lindsay Hovannisian, John Hovannisian, Jr., John David Hovannisian, Whitney Hovannisian, officers, directors, stockholders, spouses, agents, servants, advisors, representatives, attorneys, consultants, insurers, trustees, general and limited partners, predecessors, successors, and assigns and all their heirs, executors, successors, assignees or transferees of the foregoing.

Representative Released Claims

"Representative Released Claims" means claims, demands, rights, debts, obligations, costs, expenses, wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations, statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action that were or might have been asserted (whether in tort, contract or otherwise), for violation of any state or federal law for claims that are set forth or attempted to be set forth in the Complaint in the Action which are, could be or could have been the basis of claims by the Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of deposits, collection of rent while permitting rental units to be maintained in untenable or uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable unit, expenses incurred to make repairs, and/or other lost money or property paid by (insert name(s)) relating in any way to the condition or maintenance of the unit.

"Representative Released Claims" further means any and all claims, injuries, economic loss, noneconomic loss, personal injuries, emotional distress, stress, mental stress, anxiety, annoyance, discomfort, all statutory damages of any type that may be waived or released, expenses, wages, pensions, demands, damages, debts, suits, liabilities, accounts, obligations, indemnity, contributions, rights, costs, expenses (including any and all attorneys' fees, expenses and court costs), agreements, promises, liens, contractual rights, legal rights, losses, penalties, costs, actions, and causes of action that (insert name) and/or any of the Releasing Parties now have, own or hold, or at any time heretofore ever had, owned or held, or could, shall or may hereafter have, own or hold, of whatever kind or nature, whether known or unknown, suspected or unsuspected, contingent or fixed, which may exist or might be claimed to exist from the beginning of time until the Effective Date of the Settlement, which is defined in the Joint Stipulation of Settlement which is attached hereto as Exhibit A and incorporated herein, including, but not limited to, all claims that are asserted, have been asserted or could be asserted against Releasees up to and including the Effective Date of the Settlement, or any other additional right, remedy or relief, whether at law, in equity or otherwise, and the consequences thereof, now and in the future, of any type whatsoever, whether specifically mentioned or not.

The Representative Released Claims include, without limitation all of the following:

1. Any and all claims under Business & Professions Code Section 17200, *et seq.* as set forth in the First Cause of Action of the Complaint, including, but not limited to, the permitting of rental units to be maintained in untenable conditions and continue to collect rent, in violation of the Civil Code, including Sections 1941, 1941.1, 1941.3 and 1942.4 and Health & Safety Code Sections 17980, *et seq.*, engaging in a scheme that caused, permitted and maintained untenable rental units, in violation of Civil Code Sections 1714, 1940.2, 1941, 1941.1, 1941.3, 1942.5, 1954 and the Health & Safety Code Sections, including Sections 17920.3 and 17920.10;

2. Any and all claims relating to lost money or property by (insert name(s)) relating to the payment of rent or deposits relating to any of the rental units rented or offered for rent by any of the Defendants in the City and/or County of Fresno, California;

3. Any and all claims for injunctive relief or other relief under Business & Professions Code Section 17203;
4. Any and all claims set forth or attempted to be set forth in the Second Cause of Action;
5. Any and all claims alleged or attempted to be alleged in the Third Cause of Action to the extent the Third Cause of Action incorporates the First and Second Causes of Action.
6. Any and all claims alleged or attempted to be alleged in the Complaint that JD Homes engaged in a pattern and practice of violating the basic housing rights of its tenants by refusing to make its rental properties habitable by refusing to comply with all applicable health and safety laws; and taking advantage of, harassing and retaliating against (insert name(s)) for exerting their rights and request repairs, as alleged in Paragraph 8 of the Complaint;
7. Any and all claims relating in any way to any rent rebates or any other return of rent or other charges paid by (insert name(s)) to Defendants relative to any properties rented or offered for rent during the period January 9, 2010 to the end of the Class Period;
8. Any and all claims that Defendants have failed to keep the properties habitable and fit for occupancy as alleged in Paragraph 30 of the Complaint;
9. Any and all claims relating to untenable rental property or properties not meeting the standards of California Civil Code Section 1941.1 and Health & Safety Code Sections 17920, 17920.3 and 179920.10 or other applicable law;
10. Any and all claims that Defendants have failed to abate untenable living conditions after receiving notice of them from tenants and/or the City of Fresno, as alleged in Paragraph 30 of the Complaint;
11. Any and all claims that Defendants have retaliated and/or harassed tenants, including Plaintiffs and others similarly situated, when they attempt to enforce their legal rights as alleged in Paragraph 30 of the Complaint;
12. Any other claim asserted or attempted to be asserted in the Complaint, including any and all claims for injunctive relief, restitution, disgorgement, retroactive rent rebate, rent reductions, rent abatement and attorneys' fees and costs for this Action;
13. Any and all claims alleged or attempted to be alleged in the Complaint filed in this Action;
14. Any and all claims alleged or attempted to be alleged in the Third Cause of Action in the Complaint in this Action;

15. Any and all claims for physical injuries, personal injuries, respiratory problems, allergies, infections, bites, insomnia, depression, anxiety, emotional distress, fear, frustration, humiliation, hopelessness, discomfort, lost income, mental distress, emotional distress, annoyance, discomfort, property damage;

16. Any and all equitable claims of any type or nature;

17. Any and all claims for attorneys' fees and costs in connection with or related to the Action;

18. Any and all claims for damages of any type, including compensatory and punitive damages; and

19. Any and all claims for interest of any type.

(insert name(s)) agree not to sue or otherwise make a claim against any of the Releasees that is in any way related to, arises out of or is connected in any way with the Representative Released Claims.

In agreeing to this Release, (insert name(s)) acts on his/her own behalf and on behalf of any and all of his/her heirs, executors, beneficiaries, legal representatives, transferees, agents, assigns, predecessors, successors and attorneys.

(insert name(s)), on his/her own behalf, further waives all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, which states as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

(insert name(s)), on his/her own behalf, expressly waives any and all rights under Section 1542 to the extent Section 1542 may have any application at all to the Releases set forth herein. (insert name(s)) further understands and acknowledges the significance and consequences of the foregoing specific waiver of said Section 1542, waives the provisions of Section 1542 upon the advice of legal counsel, and accepts full responsibility for any injury, damage, or loss which may hereinafter arise in respect of such releases, although unknown or unanticipated at the time of execution of this agreement.

(insert name(s)), on his/her own behalf, further agrees, promises and covenants that neither he/she, nor any person, organization or entity acting on his/her behalf, will file, charge, claim, sue or permit to be filed, charged or claimed, an action or proceeding of any type for damages or other relief (including injunctive, declaratory, monetary or other) against Releasees for any of the Representative Released Claims.

(insert name(s)) further represents and agrees that, other than this Action, (insert name(s)) has not filed or caused to be filed any other complaints, charges, applications, claims or grievances against Defendants and/or Releasees with any local, state or federal agency, court or other body; that he/she will not file or cause to be filed any such complaint, charge, application, claim or grievance at any time hereafter regarding any of the Representative Released Claims; and that if any complaint, charge, application, claim or grievance against Defendants or Releasees is filed on behalf of or with respect to (insert name(s)), he/she will request such agency, court or other body to withdraw from the matter with prejudice.

Willie Thompson further represents and agrees that, other than this Action and a small claims case titled *Willie Thompson v. JD Home Rentals and John Hovannisian*, Fresno County Superior Court Action No. 15 CESC 00423, which resulted in a judgment in favor of the defendants and which also resulted in dismissal of David Hovannisian. Willie Thompson has not filed or caused to be filed any other complaints, charges, applications, claims or grievances at any time regarding any of the Representative Released Claims; and that if any complaint, charge, application, claim or grievance against Defendants or Releasees is filed on behalf of or with respect to Willie Thompson, he will request such agency, court or other body to withdraw from the matter with prejudice.

DATED: _____

(Signature)

EXHIBIT M

EXHIBIT M

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

SUPERIOR COURT OF CALIFORNIA, COUNTY OF FRESNO

NENG VU, et al.,

Case No. 14 CE CG 00062

Plaintiffs,

v.

JD HOME RENTALS, et al.,

Defendants.

NOTICE OF CLASS ACTION SETTLEMENT
AND NOTICE OF FINAL APPROVAL
HEARING
("CLASS NOTICE")

READ THIS CLASS NOTICE CAREFULLY BECAUSE THIS SETTLEMENT WILL AFFECT YOUR LEGAL RIGHTS

On _____, the Superior Court of the State of California, in and for the County of Fresno, granted preliminary approval of a settlement (the "Settlement") in the Class action lawsuit of Plaintiffs Neng Vu, et al. v. Defendants JD Home Rentals, et al., Case No. 14 CE CG 00062 (the "Action").

This Settlement relates to current or former residential tenants during January 9, 2010 to _____, in Fresno City or County, State of California, of the following Defendants: John Hovannisian, an individual and d/b/a JD Home Rentals; David Hovannisian, an individual and d/b/a JD Home Rentals; Bryce Hovannisian, an individual and d/b/a JD Home Rentals; BDHOV, LP, a California limited liability partnership; JHS Family Limited Partnership, a California limited liability partnership; JCH Family Limited Partnership, a California limited liability partnership, and any others associated with the ownership or management of residential properties in the City or County of Fresno, State of California, in which any of the Defendants are involved.

Upon its effective date, the settlement provides, in general, that current tenants will have the choice between receiving an independent inspection of their residential unit, and required repairs, or an eight-month rent freeze, but not both. All current tenants will have access to an Ombudsman for two years and a one-time pest control inspection. Finally, for a period of 12 months, Defendants will agree not to terminate any tenancy except for certain good cause.

Former tenants will receive a rent credit voucher that will be valid for two years or a cash alternative rebate if the voucher is not used, provided the former tenants comply with all claims' requirements.

This Class Notice is available in Hmong and Lao, by contacting the Settlement Administrator at [telephone number insert]. [Same sentence to be included in Hmong and Lao.]

QUESTIONS

1. **Why am I receiving this Class Notice?** You are receiving this Class Notice because records indicate that you are a member of the Class. The purpose of this Class Notice is to briefly describe the Action and Settlement to you and inform you of your rights and options in connection with the Settlement.

2. **Who is in the Class?** The Class consists of current and former tenants of the Defendants as further explained in the following paragraphs.

The Current Tenant Settlement Class is defined as follows: All individuals who, as of _____, are current tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California.

The Former Tenant Settlement Class is defined as follows: All individuals who, on or after January 9, 2010, had been, but, as of _____ were not tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California.

3. **What does this Action involve?** The Complaint alleges individual and class action claims against Defendants. The Complaint alleges that Defendants routinely maintained their residential units in generally uninhabitable, untenable, substandard and/or dangerous conditions under general standards of maintaining residential units and under all applicable California statutes and laws. The Complaint further claims that Defendants took advantage of tenants; failed to make repairs, required or permitted tenants to make repairs or otherwise caused the tenants to expend money relating to their units. Defendants have denied these allegations.

Complete details of all the allegations are on file with the Fresno County Superior Court, and are available at www._____ or by contacting the Settlement Administrator at _____.

4. **What is the Settlement?** Current Tenant Settlement Class Members will have the option of an independent inspection of the unit a tenant occupies or a rent freeze for a period of eight months after the Final Approval Hearing. In addition, for a period of two years after the Settlement becomes effective or expiration of the agreed budget, the Current Tenant Settlement Class Members will have access to an Ombudsman to receive complaints about repairs and maintenance matters. Furthermore, a pest control inspector will perform a single pest control inspection and assessment of each unit occupied by the Current Tenant Settlement Class. Finally, for a period of 12 months after the Effective Date of the Settlement, if that occurs, JD Home Rentals has agreed not to terminate any tenancy except for certain types of good cause.

Some current tenants who do not opt out may move out before the settlement actually takes effect and benefits them. This will include those who request an inspection but move before they receive it. Those current tenants will then be considered former tenants, and will be provided the same Voucher and Cash Alternative opportunity available to former tenants. However, current tenants who do

not request an inspection and thus receive the immediate benefit of the rent freeze, and then move, will not qualify for the Voucher or Cash Alternative opportunity. Again, see the Joint Stipulation available in court and on the website for details.

Former Tenant Settlement Class Members will be entitled to a rental credit voucher in the event that they move to a Defendant owned or managed unit within two years of mailing of the voucher; or, if the voucher is not used, a cash amount if applied for after the voucher expires.

Voucher. Each lease agreement is one tenancy group regardless of the number of persons in the group. Vouchers will be divided pro rata where there is more than one member of a tenancy group (which may be combined if they agree among themselves). The Voucher is good for two years from mailing to you and may be transferred one time to a third party. The Voucher may be used as a credit towards the cost of a credit check, with the remainder applied towards the first month's rent. Any former tenant exercising the voucher will not have to post a security deposit. The value of the Voucher depends on the size of the unit formerly rented (and is the same as the maximum available for the Cash Alternative if the Voucher is not used): \$250 for a one-bedroom unit; \$350 for two bedrooms and \$500 for three bedrooms or more in a rental unit. Defendants' records regarding who is a former tenant will control that determination.

Cash Alternative. Former tenant class members who do not use or transfer the Voucher may, after the two year period expires, submit within 45 days the expired Voucher to the Settlement Administrator and seek the Cash Alternative, which will be paid up to the same amounts as the Voucher's value (except that it will be based on \$10 per month of prior tenancy up until the maximum value of the Voucher (e.g., a \$250 voucher would reimburse \$250 for 25 months of prior tenancy, a \$350 Voucher that amount for up to 35 months of prior tenancy, etc.). The Cash Alternative value for all former tenants is capped in the aggregate at \$222,500; if the Cash Alternative claims exceed that amount, they will be divided pro rata.

Defendants have the right to disqualify any former tenant from exercising the voucher, in which case they will automatically be considered to have applied for the Cash Alternative when it is available.

CURRENT TENANT SETTLEMENT CLASS MEMBERS WHO VACATE UNITS

Current Tenant Settlement Class Members who move out of a rental unit owned or managed by Defendants between _____ and the Effective Date of the Settlement (which will be at least 60 days after _____) will be provided the same opportunity as Former Tenant Settlement Class Members to receive the Voucher or Cash Alternative discussed above. After the Effective Date of the Settlement, these class members will be mailed a Former Tenant Settlement Class Claim Form, which they must send to the Settlement Administrator as directed in that form if they wish to participate in the Voucher or Cash Alternative available to Former Tenant Settlement Class Members.

Current Tenant Settlement Class Members who did not opt out, who were current tenants at the time of the Effective Date of the Settlement, and who requested an inspection, but moved out of their unit before receiving their requested inspection, shall have the right to participate in the Cash Alternative upon the same terms as Former Tenant Settlement Class Members, including the timing of the payment. After vacating the unit, these class members will be mailed a Former Tenant Settlement Class Claim Form, which they must return to the Settlement Administrator within forty-five (45) calendar days of the mailing if they wish to participate in the Cash Alternative available to Former Tenant Settlement Class Members.

Current Tenant Settlement Class Members who did not opt out, who were current tenants at the time of the Effective Date of the Settlement, but who did not request an inspection, and therefore received the immediate benefit of the rent freeze available to such persons (or some portion thereof), shall not have the right to participate in the Voucher or Cash Alternative program.

5. **I am a Current Tenant. What do I have to do to receive the inspection or rent freeze?** After final settlement approval, current tenants will receive from the Settlement Administrator a form allowing them to request an inspection. The basis to request an inspection will be explained in the form. You will have the option of receiving an inspection of your unit by an independent inspector or, for those who do not request an inspection, a rent freeze that will extend for eight (8) months after the Final Approval Hearing. You will have forty-five (45) calendar days from mailing of that form to request the inspection. It is estimated that that form will not be sent until approximately four to five months after the Final Approval Hearing (and possibly longer if there is some type of appeal). You will have to review that form and timely return it or you will not receive an independent inspection, but will receive the rent freeze.

6. **I am a Former Tenant. What do I have to do to receive the Voucher or Cash Alternative?** Former Tenant Settlement Class Members will receive a claim form after the Court finally approves this Settlement (which could take considerable time if there is an appeal). You will have to return the claim form within forty-five (45) calendar days of its mailing or you will not be entitled to receive the Voucher or the Cash Alternative.

The Voucher will be good for up to 24 months from the date of its mailing to you. At the end of the 24-month period, if the Voucher has not been redeemed or transferred by you, you will have forty-five (45) calendar days during the period set forth in the Voucher to return an unused or untransferred Voucher to the Settlement Administrator and seek the Cash Alternative discussed above.

You alone are responsible to keep a copy of your voucher, and the date by which any later claim for a Cash Alternative must be made. It is important that you keep track of the Voucher and the Cash Alternative filing date. A replacement voucher can be obtained by contacting the Settlement Administrator at _____ if you lose your Voucher.

7. **The attorneys, their recommendation and their request for attorney's fees.** The attorneys for the Class have been appointed by the court and are experienced in class actions and housing. They recommend the settlement as reasonable based on the relief obtained and the risk of obtaining less relief. They will apply to the court for fees and costs not to exceed \$1,150,000 (in addition to some future monitoring legal costs up to \$70,000 after the Effective Date of the Settlement), which application will be posted at www:_____.

8. **How do I opt out if I do not want to be part of the Settlement?** You can opt out of the Settlement by notifying the Settlement Administrator in writing of your intent to opt out. You must state your name, address, home or cellular telephone number, and your intention to opt out. It must be received or post-marked no later than _____. Opt out writings must be postmarked and mailed by first class mail, postage prepaid, or delivered, directly to the Settlement Administrator at the following address:

(INSERT)

Any Class Member who properly requests to opt out will not be entitled to receive any portion of the Settlement and will not be bound by the Settlement or have any right to object, appeal or comment thereon. Class Members who do not submit a valid and timely request to opt out shall be bound by all terms of the Settlement if the Settlement is finally approved by the Court.

9. **Can I object to the Settlement?** The Court will hold a Final Approval Hearing on _____ at _____ in Department _____ of the Superior Court of the State of California in and for the County of Fresno, located at B.F. Sisk Courthouse, 1130 "Q" Street, Fresno, California 93721, in Courtroom _____. As a Class Member, you may object to the Settlement. You have the right to object to the Settlement, and you also have the right to object to Class Counsel's request for attorney's fees and costs. To object, you must submit a written statement to the Settlement Administrator postmarked or delivered by _____.

Any objections should clearly explain the Class Member's objection and state whether the Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing. If a Class Member submits a timely and complete objection and written notice of intention to appear, the Class Member may (but is not required to) appear personally or through an attorney, at his or her own expense, at the Final Approval Hearing. All timely objections will be considered whether the objector appears or not.

Class Members who unsuccessfully object to the proposed settlement remain class members, and are bound by the Settlement's terms (if finally approved) to the same extent as a Class Member who does not object.

No objecting Class Member shall be personally heard, and no briefs or papers beyond the objection itself submitted by any such person shall be considered by the Court, unless written notice of intention to appear at the Final Approval Hearing, together with copies of all papers and briefs shall have been filed with the Court and mailed to Class Counsel and Defendants' Counsel with a postmark no later than _____.

All objections and written notices of intention to appear must be signed and must contain the Class Member's name, the address of counsel, if any, and the name of and the case number for the Action. Upon request, the objector must also provide the Parties any address information or other necessary information so as to identify the objector.

Any Class member of the who does not object as provided above shall be deemed to have waived such objections and shall be foreclosed from making any objections by appeal or otherwise.

Class Counsel:

Barrett S. Litt
Kaye, McLane, Bednarski & Litt, LLP
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Dean Preston
Tenants Together
474 Valencia St., Suite 156
San Francisco, CA 94103
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Defendants' Counsel:

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Linda Northrup
Northrup Schlueter, A Professional Law Corporation
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Westlake Village, CA 91361

Mark L. Kincaid
Kincaid & Associates
1851 E. 1st St., Suite 900
Santa Ana, CA 92705

10. **What is the effect of Final Approval of the Settlement?** If the Court grants final approval of the Settlement, all Class Members (Current Tenant and Former Tenant Settlement Class Members), are bound by the terms of the Settlement, including the releases set forth in the Joint Stipulation of Settlement. The full releases as contained in the Joint Stipulation of Settlement are set forth in Exhibit 1 attached hereto. By remaining a part of this Class, you are also so agreeing and specifically waive all rights and benefits afforded by section 1542 of the Civil Code of the State of California for the items set forth in the release and nothing else, which provides: A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

11. What if I have further questions about the Settlement or Action? You may contact Class Counsel at the address listed in Question 9 without having to pay for any attorneys' fees. You also have the right to speak with an attorney of your choosing at your own expense. You may also contact the Settlement Administrator with questions about this Settlement at the address listed in Question 8. Please do not contact Defendants' Counsel.

This Class Notice provides you with a summary of some of the terms and conditions of the Settlement. You have the right to view the entire Settlement set forth in the Joint Stipulation of Settlement, as well as the Complaint, which is on file with the Superior Court of the State of California, in and for the County of Fresno, located at B.F. Sisk Courthouse 1130 "O" Street, Fresno, California 93721, and which may be viewed on the website of the Settlement Administrator at [www._____](http://www._____.). You may also obtain a copy from the Settlement Administrator, whose contact information is listed in Question 8. If you need assistance, the Settlement Administrator will assist you in translating the Joint Stipulation of Settlement from English to the language of your preference.

**DO NOT CONTACT THE COURT. THE COURT CANNOT PROVIDE YOU WITH LEGAL ADVICE OR ANY OPINION
AS TO THIS SETTLEMENT OR LAWSUIT.**

EXHIBIT 1

The release language in the Joint Stipulation of Settlement is as follows:

Upon the Effective Date of this Settlement, the Class, Class Members, Current Tenant Settlement Class Members and Former Tenant Settlement Class Members, and each of them, fully and finally release and forever discharge Releasees, and each of them, and shall be deemed to have, and by operation of law, Judgment and any related order shall have expressly waived, released, discharged and relinquished the Released Claims defined below. The Released Claims consist of all such claims from January 9, 2010 to the end of the Class Period.

"Released Claims" means claims, demands, rights, debts, obligations, costs, expenses, wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations, statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action that were or might have been asserted (whether in tort, contract or otherwise), for violation of any state or federal law for claims that are set forth or attempted to be set forth in the Complaint in the Action which are, could be or could have been the basis of claims by the Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of deposits, collection of rent while permitting rental units to be maintained in untenable or uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable unit, expenses incurred to make repairs, and/or other lost money or property paid by a Class Member relating in any way to the condition or maintenance of the unit.

The Released Claims include, without limitation all of the following as it relates to restitution, disgorgement, equitable relief, injunctive relief or monetary relief and all of the following to the extent (and only to the extent) of the categories contained in the foregoing paragraph:

1. Any and all claims under Business & Professions Code Section 17200, *et seq.* as set forth in the First Cause of Action of the Complaint including, but not limited to, the permitting of rental units to be maintained in untenable conditions and continue to collect rent, in violation of the Civil Code including Sections 1941, 1941.1, 1941.3 and 1942.4 and Health & Safety Code Sections 17980, *et seq.*, engaging in a scheme that caused, permitted and maintained untenable rental units, in violation of Civil Code Sections 1714, 1940.2, 1941, 1941.1, 1941.3, 1942.5, 1954 and the Health & Safety Code including Sections 17920, and 17920.10;
2. Any and all claims relating to lost money or property by the Class Members relating to the payment of rent or deposits relating to any of the rental units rented or offered for rent by any of the Defendants in the City and/or County of Fresno, California;
3. Any and all claims for injunctive relief or other relief under Business & Professions Code Section 17203;
4. Any and all claims set forth or attempted to be set forth in the Second Cause of Action;
5. Any and all claims alleged or attempted to be alleged in the Third Cause of Action to the extent the Third Cause of Action incorporates the First and Second Causes of Action.
6. Any and all claims alleged or attempted to be alleged in the Complaint that JD Homes engaged in a pattern and practice of violating the basic housing rights of its tenants by refusing to make its rental properties habitable by refusing to comply with all applicable health and safety laws; and taking advantage of, harassing and retaliating against any tenants who exert their rights and request repairs, as alleged in Paragraph 8 of the Complaint;
7. Any and all claims relating in any way to any rent rebates or any other return of rent or other charges paid by any Class Member to Defendants relative to any properties rented or offered for rent during the Class Period;
8. Any and all claims that Defendants have failed to keep the properties habitable and fit for occupancy as alleged in Paragraph 30 of the Complaint;
9. Any and all claims relating to untenable rental property or properties not meeting the standards of California Civil Code Section 1941.1 and Health & Safety Code Sections 17920, 17920.3 and 17920.10 or other applicable law;
10. Any and all claims that Defendants have failed to abate untenable living conditions after receiving notice of them from tenants and/or the City of Fresno, as alleged in Paragraph 30 of the Complaint;
11. Any and all claims that Defendants have retaliated and/or harassed tenants, including Plaintiffs and others similarly situated, when they attempt to enforce their legal rights as alleged in Paragraph 30 of the Complaint; and
12. Any other claim asserted or attempted to be asserted in the Complaint, including any and all claims for injunctive relief, restitution, disgorgement, retroactive rent rebate, rent reductions, rent abatement and attorneys' fees and costs for this Action.

Notwithstanding any of the foregoing, the Released Claims do not include, and are not intended to release, damages claims for physical injury or personal injury (including but not limited to illness, mental stress, emotional distress, anxiety, annoyance and discomfort), including such damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9. The Released Claims do include statutory damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9, but do not otherwise include statutory damages under any other statute.

With respect to the Released Claims, the Class, Class Members, Current Tenant Settlement Class Members and Former Tenant Settlement Class Members each further waive all rights and benefits afforded by section 1542 of the Civil Code of the State of California. Section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Class, Class Members, Current Tenant Settlement Class Members and Former Tenant Settlement Class Member agree not to sue or otherwise make a claim against any of the Releasees that is in any way related to, arises out of or is connected in any way with the Released Claims.

EXHIBIT N

EXHIBIT N

**Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062**

**CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION**

FORMER TENANT SETTLEMENT CLASS MEMBER CLAIM FORM

Name/Address Changes (if any):

First Name

Last Name

Address

City

State

Zip

(_____) _____
Area Code

Telephone Number

Vu, et al. v. JD Home Rentals, et al.

A settlement was reached in the case of *Vu, et al. v. JD Home Rentals, et al.*, Fresno County Superior Court Case No. 14CECG00062. You are a Former Tenant Settlement Class Member and are entitled to receive a Voucher if you sign and return this form by _____.

Instructions to Receive Voucher – Read and Follow all Instructions:

Make sure the address listed above is the address where you want your Voucher mailed. Make any changes to your address in the space provided next to the mailing address above.

According to JD Home Rentals' records,

A. The address of the leased unit or units that you occupied as a tenant of JD Home Rentals during the period January 9, 2010 to _____ is;

B. The number of leased bedrooms in the unit you occupied is _____.

This Claim Form must be signed in order to receive the Voucher.

Return this Claim Form in the enclosed envelope by _____ or otherwise deliver it to the Settlement Administrator postmarked or delivered no later than _____ at:

[TO BE INSERTED]

If mailed, the timeline of a Claim Form is considered based on the postmark by the U.S. Postal Service. If the Claim Form is delivered by any other means, such as personal delivery, messenger, or Federal Express, the Claim Form is considered submitted when actually received by the *Vu, et al. v. JD Home Rentals, et al. Settlement* Administrator. If your completed Claim Form is lost in the mail or for any reason is not received at the above address, your Claim Form will not be considered unless you have a U.S. Mail return receipt showing that the Claim Form was received at the above address. If you want confirmation that your Claim Form was received, you must send it by certified mail with return receipt requested.

Any Claim Form (1) not postmarked by _____; (2) not received by the Settlement Administrator by the fifth (5th) calendar day after _____; (3) not received by other means by the Settlement Administrator by _____; (4) not signed by the Class Member under penalty of perjury; and/or (5) that does not otherwise comply with the claims process is not considered a valid Claim Form and you will not receive a Voucher.

IMPORTANT INFORMATION: You alone are responsible to keep a copy of your Voucher, and keep track of the date by which any later claim for a Cash Alternative must be made. It is important that you keep track of the Voucher claim date and the Cash Alternative claim date. A replacement Voucher can be obtained by contacting the Settlement Administrator at _____ if you lose your Voucher. All of this information is further explained below.

General Information

A. Voucher Program

The terms for the Voucher are summarized here and more specifically set forth in the Settlement, which is available for review at [www._____](http://www._____.):

1. Each written lease agreement will be a single tenancy group, regardless of the number of signatories, listed parties or other residents. In other words, if a unit was rented under a written lease agreement to one person from January 9, 2010 to January 9, 2011 and then a new tenant started February 1, 2011 to February 1, 2012, there would be two tenancy groups, each of which would be entitled to participate in the Voucher program. If there are multiple Former Tenants in a single tenancy group, the Voucher amount will be divided pro rata and separate Vouchers will be issued to each former tenant in his or her respective amount. If they so desire, the multiple Former Tenants may combine their respective Vouchers and use them for the purposes set forth below.

2. The Voucher amount for each single tenancy group will be as follows: \$250 for a one-bedroom unit; \$350 for two bedrooms and \$500 for three bedrooms or more in a rental unit.

3. The Voucher may be applied to the cost of a credit check at JD Home Rentals for a future tenancy within a period up to 24 months after mailing of the Voucher with the remainder applied toward the first month's rent for such a tenancy.

4. The Voucher will be good for up to 24 months from the date of mailing.

5. The Voucher may be transferred one time by the Former Tenant Settlement Class Member (or, if applicable, the Current Tenants Who Moved) to a person who is not part of the single tenancy group for use

in the same manner.

6. If a Former Tenant Settlement Class Member seeks to use the Voucher to commence a new tenancy with JD Home Rentals during the above-referenced 24-month period, the former tenant will not be required to post a security deposit for the new tenancy created during the 24-month period. Any future tenancies thereafter may be charged a security deposit by JD Home Rentals.

7. In its sole discretion, Defendants may elect to provide the Cash Alternative set forth below to any Former Tenant Settlement Class Member in lieu of providing a Voucher. If a Defendant so elects, the Cash Alternative will be provided to the Former Tenant Settlement Class Members pursuant to the terms for the Cash Alternative as set forth below.

B. Cash Alternative:

1. The Cash Alternative relates to those Former Tenant Settlement Class Members who do not participate in the Voucher program by using or transferring it as set forth above, or for whom a Defendant exercises the election to offer the Cash Alternative to a Former Tenant Settlement Class Member in lieu of the Voucher. As set forth above, the Voucher program will be in existence for 24 months after the Voucher is mailed. The Voucher may be transferred one time during that 24-month timeframe. After the 24-month time frame, the Former Tenant Settlement Class Members will have forty-five (45) calendar days during a date certain time frame to return an unused or un-transferred Voucher to the Settlement Administrator and seek the Cash Alternative.

3. The amount of the Cash Alternative will be computed for each tenancy group and will be as follows: 1 bedroom and studio groups: Each tenancy group will get \$10 per occupancy month up to a maximum of \$250; 2 bedroom groups: Each tenancy group will get \$10 per month up to a maximum of \$350; 3 bedroom and up groups: Each tenancy group will get \$10 per month up to a maximum of \$500.

In determining the number of months for each tenancy group, the Settlement Administrator will use the information provided by JD Home Rentals concerning the number of months of occupancy for a single tenancy group. Defendants will agree to fund only up to the total dollar amount of all the claims for the Cash Alternative, with the total funding capped at \$222,500. If the total of the claims for the Cash Alternative is less than \$222,500, Defendants pay the allocated amount for each claim as set forth above. If, however, the total of the claims for the Cash Alternative exceeds \$222,500, each claim shall be reduced on a prorated basis so that Defendants' total obligation to pay is capped at \$222,500.

Signature

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature: _____ Date: (mm/dd/yyyy): _____

Name: _____

EXHIBIT O

EXHIBIT O

(Newspaper Notice)

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

Neng Vu, et al. v. JD Home Rentals, et al. Class Action Settlement

A proposed class action settlement has been reached in the lawsuit *Neng Vu, et al. v. JD Home Rentals, et al.* Fresno County Superior Court Case No. 14 CECG 00062. The lawsuit makes a number of claims, including the Defendants maintained their rental units in generally substandard conditions, which allegedly caused the rental units to suffer from a number of conditions. The lawsuit further claims that tenants were required to pay rent for such untenable units, incur expenses for making their own repairs and otherwise suffer other monetary damages. Defendants have denied the claims. Nonetheless, Defendants and the Class Representatives have agreed to settle the dispute to avoid the uncertainty and costs of further litigation and trial.

Who is a Class Member?

There are two groups of Class Members: current tenants and former tenants. The Current Tenants, who are referred to as Current Tenant Settlement Class Members, are defined as follows:

"All individuals who, as of _____ are current tenants (i.e. lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California."

The Former Tenants, who are referred to as Former Tenant Settlement Class Members, are defined as:

"All individuals who, on or after January 9, 2010, had been, but were not as of _____, tenants (i.e. lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California."

What are my Legal Rights?

This Notice is only a summary. You may obtain more complete information by visiting www._____.com and viewing the full Class Notice, by writing to the address at the bottom of this notice, or by calling the Settlement Administrator at _____.

In general, the Current Tenant Settlement Class Members will have the option of an independent inspection of the unit that a tenant occupies or rent freeze for a period of eight months after _____. In addition, for a period of two years after the settlement becomes effective or expiration of an agreed budget, the Current Tenant Settlement Class Members will have access to an ombudsman to receive complaints about repairs and maintenance

matters. Furthermore, a pest control inspector will perform a single pest control inspection and assessment of each unit occupied by the current tenants. Finally, for a period of 12 months after final approval of the Settlement, if that occurs, JD Home Rentals agrees not to terminate any tenancies except for certain good cause.

If the Settlement is finally approved, you will receive a further notice as a current tenant that will give you a right to select either an independent inspection or the rent freeze.

The Former Tenant Settlement Class Members will be entitled to a rental credit voucher that may be used if they move to a unit owned or managed by Defendant in the City or County of Fresno, California within two years of final approval or, if the voucher is not used or transferred, a cash amount once the voucher expires. The dollar amount of the voucher depends on the size of the unit that the former tenant occupied: \$250 for a one-bedroom unit; \$350 for a two-bedroom unit; and \$500 for three bedrooms or more in a rental unit.

If the Settlement is finally approved, you will subsequently receive a claim form which will give you the opportunity to make a claim for the voucher.

Unless you take steps to exclude yourself from the Settlement, you will be bound by the Settlement (including all releases) and all of the Court's orders if the Court approves the Settlement. This means you will not be able to make any claim that is covered by the Settlement against Defendants or any other Releasees in the future.

If you wish to exclude yourself from this Settlement, you must submit a letter to the Settlement Administrator at the address below postmarked by _____. If you send that letter you will not be entitled to any benefits of the Settlement. If you do not send that letter, you will be part of the Settlement. Please visit the settlement website at www._____.com for more information.

If you wish to object to the Settlement, you must do so by submitting your objections to the Settlement Administrator at the address below postmarked by _____. Please visit the settlement website at www._____.com for more information.

The Final Approval Hearing will be held on _____, at _____. The Court will, among other things, decide whether the Settlement is fair, reasonable, adequate and should be approved. The Court will also determine attorneys' fees, costs and expenses and other matters. You may attend the hearing, but you do not have to do so.

This is only a summary regarding this Settlement. For detailed information, including the full text of the Settlement and the Class Notice, please visit www._____.com, call _____ or write to _____.

EXHIBIT P

EXHIBIT P

**Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062**

(Order Granting Preliminary Approval)

EXHIBIT P

SUPERIOR COURT OF CALIFORNIA

COUNTY OF FRESNO

NENG VU; WILLIE THOMPSON; ELVIA
REYES; CATALINA MENDOZA; ANTONIO
MARTINEZ; and MALAQUIAS ESTEVEZ
individually and on behalf of all others similarly
situated,

Plaintiffs,

v.

JOHN HOVANNISIAN, an individual and
d/b/a JD HOME RENTALS; DAVID
HOVANNISIAN, an individual d/b/a JD
HOME RENTALS; BRYCE HOVANNISIAN
an individual, and d/b/a JD HOME RENTALS;
BDHOV, LP, a California limited liability
partnership; JHS Family Limited Partnership, a
California limited liability partnership; JCH
Family Limited Partnership, a California limited
liability partnership and DOES 1-100, inclusive,

Defendants.

Case No. 14 CECG 00062

CLASS ACTION

**[PROPOSED] ORDER
CONDITIONALLY CERTIFYING
CLASS FOR SETTLEMENT PURPOSES
ONLY, PRELIMINARILY APPROVING
CLASS ACTION SETTLEMENT,
APPROVING NOTICE OF CLASS
ACTION SETTLEMENT, AND
SETTING HEARING FOR FINAL
APPROVAL**

On _____, this Court, by and through Judge _____,

considered Representative Plaintiffs' Motion for Order Conditionally Certifying a Settlement
Class, Preliminarily Approving the Joint Stipulation of Settlement ("Joint Stipulation"),
Approving Notice of Class Action Settlement, and Setting the Final Approval Hearing, and the
papers submitted in support thereof. Michelle Marie Kezirian, Attorney at Law, 2335 E.
Colorado Boulevard, Suite 115, Pasadena CA 91107; Dean Preston of Tenants Together, 995
Market Street, Suite 1202, San Francisco, CA 94103; Barrett Stephen Litt of Kaye, McLane,

PRELIMINARY APPROVAL ORDER

1 Bednarski & Litt, LLP, 975 East Green Street, Pasadena, CA 91106; Kenneth M. Greenstein of
2 Greenstein and McDonald, 300 Montgomery Street, Suite 621, San Francisco, CA 91404; and
3 Julius C. Thompson of Bet Tzedek Legal Services, 3250 Wilshire Boulevard, Suite 1300, Los
4 Angeles, CA 90010 appeared as Class Counsel for the Representative Plaintiffs and the
5 Settlement Class. Benjamin T. Nicholson of McCormick Barstow, LLP, 7647 North Fresno
6 Street, P.O. Box 28912, Fresno, CA 93729-8912; William C. Haahes of Law Offices of William
7 C. Haahes, 225 W. Shaw Avenue, Suite 105, Fresno, CA 93704; Mark L. Kincaid of Kincaid &
8 Associates, LLP, 1851 East First Street, Suite 900, Santa Ana, CA 92705; and Linda Northrup
9 of Northrup Schlueter Professional Law Corporation, 31365 Oak Crest Drive, Suite 250,
10 Westlake Village, CA 91361 appeared on behalf of JOHN HOVANNISIAN, sued as an
11 individual and d/b/a JD HOME RENTALS; DAVID HOVANNISIAN, sued as an individual
12 and d/b/a JD HOME RENTALS; BRYCE HOVANNISIAN, sued as an individual and d/b/a JD
13 HOME RENTALS; BDHOV, LP, a California limited liability partnership; JHS Family Limited
14 Partnership, a California limited liability partnership, and JCH Family Limited Partnership, a
15 California limited liability partnership ("Defendants").

16
17 Having considered the Joint Stipulation, as well as the documents filed in support
18 thereof, **IT IS HEREBY ORDERED THAT:**

19 1. This Order incorporates by reference the definitions in the Joint Stipulation and
20 all terms defined therein shall have the same meaning in this Order.

21 2. The Court finds that the Class, as defined in the Joint Stipulation, meets all the
22 requirements for class certification of a settlement Class. The Court hereby conditionally
23 certifies the Class for settlement purposes only. In the event the Final Judgment is overturned,
24 reversed, not affirmed in its entirety or never becomes final, the Effective Date of the Joint
25 Stipulation does not occur or the Joint Stipulation is nullified or invalidated for any reason, the
26 fact that the Parties were willing to stipulate to Class certification only as part of the Joint
27 Stipulation shall have no bearing on, nor be admissible in connection with, any issue in this
28 Action or in any other action.

1 3. Representative Plaintiffs, Neng Vu; Willie Thompson; Elvia Reyes; Catalina
2 Mendoza; Antonio Martinez; and Malaquias Estevez, are hereby appointed and designated, for
3 all purposes, as the Representative Plaintiffs and the representative of the Class for settlement
4 purposes.

5 4. The following attorneys are hereby appointed and designated as counsel for the
6 Representative Plaintiffs and the Class for settlement purposes ("Class Counsel"):

7 Michelle Marie Kezirian
8 Attorney at Law
9 2335 E. Colorado Boulevard, Suite 115
10 Pasadena, CA 91107
11 T: 626-817-6341
12 F: 626-628-2151

13 Dean Preston
14 Tenants Together
15 995 Market Street, Suite 1202
16 San Francisco, CA 94103
17 T: 415-495-8100
18 F: 415-495-8020

19 Barrett Stephen Litt
20 Kaye, McLane, Bednarski & Litt, LLP
21 975 East Green Street
22 Pasadena, CA 91106
23 T: (626) 844-7660
24 F: (626) 844-7670

25 Kenneth M. Greenstein
26 Greenstein and McDonald
27 300 Montgomery Street, Suite 621
28 San Francisco, CA 91404
 T: 415-773-1240
 F: 415-773-1244

 Julius C. Thompson
 Bet Tzedek Legal Services
 3250 Wilshire Boulevard, Suite 1300
 Los Angeles, CA 90010
 T: 323-939-0506
 F: 213-471-4568

1 5. Class Counsel are authorized to act on behalf of the Representative Plaintiffs and
2 the Class with respect to all acts or consents required by or which may be given pursuant to the
3 Joint Stipulation and such other acts reasonably necessary to consummate the Joint Stipulation.
4 The authority of Class Counsel includes entering into any modifications or amendments to the
5 Joint Stipulation on behalf of the Representative Plaintiffs and the Class which they deem
6 appropriate.

7 6. The class action settlement set forth in the Joint Stipulation appears to be proper
8 and falls within the range of reasonableness and appears to be presumptively valid subject only
9 to resolution of any valid objections that may be raised at the Final Approval Hearing.

10 7. The Court preliminarily approves the terms of the Joint Stipulation, which is
11 attached hereto as Exhibit "A," including the following provisions:

12 a. The inspection program set forth for Current Tenant Settlement Class
13 Members as further referenced in Section 3 of the Joint Stipulation of Settlement;

14 b. The appointment of _____ as the Ombudsman to perform
15 the functions set forth in Section 3.C. of the Joint Stipulation of Settlement;

16 c. The Voucher and Cash Alternative programs set forth in Section 6
17 relating to Former Tenant Settlement Class Members;

18 d. The other settlement terms relating to pest control and termination of
19 tenancy set forth in Section 7 of the Joint Stipulation of Settlement;

20 e. The payment of the amounts set forth in Section 10 to the Representative
21 Plaintiffs and the claims by the other occupants, subject to receipt of the releases, all required
22 information and approval of all minors' compromises;

23 f. The payment of attorneys' fees as set forth in Section 11 of the Joint
24 Stipulation of Settlement;

25 g. The Releases set forth in Section 12 of the Joint Stipulation of
26 Settlement;

27 h. No admission of liability in Section 3.B. of the Joint Stipulation of
28 Settlement;

1 i. The confidential and privileged nature of the work as set forth in Section
2 3.C. of the Joint Stipulation of Settlement.

3 8. _____ is hereby appointed as Settlement Administrator
4 and is hereby authorized to perform all of the duties, tasks and other activities set forth in the
5 Joint Stipulation and the orders of the Court.

6 9. The Court orders that a Qualified Settlement Fund, as defined in Treasury
7 Regulations Section 1.468B-1, or other applicable law, shall be established to effectuate the
8 terms of the Joint Stipulation and the orders of the Court, if so requested by Defendants. The
9 Court hereby finds and orders that the Qualified Settlement Fund:

10 a. Shall be established pursuant to this order of the Court prior to the receipt
11 of any monies from any Defendant.

12 b. That it shall be established to resolve and satisfy the contested Claims
13 that have resulted, or may result, from the matters that are the subject of this Action and that are
14 released in Section 12 of the Joint Stipulation.

15 c. That the contested Claims have given rise to multiple claims by the
16 Releasors asserting liability arising out of tort, breach of contract or other violations of law; and

17 d. That the fund or account be established and its assets be segregated
18 (within a separately established fund or account) from the assets of any and all Defendants, and
19 all related other persons in the meaning of Title 26, United States Code, Sections 267(b) and
20 707(b)(1).

21 10. The Notice to be mailed to the Class, a copy of which is attached hereto as
22 Exhibit "B" and incorporated herein, is approved. Social Security numbers of Class Members
23 shall not be included in the Notice. The Notice shall be sent in English, Spanish, Hmong and
24 Lao. The Notice shall be sent by the Settlement Administrator to each Class Member by first
25 class mail no later than sixty (60) calendar days after receipt of the information set forth below
26 in paragraph 15.a.

27 11. A Newspaper Notice shall also be published in English and Spanish in The
28 Fresno Bee and Vida En El Valle, respectively, at least one time per week for four weeks

1 beginning as soon as practicable after the first mailing of the Notice to the Class. The Notice to
2 be published in the newspaper shall be the Newspaper Notice attached hereto as Exhibit C and
3 incorporated herein, which Newspaper Notice is approved.

4 12. The Notice attached hereto as Exhibit B shall also be available on a website
5 established by the Settlement Administrator beginning no later than the date that the Settlement
6 Administrator first mails the Class Notice as referenced above.

7 13. The Class Period shall be January 9, 2010 through _____, _____.

8 14. The Court finds that the Class conditionally certified for settlement purposes
9 consists of the following group of individuals:

10 **CURRENT TENANT SETTLEMENT CLASS**

11 The "Current Tenant Settlement Class" is defined as all individuals who, at the time of
12 the Order Granting Preliminary Approval of this Joint Stipulation of Settlement, are current
13 tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property
14 owned or managed, in whole or in part, including through a partnership or corporation, by any
15 of the Defendants, including JD Home Rentals and/or any of the owners of the units listed on
16 the Properties List (as defined herein), in the City or County of Fresno, California.

17 The Current Tenant Settlement Class Members are all those who meet the definition of
18 the Current Tenant Settlement Class and do not opt out of the Settlement.

19 **FORMER TENANT SETTLEMENT CLASS**

20 The Former Tenant Settlement Class is defined as all individuals who, on or after
21 January 9, 2010, had been, but were not as of the time of the Order Granting Preliminary
22 Approval of this Joint Stipulation of Settlement, tenants (i.e., lease signatories and/or adult
23 occupants listed on a lease) in a residential property owned or managed, in whole or in part,
24 including through a partnership or corporation, by any of the Defendants, including JD Home
25 Rentals and/or any of the owners of the units listed on the Properties List (as defined herein), in
26 the City or County of Fresno, California.

27 The Former Tenant Settlement Class Members are all those who meet the definition of
28 the Former Tenant Settlement Class and do not opt out of the Settlement.

1 Current Tenants who move such that they no longer qualify as current tenants between
2 the filing date of the Order Granting Preliminary Approval of the Settlement and the Effective
3 Date of the Settlement shall not be considered Former Tenant Settlement Class Members for
4 purposes of sending class notice and being provided the option to opt out as Former Tenant
5 Settlement Class Members. They will have received notice as and still be considered as Current
6 Tenant Settlement Class Members.

7 Current tenants who did not opt out, who were current tenants at the time of the
8 Effective Date of the Settlement, and who requested an inspection, but moved out of their unit
9 before receiving their requested inspection, shall have the right to participate in the Cash
10 Alternative program upon the same terms as Former Tenant Settlement Class Members.

11 Current tenants who did not opt out, who were current tenants at the time of the
12 Effective Date of the Settlement, but who did not request an inspection, and therefore received
13 the immediate benefit of the rent freeze available to such persons (or some portion thereof),
14 shall not have the right to participate in the Voucher or Cash Alternative program.

15 15. The Court sets the following further dates for purposes of this Action:

16 a. Class Data: Defendants shall provide the information set forth in Section
17 4.A. of the Joint Stipulation to the Settlement Administrator within sixty (60) calendar days
18 from the filing date of this Order Granting Preliminary Approval.

19 b. First Mailing of Class Notice to Class: Within sixty (60) calendar days of
20 the receipt of the above-referenced data.

21 c. First Publication of the Newspaper Notice to Class: The first publication
22 of the Newspaper Notice in The Fresno Bee and Vida En El Valle shall occur no later than
23 seven (7) calendar days from the first mailing of the Notice to the Class.

24 d. Follow-up Mailing of Notice Where First Mailing is Returned: To be
25 completed as needed, but no later than thirty (30) calendar days after the first mailing set forth
26 in paragraph 13.b. above.

27 e. Deadline to Opt-Out of Settlement Class: Sixty (60) calendar days of the
28 date of the first mailing of the Class Notice.

1 f. Opt-Out List: Settlement Administrator to provide Class Counsel and
2 Defendants' Counsel with complete list of all Class Members who have timely requested to opt
3 out, within ten (10) business days of the Opt-Out Deadline.

4 g. Defendants' Nullification Rights: Each Defendant will have the option, in
5 his/its sole discretion, to nullify this Settlement if in the event that more than 35 Class Members
6 timely request to opt out. If any Defendant so elects, it will notify Class Counsel and the Court
7 of its election within twenty (20) business days after actual receipt of the list referenced in
8 paragraph 15.f. above.

9 h. Objection Deadline: All objections to the Joint Stipulation to be heard at
10 the Final Approval Hearing and all written notices of intent to appear at the Final Approval
11 Hearing must be filed with the Court and served on the Settlement Administrator, Class Counsel
12 and Defendants' Counsel by no later than sixty (60) calendar days from the date of the first
13 mailing of the Notice.

14 i. Deadline to file briefs in support of Final Approval Hearing and
15 Attorneys' Fees and Costs: Fifteen (15) court days before the Final Approval Hearing.

16 j. Final Approval Hearing: _____, _____ at _____ p.m. in
17 Department No. _____.

18 16. Class Counsel is hereby ordered either to obtain a written release from any other
19 counsel who may have served or who claim to have served in this action as counsel that they are
20 not seeking and do not seek any attorneys' fees, costs or expenses in connection with this
21 Action or Settlement in any way and/or to effect valid service of the Joint Stipulation and the
22 Order Granting Preliminary Approval upon any and all attorneys who may have served or who
23 may claim to have served in this Action. If the written release is obtained, it must be provided
24 to Defendants' Counsel within five (5) business days of the filing date of the Order Granting
25 Preliminary Approval. If the service alternative is used, the service shall be by hand delivery
26 and/or registered mail to all such attorneys and shall be made no later than five (5) business
27 days after entry of the Order Granting Preliminary Approval. In addition, Class Counsel shall
28 also include a letter addressed to at least the senior partners of any and all firms that explains

1 such documents; explains why they are being delivered and served and advises the recipients
2 that counsel must present any claim to the amounts set forth in the Joint Stipulation relative to
3 attorneys' fees, costs or expenses (or any portions thereof) by no later than fourteen (14)
4 calendar days for the deadline for filing objections to the Settlement. Class Counsel shall
5 further advise the attorneys that any claims for attorneys' fees, costs or expenses will be
6 extinguished by the Judgment.

7 **IT IS SO ORDERED.**

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9 DATED: _____

Judge of the Fresno County Superior Court

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EXHIBIT Q

EXHIBIT Q

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

(Final Judgment)

EXHIBIT Q

SUPERIOR COURT OF CALIFORNIA

COUNTY OF FRESNO

NENG VU; WILLIE THOMPSON; ELVIA
REYES; CATALINA MENDOZA; ANTONIO
MARTINEZ; and MALAQUIAS ESTEVEZ
individually and on behalf of all others similarly
situated,

Plaintiffs,

v.

JOHN HOVANNISIAN, an individual and
d/b/a JD HOME RENTALS; DAVID
HOVANNISIAN, an individual d/b/a JD
HOME RENTALS; BRYCE HOVANNISIAN
an individual, and d/b/a JD HOME RENTALS;
BDHOV, LP, a California limited liability
partnership; JHS Family Limited Partnership, a
California limited liability partnership; JCH
Family Limited Partnership, a California limited
liability partnership and DOES 1-100, inclusive,

Defendants.

Case No. 14 CECG 00062

SETTLEMENT CLASS ACTION

**[PROPOSED] FINAL JUDGMENT AND
ORDER**

The Final Approval Hearing came on regularly for hearing on _____,
in Department ____ of the above-referenced Court, the Honorable _____
presiding. Michelle Marie Kezirian, Attorney at Law, 2335 E. Colorado Boulevard, Suite 115,
Pasadena, CA 91107; Dean Preston of Tenants Together, 995 Market Street, Suite 1202, San
Francisco, CA 94103; Barrett Stephen Litt of Kaye, McLane, Bednarski & Litt, LLP, 975 East
Green Street, Pasadena, CA 91106; Kenneth M. Greenstein of Greenstein and McDonald, 300
Montgomery Street, Suite 621, San Francisco, CA 94104 and Julius C. Thompson of Bet
Tzedek Legal Services, 3250 Wilshire Boulevard, 13th Floor, Los Angeles, CA 90010, appeared
as Class Counsel for the Representative Plaintiffs and the Settlement Class. Benjamin T.

1 Nicholson of McCormick Barstow, LLP, 7647 North Fresno Street, P.O. Box 28912, Fresno,
2 CA 93729-8912; William C. Hahey of Law Offices of William C. Hahey, 225 W. Shaw
3 Avenue, Suite 105, Fresno, CA 93704; Mark L. Kincaid of Kincaid & Associates, LLP, 1851
4 East First Street, Suite 900, Santa Ana, CA 92705; and Linda Northrup of Northrup Schlueter
5 Professional Law Corporation, 31365 Oak Crest Drive, Suite 250, Westlake Village, CA 91361
6 appeared on behalf of JOHN HOVANNISIAN, sued as an individual and d/b/a JD HOME
7 RENTALS; DAVID HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS;
8 BRYCE HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BDHOV,
9 LP, a California limited liability partnership; JHS Family Limited Partnership, a California
10 limited liability partnership, and JCH Family Limited Partnership, a California limited liability
11 partnership ("Defendants").

12 The Court having reviewed all pleadings, records and other documentation on file in this
13 case, and good cause appearing therefor:

14 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

15 1. This Judgment incorporates by reference the definitions in the Joint Stipulation
16 of Settlement ("Joint Stipulation"), and all terms defined therein shall have the same meaning in
17 this Order. The Joint Stipulation is attached hereto as Exhibit "A" and incorporated herein by
18 reference.

19 2. The Joint Stipulation shall be and hereby is fully and finally approved.

20 3. The Class for settlement purposes is defined as follows:

21 **CURRENT TENANT SETTLEMENT CLASS**

22 The "Current Tenant Settlement Class" is defined as all individuals who, at the time of
23 the Order Granting Preliminary Approval of this Joint Stipulation of Settlement, are current
24 tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property
25 owned or managed, in whole or in part, including through a partnership or corporation, by any
26 of the Defendants, including JD Home Rentals and/or any of the owners of the units listed on
27 the Properties List (as defined herein), in the City or County of Fresno, California. The list of
28 Current Tenant Settlement Class Members compiled by JD Home Rental is based on its review

1 of reasonably available data. JD Home Rentals and the Defendants are not responsible in the
2 event a person is omitted from or not included on such list. Any person omitted from such as
3 list is not a Class Member and is not bound by this Settlement.

4 The Current Tenant Settlement Class Members are all those who meet the definition of
5 the Current Tenant Settlement Class and do not opt out of the Settlement.

6 **FORMER TENANT SETTLEMENT CLASS**

7 The Former Tenant Settlement Class is defined as all individuals who, on or after
8 January 9, 2010, had been, but were not as of the time of the Order Granting Preliminary
9 Approval of this Joint Stipulation of Settlement, tenants (i.e., lease signatories and/or adult
10 occupants listed on a lease) in a residential property owned or managed, in whole or in part,
11 including through a partnership or corporation, by any of the Defendants, including JD Home
12 Rentals and/or any of the owners of the units listed on the Properties List (as defined herein), in
13 the City or County of Fresno, California. The list of Former Tenant Settlement Class Members
14 compiled by JD Home Rental is based on its review of reasonably available data. JD Home
15 Rentals and the Defendants are not responsible in the event a person is omitted from or not
16 included on such list. Any person omitted from such a list is not a Class Member and is not
17 bound by this Settlement.

18 The Former Tenant Settlement Class Members are all those who meet the definition of
19 the Former Tenant Settlement Class and do not opt out of the Settlement

20 4. The Court hereby finally and unconditionally certifies the Class for settlement
21 purposes only. In the event this Final Judgment is overturned, reversed or not affirmed in its
22 entirety or never becomes final, the Effective Date of the Joint Stipulation does not occur or the
23 Joint Stipulation is nullified or invalidated for any reason, the Court acknowledges that the fact
24 that the Parties were willing to stipulate to class certification only as part of the Joint Stipulation
25 shall have no bearing on, nor be admissible in connection with, any issue in this Action or in
26 any other action.

27 5. The Court finds that all required notices, including the Class Notice, Newspaper
28 Notice and website notice were given properly to Class Members in accordance with the

1 Court's orders and that the notice was the best notice under the circumstances and satisfies all
2 requirements of due process and California law, including under California Rules of Court, Rule
3 3.766 and all other applicable law.

4 6. The Court finds that the Joint Stipulation and the terms and conditions set forth
5 in the Joint Stipulation are fair, reasonable and adequate to the Class and each Class Member
6 and that the Joint Stipulation and its terms and conditions fully satisfy all requirements of
7 applicable law.

8 7. The Court further finds that all Class Members who have not opted out of the
9 Class should be and hereby are barred by the Joint Stipulation and this Final Judgment,
10 including the releases set forth in Section 12 of the Joint Stipulation and paragraph 12 of this
11 Final Judgment.

12 8. The Court hereby permanently enjoins, bars and forever precludes any and all
13 Class Members (and/or all agents, representatives, or other persons acting on behalf of
14 Releasors, or any of them) from initiating, pursuing, prosecuting in any forum (or allowing to be
15 initiated, pursued or prosecuted in their own right or on their own behalf) any of the Released
16 Claims in Section 12 of the Joint Stipulation and as set forth further in paragraph 13 below.

17 9. The Court approves the amount of attorneys' fees and costs requested by Class
18 Counsel, and orders the payment of \$ _____ as reasonable attorneys' fees and costs. This
19 order extinguishes any and all claims for attorneys' fees, costs and expenses in this Action by
20 Class Counsel and any other attorneys or firms who may have served or claim to have served as
21 counsel in or relating to this Action. The only attorneys' fees remaining are those available
22 under this Joint Stipulation under Section 5.B.7 for Extended Repair Challenges after the Fifth
23 Challenge. The Court hereby authorizes the payment of said amount in accordance with the
24 Joint Stipulation. The Court further approves and orders that Class Counsel shall receive no
25 more than the sum of \$70,000 for all attorneys' fees and costs after the Effective Date of the
26 Settlement relating in any way to this Action, the Settlement or the Judgment, provided that all
27 such fees are actually and reasonably incurred, excepting, attorneys' fees and costs incurred
28

1 after the fifth Extended Repair Challenge as set forth in Section 5 of the Joint Stipulation, the
2 final amount of which shall be agreed to by the parties or determined by Mediator Judge
3 Wanger through an informal process he directs. The costs of Judge Wanger shall be borne by
4 Defendants.

5 10. Within thirty (30) calendar days of satisfaction of all conditions precedent set
6 forth in Section 10 of the Joint Stipulation, the Court hereby finally finds and orders that the
7 amounts to be paid to the Representative Plaintiffs and the Other Occupants as identified below
8 are approved:

<u>OCCUPANT</u>	<u>SUM</u>
A. <u>Occupants at 3508 S. Elm Ave., #107, Fresno, CA</u>	
Malaquias Esteves	\$40,186.00
Angelica Luengas	\$5,000.00
Jesucita Esteves	\$4,000.00
Pedro Santiago	\$2,500.00
Erika Esteves	\$4,000.00
Yesenia Esteves	\$4,000.00
Carlos Esteves	\$5,000.00
Mauricio Esteves	\$4,000.00
Jocenth Santiago	\$2,000.00
B. <u>Occupants at 230 W. Geary St., Fresno, CA</u>	
Elvia Reyes	\$36,792.00
Hector Miranda Carbajal	\$5,000.00
Hector Miranda Reyes	\$3,000.00
Diamante Miranda	\$3,000.00
Miriam Miranda Reyes	\$5,000.00
Adrian Ventura Miranda	\$3,000.00
Esmeralda Ventura Miranda	\$3,000.00
Savannah Elvia Miranda	\$2,000.00

1	Ruby Maday Oros Miranda	\$2,000.00
2	Zayliah Medina Miranda	\$2,000.00
3	C. <u>Occupants at 2616 E. Washington St., Apt. 102, Fresno, CA</u>	
4	Catalina Mendoza	\$20,022.00
5	Antonio Martinez Vega	\$5,000.00
6	Rene Martinez	\$3,000.00
7	Iccel Evelina Martinez	\$3,000.00
8	Emily Elizabeth Martinez	\$3,000.00
9	Cathy Ariana Martinez	\$2,000.00
10	D. <u>Previous Occupant of 3622 E. Clay St., Apt. B, Fresno, CA</u>	
11	Neng Vu	\$28,000.00
12	Zang Moua	\$5,000.00
13	E. <u>Previous Occupant of 2211 W. Princeton Ave., Fresno, CA</u>	
14	<u>and 360 N. Roosevelt Ave., #101, Fresno, CA</u>	
15	Willie Thompson	\$35,500.00

16 11. The Court approves the appointment of _____ as the Settlement

17 Administrator. The Court orders that the payment of the expenses of the Settlement

18 Administrator shall be borne by Defendants; however, in the event that the settlement does not

19 become effective for any reason and the Action continues thereafter, Defendants shall be

20 entitled to a credit against the judgment or settlement in this Action against all sums paid or to

21 be paid to a class or other multi-person group (except counsel or the Representative Plaintiffs)

22 in a sum equal to fifty percent (50%) of all amounts paid by or on behalf of Defendants to the

23 Settlement Administrator; provided, however, that the credit shall not be used in a manner that

24 results in a judgment that causes the class or other multi-person group to owe money to the

25 Defendants based solely on the credit.

26 12. The Court further orders, adjudges and decrees that Upon the Effective Date of

27 this Settlement, the Releasors, and each of them, fully and finally release and forever discharge

28 Releasees, and each of them, and shall be deemed to have, and by operation of the Judgment

1 and any related order shall have expressly waived, released, discharged and relinquished the
2 Released Claims defined below.

3 "Releasees" are defined as: Defendants DAVID B. HOVANNISIAN, individually and
4 d/b/a JD HOME RENTALS; JOHN HOVANNISIAN, individually and d/b/a JD HOME
5 RENTALS; BRYCE HOVANNISIAN, individually and doing business as JD HOME
6 RENTALS; LINDA R. HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JJD
7 MANAGEMENT ASSOCIATES d/b/a JD HOME RENTALS; JD INVESTMENTS; J&V
8 PROPERTIES, INC., a California corporation; BDHOV, LP, a California limited partnership;
9 JDHOV, LP, a California limited partnership; LEHOV, LP, a California limited partnership;
10 WRHOV, LP, a California limited partnership; JHS FAMILY LIMITED PARTNERSHIP, a
11 California limited partnership; JCH FAMILY LIMITED PARTNERSHIP, a California limited
12 partnership; DBH FAMILY LIMITED PARTNERSHIP, a California limited partnership,
13 owners of the properties on the Properties List (as defined herein); and each of them, and each
14 of their fictitious business names, dbas, current and former parent companies, affiliates,
15 subsidiaries, divisions, trusts, limited partnerships, entities, successors, predecessors, related
16 companies, joint ventures or partnerships, and each of their present and former employees,
17 contractors, vendors, all persons, entities or others performing or engaged to perform any work
18 or service relating to any of the units on the Properties List (as defined herein), Lindsay
19 Hovannisian, John Hovannisian, Jr., John David Hovannisian, Whitney Hovannisian, officers,
20 directors, stockholders, spouses, agents, servants, advisors, representatives, attorneys,
21 consultants, insurers, trustees, general and limited partners, predecessors, successors, and
22 assigns and all their heirs, executors, successors, assignees or transferees of the foregoing.

23 "Released Claims" means claims, demands, rights, debts, obligations, costs, expenses,
24 wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations,
25 statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action
26 that were or might have been asserted (whether in tort, contract or otherwise), for violation of
27 any state or federal law for claims that are set forth or attempted to be set forth in the
28 Complaint in the Action which are, could be or could have been the basis of claims by the

1 Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other
2 monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of
3 deposits, collection of rent while permitting rental units to be maintained in untenable or
4 uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable
5 unit, expenses incurred to make repairs, and/or other lost money or property paid by a Class
6 Member relating in any way to the condition or maintenance of the unit.

7 The Released Claims include, without limitation all of the following as it relates to
8 restitution, disgorgement, equitable relief, injunctive relief or monetary relief and all of the
9 following to the extent (and only to the extent) of the categories contained in the foregoing
10 paragraph:

11 1. Any and all claims under Business & Professions Code Section 17200, *et seq.* as
12 set forth in the First Cause of Action of the Complaint, including, but not limited to, the
13 permitting of rental units to be maintained in untenable conditions and continue to collect rent,
14 in violation of the Civil Code, including Sections 1941, 1941.1, 1941.3 and 1942.4 and Health
15 & Safety Code Sections 17980, *et seq.*, engaging in a scheme that caused, permitted and
16 maintained untenable rental units, in violation of Civil Code Sections 1714, 1940.2, 1941,
17 1941.1, 1941.3, 1942.5, 1954 and the Health & Safety Code Bill including Sections 17920.3
18 and 17920.10;

19 2. Any and all claims relating to lost money or property by the Class Members
20 relating to the payment of rent or deposits relating to any of the rental units rented or offered
21 for rent by any of the Defendants in the City and/or County of Fresno, California;

22 3. Any and all claims for injunctive relief or other relief under Business &
23 Professions Code Section 17203;

24 4. Any and all claims set forth or attempted to be set forth in the Second Cause of
25 Action;

26 5. Any and all claims alleged or attempted to be alleged in the Third Cause of
27 Action to the extent the Third Cause of Action incorporates the First and Second Causes of
28 Action.

1 6. Any and all claims alleged or attempted to be alleged in the Complaint that JD
2 Homes engaged in a pattern and practice of violating the basic housing rights of its tenants by
3 refusing to make its rental properties habitable by refusing to comply with all applicable health
4 and safety laws; and taking advantage of, harassing and retaliating against any tenants who
5 exert their rights and request repairs, as alleged in Paragraph 8 of the Complaint;

6 7. Any and all claims relating in any way to any rent rebates or any other return of
7 rent or other charges paid by any Class Member to Defendants relative to any properties rented
8 or offered for rent during the period January 9, 2010 to the end of the Class Period;

9 8. Any and all claims that Defendants have failed to keep the properties habitable
10 and fit for occupancy as alleged in Paragraph 30 of the Complaint;

11 9. Any and all claims relating to untenable rental property or properties not
12 meeting the standards of California Civil Code Section 1941.1 and Health & Safety Code
13 Sections 17920, 17920.3 and 17920.10 or other applicable law;

14 10. Any and all claims that Defendants have failed to abate untenable living
15 conditions after receiving notice of them from tenants and/or the City of Fresno, as alleged in
16 Paragraph 30 of the Complaint;

17 11. Any and all claims that Defendants have retaliated and/or harassed tenants,
18 including Plaintiffs and others similarly situated, when they attempt to enforce their legal rights
19 as alleged in Paragraph 30 of the Complaint; and

20 12. Any other claim asserted or attempted to be asserted in the Complaint, including
21 any and all claims for injunctive relief, restitution, disgorgement, retroactive rent rebate, rent
22 reductions, rent abatement and attorneys' fees and costs for this Action.

23 Notwithstanding any of the foregoing, the Released Claims do not include, and are not
24 intended to release, damages claims for physical injury or personal injury (including but not
25 limited to illness, mental stress, emotional distress, anxiety, annoyance and discomfort),
26 including such damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9.
27 The Released Claims do include statutory damages recoverable under any of the statutes listed
28 in sub-paragraphs 1 and 9, but do not otherwise include statutory damages under any other

1 statute.

2 With respect to the Released Claims, the Class Members and the Representative
3 Plaintiffs each further waive all rights and benefits afforded by section 1542 of the Civil Code
4 of the State of California. Section 1542 provides:

5 A general release does not extend to claims which the creditor does not
6 know or suspect to exist in his or her favor at the time of executing the
7 release, which if known by him or her must have materially affected his or
her settlement with the debtor.

8 The Representative Plaintiffs and the Class Members agree not to sue or otherwise
9 make a claim against any of the Releasees that is in any way related to, arises out of or is
10 connected in any way with the Released Claims.

11 13. Nothing contained herein, nor the consummation or execution of this Joint
12 Stipulation, or any other pleadings, documents, orders or judgment relating thereto, is to be
13 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
14 part of Defendants or any of the Releasees, and Defendants and Releasees expressly deny the
15 same. The Parties have entered into this Joint Stipulation with the intention to avoid further
16 disputes and litigation with the attendant inconvenience, business and personal disruption, and
17 expenses. Defendants oppose, and continue to oppose, class or representative treatment of the
18 Claims advanced herein if those Claims were to be litigated rather than settled pursuant to this
19 Joint Stipulation. In the event the judgment is overturned, reversed, not affirmed in its entirety,
20 or never becomes final, the Effective Date for this Joint Stipulation does not occur, or the Joint
21 Stipulation is nullified or modified for any reason, Defendants do not waive any and all rights,
22 including their right to oppose class certification of the Claims. This Joint Stipulation is a
23 settlement document and shall be inadmissible in evidence in any proceeding, except an action
24 or proceeding to approve, interpret, or enforce this Joint Stipulation.

25 Whether or not the Settlement is finally approved, neither the Settlement nor any of its
26 terms, nor any document, statement, orders, judgments, proceeding or conduct related to this
27 Joint Stipulation nor any accounts or reports thereof, shall in any event be:

28 ///

1 1. Construed as, offered or admitted in evidence as, received as, or deemed
2 to be evidence for any purpose adverse to the Releasees, including, but not limited to, evidence
3 of a presumption, concession, indication or admission by any of the Releasees of any liability,
4 fault, wrongdoing, omission, concession or damage; and/or

5 2. Disclosed, referred to or offered to receive in evidence against any of the
6 Releasees, in any further proceeding in this Action, or in any other civil, criminal,
7 administrative action or proceeding of any types, or used in any other way for any other
8 purpose, except for the purposes of settling this Action pursuant to the terms of this Joint
9 Stipulation, enforcing the Judgment or enforcing the release of the Released Claims;

10 14. The Court orders that a Qualified Settlement Fund, as defined in Treasury
11 Regulations Section 1.468B-1, or other applicable law, shall be established to effectuate the
12 terms of the Joint Stipulation and the orders of the Court, if requested by Defendants. The
13 Court hereby finds and orders that the Qualified Settlement Fund:

14 a. Shall be established pursuant to this order of the Court prior to the receipt
15 of any monies from any Defendant.

16 b. That it shall be established to resolve and satisfy the contested Claims
17 that have resulted, or may result, from the matters that are the subject of this Action and that are
18 released in Section 12 of the Joint Stipulation.

19 c. That the contested Claims have given rise to multiple claims by the
20 Releasers asserting liability arising out of tort, breach of contract or other violations of law; and

21 d. That the fund or account be established and its assets be segregated
22 (within a separately established fund or account) from the assets of all Defendants, and all
23 related other persons in the meaning of Title 26, United States Code, Sections 267(b) and
24 707(b)(1).

25 15. As a further material term of the Settlement, the Parties, Class Counsel and
26 Defendants' Counsel all agree and the Court shall order that any work performed by the
27 Inspector, Ombudsman, pest control inspector, the Mediators who assisted in settlement
28 (Chiantelli and Wanger), any mediator used on a going forward basis, and/or the Defendants

1 relating to the inspections and repairs, or reports or other information generated by or
2 provided to them, shall be considered confidential, subject to the mediation privilege, if
3 applicable, and not be used for any purpose other than solely in connection with this Action
4 and shall not be used in or admissible in any other proceeding, except that information
5 pertinent to a particular unit may be used by a tenant in opposition to an unlawful detainer
6 action or to enforce the terms of the Settlement in this Action. As a condition prior to their
7 performing work and as part of the Court's orders approving this Settlement, the Inspector,
8 the Ombudsman, the pest control inspector and the mediator shall execute confidentiality
9 agreements in the form and content attached hereto as Exhibit T with Class Counsel,
10 Defendants' Counsel, Plaintiffs, Defendants and the Class (executed by Class Counsel on
11 their behalf) agreeing, among other things, that all work product or other information
12 generated by, for or relating in any way to the Inspectors, pest control personnel, the
13 Ombudsman, and/or by, for or relating to any repairs performed under this Settlement by
14 anyone, including any of the Defendants, shall be confidential, not be used for any purpose
15 other than solely in connection with this Action and shall not be used in or admissible in any
16 other proceeding, except that information pertinent to a particular unit may be used by a
17 tenant in opposition to an unlawful detainer action or to enforce the terms of the Settlement in
18 this Action

19 16. The Court hereby appoints _____ to serve as the Ombudsman
20 pursuant to Section 5.C. of the Joint Stipulation of Settlement and orders Defendants to pay the
21 sums referenced therein as may be required for performance of those services.

22 17. The Court approves the Voucher program and Cash Alternative program set
23 forth in Section 6 of the Joint Stipulation of Settlement, including the following dates:

24 a. Using first class mail, the Settlement Administrator will mail the Former
25 Tenant Settlement Class Claim Form to all Former Tenant Settlement Class Members. Only
26 those Former Tenant Settlement Class Members who return a Former Tenant Settlement Class
27 Claim Form to the Settlement Administrator within forty-five (45) calendar days after its
28 mailing will be eligible to participate in the Voucher or Cash Alternative programs.

1 Within sixty (60) calendar days of the Effective Date of the Settlement, the Settlement
2 Administrator will send by first class mail the Former Tenant Settlement Class Claim Form to
3 all Former Tenant Settlement Class Members.

4 b. Only those Former Tenant Settlement Class Members who return a
5 Former Tenant Settlement Class Claim Form to the Settlement Administrator within forty-five
6 (45) calendar days after its mailing ("45-day Claim Period") will be eligible to participate in the
7 Voucher or Cash Alternative terms discussed above. Any Former Tenant Settlement Class
8 Claim Form (1) not postmarked by the end of the 45-day Claim Period, (2) not received by the
9 Settlement Administrator by the fifth (5th) calendar day after the 45-day Claim Period (or, if
10 timely postmarked but lost in the mail and delivered no later than 90 calendar days after the end
11 of the 45-day Claim Period). Any Former Tenant Settlement Class Claim Form (1) not
12 postmarked by the end of the 45-day Claim Period, (2) not received by the Settlement
13 Administrator by the fifth (5th) calendar day after the 45-day Claim Period; (3) not received by
14 other means by the Settlement Administrator by the end of the 45-day Claim Period (4) not
15 signed by the Class Member under penalty of perjury; and/or (5) that does not otherwise
16 comply with the claims process is not considered a valid Former Tenant Settlement Class
17 Claim Form. Any Former Tenant Class Member who submits a Former Tenant Settlement
18 Class Claim Form that is not considered timely and valid will not be entitled to participate in
19 the Voucher or the Cash Alternative terms set forth above.

20 c. The Settlement Administrator will use reasonable best efforts to locate
21 and send the Class Notice and Former Tenant Settlement Class Claim Form to the most recent
22 address of said Former Tenant Settlement Class Member. The Settlement Administrator shall
23 be responsible for taking reasonable steps, consistent with its agreed job parameters and any
24 court orders, to trace the address of any Former Tenant Settlement Class Member for whom a
25 Former Tenant Settlement Class Claim Form are returned by the post office as undeliverable.
26 These reasonable steps shall include, at a minimum: tracking of all undelivered mail;
27 performing additional address searches using additional address databases or equivalent means
28 for all mail returned without a forwarding address; and promptly re-mailing to Class Members

1 for whom new addresses are found. Any returned envelopes with forwarding addresses will be
2 utilized by the Settlement Administrator to trace Class Members.

3 d. It will be conclusively presumed that, if an envelope has not been
4 returned within thirty (30) calendar days of the date of mailing, the Class Member received the
5 Former Tenant Settlement Class Claim Form.

6 18. The Court hereby states that it has approved the compromises for the following
7 minors as set forth in Exhibits _____ attached hereto and incorporated herein: (INSERT
8 NAMES)

9 19. Notice of the Final Judgment will be given to the Settlement Class in the
10 following manner: _____

11
12 **IT IS SO ORDERED.**

13 **JUDGMENT SHALL BE AND HEREBY IS ENTERED.**

14 **IT IS SO ORDERED.**

15
16 DATED: _____

Judge of the Fresno County Superior Court

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EXHIBIT R

EXHIBIT R

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

VOUCHER

Pursuant to the terms of the Settlement approved by the Fresno County Superior Court, this Voucher is issued to:

1. **Name:** _____
2. **Date of Mailing of Voucher:** _____
3. **Amount of Voucher:** _____
4. **Use of Voucher:**

a. This Voucher may be applied to the cost of a credit check at JD Home Rentals for a future tenancy by no later than _____ (24 months after mailing of Voucher). The remainder of the Voucher may be applied toward the first month's rent for such a tenancy by no later than _____ (24 months after mailing of Voucher).

b. This Voucher will expire on _____ (24 months after mailing of Voucher).

c. This Voucher may be transferred one time by you between _____ (date of mailing) and _____ (24 months after mailing) to a person who was not part of your tenancy group while you were a tenant at JD Home Rentals. The person to whom you transfer it may use the Voucher in the same manner as set forth above. Any such use must occur no later than _____ (24 months after date of mailing). The transferee is not entitled to the Cash Alternative set forth below.

d. If you do not use the Voucher or transfer it as set forth above, you may return the Voucher to the Settlement Administrator between _____ and _____ and seek the Cash Alternative set forth below. The address for the Settlement Administrator is _____ (INSERT).

e. You will not be receiving any further notice concerning your ability to claim the Cash Alternative.

f. In order to claim the Cash Alternative you must retain possession of the Voucher or, if you lose the Voucher and it is not redeemed by anyone else for use in connection with a future tenancy, you may contact the Settlement Administrator to obtain a substitute Voucher.

g. It will be your responsibility to keep track of the dates when you may make a claim for the Cash Alternative. If you do not make a claim within the time frame set forth above, you will not be able to receive any portion of the Cash Alternative.

EXHIBIT S

EXHIBIT S

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

Notice re: Ombudsman

You are hereby advised that pursuant to the settlement of the above-referenced case, the Court has appointed an Ombudsman to receive complaints about repair and maintenance matters. The Ombudsman is _____, whose contact information is as follows: (TO INSERT).

The duties of the Ombudsman will be to receive and endeavor to resolve complaints from a tenant or tenants relative to repairs and maintenance of units managed by JD Home Rentals. The Ombudsman will not be designated as the initial intake person for receipt of repair or maintenance requests from JD Home Rentals. JD Home Rentals will continue to receive requests for repairs or maintenance in the first instance.

The Ombudsman will serve until the earlier of _____ or the exhaustion of the Ombudsman budget.

EXHIBIT T

EXHIBIT T

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO EVIDENCE CODE §§ 1115, et seq. and 1152, et seq.
SUBJECT TO CONFIDENTIALITY AGREEMENT
NOT TO BE USED FOR ANY PURPOSE OTHER THAN THIS ACTION

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made this _____ day of _____, _____, and is effective upon the date of first disclosure or signing, whichever occurs first, by and between _____ and _____.

WHEREAS, Representative Plaintiffs and Defendants are parties to a Joint Stipulation of Settlement in an action known as *NENG VU, et al., individually and on behalf of all others similarly situated v. JOHN HOVANNISIAN, an individual and d/b/a JD HOME RENTALS; DAVID HOVANNISIAN, an individual and d/b/a JD HOME RENTALS; BRYCE HOVANNISIAN, an individual and d/b/a JD HOME RENTALS; BDHOV, LP, a California limited liability partnership; JHS Family Limited Partnership, a California limited liability partnership; JCH Family Limited Partnership, a California limited liability partnership and DOES 1-100*, Case No. 14 CE CG 00062, pending in the Superior Court for the State of California, Fresno County ("Action"). The Joint Stipulation of Settlement is attached hereto as Exhibit A. The definitions used therein are incorporated herein.

WHEREAS, Class Counsel is representing the Representative Plaintiffs and the putative Class Members in the above-referenced Action;

WHEREAS, Defendants' Counsel is representing Defendants in the above-referenced action;

WHEREAS, the Fresno County Superior Court has preliminarily approved the Joint Stipulation of Settlement in the above-referenced Action and the settlement is pending final approval by the Court;

WHEREAS, as part of the Joint Stipulation of Settlement, Representative Plaintiffs and Class Counsel, on the one hand, and Defendants and Defendants' Counsel, on the other hand all agree that as a condition to and as part of the Court finally approving the Settlement, the above-referenced individuals must execute a Confidentiality Agreement in this form and content agreeing as set forth below;

WHEREAS, the Parties thus desire into this Confidentiality Agreement, subject to its final approval by the Court;

WHEREAS, the Parties hereby desire to enter into this Agreement on the terms and conditions set forth below:

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. For purposes of this Agreement, "Covered Information" shall mean all work product or other information generated by, for or relating in any way to Action, including the Joint Stipulation of Settlement and/or by, for or relating to any inspections, repairs or other work performed under the Joint Stipulation of Settlement or Judgment by anyone, including any Defendants, as well as all information which has been or will be disclosed by one party, or one of its affiliates to the other, whether set forth orally or in writing.
2. Covered Information shall not be used or disclosed for any purpose other than for the purposes set forth in this Agreement. The Parties hereby agree to hold in strictest confidence any and all Covered Information and further that the Covered Information shall not be used for any purpose than solely in connection with this Action and shall not be used in or admissible in any other proceeding, except that information pertinent to a particular unit may be used by a tenant in opposition to an unlawful detainer action or to enforce the settlement in this action.
3. Covered Information will not be disclosed to any person other than a party hereto and to employees and agents that have a need to know such information to effectuate the purpose of this Agreement and work requested to be performed by a party and that such employees and agents shall be informed of this Confidentiality Agreement and shall be bound by at least as restrictive terms as those contained in this Agreement.
4. The execution and performance of this Agreement does not obligate the parties to enter into any other agreement or to perform any obligations other than as specified herein.
5. The receiving party agrees that the disclosure of Covered Information to any third party without the express written consent of the disclosing party may cause irreparable harm to the disclosing party, and that any breach or threatened breach of this Agreement by the receiving party will entitle the disclosing party to seek injunctive relief, in addition to any other legal remedies available to it, in any court of competent jurisdiction.
6. No failure or delay by the disclosing party in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege hereunder.
7. This Agreement shall be governed by the laws of the State of California without reference to its conflict of laws rules. This agreement may not be amended or in any manner modified except by a written instrument signed by authorized representatives of both Parties. If any provision of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of the Parties as expressed herein.

8. This Agreement shall be binding on each party's successors and assigns.
9. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute the same agreement.

SIGNATURES TO BE ADDED

**AMENDMENT TO JOINT
STIPULATION OF SETTLEMENT**

AMENDMENT TO JOINT STIPULATION OF SETTLEMENT

This Amendment to Joint Stipulation of Settlement ("Amendment to Joint Stipulation") is made and entered into by and between Defendants JOHN HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; DAVID HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BRYCE HOVANNISIAN, sued as an individual and d/b/a JD HOME RENTALS; BDHOV, LP, a California limited liability partnership; JHS Family Limited Partnership, a California limited liability partnership; and JCH Family Limited Partnership, a California limited liability partnership and DOES 1 – 100 ("Defendants"), on the one hand, and Plaintiffs NENG VU; WILLIE THOMPSON; ELVIA REYES; CATALINA MENDOZA; ANTONIO MARTINEZ; and MALAQUIAS ESTEVEZ (the "Representative Plaintiffs"), on the other hand, on behalf of themselves and on behalf of all putative class members (as defined in the Joint Stipulation of Settlement ("Joint Stipulation"), in the action pending in the Superior Court of the State of California, Fresno County (the "Court"), Case No. 14 CE CG 00062 (the "Action") and subject to the terms and conditions hereof and the Joint Stipulation. This Amendment to Joint Stipulation, along with the Joint Stipulation, are subject to approval of the Court and are made for the sole purpose of attempting to consummate settlement of this Action on a class-wide basis subject to the following terms and conditions. By entering into this Amendment to Joint Stipulation, Defendants do not make any admissions, including that the Action is properly certified as a class action. As detailed in the Joint Stipulation, in the event the Court does not enter an order granting preliminary and final approval of the Joint Stipulation, the Amendment to Joint Stipulation, the Joint Stipulation or the conditions precedent are not met for any reason, this Amendment to Joint Stipulation and Joint Stipulation shall be void and shall be of no force or effect whatsoever.

Section 10 of the Joint Stipulation is hereby amended as follows:

SECTION 10 - SETTLEMENT OF REPRESENTATIVE PLAINTIFFS'

INDIVIDUAL CLAIMS AND CLAIMS BY OTHER OCCUPANTS

The Representative Plaintiffs have made claims on their own behalf and on behalf of all Other Occupants in the units occupied or formerly occupied by the Representative Plaintiffs at any time up to the ending dates of the general releases as set forth in Exhibit L. The claims include, without limitation, allegations of general and special damages, pain and suffering, emotional distress, rent rebates, and personal injuries. In connection with this Settlement, all of the claims by the Representative Plaintiffs and Other Occupants from the beginning of time up until the ending dates of the general releases as set forth in Exhibit L will be resolved, subject to Court approval of this Settlement and Court approval of any and all necessary minor compromises.

Within thirty (30) calendar days of the latter of the Effective Date of the Settlement, receipt of all general releases from all Representative Plaintiffs and Other Occupants in the form attached hereto as Exhibit L, all necessary Court orders approving this Settlement, including all necessary minors' compromises and receipt by Defendants of all required information from the Representative Plaintiffs and Other Occupants concerning dates of birth, taxpayer identification numbers or any other information that may be required by law or by any insurer of any Defendant and all required communications from Medicare or other government agencies or representatives concerning any and all liens as discussed further below, Defendants will pay the total sum of Two Hundred Forty-Thousand Dollars (\$240,000.00) to Class Counsel, into an attorney trust account designated by Plaintiffs' counsel, for all the Representative Plaintiffs and Other Occupants. These are not incentive award payments, but rather are compensation for alleged personal injuries or physical injuries as set forth further in the releases attached as Exhibit L. The total sum will be allocated as follows:

A.	<u>Occupants at 3508 S. Elm Ave., #107, Fresno, CA</u>	<u>ALLOCATED SUM</u>
	1. Malaquias Esteves	\$40,186.00
	2. Angelica Luengas	\$5,000.00
	3. Jesucita Esteves	\$4,000.00
	4. Pedro Santiago	\$2,500.00
	5. Erika Esteves	\$4,000.00
	6. Yesenia Esteves	\$4,000.00
	7. Carlos Esteves	\$5,000.00
	8. Mauricio Esteves	\$4,000.00
	9. Jocenith Santiago	\$2,000.00
B.	<u>Occupants at 230 W. Geary St., Fresno, CA</u>	
	1. Elvia Reyes	\$36,792.00
	2. Hector Miranda Carbajal	\$5,000.00
	3. Hector Miranda Reyes	\$3,000.00
	4. Diamante Miranda	\$3,000.00
	5. Miriam Miranda Reyes	\$5,000.00
	6. Adrian Ventura Miranda	\$3,000.00
	7. Esmeralda Ventura Miranda	\$3,000.00
	8. Savannah Elvia Miranda	\$2,000.00
	9. Ruby Maday Oros Miranda	\$2,000.00
	10. Zayliah Medina Miranda	\$2,000.00
C.	<u>Occupants at 2616 E. Washington St., Apt. 102, Fresno, CA</u>	
	1. Catalina Mendoza	\$20,022.00
	2. Antonio Martinez Vega	\$5,000.00
	3. Rene Martinez	\$3,000.00
	4. Iccel Evelina Martinez	\$3,000.00
	5. Emily Elizabeth Martinez	\$3,000.00
	6. Cathy Ariana Martinez	\$2,000.00

D. Previous Occupant of 3622 E. Clay St., Apt. B, Fresno, CA

- | | | |
|----|-----------|-------------|
| 1. | Neng Vu | \$28,000.00 |
| 2. | Zang Moua | \$5,000.00 |

E. Previous Occupant of 2211 W. Princeton Ave., Fresno, CA and 360 N. Roosevelt Ave., #101, Fresno, CA

- | | | |
|----|-----------------|-------------|
| 1. | Willie Thompson | \$35,500.00 |
|----|-----------------|-------------|

The Class Counsel will have the responsibility for seeking and obtaining all necessary orders from the Court approving all minor compromises. All minor compromises must be obtained prior to the Final Approval Hearing and any orders must be expressly conditioned on the Court finally approving this Joint Stipulation and the Effective Date of the Settlement having occurred. Any and all payments to a minor shall be made as specifically stated in the minor's compromise order or other orders relating to funds paid for the benefit of a minor listed above.

Class Counsel represents that they have all necessary and binding written consents from each of their clients (Representative Plaintiffs and Other Occupants) to enter into this Agreement and to the allocation of sums as set forth above between the Representative Plaintiffs and Other Occupants.

A. Representative Plaintiffs agree and acknowledge that it is their sole and exclusive obligation to satisfy all liens, conditional payments, debts, rights of subrogation, and/or any other claims or actions asserted against them and/or the proceeds of this settlement, whether now known or unknown, including, but not limited, to any liens by any medical provider, or any Medicaid or Medicare liens resulting from the payment of expenses for hospital or other care and treatment of Plaintiffs and/or Other Occupants. Prior to payment of any settlement funds under this Section, the Representative Plaintiffs, Other Occupants and Class Counsel shall certify that there are no non-Medicare liens that relate to the payment of any of the settlement funds set forth in this Section regarding which there is not an agreement for its satisfaction from the settlement proceeds. In addition, prior to payment of any settlement funds under this Section, the insurance carriers for Defendants will report the names of the Representative Plaintiffs and Other

Occupants to the appropriate government agencies for the purpose of determining if there are any Medicare or other government liens. The payment of the settlement funds under this Section will not be made until final letters have been received from Medicare and other government agencies or representatives, which will state whether or not there are any Medicare or other liens to any government agency and the total amounts needed to satisfy the lien or liens applicable to each person. If there are any such liens, the amounts paid under this Section for a particular person shall first be used to pay such lien or liens by a check or checks issued to Medicare or other government agency, with any excess to be paid by check to the particular Representative Plaintiff and/or Other Occupant and delivered to Class Counsel with a notation of the deduction for the applicable lien.

B. Representative Plaintiffs further agree to release Releasees and their agents, representatives, attorneys and insurance carriers from any liens, debts, rights of subrogation, and/or any other claims or actions asserted against them and/or the proceeds of this Settlement by anyone claiming by, through or under Representative Plaintiffs or Other Occupants, whether now known or unknown, including any Medicaid or Medicare liens resulting from the payment of expenses for hospital or other care and treatment of Representative Plaintiffs and/or Other Occupants.

C. Representative Plaintiffs further agree to defend, indemnify and hold harmless Releasees and their agents, representatives, attorneys and insurance carriers from any damages, demands for payment or reimbursement, liens, debts, rights of subrogation, and/or any other claims or actions asserted against them and the proceeds of this Settlement, by anyone claiming by, through or under Representative Plaintiffs or Other Occupants, whether now known or unknown, including any Medicaid or Medicare liens resulting from the payment of expenses for hospital or other care and treatment of Representative Plaintiffs and/or Other Occupants.

D. Representative Plaintiffs specifically warrant that they are not aware of any Medicare or Medicaid benefits paid for the medical care and treatment rendered to treatment of Representative Plaintiffs and/or Other Occupants except as may be revealed as a result of the reporting and disclosure set forth above in Paragraph A. Representative

Plaintiffs further warrant that any Medicare or Medicaid liens, whether now known or unknown, resulting from the payment of expenses for hospital or other care and treatment of injuries and damages claimed by Plaintiffs and/or Other Occupants, will be fully satisfied, if sufficient funds exist from the allocated payments in this Section, as set forth herein. If insufficient funds exist to fully satisfy a lien, the lien will be partially satisfied only, with no remaining proceeds payable to the particular Representative Plaintiff or Other Occupant from the settlement proceeds.

E. Provision of All Information Necessary for Section 111 Reporting and Any Other Required Reporting: Representative Plaintiffs will provide Releasees and their agents, representatives, attorneys and insurance carriers with complete, accurate, and up-to-date information regarding Representative Plaintiffs' and Other Occupants' Medicare and other government aid eligibility status. Representative Plaintiffs also will provide any and all information Releasees and their agents, representatives, attorneys and insurance carriers require to facilitate and meet their reporting obligations under 42 U.S.C. §1395y(b)(8). Such information may include, but is not limited to: Representative Plaintiffs' full name, Social Security Number (SSN), Medicare Health Insurance Claim Number (HICN), gender, and date of birth or any other information that may be required by law or by any insurer of any Defendant.

F. Representations and Warranties Regarding Medicare Eligibility and Conditional Payments: Representative Plaintiffs represent and warrant that they have provided Releasees and their agents, representatives, attorneys and insurance carriers with complete, accurate, and up-to-date information regarding Representative Plaintiffs' and Other Occupants' Medicare and other government aid eligibility status. The parties agree that all representations and warranties made herein shall survive settlement.

G. Remedies for Breach and Protection of Medicare's Interests: The parties agree that, in the event of a breach of the representations and warranties made by Representative Plaintiffs in the paragraphs above, Releasees and their agents, representatives, attorneys and insurance carriers shall be entitled to set off any remaining payments due under the terms of this Settlement, as well as to the full extent of damages

and other relief available at law and equity.

H. The parties have attempted to resolve this matter in compliance with both state and federal law, and believe that the settlement terms adequately consider Medicare's interest and do not reflect any attempt to shift responsibility for payment of medical expenses covered under this settlement to Medicare pursuant to 42 U.S.C. § 1395y(b). The parties acknowledge and understand that any present or future action or decision by CMS or Medicare, including actions regarding the Representative Plaintiffs' eligibility or entitlement to receive Medicare or Medicare payments, will not render this Release void or ineffective, or in any way affect the finality of this Settlement.

Exhibit L to the Joint Stipulation is hereby amended as follows:

EXHIBIT L

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

**GENERAL RELEASE BY REPRESENTATIVE PLAINTIFF/OTHER
OCCUPANTS**

(Insert name of each Representative Plaintiff/Other Occupant (who are adults) on separate release form)

Pursuant to the terms of the Joint Stipulation and in further consideration therefor, (insert name), on his/her own behalf, hereby fully and finally releases and forever discharges Releasees (as defined below), and each of them, and hereby expressly waives, releases, discharges and relinquishes the following Representative Released Claims (as defined below) against Releasees. This release is on behalf of (insert name of Representative Plaintiff/Other Occupant) only (and any minors for whom they are a parent or guardian) (collectively in this document referred to as the "Releasing Parties"), and not on behalf of the Class. Subject to approval by the Court of the minors' compromises, the following minor or minors are parties to this General Release as "Other Occupants":

(TO BE INSERTED)

Releasees

Defendants DAVID B. HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JOHN HOVANNISIAN, individually and d/b/a JD HOME RENTALS; BRYCE HOVANNISIAN, individually and doing business as JD HOME RENTALS; LINDA R. HOVANNISIAN, individually and d/b/a JD HOME RENTALS; JJD MANAGEMENT ASSOCIATES d/b/a JD HOME RENTALS; JD INVESTMENTS; J&V

PROPERTIES, INC., a California corporation; BDHOV, LP, a California limited partnership; JDHOV, LP, a California limited partnership; LEHOV, LP, a California limited partnership; WRHOV, LP, a California limited partnership; JHS FAMILY LIMITED PARTNERSHIP, a California limited partnership; JCH FAMILY LIMITED PARTNERSHIP, a California limited partnership; DBH FAMILY LIMITED PARTNERSHIP, a California limited partnership, owners of the properties on the Properties List (as defined herein); and each of them, and each of their fictitious business names, dbas, current and former parent companies, affiliates, subsidiaries, divisions, trusts, limited partnerships, entities, successors, predecessors, related companies, joint ventures or partnerships, and each of their present and former employees, contractors, vendors, all persons, entities or others performing or engaged to perform any work or service relating to any of the units on the Properties List (as defined herein), Lindsay Hovannisian, John Hovannisian, Jr., John David Hovannisian, Whitney Hovannisian, officers, directors, stockholders, spouses, agents, servants, advisors, representatives, attorneys, consultants, insurers, trustees, general and limited partners, predecessors, successors, and assigns and all their heirs, executors, successors, assignees or transferees of the foregoing.

Representative Released Claims

"Representative Released Claims" means claims, demands, rights, debts, obligations, costs, expenses, wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations, statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action that were or might have been asserted (whether in tort, contract or otherwise), for violation of any state or federal law for claims that are set forth or attempted to be set forth in the Complaint in the Action which are, could be or could have been the basis of claims by the Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of deposits, collection of rent while permitting rental units to be maintained in untenable or uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable unit, expenses incurred to make repairs, and/or other lost money or property paid by (insert name(s)) relating in any way to the condition or maintenance of the unit.

"Representative Released Claims" further means any and all claims, injuries, economic loss, noneconomic loss, personal injuries, emotional distress, stress, mental stress, anxiety, annoyance, discomfort, all statutory damages of any type that may be waived or released, expenses, wages, pensions, demands, damages, debts, suits, liabilities, accounts, obligations, indemnity, contributions, rights, costs, expenses (including any and all attorneys' fees, expenses and court costs), agreements, promises, liens, contractual rights, legal rights, losses, penalties, costs, actions, and causes of action that (insert name) and/or any of the Releasing Parties now have, own or hold, or at any time heretofore ever had, owned or held, or could, shall or may hereafter have, own or hold, of whatever kind or nature, whether known or unknown, suspected or unsuspected, contingent or fixed, which may exist or might be claimed to exist from the beginning of time until the Effective Date of the Settlement (except as expressly limited to the earlier period as set forth in the next paragraph below), which is defined in the Joint Stipulation of Settlement which is attached hereto as Exhibit A and incorporated herein, including, but not limited to, all claims that are asserted, have been asserted or could be asserted against Releasees up to and including the Effective Date of the

Settlement (except as expressly limited to the earlier period as set forth in the next paragraph below), or any other additional right, remedy or relief, whether at law, in equity or otherwise, and the consequences thereof, now and in the future, of any type whatsoever, whether specifically mentioned or not.

Notwithstanding the immediately preceding paragraph, for claims for personal injury or physical injury damages only (and not for any of the other claims referenced in this release), the release of claims for personal injury or physical injury damages is from the beginning of time up to and including the date of filing in the Court by the Plaintiffs' Counsel of the motion for preliminary approval of the Settlement as set forth in Section 13 of the Joint Stipulation of Settlement.

The Representative Released Claims include, without limitation all of the following:

1. Any and all claims under Business & Professions Code Section 17200, *et seq.* as set forth in the First Cause of Action of the Complaint, including, but not limited to, the permitting of rental units to be maintained in untenable conditions and continue to collect rent, in violation of the Civil Code, including Sections 1941, 1941.1, 1941.3 and 1942.4 and Health & Safety Code Sections 17980, *et seq.*, engaging in a scheme that caused, permitted and maintained untenable rental units, in violation of Civil Code Sections 1714, 1940.2, 1941, 1941.1, 1941.3, 1942.5, 1954 and the Health & Safety Code Sections, including Sections 17920.3 and 17920.10;
2. Any and all claims relating to lost money or property by (insert name(s)) relating to the payment of rent or deposits relating to any of the rental units rented or offered for rent by any of the Defendants in the City and/or County of Fresno, California;
3. Any and all claims for injunctive relief or other relief under Business & Professions Code Section 17203;
4. Any and all claims set forth or attempted to be set forth in the Second Cause of Action;
5. Any and all claims alleged or attempted to be alleged in the Third Cause of Action to the extent the Third Cause of Action incorporates the First and Second Causes of Action.
6. Any and all claims alleged or attempted to be alleged in the Complaint that JD Homes engaged in a pattern and practice of violating the basic housing rights of its tenants by refusing to make its rental properties habitable by refusing to comply with all applicable health and safety laws; and taking advantage of, harassing and retaliating against (insert name(s)) for exerting their rights and request repairs, as alleged in Paragraph 8 of the Complaint;
7. Any and all claims relating in any way to any rent rebates or any other return of rent or other charges paid by (insert name(s)) to Defendants relative to any properties rented or offered for rent during the period January 9, 2010 to the end of the Class Period;
8. Any and all claims that Defendants have failed to keep the properties habitable and fit for occupancy as alleged in Paragraph 30 of the Complaint;

9. Any and all claims relating to untenantable rental property or properties not meeting the standards of California Civil Code Section 1941.1 and Health & Safety Code Sections 17920, 17920.3 and 179920.10 or other applicable law;

10. Any and all claims that Defendants have failed to abate untenantable living conditions after receiving notice of them from tenants and/or the City of Fresno, as alleged in Paragraph 30 of the Complaint;

11. Any and all claims that Defendants have retaliated and/or harassed tenants, including Plaintiffs and others similarly situated, when they attempt to enforce their legal rights as alleged in Paragraph 30 of the Complaint;

12. Any other claim asserted or attempted to be asserted in the Complaint, including any and all claims for injunctive relief, restitution, disgorgement, retroactive rent rebate, rent reductions, rent abatement and attorneys' fees and costs for this Action;

13. Any and all claims alleged or attempted to be alleged in the Complaint filed in this Action;

14. Any and all claims alleged or attempted to be alleged in the Third Cause of Action in the Complaint in this Action;

15. Any and all claims for physical injuries, personal injuries, respiratory problems, allergies, infections, bites, insomnia, depression, anxiety, emotional distress, fear, frustration, humiliation, hopelessness, discomfort, lost income, mental distress, emotional distress, annoyance, discomfort, property damage;

16. Any and all equitable claims of any type or nature;

17. Any and all claims for attorneys' fees and costs in connection with or related to the Action;

18. Any and all claims for damages of any type, including compensatory and punitive damages; and

19. Any and all claims for interest of any type.

(insert name(s)) agree not to sue or otherwise make a claim against any of the Releasees that is in any way related to, arises out of or is connected in any way with the Representative Released Claims.

In agreeing to this Release, (insert name(s)) acts on his/her own behalf and on behalf of any and all of his/her heirs, executors, beneficiaries, legal representatives, transferees, agents, assigns, predecessors, successors and attorneys.

(insert name(s)), on his/her own behalf, further waives all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, which states as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

(insert name(s)), on his/her own behalf, expressly waives any and all rights under Section 1542 to the extent Section 1542 may have any application at all to the Releases set forth herein. (insert name(s)) further understands and acknowledges the significance and consequences of the foregoing specific waiver of said Section 1542, waives the provisions of Section 1542 upon the advice of legal counsel, and accepts full responsibility for any injury, damage, or loss which may hereinafter arise in respect of such releases, although unknown or unanticipated at the time of execution of this agreement.

(insert name(s)), on his/her own behalf, further agrees, promises and covenants that neither he/she, nor any person, organization or entity acting on his/her behalf, will file, charge, claim, sue or permit to be filed, charged or claimed, an action or proceeding of any type for damages or other relief (including injunctive, declaratory, monetary or other) against Releasees for any of the Representative Released Claims.

(insert name(s)) further represents and agrees that, other than this Action, (insert name(s)) has not filed or caused to be filed any other complaints, charges, applications, claims or grievances against Defendants and/or Releasees with any local, state or federal agency, court or other body; that he/she will not file or cause to be filed any such complaint, charge, application, claim or grievance at any time hereafter regarding any of the Representative Released Claims; and that if any complaint, charge, application, claim or grievance against Defendants or Releasees is filed on behalf of or with respect to (insert name(s)), he/she will request such agency, court or other body to withdraw from the matter with prejudice.

Willie Thompson further represents and agrees that, other than this Action and a small claims case titled *Willie Thompson v. JD Home Rentals and John Hovannisian*, Fresno County Superior Court Action No. 15 CESC 00423, which resulted in a judgment in favor of the defendants and which also resulted in dismissal of David Hovannisian. Willie Thompson has not filed or caused to be filed any other complaints, charges, applications, claims or grievances at any time regarding any of the Representative Released Claims; and that if any complaint, charge, application, claim or grievance against Defendants or Releasees is filed on behalf of or with respect to Willie Thompson, he will request such agency, court or other body to withdraw from the matter with prejudice.

REPRESENTATIVE PLAINTIFFS

DATED: _____

Neng Vu

DATED: _____

Willie Thompson

DATED: _____

Elvia Reyes

DATED: _____

Catalina Mendoza

DATED: _____

Antonio Martinez Vega

DATED: _____

Malaquias Esteves

DEFENDANTS

DATED: _____

John Hovannisian

DATED: _____

David Hovannisian, sued as an
individual and d/b/a JD Home
Rentals

DATED: _____

Bryce Hovannisian, sued as an
individual and d/b/a JD Home
Rentals

BDHOV, LP, a California limited liability
partnership

DATED: _____

By: _____

JHS Family Limited Partnership, a
California limited liability partnership

DATED: _____

By: _____

JCH Family Limited Partnership, a
California limited liability partnership

DATED: _____

By: _____

EXHIBIT 2

SUPERIOR COURT OF CALIFORNIA - COUNTY OF FRESNO. Civil Department - Non-Limited		Entered by:
TITLE OF CASE: Neng Vu vs. John Hovannisian/COMPLEX		
LAW AND MOTION MINUTE ORDER		Case Number: 14CECG00062

Hearing Date: **November 22, 2019** Hearing Type: **Oral Arguments re: Motion for Preliminary Approval Class Settlement**
 Department: **503** Judge: **Kimberly A. Gaab**
 Court Clerk: **J. Yang** Reporter: **Tawnya Pierce**

Appearing Parties:
 Plaintiff: _____ Defendant: _____
 Counsel via Court Call: **Julius Thompson; Jenna Miara; Michelle Kezerian.** Counsel via Court Call: **William Hahesy; Linda Northrup**

☐ Off Calendar

☐ Continued to ☐ Set for ___ at ___ Dept. ___ for ___

☐ Submitted on points and authorities with/without argument. ☒ Matter is argued and submitted.

☐ Upon filing of points and authorities.

☐ Motion is granted ☐ in part and denied in part. ☐ Motion is denied ☐ with/without prejudice.

☐ Taken under advisement

☐ Demurrer ☐ overruled ☐ sustained with ___ days to ☐ answer ☐ amend

☒ Tentative ruling becomes the order of the court. No further order is necessary.

☒ Pursuant to CRC 3.1312(a) and CCP section 1019.5(a), no further order is necessary. The minute order adopting the tentative ruling serves as the order of the court.

☒ Service by the clerk will constitute notice of the order.

☒ See attached copy of the Tentative Ruling.

☐ Judgment debtor ___ sworn and examined.

☐ Judgment debtor ___ failed to appear.
 Bench warrant issued in the amount of \$ ___

JUDGMENT:

☐ Money damages ☐ Default ☐ Other ___ entered in the amount of:
 Principal \$___ Interest \$___ Costs \$___ Attorney fees \$___ Total \$___
☐ Claim of exemption ☐ granted ☐ denied. Court orders withholdings modified to \$___ per ___

FURTHER, COURT ORDERS:

☐ Monies held by levying officer to be ☐ released to judgment creditor. ☐ returned to judgment debtor.
☐ \$___ to be released to judgment creditor and balance returned to judgment debtor.
☐ Levying Officer, County of ___, notified. ☐ Writ to issue
☐ Notice to be filed within 15 days. ☐ Restitution of Premises
☒ Other: Parties shall meet and confer and submit to the court a stipulation and proposed order with relevant notices on or before December 13, 2019. Parties are permitted to set minor's compromises on the same day as the Motion for Final Approval of Class Settlement, or prior to that date upon coordination with Department 503.

(03)

Tentative Ruling

Re: ***Vu v. Hovannisian***
Superior Court Case No. 14CECG00062

Hearing Date: November 21, 2019 (Dept. 503)
**In the event oral argument is timely requested, it will be heard on
November 22, 2019, at 9:30 a.m., in Dept. 503.**

Motion: Plaintiffs' Motion for Preliminary Approval of Class Action
Settlement

Tentative Ruling:

To grant plaintiffs' motion for preliminary approval of the class action settlement,
and preliminary certification of the proposed class for the purpose of settlement.

Explanation:

1. Preliminary Certification of the Class

Before the court can grant preliminary approval of the class action settlement, it must grant preliminary certification of the proposed class. (Cal. Rules of Court, rule 3.769(d).) Before a court may approve the settlement, the settlement class must satisfy the normal prerequisites for a class action. (*Amchem Prods., Inc. v. Windsor* (1997) 521 US 591, 625-27.) However, because a trial court is considering certification in a settlement context, the court's review of certification is lessened, particularly those related to management of the class. (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 93.) On the other hand, other certification issues, such as those designed to protect absentees by blocking unwarranted or overbroad class definitions require heightened scrutiny. (*ibid.*)

Under California Law, the party seeking class certification must establish three things: (1) the existence of an ascertainable and sufficiently numerous class; (2) a well-defined community of interest; and (3) substantial benefits from certification that render proceeding as a class superior to the alternatives. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1021.) "Code of Civil Procedure section 382 authorizes class action suits in California 'when the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court' The party seeking certification as a class representative must establish the existence of an ascertainable class and a well-defined community of interest among the class members. The community of interest requirement embodies three factors: (1) predominant common questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class." (*Richmond v. Dart Industries, Inc.* (1981) 29 Cal.3d 462, 470, internal citations omitted.)

"It is the burden of the proponent of class certification to show, with substantial evidence, that common questions of law or fact predominate over questions affecting individual members. And whether such substantial evidence exists involves analysis of whether the proponent's 'theory of recovery' is likely to prove compatible with class treatment." (*Capitol People First v. State Dept. of Developmental Services* (2007) 155 Cal.App.4th 676, 689-690, citing *Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 327 and *Lockheed Martin Corp. v. Superior Court* (2003) 29 Cal.4th 1096, 1104, 1106.)

"Confronted with a request for settlement-only class certification, a district court need not inquire whether the case, if tried, would present intractable management problems [citation omitted] for the proposal is that there will be no trial. But other specifications of the rule—those designed to protect absentees by blocking unwarranted or overbroad class definitions—demand undiluted, even heightened, attention in the settlement context." (*Amchem Products v. Windsor* (1997) 521 U.S. 591, 620.)

The Due Process Clause also requires that the named plaintiff at all times adequately represent the interests of the absent class members. (*Phillips Petroleum Co. v. Shutts* (1985) 472 U.S. 797, 812.) The certification process ensures that is the case. This is a basic constitutional requirement which applies to all class actions, federal and state.

"[T]he community of interest requirement for certification does not mandate that class members have uniform or identical claims. Further, in deciding whether the commonality requirement has been satisfied, courts may consider pattern and practice, statistical and sampling evidence, expert testimony and other indicators of a given defendant's classwide practices in order to assess whether that common behavior toward similarly situated plaintiffs renders class certification appropriate." (*Id.* at pp. 692-693, italics in original, citing *Sav-On*, *supra*, 34 Cal.4th at pp. 333, 338.)

A class is required to be ascertainable in order to give proper notice to putative class members so that a judgment in the action will be subject to *res judicata* principles. (*Hicks v Kaufman & Broad Home Corp.* (2001) 89 Cal.App.4th 908, 914.) A class is ascertainable if it identifies a group of unnamed plaintiffs by describing a set of common characteristics sufficient to allow a member of that group to identify themselves as having a right to recover based on the description. (*Bartold v. Glendale Fed. Bank* (2000) 81 Cal.App.4th 816, 828.)

With regard to the ascertainability requirement, the point of ascertainability is that the class members must be "readily identifiable without unreasonable time and expense" (*Hale v. Sharp Healthcare* (2014) 232 Cal.App.4th 50, 59-60) and the class definition cannot be so broad that it is impossible to distinguish between those class members who have viable claims from those who do not. (*Miller v. Bank of America, N.A.* (2013) 213 Cal.App.4th 1, 7-8.)

Here, it appears that the proposed class is numerous, since the class will include approximately 18,000 members, including current and former tenants of defendant JD Home Rentals' many properties. The exact number of tenants falling within the class

should also be reasonably ascertainable, since JD Home Rentals should have the names and contact information of the potential class members in its records.

Previously, the court found that it troubling that the parties had not provided a more precise figure for the number of people who will fall into each sub-class. They merely stated that there will be approximately 10,000 people in the current tenant sub-class, and another 15,000 in the former tenant sub-class. The court was also concerned that the lack of specificity of the number of potential class members was problematic, particularly with regard to the former tenant sub-class, since the larger the number of class members, the less money there will be to go around. The court noted that, even if there are only 15,000 former tenants in the class, the proposed settlement only provided about \$222,000 in vouchers for former tenants, which would not be enough to provide all 15,000 with \$250 in cash payments. In fact, if all 15,000 former tenants accept the cash option, each tenant would only receive about \$60.

However, plaintiffs have now provided more evidence and information regarding the total number of proposed class members, including current and former tenants. They were able to determine that there are an estimated 7,315 current tenants as of June 30, 2019, and approximately 10,972 former tenants. Thus, plaintiffs have presented sufficient evidence to show numerosity and ascertainability of the proposed class.

In its ruling from the last hearing date, the court was also concerned that the named class representatives' interests might not be sufficiently similar to the other class members' interests to allow them to adequately represent the other members of the class, since the named representatives have substantial personal injury claims that they seek to resolve as part of the class action settlement. The court was concerned that the named representatives might have had a strong incentive to settle to obtain the substantial cash payments that are part of the overall settlement, rather than to zealously represent the interests of the other class members, which could create a conflict of interest between the named representatives and the other class members.

Now, plaintiffs have presented evidence that the class representatives' personal injury settlements were not originally part of the settlement negotiations for the class, and that they were only added as part of the settlement after the class claims had been settled. Apparently, defendants and their insurers insisted that the named representatives' personal injury claims be settled at the same time as the class claims in order to avoid any potential future liability. The named representatives were not consulted during the initial class settlement negotiations to avoid having any conflict of interest, and their personal settlements were negotiated later. Therefore, based on these representations, it does not appear that the named representatives have a conflict of interest with the other class members, and they appear to be able to adequately represent the interests of the class.

In its prior ruling, the court also found it problematic that many of the other occupants of the named plaintiffs' homes are not named parties in the case, yet they will receive thousands in the settlement. The court was concerned that it might not even have jurisdiction to award settlement money to individuals who have not been named as plaintiffs in the action.

Plaintiffs have now clarified that they are not seeking to compromise any minors' claims at this time as part of the class settlement, and that the other unnamed adults' claims can be settled without court involvement, but that they wanted to apprise the court of all the parties that were settling claims related to the issues of the case. Therefore, since it appears that the claims of the other unnamed claimants are not part of the class settlement, the court will not deny the motion based on the fact that other parties are included in the overall settlement.

Since it appears that plaintiffs have met the requirements for preliminary certification of the proposed class, the court grants the motion for preliminary certification of the class for the purpose of settlement.

2. Preliminary Approval of Class Settlement

"The trial court has broad discretion to determine whether the settlement is fair. It should consider relevant factors, such as the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement." (*Dunk v. Ford Motor Company* (1996) 48 Cal. App. 4th 1794, 1801, citation omitted.)

In *Kullar v. Foot Locker Retail* (2008) 168 Cal.App.4th 116, the Court of Appeal stated, "[I]n the final analysis it is the Court that bears the responsibility to ensure that the recovery represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing litigation. The court has a fiduciary responsibility as guardians of the rights of the absentee class members when deciding whether to approve a settlement agreement." (*Id.* at 129.)

There is no presumption of fairness simply because the four factors cited by the *Kullar v. Foot Locker Retail, Inc.* case are met. Rather, the court "must independently and objectively analyze the evidence and circumstances before it in order to determine whether the settlement is in the best interests of those whose claims will be extinguished." To make this determination, the factual record before the court must be sufficiently developed. That means competent, admissible evidence must be submitted. (*Id.* at p. 130.) The type of evidence courts rely on includes evidence developed in "vigorous, aggressive, and exhaustive discovery," evidence revealed at evidentiary hearings, the "hiring an accountant [or other expert] to test the validity of defendant's data by sampling the underlying records, interviewing defendant's accounting personnel, and taking related due diligence measures," and payroll records and other documents. (*Id.* at pp. 130-132.)

In its prior ruling, the court expressed a number of concerns about whether the settlement was fair and reasonable under the circumstances. First, the court was concerned that the named plaintiffs and their family members will receive substantial money settlements, while the other members of the class will receive relatively small amounts of money, vouchers for rent discounts, or simply the right to have inspections

and repairs done. However, in light of plaintiffs' representation that the named plaintiffs' personal injury claims were negotiated and settled separately from the class claims, this concern is not necessarily an indication that the settlement is unreasonable or unfair to the other class members. Also, the class members will be receiving not only cash or vouchers, but also current tenants will receive the right to receive detailed inspections on demand and diligent repairs from defendants, as well as the assistance of an ombudsman as an intermediary in the event of disputes over the repairs. Therefore, the disparity between what the named representatives will receive and what the other class members will receive is not as great as it might first appear.

Second, the court was further concerned that the settlement would result in a release of the class members' rights to all future relief against defendants, other than personal injury claims, including all equitable and injunctive remedies. (Settlement, pp. 55-57.) The court also noted that the settlement expressly states that defendants shall not be subject to any consent decree or injunctive relief as part of the settlement. (*Id.* at p. 13.) Thus, the court was concerned that, if defendants continue to fail to provide adequate and habitable housing to the class members, the tenants' only remedy will be to seek relief through the rather convoluted mechanisms provided by the settlement.

However, as plaintiffs point out, the settlement agreement still provides that the court will retain jurisdiction to enforce the settlement and resulting judgment, even though it does not provide for injunctive relief or a consent decree. Class members will also have various other rights under the settlement that will assist them in obtaining inspections and repairs, including the right to have an inspection by an independent inspector upon demand, the use of an agreed upon checklist during inspections, a requirement that repairs must be made diligently based on the inspector's report, the right to have inspections and repairs done to extended areas of the property if necessary, and the assistance of an ombudsman if there is a dispute over repairs. They will also have a right to a pest inspection, whether requested or not. Furthermore, defendants will not have the right to terminate tenancies except for cause for a period of 12 months after the judgment is entered, and class members will retain the right to seek government assistance. Therefore, it does appear that class members will retain sufficient rights and enforcement mechanisms to make the settlement effective.

Furthermore, while the court previously expressed concerns with the fact that the settlement did not appear to grant any new rights that were not already available under existing law, plaintiffs have pointed out that tenants' rights under the law to request and obtain inspections and repairs are fairly limited and cumbersome. The settlement provides for much broader rights, including demanding and receiving an inspection by an independent inspector even in the absence of a showing of a code violation, the right to receive diligent repairs, the right to a pest inspection without a showing of need, and the assistance of an ombudsman to resolve any disputes over repairs. The settlement also bars defendants from evicting tenants for 12 months except on a showing of cause. Thus, it does appear that the settlement would result in significant benefits to the class members that are not otherwise provided under the law.

Third, the court pointed out in its prior ruling that the parties had not conducted any discovery into the claims and potential class members, as is normally

required prior to approval of a class action settlement. However, plaintiffs now have submitted declarations from several of the attorneys who worked on the case, testifying to the hundreds of homes inspected, hundreds of JD Home Rentals' tenants interviewed, experts consulted, and thousands of documents reviewed in an effort to investigate the case and the issues it presents. Thus, while there was no formal discovery conducted in the case, it does appear that counsel has performed a thorough investigation of the underlying facts and issues, and that they obtained sufficient information to determine that the terms of the proposed settlement are reasonable.

The court was also concerned that, under the terms of the settlement, former tenants will lose all rights to any vouchers or cash payments if they do not send in a signed claim form within 45 days of being sent a copy of the claim form by the settlement administrator. (Settlement, p. 40.) In other words, the former tenants will have to affirmatively opt-in to the settlement by sending in a signed claim form in order to receive any benefit from the settlement at all. The court noted that this language appears to be inconsistent with the prior terms of the settlement, which state that the class members will be considered part of the class unless they expressly opt out of the settlement. (Settlement, p. 18.) Given the relatively short 45-day time period for returning the claim form, the court was concerned that a large number of former tenants may not respond and make a claim for the voucher or cash equivalent, in which case they will be barred from all future relief. The court was worried that this provision appears to have the potential to unfairly bar the claims of many former tenants.

In their supplemental briefing, plaintiffs offered to provide a longer notice period to former tenants if the court believes that a longer period is necessary to protect their rights. Defendants have now stipulated to 75-day notice period, provided that plaintiffs agree not to issue a press release or hold a press conference as referenced in the Joint Stipulation of Settlement and provided that all insurers consent or do not oppose these items. Defendants also submitted a supplemental statement, indicating that the insurers have agreed to these terms. Therefore, the court finds that the 75-day notice period will be sufficient to protect the rights of former tenants to make claims.

With regard to the question of whether the claim provision converts the settlement into an "opt-in" rather than an "opt-out" settlement, plaintiffs note that it is common for class settlements to require class members to submit claims in order to obtain compensation. (See e.g. *Choi v. Mario Badescu Skin Care, Inc.* (2016) 248 Cal.App.4th 292, 297.) Therefore, it does not appear that the claims requirement here creates an "opt-in" class.

Finally, in its previous ruling, the court noted that the amount of attorney's fees sought by class counsel appears to be disproportionate to the value of the settlement money and other relief that the class members will receive, since the total cash value of the settlement, including the personal injury damages being paid to the named class members and their co-occupants, is less than \$500,000, whereas plaintiffs' counsel will receive about \$1,220,000 in fees for work on the case. Thus, the court was concerned that counsel will be receiving fees far out of proportion to the value of the settlement.

The court also advised that counsel had not provided any details about the work performed or the hourly rates at which the work was billed.

Now, however, plaintiffs' counsel has submitted detailed time records and summaries of the work done on the case, as well as the hourly rates of the attorneys who performed the work. According to the time summaries and hourly rates, counsel actually incurred over \$3,000,000 in fees while working on the case, so the requested amount of \$1,220,000 is a substantial discount from the actual fees incurred. Also, it is worth noting that the fees will not be coming out of plaintiffs' recovery, as is the usual scenario in class action settlements, but rather will be paid by defendants separately. Therefore, the class members' recovery will not be reduced by the amount of fees their attorneys will receive.

In addition, to the extent that the court was concerned that the attorney's fees are several times greater than the total money recovery received by plaintiffs here, plaintiffs' counsel points out that they are seeking fees under Code of Civil Procedure section 1021.5, not a class fund theory. Under Code of Civil Procedure section 1021.5:

Upon motion, a court may award attorneys' fees to a successful party against one or more opposing parties in any action which has resulted in the enforcement of an important right affecting the public interest if: (a) a significant benefit, whether pecuniary or nonpecuniary, has been conferred on the general public or a large class of persons, (b) the necessity and financial burden of private enforcement, or of enforcement by one public entity against another public entity, are such as to make the award appropriate, and (c) such fees should not in the interest of justice be paid out of the recovery, if any.

In the instant case, it does appear that the class settlement will provide for a significant benefit to the general public or a large class of persons, as it will allow thousands of current and former tenants of JD Home Rentals to obtain inspections, diligent repairs, vouchers, and other forms of relief from the habitability problems at defendants' properties. The necessity and financial burden of private enforcement also make an award of fees appropriate to plaintiffs' counsel here, as prosecuting the present case has conferred a significant benefit on the public by addressing the habitability problems with defendants' properties, which house thousands of people in the Fresno area. Also, the monetary recovery received here was secondary to the other, non-monetary forms of relief, such as the right to receive detailed inspections, pest control, and diligent repairs to the properties. Indeed, the cost of litigating the action far outweighs the monetary recovery received by the class. Thus, it appears that an award of fees under Code of Civil Procedure section 1021.5 is appropriate.

The requested amount of fees also appears to be reasonable, as counsel has stated that they actually incurred far more fees than the amount they are claiming. In light of the many years of work and investigation required by the case, the number of hours incurred by counsel appears to be reasonable. Also, while counsel has requested rates that are higher than the rates normally charged by Fresno attorneys, plaintiffs have provided evidence indicating that they were unable to obtain local counsel who were willing and able to represent them in this complex and highly contested case. As

a result, use of out-of-town rates to calculate fees is justified under the circumstances.
(Horsford v. Bd. of Trustees of California State Univ. (2005) 132 Cal. App. 4th 359, 399.)

Therefore, the court grants the motion for preliminary approval of the class settlement, as well as the motion to preliminarily certify the class.

Pursuant to CRC 3.1312 and CCP §1019.5(a), no further written order is necessary. The minute order adopting this tentative ruling will serve as the order of the court and service by the clerk will constitute notice of the order.

Tentative Ruling

Issued By:

MA
(Judge's Initials)

on

11/20/19
(Date)

EXHIBIT 3

1 C. Claim Process for Former Tenant Settlement Class Members: Within sixty
2 (60) calendar days of the Effective Date of the Settlement, the Settlement Administrator will
3 send by first class mail the Former Tenant Settlement Class Claim Form to all Former Tenant
4 Settlement Class Members.

5 Only those Former Tenant Settlement Class Members who return a Former Tenant
6 Settlement Class Claim Form to the Settlement Administrator within ~~forty-five~~ ^{seventy} (75) calendar
7 days after its mailing ("~~45~~-day Claim Period") will be eligible to participate in the Voucher or
8 Cash Alternative terms discussed above. Any Former Tenant Settlement Class Claim Form (1)
9 not postmarked by the end of the ~~45~~-day Claim Period, (2) not received by the Settlement
10 Administrator by the fifth (5th) calendar day after the ~~45~~-day Claim Period (or, if timely
11 postmarked but lost in the mail and delivered no later than 90 calendar days after the end of the
12 ~~45~~-day Claim Period); (3) not received by other means by the Settlement Administrator by the
13 end of the ~~45~~-day Claim Period (4) not signed by the Class Member under penalty of perjury;
14 and/or (5) that does not otherwise comply with the claims process is not considered a valid
15 Former Tenant Settlement Class Claim Form. Any Former Tenant Class Member who submits
16 a Former Tenant Settlement Class Claim Form that is not considered timely and valid will not
17 be entitled to participate in the Voucher or the Cash Alternative terms set forth above.

18 The Settlement Administrator will use reasonable best efforts to locate and send the
19 Class Notice and Former Tenant Settlement Class Claim Form to the most recent address of
20 said Former Tenant Settlement Class Member. The Settlement Administrator shall be
21 responsible for taking reasonable steps, consistent with its agreed job parameters and any court
22 orders, to trace the address of any Former Tenant Settlement Class Member for whom a Former
23 Tenant Settlement Class Claim Form are returned by the post office as undeliverable. These
24 reasonable steps shall include, at a minimum: tracking of all undelivered mail; performing
25 additional address searches using additional address databases or equivalent means for all mail
26 returned without a forwarding address; and promptly re-mailing to Class Members for whom
27 new addresses are found. Any returned envelopes with forwarding addresses will be utilized by
28 the Settlement Administrator to trace Class Members.

Exhibit 2

EXHIBIT 4

1 Notice Period, but instead will rely on the Inspection Notice to inform tenants of their rights
2 under the Settlement. Notwithstanding the foregoing, this provision does not include any
3 unsolicited contact with any Current Tenant Settlement Class Member who, on their own
4 initiative, seeks assistance for any reason at a regular clinic conducted no more than once per
5 month by Tenants Together as a regular, ongoing activity by Tenants Together independently of
6 Defendants or JD Home Rentals at a regular location in the City or County of Fresno, California
7 during the Inspection Notice Period. Tenants Together may operate said regular tenant clinic
8 and to engage in its normal outreach for such clinics and other organizing activities, which
9 consists generally of the following: distribution of organizational brochure referrals to and from
10 Tenants Together Statewide Hotline, emails to Tenants Together members and supporters, flyer
11 distribution at nonprofit and community partner locations, tabling at community events,
12 referrals from legal services and other non-profit service providers, advertisement in the
13 Community Alliance and other media outlets, letters to the editor, billboards, bus signs,
14 television and radio public service announcements and stories in media outlets (all hereinafter
15 referred to as "Outreach Materials or Activities"); provided, however, from the date of
16 execution of this Joint Stipulation and up until the end of the Inspection Notice Period, none of
17 Tenants Together's Outreach Materials or Activities will refer to or mention JD Home Rentals,
18 any of the Defendants, this Settlement or this Action except as set forth below:

19 A. Within thirty (30) calendar days of the Preliminary Approval Hearing Order, Plaintiffs
20 and their counsel may hold a press conference to announce the settlement, but will
21 confine their comments to the contents of the Press Release attached as Exhibit K. In
22 connection with that press conference, Plaintiffs and their counsel may distribute a
23 single Press Release, and contact press regarding it or respond to press inquiries
24 concerning it, but will confine their comments accompanying that distribution to the
25 contents of the Press Release.

26 B. Within thirty (30) calendar days of the Preliminary Approval Hearing Order, the Parties
27 and their counsel may distribute a single Press Release concerning the above-referenced
28 press conference, and respond to press inquiries regarding it, but will confine their

EXHIBIT 5

SUPERIOR COURT OF CALIFORNIA, COUNTY OF FRESNO

NENG VU, et al.,

Case No. 14 CE CG 00062

Plaintiffs,

v.

JD HOME RENTALS, et al.,

Defendants.

NOTICE OF CLASS ACTION SETTLEMENT
AND NOTICE OF FINAL APPROVAL
HEARING
("CLASS NOTICE")

READ THIS CLASS NOTICE CAREFULLY BECAUSE THIS SETTLEMENT WILL AFFECT YOUR LEGAL RIGHTS

On December 1, 2019, the Superior Court of the State of California, in and for the County of Fresno, granted preliminary approval of a settlement (the "Settlement") in the Class action lawsuit of Plaintiffs Neng Vu, et al. v. Defendants JD Home Rentals, et al., Case No. 14 CE CG 00062 (the "Action").

This Settlement relates to current or former residential tenants during January 9, 2010 to December 1, 2019, in Fresno City or County, State of California, of the following Defendants: John Hovannisian, an individual and d/b/a JD Home Rentals; David Hovannisian, an individual and d/b/a JD Home Rentals; Bryce Hovannisian, an individual and d/b/a JD Home Rentals; BDHOV, LP, a California limited liability partnership; JHS Family Limited Partnership, a California limited liability partnership; JCH Family Limited Partnership, a California limited liability partnership, and any others associated with the ownership or management of residential properties in the City or County of Fresno, State of California, in which any of the Defendants are involved.

Upon its effective date, the settlement provides, in general, that current tenants will have the choice between receiving an independent inspection of their residential unit, and required repairs, or an eight-month rent freeze, but not both. All current tenants will have access to an Ombudsman for two years and a one-time pest control inspection. Finally, for a period of 12 months, Defendants will agree not to terminate any tenancy except for certain good cause.

Former tenants will receive a rent credit voucher that will be valid for two years or a cash alternative rebate if the voucher is not used, provided the former tenants comply with all claims' requirements.

This Class Notice is available in Hmong and Lao, by contacting the Settlement Administrator at [telephone-number insert to be filled in]. [Same sentence to be included in Hmong and Lao.]

QUESTIONS

1. **Why am I receiving this Class Notice?** You are receiving this Class Notice because records indicate that you are a member of the Class. The purpose of this Class Notice is to briefly describe the Action and Settlement to you and inform you of your rights and options in connection with the Settlement.

2. **Who is in the Class?** The Class consists of current and former tenants of the Defendants as further explained in the following paragraphs.

The Current Tenant Settlement Class is defined as follows: All individuals who, as of December 1, 2019, are current tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California.

The Former Tenant Settlement Class is defined as follows: All individuals who, on or after January 9, 2010, had been, but, as of December 1, 2019 were not tenants (i.e., lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California.

3. **What does this Action involve?** The Complaint alleges individual and class action claims against Defendants. The Complaint alleges that Defendants routinely maintained their residential units in generally uninhabitable, untenable, substandard and/or dangerous conditions under general standards of maintaining residential units and under all applicable California statutes and laws. The Complaint further claims that Defendants took advantage of tenants; failed to make repairs, required or permitted tenants to make repairs or otherwise caused the tenants to expend money relating to their units. Defendants have denied these allegations.

Complete details of all the allegations are on file with the Fresno County Superior Court, and are available at www. to be filled in or by contacting the Settlement Administrator at (to be filled in).

4. **What is the Settlement?** Current Tenant Settlement Class Members will have the option of an independent inspection of the unit a tenant occupies or a rent freeze for a period of eight months after Final Approval of the Settlement. In addition, for a period of two years after the Settlement becomes effective or expiration of the agreed budget, the Current Tenant Settlement Class Members will have access to an Ombudsman to receive complaints about repairs and maintenance matters. Furthermore, a pest control inspector will perform a single pest control inspection and assessment of each unit occupied by the Current Tenant Settlement Class. Finally, for a period of 12 months after Final Approval of this Settlement, if that occurs, JD Home Rentals has agreed not to terminate any tenancy except for certain types of good cause.

Some current tenants who do not opt out may move out before the settlement actually takes effect and benefits them. This will include those who request an inspection but move before they receive it. Those current tenants will then be considered former tenants, and will be provided the same Voucher and Cash Alternative opportunity available to former tenants. However, current tenants who do

not request an inspection and thus receive the immediate benefit of the rent freeze, and then move, will not qualify for the Voucher or Cash Alternative opportunity. Again, see the Joint Stipulation available in court and on the website for details.

Former Tenant Settlement Class Members will be entitled to a rental credit voucher in the event that they move to a Defendant owned or managed unit within two years of mailing of the voucher; or, if the voucher is not used, a cash amount if applied for after the voucher expires.

Voucher. Each lease agreement is one tenancy group regardless of the number of persons in the group. Vouchers will be divided pro rata where there is more than one member of a tenancy group (which may be combined if they agree among themselves). The Voucher is good for two years from mailing to you and may be transferred one time to a third party. The Voucher may be used as a credit towards the cost of a credit check, with the remainder applied towards the first month's rent. Any former tenant exercising the voucher will not have to post a security deposit. The value of the Voucher depends on the size of the unit formerly rented (and is the same as the maximum available for the Cash Alternative if the Voucher is not used): \$250 for a one-bedroom unit; \$350 for two bedrooms and \$500 for three bedrooms or more in a rental unit. Defendants' records regarding who is a former tenant will control that determination.

Cash Alternative. Former tenant class members who do not use or transfer the Voucher may, after the two year period expires, submit within 45-75 days the expired Voucher to the Settlement Administrator and seek the Cash Alternative, which will be paid up to the same amounts as the Voucher's value (except that it will be based on \$10 per month of prior tenancy up until the maximum value of the Voucher (e.g., a \$250 voucher would reimburse \$250 for 25 months of prior tenancy, a \$350 Voucher that amount for up to 35 months of prior tenancy, etc.). The Cash Alternative value for all former tenants is capped in the aggregate at \$222,500; if the Cash Alternative claims exceed that amount, they will be divided pro rata.

Defendants have the right to disqualify any former tenant from exercising the voucher, in which case they will automatically be considered to have applied for the Cash Alternative when it is available.

CURRENT TENANT SETTLEMENT CLASS MEMBERS WHO VACATE UNITS

Current Tenant Settlement Class Members who move out of a rental unit owned or managed by Defendants between December 1, 2019 and the Effective Date of the Settlement (which will be at least 60 days after the Final Approval Hearing) will be provided the same opportunity as Former Tenant Settlement Class Members to receive the Voucher or Cash Alternative discussed above. After the Effective Date of the Settlement, these class members will be mailed a Former Tenant Settlement Class Claim Form, which they must send to the Settlement Administrator as directed in that form if they wish to participate in the Voucher or Cash Alternative available to Former Tenant Settlement Class Members.

Current Tenant Settlement Class Members who did not opt out, who were current tenants at the time of the Effective Date of the Settlement, and who requested an inspection, but moved out of their unit before receiving their requested inspection, shall have the right to participate in the Cash Alternative upon the same terms as Former Tenant Settlement Class Members, including the timing of the payment. After vacating the unit, these class members will be mailed a Former Tenant Settlement Class Claim Form, which they must return to the Settlement Administrator within forty-five/seventy-five (45/75) calendar days of the mailing if they wish to participate in the Cash Alternative available to Former Tenant Settlement Class Members.

Current Tenant Settlement Class Members who did not opt out, who were current tenants at the time of the Effective Date of the Settlement, but who did not request an inspection, and therefore received the immediate benefit of the rent freeze available to such persons (or some portion thereof), shall not have the right to participate in the Voucher or Cash Alternative program.

5. **I am a Current Tenant. What do I have to do to receive the inspection or rent freeze?** After final settlement approval, current tenants will receive from the Settlement Administrator a form allowing them to request an inspection. The basis to request an inspection will be explained in the form. You will have the option of receiving an inspection of your unit by an independent inspector or, for those who do not request an inspection, a rent freeze that will extend for eight (8) months after Final Approval of the Settlement. You will have forty-five (45) calendar days from mailing of that form to request the inspection. It is estimated that that form will not be sent until approximately four to five months after the Final Approval Hearing (and possibly longer if there is some type of appeal). You will have to review that form and timely return it or you will not receive an independent inspection, but will receive the rent freeze.

6. **I am a Former Tenant. What do I have to do to receive the Voucher or Cash Alternative?** Former Tenant Settlement Class Members will receive a claim form after the Court finally approves this Settlement (which could take considerable time if there is an appeal). You will have to return the claim form within forty-five/seventy-five (45/75) calendar days of its mailing or you will not be entitled to receive the Voucher or the Cash Alternative.

The Voucher will be good for up to 24 months from the date of its mailing to you. At the end of the 24-month period, if the Voucher has not been redeemed or transferred by you, you will have forty-five (45) calendar days during the period set forth in the Voucher to return an unused or untransferred Voucher to the Settlement Administrator and seek the Cash Alternative discussed above.

You alone are responsible to keep a copy of your voucher, and the date by which any later claim for a Cash Alternative must be made. It is important that you keep track of the Voucher and the Cash Alternative filing date. A replacement voucher can be obtained by contacting the Settlement Administrator at (to be filled in) if you lose your Voucher.

7. **The attorneys, their recommendation and their request for attorney's fees.** The attorneys for the Class have been appointed by the court and are experienced in class actions and housing. They recommend the settlement as reasonable based on the relief obtained and the risk of obtaining less relief. They will apply to the court for fees and costs not to exceed \$1,150,000 (in addition to some future monitoring legal costs up to \$70,000 after the Effective Date of the Settlement), which application will be posted at www: (to be filled in). This application will be available at (to be filled in) by April 16, 2020.

8. How do I opt out if I do not want to be part of the Settlement? You can opt out of the Settlement by notifying the Settlement Administrator in writing of your intent to opt out. You must state your name, address, home or cellular telephone number, and your intention to opt out. It must be received or post-marked no later than (to be filled in). Opt out writings must be postmarked and mailed by first class mail, postage prepaid, or delivered, directly to the Settlement Administrator at the following address:

(INSERT): to be filled in

Any Class Member who properly requests to opt out will not be entitled to receive any portion of the Settlement and will not be bound by the Settlement or have any right to object, appeal or comment thereon. Class Members who do not submit a valid and timely request to opt out shall be bound by all terms of the Settlement if the Settlement is finally approved by the Court.

9. Can I object to the Settlement? The Court will hold a Final Approval Hearing on September 15, 2020 at 3:30 p.m. in Department 503 of the Superior Court of the State of California in and for the County of Fresno, located at B.F. Sisk Courthouse, 1130 "O" Street, Fresno, California 93721, in Courtroom 503 (or as other set by the Court). As a Class Member, you may object to the Settlement. You have the right to object to the Settlement, and you also have the right to object to Class Counsel's request for attorney's fees and costs. To object, you must submit a written statement to the Settlement Administrator postmarked or delivered by (to be filled in.)

Any objections should clearly explain the Class Member's objection and state whether the Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing. If a Class Member submits a timely and complete objection and written notice of intention to appear, the Class Member may (but is not required to) appear personally or through an attorney, at his or her own expense, at the Final Approval Hearing. All timely objections will be considered whether the objector appears or not.

Class Members who unsuccessfully object to the proposed settlement remain class members, and are bound by the Settlement's terms (if finally approved) to the same extent as a Class Member who does not object.

No objecting Class Member shall be personally heard, and no briefs or papers beyond the objection itself submitted by any such person shall be considered by the Court, unless written notice of intention to appear at the Final Approval Hearing, together with copies of all papers and briefs shall have been filed with the Court and mailed to Class Counsel and Defendants' Counsel with a postmark no later than (to be filled in).

All objections and written notices of intention to appear must be signed and must contain the Class Member's name, the address of counsel, if any, and the name of and the case number for the Action. Upon request, the objector must also provide the Parties any address information or other necessary information so as to identify the objector.

Any Class member of the who does not object as provided above shall be deemed to have waived such objections and shall be foreclosed from making any objections by appeal or otherwise.

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10. What is the effect of Final Approval of the Settlement? If the Court grants final approval of the Settlement, all Class Members (Current Tenant and Former Tenant Settlement Class Members), are bound by the terms of the Settlement, including the releases set forth in the Joint Stipulation of Settlement. The full releases as contained in the Joint Stipulation of Settlement are set forth in Exhibit 1 attached hereto. By remaining a part of this Class, you are also so agreeing and specifically waive all rights and benefits afforded by section 1542 of the Civil Code of the State of California for the items set forth in the release and nothing else, which provides: A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at

the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

11. What if I have further questions about the Settlement or Action? You may contact Class Counsel at the address listed in Question 9 without having to pay for any attorneys' fees. You also have the right to speak with an attorney of your choosing at your own expense. You may also contact the Settlement Administrator with questions about this Settlement at the address listed in Question 8. Please do not contact Defendants' Counsel.

This Class Notice provides you with a summary of some of the terms and conditions of the Settlement. You have the right to view the entire Settlement set forth in the Joint Stipulation of Settlement, as well as the Complaint, which is on file with the Superior Court of the State of California, in and for the County of Fresno, located at B.F. Sisk Courthouse 1130 "O" Street, Fresno, California 93721, and which may be viewed on the website of the Settlement Administrator at [www. \(to be filled in\)](http://www.(to be filled in)). You may also obtain a copy from the Settlement Administrator, whose contact information is listed in Question 8. If you need assistance, the Settlement Administrator will assist you in translating the Joint Stipulation of Settlement from English to the language of your preference.

**DO NOT CONTACT THE COURT. THE COURT CANNOT PROVIDE YOU WITH LEGAL ADVICE OR ANY OPINION
AS TO THIS SETTLEMENT OR LAWSUIT.**

EXHIBIT 1

The release language in the Joint Stipulation of Settlement is as follows:

Upon the Effective Date of this Settlement, the Class, Class Members, Current Tenant Settlement Class Members and Former Tenant Settlement Class Members, and each of them, fully and finally release and forever discharge Releasees, and each of them, and shall be deemed to have, and by operation of law, judgment and any related order shall have expressly waived, released, discharged and relinquished the Released Claims defined below. The Released Claims consist of all such claims from January 9, 2010 to the end of the Class Period.

"Released Claims" means claims, demands, rights, debts, obligations, costs, expenses, wages, restitution, disgorgement, benefits of any type, equitable relief, contract obligations, statutory relief penalties, attorneys' fees, costs, interest, actions, liabilities and causes of action that were or might have been asserted (whether in tort, contract or otherwise), for violation of any state or federal law for claims that are set forth or attempted to be set forth in the Complaint in the Action which are, could be or could have been the basis of claims by the Class relating in any way to restitution, disgorgement, equitable relief, injunctive relief or other monetary relief concerning: rent, rent overcharges, rent credits, deposits, disposition of deposits, collection of rent while permitting rental units to be maintained in untenable or uninhabitable conditions, payment of rent or other monies for an untenable or uninhabitable unit, expenses incurred to make repairs, and/or other lost money or property paid by a Class Member relating in any way to the condition or maintenance of the unit.

The Released Claims include, without limitation all of the following as it relates to restitution, disgorgement, equitable relief, injunctive relief or monetary relief and all of the following to the extent (and only the extent) of the categories contained in the foregoing paragraph:

1. Any and all claims under Business & Professions Code Section 17200, *et seq.* as set forth in the First Cause of Action of the Complaint including, but not limited to, the permitting of rental units to be maintained in untenable conditions and continue to collect rent, in violation of the Civil Code including Sections 1941, 1941.1, 1941.3 and 1942.4 and Health & Safety Code Sections 17980, *et seq.*, engaging in a scheme that caused, permitted and maintained untenable rental units, in violation of Civil Code Sections 1714, 1940.2, 1941, 1941.1, 1941.3, 1942.5, 1954 and the Health & Safety Code including Sections 17920, and 17920.10;
2. Any and all claims relating to lost money or property by the Class Members relating to the payment of rent or deposits relating to any of the rental units rented or offered for rent by any of the Defendants in the City and/or County of Fresno, California;
3. Any and all claims for injunctive relief or other relief under Business & Professions Code Section 17203;
4. Any and all claims set forth or attempted to be set forth in the Second Cause of Action;
5. Any and all claims alleged or attempted to be alleged in the Third Cause of Action to the extent the Third Cause of Action incorporates the First and Second Causes of Action;
6. Any and all claims alleged or attempted to be alleged in the Complaint that JD Homes engaged in a pattern and practice of violating the basic housing rights of its tenants by refusing to make its rental properties habitable by refusing to comply with all applicable health and safety laws; and taking advantage of, harassing and retaliating against any tenants who exert their rights and request repairs, as alleged in Paragraph 8 of the Complaint;
7. Any and all claims relating in any way to any rent rebates or any other return of rent or other charges paid by any Class Member to Defendants relative to any properties rented or offered for rent during the Class Period;
8. Any and all claims that Defendants have failed to keep the properties habitable and fit for occupancy as alleged in Paragraph 30 of the Complaint;
9. Any and all claims relating to untenable rental property or properties not meeting the standards of California Civil Code Section 1941.1 and Health & Safety Code Sections 17920, 17920.3 and 17920.10 or other applicable law;
10. Any and all claims that Defendants have failed to abate untenable living conditions after receiving notice of them from tenants and/or the City of Fresno, as alleged in Paragraph 30 of the Complaint;
11. Any and all claims that Defendants have retaliated and/or harassed tenants, including Plaintiffs and others similarly situated, when they attempt to enforce their legal rights as alleged in Paragraph 30 of the Complaint; and
12. Any other claim asserted or attempted to be asserted in the Complaint, including any and all claims for injunctive relief, restitution, disgorgement, retroactive rent rebate, rent reductions, rent abatement and attorneys' fees and costs for this Action.

Notwithstanding any of the foregoing, the Released Claims do not include, and are not intended to release, damages claims for physical injury or personal injury (including but not limited to illness, mental stress, emotional distress, anxiety, annoyance and discomfort), including such damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9. The Released Claims do include statutory damages recoverable under any of the statutes listed in sub-paragraphs 1 and 9, but do not otherwise include statutory damages under any other statute.

With respect to the Released Claims, the Class, Class Members, Current Tenant Settlement Class Members and Former Tenant Settlement Class Members each further waive all rights and benefits afforded by section 1542 of the Civil Code of the State of California. Section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Class, Class Members, Current Tenant Settlement Class Members and Former Tenant Settlement Class Member agree not to sue or otherwise make a claim against any of the Releasees that is in any way related to, arises out of or is connected in any way with the Released Claims.

EXHIBIT 6

EXHIBIT O

(Newspaper Notice)

Vu, et al. v. JD Home Rentals, et al.
Fresno County Superior Court Action No. 14 CECG 00062

Neng Vu, et al. v. JD Home Rentals, et al. Class Action Settlement

A proposed class action settlement has been reached in the lawsuit *Neng Vu, et al. v. JD Home Rentals, et al.* Fresno County Superior Court Case No. 14 CECG 00062. The lawsuit makes a number of claims, including the Defendants maintained their rental units in generally substandard conditions, which allegedly caused the rental units to suffer from a number of conditions. The lawsuit further claims that tenants were required to pay rent for such untenable units, incur expenses for making their own repairs and otherwise suffer other monetary damages. Defendants have denied the claims. Nonetheless, Defendants and the Class Representatives have agreed to settle the dispute to avoid the uncertainty and costs of further litigation and trial.

Who is a Class Member?

There are two groups of Class Members: current tenants and former tenants. The Current Tenants, who are referred to as Current Tenant Settlement Class Members, are defined as follows:

"All individuals who, as of December , 2019 are current tenants (i.e. lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California."

The Former Tenants, who are referred to as Former Tenant Settlement Class Members, are defined as:

"All individuals who, on or after January 9, 2010, had been, but were not as of December , 2019, tenants (i.e. lease signatories and/or adult occupants listed on a lease) in a residential property owned or managed, in whole or in part, including through a partnership or corporation, by any of the Defendants, including JD Home Rentals and/or any of the owners of the units, in the City or County of Fresno, California."

What are my Legal Rights?

This Notice is only a summary. You may obtain more complete information by visiting www. (to be filled in) .com and viewing the full Class Notice, by writing to the address at the bottom of this notice, or by calling the Settlement Administrator at (to be filled in).

In general, the Current Tenant Settlement Class Members will have the option of an independent inspection of the unit that a tenant occupies or rent freeze for a period of eight months after (to be filled in). In addition, for a period of two years after the settlement becomes effective or expiration of an agreed budget, the Current Tenant Settlement Class Members will have access to an ombudsman to receive complaints about repairs and maintenance matters. Furthermore, a

pest control inspector will perform a single pest control inspection and assessment of each unit occupied by the current tenants. Finally, for a period of 12 months after final approval of the Settlement, if that occurs, JD Home Rentals agrees not to terminate any tenancies except for certain good cause.

If the Settlement is finally approved, you will receive a further notice as a current tenant that will give you a right to select either an independent inspection or the rent freeze.

The Former Tenant Settlement Class Members will be entitled to a rental credit voucher that may be used if they move to a unit owned or managed by Defendant in the City or County of Fresno, California within two years of final approval or, if the voucher is not used or transferred, a cash amount once the voucher expires. The dollar amount of the voucher depends on the size of the unit that the former tenant occupied: \$250 for a one-bedroom unit; \$350 for a two-bedroom unit; and \$500 for three bedrooms or more in a rental unit.

If the Settlement is finally approved, you will subsequently receive a claim form which will give you the opportunity to make a claim for the voucher.

Unless you take steps to exclude yourself from the Settlement, you will be bound by the Settlement (including all releases) and all of the Court's orders if the Court approves the Settlement. If you do not file anything, you will be bound by the Settlement. This means you will not be able to make any claim that is covered by the Settlement against Defendants or any other Releasees in the future.

If you wish to exclude yourself from this Settlement, you must submit a letter to the Settlement Administrator at the address below postmarked by (to be filled in). If you send that letter you will not be entitled to any benefits of the Settlement. If you do not send that letter, you will be part of the Settlement. Please visit the settlement website at www. (to be filled in) .com for more information.

If you wish to object to the Settlement, you must do so by submitting your objections to the Settlement Administrator at the address below postmarked by. Please visit the settlement website at www. (to be filled in) .com for more information.

The Final Approval Hearing will be held on September 15, 2020, at 3:30 p.m., in Department 503. The Court will, among other things, decide whether the Settlement is fair, reasonable, adequate and should be approved. The Court will also determine attorneys' fees, costs and expenses and other matters. You may attend the hearing, but you do not have to do so.

This is only a summary regarding this Settlement. For detailed information, including the full text of the Settlement and the Class Notice, please visit www. (to be filled in) .com, call (to be filled in) or write to (to be filled in).

PROOF OF SERVICE

My business address is 225 W. Shaw Avenue, Suite 105, Fresno, California 93704. I am employed in Fresno County, California. I am over the age of 18 years and am not a party to this case.

On the date indicated below, I served the foregoing document(s) described as **[PROPOSED] ORDER CONDITIONALLY CERTIFYING CLASS FOR SETTLEMENT PURPOSES ONLY, PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT, APPROVING NOTICE OF CLASS ACTION SETTLEMENT, AND SETTING HEARING FOR FINAL APPROVAL** on all interested parties in this action by placing a true copy thereof enclosed in sealed envelopes addressed as follows:

SEE ATTACHED SERVICE LIST

☒

(BY MAIL) I am readily familiar with the business' practice for collection and processing of correspondence for mailing, and that correspondence, with postage thereon fully prepaid, will be deposited with the United States Postal Service on the date noted below in the ordinary course of business, at Fresno, California.

(BY PERSONAL SERVICE) I caused delivery of such envelope(s), by hand, to the office(s) of the addressee(s).

(BY ELECTRONIC MAIL) I caused such documents to be scanned into PDF format and sent via electronic mail to the electronic mail address(es) of the addressee(s) designated.

(BY FACSIMILE) I caused the above-referenced document to be delivered by facsimile to the facsimile number(s) of the addressee(s).

(BY OVERNIGHT COURIER) I caused the above-referenced envelope(s) to be delivered to an overnight courier service for delivery to the addressee(s).

EXECUTED on December 19, 2019, at Fresno, California.

☒

(STATE) I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

(FEDERAL) I declare that I am employed in this office of a member of the bar of this court at whose direction this service was made.


Cheryl Dunkle

SERVICE LIST

Barrett S. Litt
Kaye, McLane, Bednarski & Litt, LLP
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Michelle Marie Kezirian
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Linda Northrup
Northrup Schlueter, A Professional Law
Corporation
31365 Oak Crest Drive, Suite 250
Westlake Village, CA 91361

Mark L. Kincaid
Kincaid & Associates
26 Alhaja Way
Hot Springs, AR 71909-7769

PROOF OF SERVICE

My business address is 225 W. Shaw Avenue, Suite 105, Fresno, California 93704. I am employed in Fresno County, California. I am over the age of 18 years and am not a party to this case.

On the date indicated below, I served the foregoing document(s) described as **NOTICE OF ENTRY OF ORDER** on all interested parties in this action by placing a true copy thereof enclosed in sealed envelopes addressed as follows:

SEE ATTACHED SERVICE LIST

____ (BY MAIL) I am readily familiar with the business' practice for collection and processing of correspondence for mailing, and that correspondence, with postage thereon fully prepaid, will be deposited with the United States Postal Service on the date noted below in the ordinary course of business, at Fresno, California.

____ (BY PERSONAL SERVICE) I caused delivery of such envelope(s), by hand, to the office(s) of the addressee(s).

☒

(BY ELECTRONIC MAIL) I caused such documents to be scanned into PDF format and sent via electronic mail to the electronic mail address(es) of the addressee(s) designated.

____ (BY FACSIMILE) I caused the above-referenced document to be delivered by facsimile to the facsimile number(s) of the addressee(s).

____ (BY OVERNIGHT COURIER) I caused the above-referenced envelope(s) to be delivered to an overnight courier service for delivery to the addressee(s).

EXECUTED on January 9, 2020, at Fresno, California.

☒

(STATE) I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

____ (FEDERAL) I declare that I am employed in this office of a member of the bar of this court at whose direction this service was made.


Cheryl Dunkle

SERVICE LIST

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