

## NOTICE OF CLASS ACTION SETTLEMENT

*Chen v. GHP Management Corporation, et al., Case No. BC713402*  
*Waldron v. GHP Management Corporation, et al., Case No. 19STCV03883*

**If you leased an apartment unit at a GHP property and moved out of your apartment between July 13, 2014 and June 30, 2022, this class action settlement may benefit you and affect your rights. The GHP properties covered by this notice are listed below.**

This Notice provides you with a brief description of the lawsuit and proposed settlement. More information and key documents related to the settlement can be found at the class action website.

**Usted puede ser elegible para participar en un acuerdo de demanda colectiva con respecto al depósito de seguridad de su apartamento. Para obtener más información, visite el sitio web de la demanda colectiva.**

**您可能有资格参与有关公寓保证金的集体诉讼和解。有关更多信息，请访问集体诉讼网站。**

**[WWW.GHPCLASSACTION.COM](http://WWW.GHPCLASSACTION.COM)**

### WHAT IS THIS LAWSUIT ABOUT?

In this class action lawsuit, Xin Chen, Brian Chiang, and Kierney Waldron (called “Representative Plaintiffs”) allege that GHP Management Corporation and other companies (called “Defendants”) violated California Civil Code section 1950.5 and other laws by improperly handling tenant security deposits, imposing improper move-out charges, and failing to provide required disclosures.

Defendants deny these allegations, deny any wrongdoing and maintain that they fully complied with the law. By entering into this settlement, Defendants in no way admit any violation of law or any liability. The Court has not yet decided who is correct. The parties reached a settlement to avoid the time, uncertainty, and expense of further litigation in court.

The parties are settling this lawsuit as a class action. In a class action, one or more people (such as the Representative Plaintiffs), sue on behalf of a group of people who have similar claims. This group is called the “Class” or the “Class Members.” The Court has approved this case proceeding as a class action on behalf of certain former tenants of Defendants.

On September 1, 2023, the Court preliminarily approved a proposed settlement of this class action lawsuit as set forth in the Class Action Settlement Agreement (“Agreement”), which is available on the class website. The Court approved certification of the following Class (the “Settlement Class”):

All former tenants of Defendants who moved out during the Class Period from whom Defendants withheld more than \$125.00 of their security deposits other than for Unpaid Rent and Utilities, excluding (a) tenants who were evicted, (b) tenants who have previously settled their claims; (c) the judge assigned to the case and his staff; (d) Defendants and their affiliates and employees; (e) any person employed by any Defendants during the class period; and (f) minors and other persons not party to a lease with Defendants. (Unpaid Rent and Utilities is defined in the Agreement to include charges unrelated to repair, cleaning, or maintenance of apartments, such as unpaid rent, utilities, common area charges, lost keys, and similar charges).

If you meet this definition, you are a Class Member.

Unless you exclude yourself from the settlement, you will receive a return of a portion of your security deposit and get relief from certain debts to Defendants, if any, related to your tenancy (other than for Unpaid Rent and Utilities) as provided in the Agreement. If you exclude yourself from the Settlement, you will not recover money or get debt relief, but you may pursue whatever claims you may have against Defendants.

If the Court approves the settlement at the Final Approval Hearing on **December 13, 2023 at 9:00 a.m.**, it will bind all Class Members who have not excluded themselves and will settle and release all claims against Defendants alleged in the lawsuit. If the Court does not approve the Settlement, the litigation will continue.

### **WHAT APARTMENT COMPLEXES ARE COVERED?**

The settlement covers the following apartment complexes: The Paseos at Montclair North, Pasadena Park Place Apartments, Diamond Park Apartments, Canyon Country Villas, The Village, Skyline Terrance, Broadway Palace Apartments, The Orsini, The Medici, The Lorenzo, Sand Canyon Villas & Townhomes, The Piero, The Da Vinci, Sand Canyon Ranch, River Ranch Townhomes & Apartments, Park Sierra, Colony Townhomes, River Park Apartments, Upland Village Green Apartments, The Visconti, The Summit at Warner Center, The Terrace Apartments, The Paseos at Ontario, and Sea View Villas.

### **THE SETTLEMENT**

The settlement provides that Defendants will, subject to Court approval: (1) pay \$10,000,000, including returning a portion of each Class Member's security deposit, payment of attorney fees to the attorneys representing the class, reimbursement of litigation costs, and payment of service awards to Representative Plaintiffs (the "Cash Payment"); (2) waive in excess of \$2,500,000 in debts allegedly owed by Class Members to Defendants for apartment repair and cleaning charges. In addition, Defendants have agreed to comply with all of the disclosure requirements of California Civil Code § 1950.5 in the future and not to challenge any Class Members disputing credit reporting of cleaning or repair charges.

The Cash Payment will be distributed as follows:

- A minimum of \$6,295,000 to eligible and participating Class Members;
- Attorney fees not to exceed \$3,300,000, subject to Court approval;
- Actual expenses of the Settlement Administrator, CPT Group, Inc., not to exceed \$175,000;
- Actual litigation expenses of Representative Plaintiffs and counsel not to exceed \$200,000; and
- Awards to Representative Plaintiffs not to exceed \$30,000 (\$10,000 each), subject to Court approval.

In exchange for the benefits described above, Class Members who do not exclude themselves from the Class will be subject to the following release of claims against Defendants:

Upon the date of mailing of the First Settlement Payment, each of the Named Plaintiffs and Participating Class Members, on behalf of themselves, and their respective predecessors, successors, heirs, assigns, shall be deemed to have, and by operation of the Final Approval Order, shall have, fully, finally, and forever released, relinquished and discharged all Released Claims that accrued during the Class Period against the Defendant Released Parties, whether or not any individual Participating Class Member executes and delivers any form of release or accepts and cashes his, her, or its settlement payment(s).

The term "Released Claims" means all actions, claims, demands, rights, suits, and causes of action asserted in the operative First Amended Complaint in the Chen action and the Complaint in the Waldron action against the Defendant Released Parties, or any of them, including without limitation any and all claims for damages, restitution, loss, statutory relief, injunctive relief, bad faith claims, costs, expenses, penalties, attorneys' fees, expert fees, and interest, whether as individual claims or claims asserted on a class basis. The Released Claims including, without limitation, those claims asserted in the operative pleadings relating to: (i) breach of lease regarding the handling of security deposits; (ii) withholding of tenant security; (iii) charges for apartment cleaning, painting, carpet cleaning, carpet replacement, accelerated rent, rent concession or other charges assessed to any tenant at the time of move-out; (iv) alleged non-compliance with Civil Code §1950.5 and/or Civil Code §1951; or violation of Business & Professions Code § 17200. For purposes of clarity, claims for Class Members' personal property damage, breach of the implied warranty of habitability, and personal injury including wrongful death shall be excluded from the Released Claims. The Released Claims shall only include claims that accrued during the Class Period as defined herein.

The terms of the release are set forth in more detail in the Agreement and on the class website, [www.GHPClassAction.com](http://www.GHPClassAction.com).

## HOW MUCH MONEY WILL I RECEIVE?

The specific amount paid to eligible Class Members will be proportional to the amount of their security deposit retained by Defendants for repair, cleaning, and maintenance charges. Precise amounts are unknown at this time, but our best estimate is that if every Class Member accepted their payment, class members would receive approximately 85.5% of the repair and cleaning deductions from their security deposits back. However, it is very rare in class actions for all class members to accept their payments, so the amount is likely to be larger.

For apartments with more than one tenant (e.g., roommates), the settlement payment for the household will be divided equally between class members who can be identified and located. Any tenant may exclude himself or herself from the settlement, and his or her share will be deducted from the payment for the household. The remainder will be divided equally among the tenants participating in the settlement. For example, if you lived with another person, and a cash payment of \$500.00 is owed for that apartment, then each of you would receive \$250.00 unless you excluded yourselves from the settlement.

If you believe that you have received an incorrect amount of money, contact the Settlement Administrator. The Settlement Administrator and counsel will attempt to resolve any issue.

## HOW WILL I RECEIVE MY MONEY?

To receive your money, **you do not need to do anything**. Unless you exclude yourself from the settlement, you will automatically receive your cash payment and the debt relief described above. If you have moved from the address to which this notice is mailed, you should contact the Settlement Administrator to provide an updated address.

## WHAT HAPPENS IF I DO NOTHING?

If you do nothing, you will get the debt relief provided for by the settlement, if applicable to you, and will receive a cash payment.

## CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

Yes. To exclude yourself, you must mail the Settlement Administrator a signed request for exclusion by **November 14, 2023** at the address provided below. No specific form of request is required. Requests must be in writing and must include your full name and mailing address. If you exclude yourself, you will not receive any money or debt relief from the settlement, and both you and Defendants will retain any claims you may have against each other. You will not be able to object to the settlement if you exclude yourself.

If you lived in an apartment with other lessees, each tenant may decide whether to exclude themselves from the settlement and each must submit a written notice of exclusion if desired.

## OBJECTING TO THE SETTLEMENT

If you wish to object to the settlement, you may send a notice of your objection to the Settlement Administrator by **November 14, 2023** or you may appear at the Final Approval Hearing. You may also do both. Written objections should include your full name, mailing address, telephone number, apartment complex and unit you lived in, approximate date of move-out, and reason(s) for objecting. You will still be a member of the Class and will be treated like other Class Members if the settlement is approved.

## WHAT ABOUT PAYMENT OF ATTORNEY FEES?

Several law firms have been pursuing this class action since 2018 and have devoted substantial resources to the case. The Court has appointed Diamond McCarthy LLP and Law Offices of Jimmie Davis Parker, APC as co-lead counsel for the Class. Lead class counsel and supporting counsel will receive their attorney fees and costs incurred from the overall settlement amount. The total amount allocated to attorney fees is \$3,300,000, provided the Court approves these amounts as reasonable. Class counsel would have sought substantially more in fees and expenses if the case did not settle and went

to trial. In addition, the Settlement Administrator will charge a fee for administering the settlement.

### **WHAT ABOUT THE TENANTS WHO BROUGHT THE CASE?**

Representative Plaintiffs Xin Chen, Brian Chiang, and Kierney Waldron have served to represent the Class for several years. The Court has appointed them as class representatives and they have been subject to written discovery and depositions. Because they have spent time and effort on this matter, and have had their depositions taken, Class Counsel will ask the Court to approve a service award of up to \$10,000 each (\$30,000 total), at the discretion of the Court, to compensate them for their efforts.

### **WHEN AND WHERE IS THE FINAL APPROVAL HEARING?**

The Court will hold a Final Approval Hearing on **December 13, 2023 at 9:00 a.m.** at the Los Angeles Superior Court, Department 6, 312 North Spring Street, Los Angeles, CA 90012. At that time, the Court will determine whether the settlement, including the attorney fees, expenses, and service awards, is fair, reasonable, and adequate, and should be approved. The hearing date and time may change so you should check the class action website for details or contact the Settlement Administrator if you plan to attend.

The Final Approval Hearing is a public hearing and you are entitled to attend if you wish, but **there is no requirement that you attend**. You do not need to attend to get a settlement check or debt relief. Nor do you need to attend if you wish to exclude yourself or object. However, if you do object to any part of the settlement, including the attorney fees and expenses, you must file and serve a timely written objection and/or address the Court at the Final Approval Hearing.

The Court's social distancing protocols may change prior to the hearing and are updated on the Court's website [www.lacourt.org](http://www.lacourt.org).

### **ARE MORE DETAILS AVAILABLE?**

Yes. You can find more information and key documents related to the case and the settlement at the class action website: **www.GHPClassAction.com**. You may also contact Class Counsel or the Settlement Administrator at the number, email address, and address listed below to obtain additional information. If you wish to object or exclude yourself from the settlement, you must do so as described above.

Class Counsel:

Damion D. D. Robinson  
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Class Administrator:

*Chen v. GHP Management Corporation, et al. Settlement Administrator*  
50 Corporate Park  
Irvine, CA 92606  
GHPClassaction@cptgroup.com  
1-888-268-6065

**PLEASE DO NOT CALL OR CONTACT THE COURT WITH QUESTIONS ABOUT THE SETTLEMENT OR THE SETTLEMENT PROCESS.**