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and the Class and Subclasses
6

FILED
Superior Court of California
County of Los Angeles
09/01/2023

David W. Slayton, Executive Officer / Clerk of Court
By: M. Fregoso Deputy

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**

10 XIN CHEN, an individual; and BRIAN
11 CHIANG, an individual; individually and on
behalf of all others similarly situated;

12 Plaintiffs,

13 vs.

14 GHP MANAGEMENT CORPORATION, a
15 California corporation, *et al.*

16 Defendants.

Case No.: BC 713402

(Related Case No. 19STCV03833)

Assigned for All Purposes to:
The Hon. Elihu M. Berle, Dept. 6

**~~AMENDED PROPOSED~~ ORDER
GRANTING PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT**

Date: August 2, 2023
Time: 1:00 a.m.
Dept.: SS-6

Action Filed: July 13, 2018
Trial Date: None Set

19
20 Plaintiffs' Motion for Preliminary Approval of Class Action Settlement came before the
21 Court for hearing on August 24, 2023 at 11:00 a.m. in Department 6. Plaintiffs' Motion included
22 requests for provisional approval of a proposed Settlement Class, approval of the form and manner
23 of Class Notice, approval of the procedures and deadlines for asserting objections to and requesting
24 exclusion from the Settlement Class, and setting a Final Approval Hearing.

25 The Court has considered Plaintiffs' Motion and Memorandum of Points and Authorities, the
26 Class Action Settlement Agreement (the "Agreement") submitted therewith, the supporting evidence
27 submitted by the parties, and the arguments of all counsel. After considering the foregoing, the
28 Court issues the following Preliminary Approval Order.

1 **IT IS HEREBY ORDERED THAT:**

2 1. This Order incorporates by reference the definitions in the Agreement.

3 2. The Court preliminarily approves the Agreement and finds, on a preliminary basis,
4 that the proposed settlement, including the consideration provided, the distribution formula
5 described for determining settlement payments, and the amounts allocated to fees, expenses, and
6 service awards, is fair, reasonable, and adequate. The Court further finds that the settlement has
7 been reached through arms-length, non-collusive bargaining among counsel for Plaintiffs and
8 Defendants with the use of mediators.

9 3. The Court has already certified a class and subclasses in this case. Pursuant to Code
10 of Civil Procedure § 382, the Court modifies the class definition in this case, for settlement purposes
11 only, as follows:

12 All former tenants of Defendants who moved out of apartment buildings
13 or complexes owned or managed by Defendants, or any of them, during
14 the Class Period from whom Defendants withheld more than \$125.00 of
 their security deposits other than for Unpaid Rent and Utilities (as
 defined in the Agreement).

15 The following are excluded from the Settlement Class: (a) Any persons who were evicted; (b) Any
16 persons who have previously settled their claims with Defendants; (c) the Court and its staff; (d)
17 Defendants and their affiliates; (e) any person employed by any Defendant during the Class Period;
18 and (f) minors and other persons not party to a lease with Defendants.

19 4. Consistent with its prior Order granting Class Certification, the Court finds that the
20 foregoing Settlement Class, for purposes of settlement only, meets all requirements of Code of Civil
21 Procedure § 382, including (a) numerosity; (b) commonality; (c) typicality; (d) adequacy of
22 representative plaintiffs and counsel; (e) predominance of common questions; and (f) superiority.

23 5. Plaintiffs Xin Chen, Brian Chiang, and Kierney Waldron are designated as
24 representatives of the Settlement Class. The Court has previously appointed Diamond McCarthy
25 LLP and Law Offices of Jimmie Davis Parker, APC as co-lead counsel for the class (“Lead
26 Counsel”). Lead Counsel along with their respective co-counsel are referred to herein as “Class
27 Counsel.”

28 6. The Court appoints CPT Group, Inc. as the third-party settlement administrator (the

1 “Administrator”). The Court finds that the Administrator is experienced and qualified to administer
2 the class settlement. The costs of settlement administration and Class Notice, including reasonable
3 costs to identify Class Members, shall be paid as set forth in the Agreement.

4 7. The Court hereby approves, as to form and content, the Class Notice attached as
5 Exhibit 1 to the Agreement and to this Order. The Administrator is directed to provide Class Notice
6 through the mail, publication, email, and website notice procedures set forth in the Agreement. The
7 Court finds that the distribution of the Class Notice in the manner and form set forth in the
8 Agreement and this Order meets the requirements of California law, including California Rule of
9 3.769(c), constitutes the best possible notice in the circumstances, comports with due process of law,
10 and constitutes due and sufficient notice to all parties entitled thereto.

11 8. On or before September 14, 2023, the Administrator shall mail the Class Notice to
12 members of the Settlement Class by first-class mail, cause the same to be published in the Los
13 Angeles Times, and email the same (to the extent email addresses are available) to members of the
14 Settlement Class.

15 9. The settlement is not a claims made settlement. To the extent that members of the
16 Settlement Class seek to exclude themselves from the Settlement Class (“opt out”), they must
17 provide written notice, as provided in the Agreement, on or before November 14, 2023 (the “Bar
18 Date”).

19 10. Any person who timely and properly requests exclusion, postmarked prior to the Bar
20 Date, will be deemed excluded from the Settlement Class, will not be bound by the Agreement, and
21 will not receive any of the benefits thereof. Persons who exclude themselves from the Settlement
22 Class shall not have a right to object to the settlement, appeal therefrom, or comment thereon.
23 Requests for exclusion must be signed by the member of the Settlement Class seeking exclusion and
24 must otherwise comply with the requirements stated in the Agreement and the Class Notice.
25 Settlement Class members who have not requested exclusion in a timely manner will be deemed
26 bound by all subsequent determinations of this Court, the Agreement, and the final judgment entered
27 in this action.

28 11. Any Settlement Class member who does not exclude himself or herself as provided

1 above may object to the Agreement and final approval of the settlement. Any person desiring to
2 object may object in writing on or before the Bar Date , and may present evidence and file briefs or
3 other papers with the Court as may be relevant and proper to the issues to be heard and determined
4 by the Court at the Final Approval Hearing. Objections shall be sent to the Class Administrator by
5 mail. Whether or not a member of the Settlement Class makes a written objection, any member of
6 the Settlement Class who has not timely requested exclusion may appear at the Final Approval
7 Hearing and object in person or through counsel. Any Settlement Class member who does not make
8 his or her objection in the manner provided for in the Agreement and herein shall be deemed to have
9 waived such objection and shall be foreclosed from objecting to the settlement.

10 12. All filings in connection with final approval, including, without limitation, any
11 objections or appeals therefrom, shall be served by electronic service pursuant to Code of Civil
12 Procedure § 1010.6 to avoid delay unless the filing party obtains leave of court for another form of
13 service. Counsel for the parties herein shall be served at the following email addresses: Plaintiffs
14 (damion.robinson@diamondmccarthy.com and JDParker@gmail.com); Defendants
15 (jhaas@ecjlaw.com).

16 13. The Administrator shall provide Lead Counsel and Defendants' counsel with
17 appropriate status updates on the mailing of Class Notice, inquiries from Class Members, requests
18 for exclusion, objections, and payment of the settlement proceeds. In addition, the Administrator
19 shall, within 30 days of the date of this Order, provide a declaration stating the date of mailing and
20 publication of the Class Notice and any efforts to locate addresses for class members from whom the
21 Class Notice was returned. Upon completion of the settlement administration process, the
22 Administrator shall provide written certification of such completion, and shall provide proof of
23 payment on request of the Court and/or counsel for the parties.

24 14. Pending the Final Approval Hearing, all proceedings in this action, other than those
25 necessary to carry out the settlement and this Order, are hereby stayed. Pursuant to the written
26 stipulation of the parties, as set forth in the Agreement, all periods from January 10, 2022 to the date
27 of the Final Approval Hearing shall be excluded from the time to bring this action to trial under
28 Code of Civil Procedure §§ 283.420 and 583.310, and any other statutes or rules of similar effect.

1 15. If for any reason the settlement is not finally approved, or does not become effective,
2 this Order shall be deemed vacated and shall be of no further force or effect (except as to Paragraph
3 14, above) and this action shall proceed as though no settlement has been attempted. The class and
4 sub-classes previously approved by the Court on August 4, 2021 shall remain in effect if the
5 settlement is not finally approved or does not become effective for any reason.

6 16. Any member of the Settlement Class may enter an appearance in this action, at his or
7 her own expense, individually or through counsel of his or her choice. If he or she does not enter an
8 appearance, submit a request for exclusion (as provided above), or object (as provided above), then
9 he or she will be deemed represented by Class Counsel.

10 17. The parties are hereby authorized, without further approval or intervention from this
11 Court, to agree to and adopt modifications and/or expansions of the Agreement, including, without
12 limitation, the forms and procedures used in disbursing settlement payments as necessary to carry
13 this Order and the Agreement into effect; provided, that all such modifications or expansions are
14 consistent with this Order and do not limit the rights or recoveries of Settlement Class members
15 under the Agreement.

16 18. The Court further sets the following schedule for the Final Approval Hearing:

- 17 • The Final Approval Hearing is set for December 13, 2023 at 9:00 a.m. in Department
18 6 of the Los Angeles Superior Court, located at 312 North Spring Street, Los
19 Angeles, California 90012.
- 20 • The Motion for Final Approval, and any requests for approval of attorney fees, costs,
21 and enhancement awards, along with all supporting evidence, shall be filed by
22 October 16, 2023.
- 23 • Any opposition briefing and written objections shall be filed by November 14, 2023.
- 24 • Any reply briefing and responses to objections, shall be filed by December 4, 2023.
- 25 • The Class Administrator's Report regarding Class Notice shall be filed on or before
26 December 4, 2023.

1 The Court may continue the Final Approval Hearing without further notice to the Settlement
2 Class other than posting on the settlement website maintained by the Administrator.

3 **IT IS SO ORDERED.**

4 Dated: JEFCH



Elihu M. Berle

The Honorable Elihu M. Berle
JUDGE OF THE SUPERIOR COURT
Elihu M. Berle / Judge

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EXHIBIT 1

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.

[SPANISH] You may be eligible to participate in a class action settlement regarding your apartment security deposit. For more information go to the class action website.

[MANDARIN] You may be eligible to participate in a class action settlement regarding your apartment security deposit. For more information go to the class action website.

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 August 31, 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.

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.

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
Jimmie Davis Parker
ghplitigation@gmail.com

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.

1 **PROOF OF SERVICE**

2 I am employed in the County of Los Angeles, State of California. I am over the age of 18
3 and not a party to the within action; my business address is: 355 South Grand Avenue, Suite 2450,
4 Los Angeles, CA 90071.

5 On August 30, 2023, I served the foregoing document(s) described as:

6 **[AMENDED PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS
7 ACTION SETTLEMENT**

8 on interested parties in this action by electronic service as described below.

9 **Counsel for Defendants GHP Management
10 Corporation, et al.**

11 Robert M. Waxman
12 Jason L. Haas
13 **Ervin Cohen & Jessup LLP**
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10 Corporation, et al.**

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14 **Counsel for Plaintiff Kierney Waldron**

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15 Richard Scott Lysle
16 **Law Office of Richard Scott Lysle**
17 475 Washington Blvd., Suite 200
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19 Tel. (310) 822-6023
20 Lyslelaw@yahoo.com

21 **BY ELECTRONIC SERVICE VIA CASE ANYWHERE:** Based on a court order, I
22 caused the documents to be sent to the persons at the notification addresses listed above
23 using the CaseAnywhere electronic service system.

24 **(STATE)** I declare under penalty of perjury under the laws of the State of California that the
25 above is true and correct.

26 Executed on August 30, 2023

27 Damion Robinson
28 [Print Name of Person Executing Proof]


[Signature]