

IMPORTANT NOTICE OF CLASS ACTION LAWSUIT AND SETTLEMENT

*A court has authorized the mailing of this Notice to you.
This is not a solicitation from a lawyer. You are not being sued.*

- A settlement (“Settlement”) has been reached in a class action lawsuit alleging that landlord The Apartment Shop, LLC, along with its owners and related entities, Stephen Frenz, Spiros Zorbalas, Equity Residential Holdings, LLC, National Housing Fund, LLC, ERT, LLC, Quarters for Creativity, Ltd., Emerald Square Properties, Inc., Hennepin Quarters, Inc., Powderhorn Quarters, Inc., Hiawatha Quarters, Inc., 25 & 3146 Properties, Inc., Lahaha Holdings, Inc., Arts Avenue Properties, Inc., SS Quarters, Inc., Berkeley Holdings, Inc., 1801 Properties, Inc., SZ112, Inc., S1322, Inc., R110, Inc., G121, Inc., Alpha-Omega Companies, Inc., JAS Apartments, Inc., Jennifer Frenz, and 2020 Vision Investments, LLC (collectively, “Defendants”), violated Minnesota state law by renting apartments (“Subject Properties”) without a proper license and by systematically and continuously failing to maintain the Subject Properties as required by health and safety laws. Several people who leased apartments from The Apartment Shop sued Defendants asserting claims for violations of the Minnesota Prevention of Consumer Fraud Act, the Minnesota Deceptive Trade Practices Act, the Statutory Landlord Covenants under Minn. Stat. § 504B.161, as well as for False Advertising, Civil Conspiracy, and Injunction.
- The Court allowed the lawsuit to be a class action on behalf of all persons who held residential leases with Defendants as of or after November 13, 2012, and the parties to the case then agreed to settle.
- The Settlement offers cash payments to persons who held residential leases with Defendants between November 13, 2012, and October 24, 2018.
- Defendants’ records show that you held a residential lease with Defendants between November 13, 2012, and October 24, 2018. Therefore, you are entitled to a cash payment from the Settlement.

Please read this Notice carefully. More information about this matter is available at www.MinneapolisApartmentLitigation.com

Esta es una notificación de un Acuerdo de demanda colectiva. Un tribunal autorizó que le enviáramos por correo esta notificación. Esto no es una solicitud de un abogado. Usted no está siendo demandado(a). El Acuerdo ofrece pagos en efectivo a personas que tuvieron alquileres residenciales con los Demandados entre el 13 de noviembre del 2012 y el 24 de octubre del 2018. Los registros de los Demandados muestran que tuvo un alquiler residencial con los Demandados entre el 13 de noviembre del 2012 y el 24 de octubre del 2018. Por lo tanto, tiene derecho a recibir un pago en efectivo del Acuerdo. **Lea detenidamente esta notificación. Encontrará una copia en español de la notificación completa en www.MinneapolisApartmentLitigation.com.**

Kani waa ogeysiiska Maslaxada dacwada wadareed. Maxkamad ayaa ogolaatay in lagu diro Ogaysiiskan. Tani ma ahan wax codsi ah oo ka socda qareen. Adiga laguma dacwaynayo. Maslaxada waxay siisaa lacago caddaan ah dadka guryaha ka ijaaray Eedayanayaasha inta u dhaxaysay Nofeembar 13, 2012, iyo Oktoobar 24, 2018. Diiwaanada eedayanaha ayaa muujinaya inaad adigu ka ijaartay guryo ee deysanayaasha intii u dhaxaysay Nofeembar 13, 2012, iyo Oktoobar 24, 2018. Sidaas darteed, waxaad xaq u leedahay lacag caddaan ah oo aad ka helayso Maslaxada. **Fadlan si taxaddar leh u akhri Ogaysiiskan. Nuqul ka mid ah ogeysiiska oo dhameystiran oo lagu turjumay af Soomaali ayaa laga heli karaa www.MinneapolisApartmentLitigation.com.**

WHAT ARE YOUR OPTIONS?	
DO NOTHING	Stay in this lawsuit and receive a portion of the Settlement. By doing nothing, you will receive a cash payment, if the Court approves the Settlement. But, you give up any rights to sue any of the Defendants or any of their owners, members, shareholders, officers, employees, predecessors, or assigns separately about the same legal claims in this lawsuit or about other claims that could have been brought as related claims in this lawsuit.

ASK TO BE EXCLUDED	<p>Get out of this lawsuit. Get no benefits from it. Keep rights.</p> <p>If you ask to be excluded from this case you won't receive the cash payment under the Settlement. But, you keep your rights to sue any of the Defendants or any of their owners, members, shareholders, officers, employees, predecessors, or assigns separately about the same legal claims in this lawsuit or about other claims that could have been brought as related claims in this lawsuit. If you do NOT want to be part of this case, you should ask to be excluded from the case. The deadline to exclude yourself from the Settlement is 35 days after the mailing of this Notice. (In other words, your notice of exclusion must be post-marked by December 7, 2018)</p>
TELL THE COURT YOU DO NOT LIKE THE SETTLEMENT AGREEMENT	<p>Object to the settlement if you believe the settlement is unfair or inadequate.</p> <p>If you are a class member and believe the Settlement is unfair or inadequate, you may object to the Settlement. You cannot object to the Settlement if you choose to exclude yourself from the Settlement. The deadline to object to the Settlement is 35 days after the mailing of this Notice. (Your objection must be filed with the Court and served on counsel listed below by December 7, 2018)</p>

- Your options are explained in this Notice. To ask to be excluded, you **must** sign the enclosed "Opt-Out Form," which is included for your convenience, and mail it within 35 days of the mailing of this Notice. (Your Opt-Out Form must be post-marked by December 7, 2018)
- The Court in charge of this case still has to decide whether to approve the Settlement. If it does, and after any appeals are resolved, or at such other time as the Court permits, cash payments will be distributed.

WHAT IS THIS CASE ABOUT, AND WHY DID I GET THIS NOTICE?

The representative Plaintiffs allege that Defendants violated Minnesota state law by renting apartments without a proper license and by systematically and continuously failing to maintain the Subject Properties as required by health and safety laws. Defendants deny the allegations.

The parties have agreed to settle the lawsuit.

Defendants' records show that you held a residential lease with Defendants between November 13, 2012, and October 24, 2018. This Notice explains that the Court has allowed, or "certified," a class action lawsuit that may affect you, and also explains that the parties to the case have agreed to settle, and that money will be set aside to provide cash payments to persons who held a residential lease with Defendants between November 13, 2012, and October 24, 2018. You have legal rights and options that you may exercise. Judge Mary R. Vasaly of the Hennepin County District Court is overseeing this class action. The lawsuit is known as *Flores, et al. v. Zorbalas, et al.*, Case No. 27-CV-16-14225.

WHAT IS A CLASS ACTION AND WHO IS INVOLVED?

In a class action lawsuit, one or more people called "Class Representatives" (in this case Edain Altamirano Flores, Esperanza Herrera, Lori Nicol, Olutundun Arike Ogundipe, Jason Beck, Patricia Goggin, Norma Juarez, and Bruno Gorostieta) sued on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The Class Representatives who sued – and all the Class Members like them – are called the Plaintiffs. The individuals and companies they sued are called the Defendants. In a class action case, one court resolves the issues for everyone in the Class – except for those people who choose to exclude themselves from the Class. The court overseeing the case has appointed the Plaintiffs' lawyers as "Class Counsel" to represent all of the Class Members in the case.

Both sides have agreed to the Settlement. By agreeing to the Settlement, the parties avoid the costs and uncertainty of trial, and if the Settlement is approved by the Court, Class Members will receive the benefits described in this Notice. Defendants deny all legal claims in this case. The Class Representatives and their lawyers think the proposed Settlement is in the best interests of the Class Members.

WHO IS A PART OF THIS SETTLEMENT?

Judge Mary R. Vasaly decided that all persons who held residential leases with Defendants between November 13, 2012, and October 24, 2018, are Class Members for settlement purposes. The parties agreed to settle the case.

You don't have to do anything now if you want to obtain a cash payment from this lawsuit. By doing nothing you are staying in the Class and will be represented by Class Counsel, and if the Settlement is approved, you will receive a cash payment.

If you do not choose to be excluded, you will be bound by any judgment entered by the Court, whether favorable or unfavorable. This means that if you do nothing now, you will not be able to sue, or continue to sue, any of the Defendants, or any of their owners, members, shareholders, officers, employees, predecessors, and assigns – as part of any other lawsuit – about the same legal claims that are the subject of this lawsuit or about other claims that could have been brought as related claims in this lawsuit.

Defendants have agreed to pay \$18,500,000 to create a "Settlement Fund." Class Counsel will ask the Court to award them less than one-third of the Settlement Fund—a total of \$6,000,000—as their fees for representing the Class Representatives and the Class. Class Counsel will also ask the court to award each Class Representative \$10,000 as an "incentive award" for serving as a Class Representative in the case. The Court will decide whether to award attorneys' fees and incentive awards and the amounts of any such awards. Class Counsel will also ask the Court to permit the payment of Plaintiffs' litigation expenses and the reasonable costs of administering the settlement (including, but not limited to, the cost of providing notice of the settlement and distributing cash payments to Class Members) from the Settlement Fund, which are expected to total approximately \$465,000. The amount of the Settlement Fund remaining after payment of any attorneys' fees, incentive awards, litigation expenses, and class-administration costs will be distributed to Class Members in the form of cash payments. The remaining amount of the \$18,500,000 Settlement Fund will be divided among the Class Members depending on (1) the length of time that each Class Member who can be reached rented any apartment units in the apartment buildings at issue in this lawsuit, and (2) the number of other class members who can be reached who simultaneously rented such apartment unit(s), between November 13, 2012, and October 24, 2018, as can reasonably be determined from Defendants' records.

HOW DO I REQUEST TO BE EXCLUDED FROM THE CASE?

If you do NOT want to be part of the Class, you **must** sign the enclosed "Opt-Out Form," which is included for your convenience, and send it by mail addressed to:

Minneapolis Apartment Settlement Administrator
P.O. Box 25848
Richmond, VA 23260

The Opt-Out Form must be postmarked no later than: within 35 days of when this Notice is mailed (which is December 7, 2018).

DO I NEED TO HIRE A LAWYER IF I PARTICIPATE IN THIS CASE?

No. The attorneys for the Plaintiffs who brought this case have been appointed "Class Counsel" and represent the interests of the consumers who participate in this lawsuit. The Court has appointed the following law firm and attorneys as Class Counsel:

FAEGRE BAKER DANIELS LLP

Michael F. Cockson
Adam M. Nodler
90 South Seventh Street
Suite 2200
Minneapolis, MN 55402
Telephone: 1-833-657-0515 or 612-766-6952

If you participate in this lawsuit, you will not be required to pay attorneys’ fees or expenses to Class Counsel. These fees will be paid from the Settlement Fund, as ordered by the Court.

WHAT HAPPENS IF I EXCLUDE MYSELF FROM THIS CASE?

If you exclude yourself from this case – which also means to remove yourself from the Class, and is sometimes called “opting out” of the Class – you won’t get the cash payment from the settlement. However, you will keep the right to sue Defendants and any of their owners, members, shareholders, officers, employees, predecessors, or assigns separately about the same legal claims in this lawsuit or about other claims that could have been brought as related claims in this lawsuit, provided you do so in a timely manner.

HOW DO I TELL THE COURT IF I DO NOT LIKE THE SETTLEMENT?

If you are a Class Member (and do not exclude yourself from the Class), you can object to any part of the Settlement. To object, you must timely file with the Court and serve (via mailing) on Class Counsel and Defense Counsel a letter or other written document that includes the following:

- 1) A heading that includes the case name and case number—*Flores, et al. v. Zorbalas, et al.*, Case No. 27-CV-16-14225;
- 2) Your name, address, telephone number, and, if represented by counsel, the name, bar number, address, and telephone number of your counsel;
- 3) A signed statement of all your objections to the Settlement including your legal and factual basis for each objection; and
- 4) A statement of whether you intend to appear at the hearing to decide whether to approve the Settlement and any requests for fees and expenses (“Fairness Hearing”), either with or without counsel, and if with counsel, the name of your counsel who will attend.

If you wish to object, you must file your objection with the Court and serve your objection to each of the following two (2) addresses within 35 days of when this Notice is mailed (which is December 7, 2018).

Defense Counsel	Class Counsel
<p>Barna, Guzy & Steffen, Ltd. Bradley Kletscher 200 Coon Rapids Boulevard Suite 400 Minneapolis, MN 55433</p>	<p>FAEGRE BAKER DANIELS LLP Michael F. Cockson James W. Poradek Adam M. Nodler Nathan Brennaman 90 South Seventh Street Suite 2200 Minneapolis, MN 55402 Telephone: 1-833-657-0515 or 612-766-6952</p>

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND ASKING TO BE EXCLUDED?

Objecting is telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object to the Settlement because it no longer affects you.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold the Fairness Hearing to decide whether to approve the Settlement and any requests for fees and expenses and for incentive awards to the Class Representatives. The Court has scheduled a Fairness Hearing for December 27, 2018, at 8:30 a.m. at the Hennepin County Government Center, 300 South 6th Street, Minneapolis, MN 55487. The Fairness Hearing may be moved to a different date or time without additional notice, so it is a good idea to check www.MinneapolisApartmentLitigation.com for updates. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider the requests by Class Counsel for attorneys' fees and expenses and for incentive awards to the Class Representatives. If there are objections, the Court will consider them at that time. After the hearing, the Court will decide whether to approve the Settlement. It is unknown how long these decisions will take.

DO I HAVE TO ATTEND THE HEARING?

No. Class Counsel will answer any questions the Court may have. But, you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, to the proper addresses, and it complies with all the other requirements set forth above, the Court will consider it. You also may pay your own lawyer to attend the hearing, but it is not necessary.

MAY I SPEAK AT THE HEARING?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, your timely filed objection must include a statement of whether you intend to appear at the Fairness Hearing (see above).

You cannot speak at the hearing if you exclude yourself from the Settlement.

WHAT IF I HAVE QUESTIONS?

For further information about this case, please visit www.MinneapolisApartmentLitigation.com, or contact Class Counsel or the Settlement Administrator at:

Class Counsel	Settlement Administrator
FAEGRE BAKER DANIELS LLP Michael F. Cockson James W. Poradek Adam M. Nodler Nathan Brennaman 90 South Seventh Street Suite 2200 Minneapolis, MN 55402 Telephone: 1-833-657-0515 or 612-766-6952	Minneapolis Apartment Settlement Administrator P.O. Box 25848 Richmond, VA 23260

All calls will be kept confidential.

DO NOT DIRECT QUESTIONS TO THE COURT

The mailing of this Notice to you was authorized by the Hennepin County District Court. **Do not contact the Court or the Clerk's Office for more information.** Instead, please contact Class Counsel or the Settlement Administrator as indicated above.

OPT-OUT FORM

Edain Altamirano Flores, et al. v. Spiros Zorbalas, et al.
Case No. 27-CV-16-14225

If you wish to exclude yourself from this case, complete this Form, sign it, and mail it to: Minneapolis Apartment Settlement Administrator, P.O. Box 25848, Richmond, VA 23260.

Do not complete and return this form if you wish to stay in the settlement and receive a portion of the settlement.

You must mail this Form: within 35 days of the mailing of the Notice of Class Action Lawsuit and Settlement to you (that is, it must be mailed no later than December 7, 2018).

I request to opt out of this class action lawsuit. I understand that this means that I will not be a part of this class action lawsuit in any way and I will not be bound by the settlement that has been reached.

Dated: _____ Signature: _____

Name
(please
print): _____

First Middle Last

Address: _____

Street Address City State Zip Code

THIS FORM MUST BE POSTMARKED WITHIN 35 DAYS OF THE MAILING OF THE NOTICE OF CLASS ACTION LAWSUIT AND SETTLEMENT AND RETURNED TO:

Minneapolis Apartment Settlement Administrator
P.O. Box 25848
Richmond, VA 23260