

STATE OF MINNESOTA

DISTRICT COURT

HENNEPIN COUNTY

FOURTH JUDICIAL DISTRICT
CASE TYPE: CIVIL OTHER

Edain Altamirano Flores; Esperanza Herrera;
Lori Nicol; Olutundun Arike Ogundipe;
Jason Beck; Patricia Goggin; Norma Juarez;
and Bruno Gorostieta, on behalf of
themselves and all others similarly situated,

Court File No. 27-CV-16-14225

Class Action

Judge Mary R. Vasaly

Plaintiffs,

v.

**Order Preliminarily Approving Class
Settlement**

Spiros Zorbalas; Stephen Frenz; Equity
Residential Holdings, LLC; National
Housing Fund, LLC; The Apartment Shop,
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; Mary Brandt; and 2020
Vision Investments, LLC,

Defendants.

This matter came before the Court on Plaintiffs' motion under Minn. R. Civ. P. 23.05 for an order granting preliminary approval of a settlement between the Plaintiffs as representatives of and on behalf of the class certified by this Court and Defendants. Plaintiffs filed an executed copy of the Settlement Agreement along with the motion.

Based on all the files, records, and proceedings,

IT IS HEREBY ORDERED:

1. The Court preliminarily approves the settlement.
2. The Court previously certified a class in this action, defined as:

All Persons who held residential leases with Defendants between November 13, 2012 and the present, for rental units located within the City of Minneapolis. The class includes lessees of rental units in the 63 subject Properties listed in Exhibit A to the Amended Complaint.

(Order dated August 11, 2017, ¶ 2.) The Court hereby orders that the class shall include all persons who held such residential leases with Defendants through the date of this Order.

3. The Court hereby preliminarily finds that the proposed settlement is fair, reasonable, and adequate to warrant providing notice to the class in the form that Plaintiffs filed with the Court as Exhibit A to the Settlement Agreement along with the motion for preliminary approval. The Court finds that such notice: (i) describes the essential terms of the settlement; (ii) discloses class counsel's intention to file a motion with the Court for an award of attorneys' fees and reasonable expenses and costs incurred in connection with the action and provides information related to said motion; (iii) discloses class counsel's intention to file a motion with the Court for an incentive award to each class representative and provides information related to said motion; (iv) indicates the time and place of the hearing to consider final approval of the settlement, and the method for objecting to and/or opting out of the settlement; (v) explains the procedures for allocating and distributing the settlement fund; and (vi) prominently displays the contact information for class counsel and the settlement administrator, and the procedure for making inquiries about the settlement.

4. The Court will hold a final approval hearing on December 27, 2018, at 8:30 a.m., at the Hennepin County Government Center, 300 South 6th Street, Minneapolis, MN 55487, in Courtroom 1955, to consider the fairness, reasonableness, and adequacy of the proposed

settlement and whether it should be finally approved by the Court, and to determine the reasonableness of the requested awards for attorneys' fees, expenses, and costs and class representative incentive awards.

5. BrownGreer PLC is hereby appointed as the settlement administrator to administer the settlement, including to administer class notice, maintain a settlement website, administer the settlement in accordance with the parties' Settlement Agreement, and engage in any other tasks directed by the Court.

6. The Court hereby directs the settlement administrator to disseminate the class notice in the form attached as Exhibit A to the parties' Settlement Agreement, and in accordance with the terms of the Settlement Agreement.

7. The Court hereby finds that the program for class notice specified in the Settlement Agreement (i) is the best practicable notice; (ii) is reasonably calculated, under the circumstances, to apprise the class members of the pendency of this action and their right to object to or to exclude themselves from the proposed settlement; (iii) is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to receive notice; and (iv) meets all requirements of applicable law.

8. The settlement administrator shall file proof of compliance with its class notice obligations under the Settlement Agreement no later than seven days before the final approval hearing.

9. Any member of the class who wishes to exclude himself or herself from the class must submit an appropriate, timely request for exclusion, postmarked no later than 35 days after the notice is mailed, to the settlement administrator at the address stated in the class notice.

10. Any member of the class who does not submit a timely, written request for exclusion from the class (*i.e.*, becomes an opt-out) will be bound by all proceedings, orders, and judgments in this action, even if such class member has previously initiated or subsequently initiates individual litigation or other proceedings encompassed by the releases of claims being provided in connection with the settlement.

11. Any class member who does not become an opt-out and who wishes to object to the fairness, reasonableness, or adequacy of this settlement or the Settlement Agreement must timely file with the Court and serve on class counsel and defense counsel at the addresses stated in the class notice, no later than 35 days after the notice is mailed, a statement of the objection signed by the class member containing all of the information required by Section VII, Paragraph B of the Settlement Agreement. Any response to any objection shall be filed with the Court no later than seven days prior to the final approval hearing.

12. Any class member who does not file a timely written objection to the settlement or who fails to otherwise strictly comply with the applicable requirements in the Settlement Agreement shall be forever and completely foreclosed from seeking any adjudication or review of the settlement by appeal or otherwise.

13. Any attorney hired or retained by, or who otherwise provided legal assistance to, a class member for the purpose of objecting to the proposed settlement, the award of attorneys' fees and reasonable expenses and costs, or the class representative incentive awards, and who intends to make an appearance at the final approval hearing, must provide to the settlement administrator (who shall forward it to class counsel and defense counsel) and file with the Court a notice of intention to appear no later than 35 days after the class notice is mailed.

14. Any class member who files and serves a written objection and who intends to make an appearance at the final approval hearing shall so state in his or her objection papers.

15. The settlement administrator shall establish a post office box in the name of the settlement administrator to be used for receiving requests for exclusion and any other communications, and only the settlement administrator, class counsel, defense counsel, the Court, the District Court Administrator, and their designated agents shall have access to this post office box, except as otherwise provided in the Settlement Agreement or by order of this Court.

16. Class counsel shall file any motion for an award of attorneys' fees and reasonable expenses and costs and/or for class representative incentive awards at least 14 days prior to class members' deadline to object to or opt out from the settlement.

17. The settlement administrator shall provide a list to class counsel and defense counsel of class members who opted out of the settlement no later than seven days after class members' deadline to object to or opt out from the settlement and then file the list with the Court with a declaration attesting to the completeness and accuracy thereof no later than seven days before the final approval hearing.

18. Prior to 5:00 p.m. Central Time on December 26, 2018, Defendants shall transfer to the settlement administrator any portion of the \$18,500,000.00 settlement amount that has not previously been transferred to the settlement administrator.

IT IS SO ORDERED.

Dated: October 24, 2018

Mary R. Vasaly
Judge of District Court