

## COMPLAINT PROCESS AGREEMENT

Apartments at Iowa, LC (“Apartments at Iowa”) and the Iowa Tenants’ Project (“Tenants Project”), on behalf of Apartments at Iowa’s tenants, wish to adopt a Complaint Process and agree as follows:

### I. Global Settlement

This agreement between Apartments at Iowa and the Tenants Project is part of a larger settlement, including settlement of *Conroy v. Apts. Downtown*, LACV072840 and the consent decree in *Migliore v. Apts. Downtown*, CVCV077514. The parties intend that this Complaint Process Agreement between Apartments at Iowa and its tenants be part of and governed by the consent decree in *Migliore v. Apts. Downtown* on the same terms as the Apartments at Iowa/defendant and its tenants in the consent decree. Upon the first well-founded complaint by an Apartments at Iowa tenant, the parties will mutually move the Johnson County District Court to incorporate this agreement into the consent decree in *Migliore v. Apts. Downtown* and add Apartments at Iowa and its tenants to the Consent Decree on the same terms and conditions. Once this Agreement is incorporated into the Consent Decree, the Consent Decree will govern and supersede this Agreement.

### II. Term of Agreement

The Agreement will be in effect for Apartments at Iowa’s tenants with leases for the 2015-2016 term, the 2016-2017 term, the 2017-2018 term and 2018-19 term.

### III. No Conflict of Interest or Disqualification

Apartments at Iowa agrees to not argue that Tenants’ Project has a conflict of interest in representing tenants due to Apartments at Iowa being the source of Tenants’ Project’s compensation under this Agreement or the consent decree. Apartments at Iowa

will not attempt to influence Tenants' Project's representation of tenants or interfere with Tenants' Project's independent professional judgment or loyalty to tenants. Tenants' Project agrees not to compromise its independent professional judgment or loyalty to tenants to accommodate Apartments at Iowa. Apartments at Iowa agree that no attorney-client relationship or other fiduciary relationship will exist between Apartments at Iowa and Tenants' Project as a result of this Agreement or the consent decree or Apartments at Iowa's compensation of Tenants' Project. Apartments at Iowa will not seek to have Tenants' Project disqualified from any representation, either under this Agreement, the Consent Decree or independent of the Consent Decree, due to Tenants' Project's representation of tenants under the Consent Decree or Apartments at Iowa's compensation of Tenants' Project under this Consent Decree.

#### IV. Iowa Tenants' Project & Successor Entities

Currently the Iowa Tenants' Project is a trade name of attorney Christopher Warnock. Apartments at Iowa agree that if the Iowa Tenants' Project becomes a separate non-profit or for profit entity that this will not affect the validity of this Agreement or the Consent Decree or the obligations of Apartments at Iowa or Tenants' Project. The parties agree to re-execute this Agreement or the Consent Decree, after the creation of the Tenants' Project as a separate non-profit or profit entity. On the death or incapacitation of Christopher Warnock, the Court shall appoint a successor attorney or entity to perform the duties of the Tenants' Project under this Agreement or the Consent Decree. Preference shall be given to Christine Boyer as successor if she is willing and able to perform as Tenants' Project under this Agreement or the Consent Decree.

V. Violation Provision

For the term of this Agreement, Apartments at Iowa will not violate the IURLTA or this Agreement or the Consent Decree.

VI. Development Period

After the execution of this agreement, Apartments at Iowa shall develop a proposed lease to be used by Apartments at Iowa in its operations and shall, upon completion, submit to Tenants' Project a copy of said lease. Tenants' Project agrees to review said lease and identify any provisions of said lease that it believes are, expressly or implicitly, contrary to the provisions of the IURLTA. The parties acknowledge and agree that said review process shall not, in any way, abrogate or limit Apartments at Iowa's ability to contract or to exercise its independent judgment in its business operations within the legal limits imposed by the IURLTA but is intended solely as an opportunity to proactively identify and avoid, if possible, potential problem areas.

Further, upon the execution of this agreement, Apartments at Iowa and Tenants' Project shall work cooperatively to develop an informational handout to be provided to all tenants of Landlord, advising them of the Complaint Procedure described below, as well as an informational handout entitled "Rights and Responsibilities of Apartments at Iowa and Tenant" to be distributed to all tenants of Apartments at Iowa. Said informational handout shall emphasize the rights and obligations of the parties as identified in the IURLTA and such other matters as the parties may otherwise agree. Notwithstanding the foregoing, however, the parties acknowledge and agree that Apartments at Iowa shall have the unqualified right to operate its business and manage its operations in the manner it deems appropriate or advisable, except as expressly otherwise

provided herein. Upon completion of the written description of the Complaint Process and the informational handout entitled ““Rights and Responsibilities of Apartments at Iowa and Tenant”, Tenants’ Project and Apartments at Iowa shall meet jointly with Apartments at Iowa’s staff to introduce and explain the Complaint Process and the requirements of this Consent Decree.

VII. TENANT COMPLAINT PROCESS

Apartments at Iowa agrees to adopt the Complaint Process for all of its current and future tenants during the term of the Decree. Current and future tenants are not required to use the Complaint Process, but it is provided to assist them in understanding, asserting and fulfilling their rights and responsibilities.

A. Notification

Apartments at Iowa agrees to notify all tenants of the Complaint Process: (1) current tenants upon a date mutually agreed by Apartments at Iowa and the Tenants’ Project, but not later than July 1, 2016; and (2) future tenants upon the execution of their lease and (3) any current or future tenant immediately upon request by the tenant, their representative or the Tenants’ Project. Notification of the Complaint Process will require Apartments at Iowa to provide a tenant with the informational handout (either in paper format or via email) entitled "Rights and Responsibilities of Apartments at Iowa and Tenants" and the mutually agreed upon explanation of the Complaint Procedure.

B. Tenants’ Project

For purposes of utilizing the complaint process outlined in this Agreement, Apartments at Iowa and Tenant agree that the Iowa Tenants' Project will act as tenants’ counsel for Apartments at Iowa's current and future tenants for the term of the Decree.

Tenants' Project's contact information will be provided in the written explanation of the Complaint Process. Tenants' Project will be compensated by Apartments at Iowa at a rate of \$150 (one hundred and fifty dollars) per hour for attorneys and no more than \$100 (one hundred dollars) per hour for Tenants' Project's non-attorney staff or contractors, including paralegals, investigators and experts. Payment will be made for administration, but only for administration directly related to Apartments at Iowa and Apartments at Iowa's tenants, review of Apartments at Iowa's practices and policies, investigation of complaints, mediation, settlement, and legal representation during all litigation, including appeals and ancillary matters for all complaints initiated under the Complaint Process and other representation and duties authorized or required under this Decree. Tenants' Project's and Tenants' Project's staff's compensation will be billed monthly to Apartments at Iowa and paid by Apartments at Iowa within 30 days.

Tenants' Project has an obligation to perform its administration, review, investigation, mediation and negotiation services and its representation in good faith and in a reasonable manner. Tenants' Project shall not initiate litigation on behalf of a tenant if Tenants' Project does not, in its sole discretion, reasonably believe that Apartments at Iowa's action is contrary to the requirements of IURLTA or is otherwise illegal or unconscionable or if it would be otherwise inequitable to do so. If Apartments at Iowa believes Tenants' Project's compensation as billed to be fraudulent or grossly excessive, it may ask the Court to set aside the compensation on those grounds.

C. Complaint Procedure

1. Current and future tenants of Apartments at Iowa may initiate a complaint of violation of the IURLTA or this Decree by sending an e-mail to Landlord's

designated complaint e-mail address. Unless a shorter period is required by law, or in an emergency situation, Apartments at Iowa has 10 business days to resolve a tenant's initial complaint.

2. If the appropriate time period set forth in §1 has lapsed and complaint is not resolved to the satisfaction of the tenant, tenant may contact the Tenants' Project for assistance. Upon receipt of a complaint from a tenant, Tenants' Counsel agrees to ensure said tenant has first attempted to resolve the complaint with Landlord and has sent an e-mail to Landlord's designated complaint e-mail address. If tenant has not sent an e-mail to Landlord's designated complaint e-mail address, Tenants' Counsel will have tenant do this as the first step in the complaint process.

3. The Tenants' Project will investigate the complaint and make a determination whether the complaint is factually and legally well-founded and just and whether Apartments at Iowa has, in the opinion of Tenants' Project, unfairly violated the IURLTA or this Decree. Tenants' Project will inform the tenant and the Apartments at Iowa of this determination, but, if (1) Apartments at Iowa not has previously been notified of the complaint; (2) the complaint is determined to be unfounded or if the tenant does not wish to proceed and (3) the tenant wishes confidentiality, Tenants' Project will not inform Apartments at Iowa. Fees for representation of tenant by Tenants' Project during the investigatory phase will be paid by Apartments at Iowa as provided above. If a tenant wishes to proceed with a complaint after it is found to be factually and legally well-founded and just by Tenants' Project, a \$20 complaint charge is payable to the Iowa Tenants' Project before further investigation or representation will commence. If, upon investigation or during representation a complaint is later found to be unfounded and

Tenants' Project declines to proceed further or tenant dismisses the complaint, the \$20 complaint charge paid will be refunded to tenant.

4. If the complaint is factually and legally well-founded and just and tenant wishes to proceed and has paid the \$20 complaint charge, Tenants' Project will contact Apartments at Iowa and attempt to informally resolve the complaint. Tenants' Counsel is permitted to speak directly with Landlord's designated staff and employees during the informal dispute resolution phase. Fees for representation of tenant by Tenants' Project during the informal resolution stage will be paid by Apartments at Iowa as provided above.

5. If informal discussion does not resolve the complaint, with the agreement of the tenant and Apartments at Iowa, the Tenants' Project will arrange for a mutually agreeable third party, at Apartments at Iowa's cost, to either mediate or provide non-binding arbitration. Fees for representation of tenant by Tenants' Project during the mediation or arbitration phase will be paid by Apartments at Iowa as provided above. Unless instructed in writing to the contrary, Tenants' Counsel may contact a duly designated staff member of Apartments of Iowa directly during mediation or arbitration phase.

6. If neither mediation nor non-binding arbitration resolves the complaint or if mediation or non-binding arbitration are refused by either the tenant or Apartments at Iowa, the Tenants' Project, if the tenant wishes to proceed with the complaint, will follow the procedures with regard to notice of violations set forth in the IURLTA, if applicable.

7. If after following the IURLTA procedures with regard to violations, if applicable, or after the failure of mediation or non-binding arbitration, if the IURLTA notice procedures are not applicable, Tenants' Project may (I) represent tenant in a separate small claims action; (ii) seek declaratory judgment and/or equitable relief before this Court; or iii) initiate a contempt action. This shall commence the representation phase of the complaint process. Unless instructed in writing to the contrary, Tenants' Counsel may a duly designated staff member of Apartments of Iowa directly during the representation phase, including litigation and appeals.

a. The tenant must proceed in a separately filed small claims case and initially pay the court costs, including filing fees and service fees or must obtain judicial permission to proceed *in forma pauperis* if:

- i) the complaint involves \$5000 or less of monetary damages,
- ii) the complaint involves a non-complex legal issue,
- iii) the complaint is not an issue of first impression; or
- iv) the dispute does not apply to all or a significant number of

Apartments at Iowa's tenants.

Fees for representation of tenant by Tenants' Project during the representation phase will be paid by Apartments at Iowa as provided above.

b. If the complaint involves a complex legal issue under the IURLTA or this Decree, particularly one of first impression, or an issue that applies to all or a significant number of Apartments at Iowa's tenants or a request for injunctive relief, then this Court will retain the complaint for hearing and disposition as a declaratory judgment and/or for



appropriate equitable or legal relief. Fees for representation of tenant by Tenants' Project during the representation phase will be paid by Apartments at Iowa as provided above.

c. If a complaint involves willful disobedience of the IURLTA or this Decree, Tenants' Project may initiate contempt proceedings on behalf of tenant. This Court will retain the complaint for hearing and disposition of contempt proceedings. Fees for representation of tenant by Tenants' Project during the representation phase will be paid by Apartments at Iowa as provided above.

8. Either Apartments at Iowa or tenant may appeal a small claims decision or any decision of the district court. If Tenant wishes to appeal and Tenants' Project believes an appeal is factually and legally warranted and that the issues presented are appropriate for appellate resolution, the tenant must pay the filing fee and other court costs, though the Tenants' Project may advance the filing fee and court costs if it chooses to do so. However, said expenses shall not be borne by Apartments at Iowa unless and until assessed against Apartments at Iowa by the Court. Fees for representation of tenant on appeal by Tenants' Project will be paid by Apartments at Iowa with a limit of \$5,000 per separate appeal of a small claims case to the district court and \$10,000 for each separate appeal to the Supreme Court or Court of Appeals. Each Notice of Appeal or separately docketed appeal counts as a separate appeal and more than one separate appeal may be filed in a particular case.

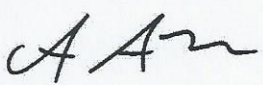
9. If a dispute over legal issue arises under the IURLTA or this Decree that both Tenants' Project and Apartments at Iowa agree is important or complex Tenants' Project and Apartments at Iowa will mutually seek declaratory judgment and/or equitable and legal relief from this Court on this issue. Fees for litigation by Tenants' Project under

this provision, including appeal with the fee limitations set forth in section 8 will be paid by Apartments at Iowa.

10. If there is a significant violation of the IURLTA or this Decree without a complaint by a tenant, Tenants' Project, after first attempting informal resolution with Apartments at Iowa, may directly seek a declaratory judgment and/or equitable or legal relief from this Court. If there is a significant and willful disobedience of the IURLTA or this Decree, without a complaint by a tenant, Tenants' Project may initiate contempt proceedings. Fees for litigation by Tenants' Project under this provision, including appeal with the fee limitations set forth in section 8 will be paid by Apartments at Iowa.

11. Notwithstanding anything herein to the contrary, nothing within this agreement is intended to or shall prevent, limit or prejudice Apartments at Iowa's right to proceed against tenants for failure to pay rent or failure to comply with the lease terms or to assess damages against the tenant for breach of any of its duties or for damages caused by tenant. Apartments at Iowa shall, at all times, have the right to provide tenants with a Notice to Quit, Notice of Non-Compliance, a 3-day Notice to Pay Rent, or any other notice under IURLTA or to file suit against tenants, seeking either forcible entry or detainer or money judgment against tenants for claims arising under their lease agreements. The complaint process outlined herein is not intended to be applicable to claims Apartments at Iowa may have against tenants for failure to pay rent, breach of their lease, or for damages caused during their tenancy.

DATED this 12th day of February, 2016.

 <hr/> <p>CHRISTOPHER WARNOCK AT0009679 <i>Iowa Tenants' Project</i> 532 Center Street Iowa City, IA 52245 (319) 358-9213 chriswarnock@gmail.com</p> <p>TENANT'S COUNSEL</p>	<p>Apartments at Iowa, LC</p>  <hr/> <p>By: Designated Representative</p>
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