

IN THE IOWA DISTRICT COURT IN AND FOR JOHNSON COUNTY

JOAN WALTON,)	
<i>Plaintiff,</i>)	CASE NO. CVCV 076909
)	
vs.)	CONSENT DECREE
)	
MARTIN GAFFEY,)	
<i>Defendant.</i>)	Assigned Chief Judge Grady

I. INTRODUCTION

This consent decree is made and entered into by the Plaintiff and Defendant in the above captioned matter in order to fully and finally resolving this case. Plaintiff Joan Walton ("Tenant") was a tenant of Defendant Martin Gaffey ("Landlord"). Plaintiff filed her petition and first motion for partial summary & declaratory judgment challenging a number of the provisions in Landlord's standard lease and asking for class certification on December 1, 2014. Partial summary & declaratory judgment and class certification were granted on July 12, 2015. Partial summary & declaratory judgment and class certification were appealed and on May 19, 2017 the Supreme Court issued its ruling in *Walton v. Gaffey*, 895 NW2d 422 (2017). On remand this Court granted class certification and denied summary judgment on February 19, 2018. As certified by this Court the class consists of all tenants of Landlord who signed his standard lease for 2012-13, 2013-14 and 2014-15 lease terms.

II. JURISDICTION

The Iowa District Court for Johnson County ("Court") has jurisdiction over the parties and subject matter of the instant action. The claims asserted in the petition, if proved, would authorize the Court to grant the equitable and legal relief set forth in this Decree. Venue is proper in the Court. The Court shall maintain jurisdiction of this action for the duration of the Decree in order to enter all orders and judgments authorized under

this Decree which may be necessary to implement the relief provided by this Decree.

This Court shall resolve all disputes arising under this Decree. This Decree resolves all individual claims by the Plaintiff alleged in the petition. This Decree resolves all class claims for the inclusion, use and enforcement of lease provisions prohibited under the IURLTA, including actual and punitive damages and attorney fees.

II. DEFINITIONS

"Class" or "Class of tenants" or "Settlement Class" means all tenants of Landlord who signed his standard lease for 2012-13, 2013-14 and 2014-15 lease terms.

"Class Counsel" is Christopher Warnock of the Tenants' Project

"Class Representative" is Joan Walton

"Court" means the Iowa District Court for Johnson County

"Iowa Tenants' Project" is Christopher Warnock and affiliated attorneys and their designated successors, as well as any separate entity established as the Tenants' Project under the management of Christopher Warnock.

"IURLTA" is the Iowa Uniform Residential Landlord Tenant Act, codified at Iowa Code §562A

"Landlord" means Defendant Martin Gaffey and his agents, successors, heirs and assigns.

"Plaintiff" means Joan Walton.

"Standard Lease" is Landlord's standard lease for 2012-13, 2013-14 and 2014-15 lease terms.

III. RELEASE OF CLAIMS

A. Plaintiffs' Release

Upon entry of the Decree, Landlord, its owner, manager, employees, agents, attorneys, insurers, as well as the owners of properties it manages, and their respective heirs, successors and assigns, shall be fully and forever discharged by Plaintiff, her heirs, assigns and successors from any and all of their individual claims, demands, charges, complaints, rights and causes of action of any kind, known or unknown, arising from their tenancy with Landlord and Landlord's use of its Standard Lease under the IURLTA, whether seeking legal, including monetary or equitable relief. The Class Representative fully and forever discharge the class claims arising from Landlord's inclusion or enforcement in its Standard Lease of provisions prohibited under the IURLTA. This Release is final and shall survive the expiration of the Term of this Decree.

B. Landlord's Release

Upon entry of the Decree, Plaintiff, their heirs, assigns and successors, shall be fully and forever discharged by Landlord, its owner, manager, employees, agents, attorneys, insurers, as well as the owners of properties it manages, and their respective heirs, successors and assigns, from any and all claims, demands, charges, complaints, rights and causes of action of any kind, known or unknown, arising during their tenancies, including late fees, court costs, etc,. Landlord fully and forever discharges any claims against the Class with regard to the instant action and the enforcement and

inclusion of provisions prohibited under the IURLTA. This Release is final and shall survive the expiration of the Term of this Decree.

C. No Bar to Claims

Nothing in this Decree shall be construed to bar any claims of Plaintiffs, the Class or Landlord based on or arising out of events after the entry of this Decree.

IV. MISCELLANEOUS PROVISIONS

A. No Admission of Liability

This Decree does not constitute and shall not be deemed a finding or determination by the Court, nor an admission by any party, regarding the merits, validity or accuracy or any of the allegations, claims or defenses in the Petition. This Decree represents the compromise of disputed claims that the parties recognize would require protracted and costly litigation to determine. Landlord denies its Standard Lease violates the IURLTA . Landlord's entry into this Decree is not and may not be used by any person or entity in any proceeding as an admission or evidence that Landlord, its owner, manager, employees or owners whose property it manages have on any occasion violated the IURLTA. Plaintiffs and Landlord have voluntarily entered into this Decree.

B. Duty to Defend and Support the Decree

Plaintiff, The Tenants' Project and Landlord, each agree to abide by the terms of the Decree in good faith and to support it fully and to use their best efforts to defend the Decree from any legal challenge by appeal or collateral attack.

C. Duty not to Evade Decree

Landlord, its owner, manager, members and employees, agents, heirs and assigns agree not to seek bankruptcy or a change in corporate structure, transfer or assignment of managed properties or take any other steps in order to evade the Decree. Landlord may freely sell, assign or transfer properties or interests in managed properties and the Decree will cease to apply or have effect for the sold, assigned or transferred properties, if the sale, assignment or transfer is to a bona fide third party and so long as Landlord does not have a financial or ownership interest in the third party or retain a financial or ownership interest in the sold, assigned or transferred properties, and do not exercise any control, including managerial or financial authority, in the third party or over the previously managed properties once sold, transferred or assigned.

D. Modification & Enforcement

Only Plaintiffs, the Tenants' Project or Landlord may request that this Court modify, apply or enforce this Decree.

E. Term of the Decree

The Decree will be in effect for three years from the Court's final approval of the Decree.

V. ATTORNEY FEES, CLASS REPRESENTATIVE PAYMENT & COURT COSTS

Landlord and Plaintiff agree that Class Counsel is entitled to fees and costs incurred in the prosecution of the instant action, subject to approval by the Court, in the amount of \$11,500 (eleven thousand five hundred dollars) to Christopher Warnock and \$500 (five hundred dollars) to Class Counsel's associate Rockne Cole to be paid by Landlord no later than 180 days after the Court's final approval of this Consent Decree in installments to be mutually agreed by the parties.

Landlord and Plaintiff agree that Class Representative Joan Walton receive \$500 (five hundred dollars) for her service as class representative to be paid by Landlord no later than 180 days after the Court's final approval of this Consent Decree in installments to be mutually agreed by the parties.

Landlord will pay all court costs due and owing except that Class Counsel, on behalf of the Class and Plaintiff will pay the \$112.50 appellate court costs assessed by the Supreme Court to Landlord with payments to be made no later than 180 days after the Court's final approval of this Consent Decree in installments to be mutually agreed by the parties.

VI. GENERAL INJUNCTIVE PROVISION

For the term of the Decree Landlord will not violate the IURLTA or this Decree.

VII. CLASS AWARD

A. Landlord Payment

Landlord agrees to a Class Award as follows.

B. Class Members

All eligible class members who have timely registered will be eligible for a base payment of \$65 (sixty five dollars) for each year of tenancy,

C. Notification

As Landlord does not have the names and last known addresses of class members, Class notification will be mutually agreed between Landlords' Counsel and the Tenants' Project and will be neutral in tone using a combination of a press release to local

newspapers and publication. Tenants' Project will provide settlement information, including forms, to the class via the Tenants' Project website. Notification will be done under the supervisions of the Tenants' Project. The cost of notification, including publication, will be paid by Landlord

D. Registration

Class members may register by e-mailing a fully completed registration form in pdf to Class Counsel. As part of registration Class members must provide their address as tenants and a pdf scan of government issued ID with their current address. Class members may register at any time up until the registration deadline of 120 days after final approval of this Decree by the Court. Landlord will cooperate with the Tenants' Project who will make their best efforts, given the information available, to verify the eligibility of Class Members. Landlord and Class Counsel may mutually agree how to handle registration, verification, explanation and payment, but Tenants' Project handles registration, verification, payment and explanations of settlement Tenants' Project attorneys will be paid \$150 per hour and staff no more than \$100 an hour with a maximum cost to Landlord of no more than \$1000. Any dispute over registration, verification, eligibility, payment or the cost of the process will be decided by this Court.

E. Cost of Registration, Verification and Claims Payment

Landlord will pay the cost of registration, verification and claims payment, which will take place under the supervision of the Tenants' Project. If Landlord and the Tenants' Project cannot agree on the notification, registration or claims process or payments, this Court will resolve the dispute.

VIII. LEASE

The Tenants Project will review Landlord's current lease and identify any


provisions the Tenants' Project believes to be illegal or prohibited. Current tenants will be notified by Landlord that these provisions will not be enforced. These provisions will not be included in future leases. During the term of the Decree, Landlord will use a legal lease and lease rules and will not change or amend the lease or lease rules without notifying Tenants Project.

Agreed as to form and substance, this 4th of April 2019,



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