

CLASS SETTLEMENT AGREEMENT

This Class Settlement Agreement (the “**Agreement**”), dated August ___ 2024 is by and between: (i) Iris Bautista, Laura Hamersma, Sara Kolstad, Jonah Aquino, Jemicia Mitchell, Hannah Hekel, Antwan Loving, Kiona Adams, Corey Dahl, Marsha Loving, and Heavenle’ McDonald (collectively, the “**Individual Plaintiffs**”) on behalf of themselves and those similarly situated (defined more specifically below) (the “**Settlement Class**”) and HOME Line, (together, HOME Line and the Individual Plaintiffs are the “**Plaintiffs**”) on one hand; and (ii) Monarch Investment and Management Group, LLC; Monarch Management, Inc.; MIMG XXXVIII Stone Grove, LLC; MIMG CII Les Chateaux, LLC; MIMG CXXXVII Gates of Rochester, LLC; MIMG XXXII Eden Park, LLC; MIMG CLI Upper Town, LLC; MIMG CXLIII Fountains in the Park, LLC; CMC 1 Meadows of Coon Rapids, LLC; and Cornerstone Monarch Capital, LLC, MIMG CLXXXIV Brooklyn 2 Master, LLC; MIMG CLXXIV Sterling Square Sub LLC; MIMG CLXXIV West Broadway Sub LLC; MIMG CLXXXV Crystal Bay Sub LLC; MIMG CLXXXV French Creek Sub LLC; MIMG CLXXXV Heritage Manor Sub LLC; MIMG CLXXXV Olympik Village Sub LLC; MIMG CLXXXV Winchester Sub LLC; M.I.M. Group LLC; MIMG XXXVIII Stone Grove LLC (collectively “**Defendants**” or “**MIMG**”) on the other hand. Together the Plaintiffs and MIMG are the “**Parties**” and each a “**Party**”.

RECITALS

WHEREAS, on or about March 23, 2022, HOME Line, Iris Bautista, Laura Hamersma, Sara Kolstad, Jonah Aquino, Jemicia Mitchell, Hannah Hekel, and

Antwan Loving (the “**Original Plaintiffs**”); filed a civil action against certain Defendants in Minnesota District Court, Third Judicial District (the “**Court**”), Case Number 55-CV-22-1874 (the “**Litigation**”).

WHEREAS, on May 4, 2022, the Plaintiffs filed an amended complaint against MIMG in the Litigation (the “**Amended Complaint**”).

WHEREAS, in their Amended Complaint, Plaintiffs allege, among other things, that MIMG, through their advertising, leasing, collection, and eviction practices, (a) have violated Minnesota’s Prevention of Consumer Fraud Act, Minn. Stat. § 325F.69, Uniform Deceptive Trade Practices Act Minn. Stat. § 325D.44, Plain Language Contract Act, Minn. Stat. § 325G.31, Single Metered Utility Billing Statute Minn. Stat. § 504B.215, (b) have breached its contracts with Plaintiffs and other contracts whereby Plaintiffs are intended beneficiaries; (c) have breached the covenants of landlords under Minn. Stat. 504B.161; and (d) should not be entitled to collect certain debts MIMG purport Plaintiffs owe as a result of MIMG’s alleged violations and breaches (collectively (a),(b), (c), and (d) are the “**Causes of Action**”).

WHEREAS, on or about June 3, 2022, certain of the Plaintiffs (the “**Moving Plaintiffs**”) filed a motion for a temporary injunction against MIMG, whereby Moving Plaintiffs sought to enjoin MIMG from filing evictions in Minnesota on the basis that a tenant has not paid amounts allegedly due under their lease with MIMG (the “**Temporary Injunction Motion**”).

WHEREAS, the Court ordered Moving Plaintiffs and MIMG to mediate (the “**Mediation**”) the Temporary Injunction Motion, and the Parties selected Joseph T. Dixon, Jr. as mediator (the “**Mediator**”).

WHEREAS, after several days of good faith discussions with the Mediator, the Parties reached an agreement (the “**Injunction Settlement**”) to resolve the Temporary Injunction Motion but intended to preserve all their claims, rights, defenses, etc. in the Litigation.

WHEREAS, the Moving Plaintiffs and MIMG memorialized the Injunction Settlement and the material aspects of the agreement became part of the Court’s order enforcing the Injunction Settlement (the “**Injunction Order**”).

WHEREAS, the Plaintiffs and MIMG continued their good faith discussions with the Mediator to fully resolve their disputes and differences in the Litigation, and after several months of discussion, the Parties have agreed to a full and complete settlement of the Litigation.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is stipulated and agreed by and between the Parties, as follows:

1. **Recitals Incorporated.** The recitals and prefatory phrases and paragraphs set forth above are hereby incorporated in full into, and made a part of, this Agreement.

2. **No Liability.** The Parties acknowledge that this Agreement is a compromise of the Litigation and disputed debts, and that no Party admits, and each expressly denies, any liability on its part.

3. **Primary Effective Date.** Except as provided in the specific Sections or Subsection of this Agreement, this Agreement shall be effective seventy-two (72) hours after all Parties (except the Settlement Class) have executed this Agreement and a fully executed copy of the Agreement is exchanged among the Parties (the “**Primary Effective Date**”).

4. **Release Effective Date.** The date on which any order approving this Agreement as a class settlement under Minn. R. Civ. P. 23.05 becomes a final, non-appealable order that is not subject to stay, is the “**Release Effective Date**”.

5. **Parties Procedural Agreements.** The Parties agree to the following procedures to resolve the Litigation and implement the provisions of this Agreement, all of which are material aspects of and consideration for this Agreement:

- a. **Notice of Settlement and Stay of Litigation.** The Parties shall inform the Court of the substance of this Agreement and seek a stay of proceedings in the Litigation except as necessary to effectuate this Agreement.
- b. **Amended Complaint and Class Certification.** Notwithstanding any other prior agreement among the Plaintiffs and MIMG to the contrary, the Plaintiffs shall amend their complaint to seek certification of the Litigation as a class action, pursuant to Minn.

R. Civ. P. 23. Provided Plaintiffs' efforts are consistent with the terms of this Agreement, MIMG shall not oppose Plaintiffs' efforts to certify the Litigation as a settlement class. MIMG shall not be required to answer or otherwise respond the allegations in any amended complaint filed pursuant to this Agreement. Should the Court not approve this Agreement, the Plaintiffs will promptly amend their complaint to conform in substance to the Amended Complaint.

- c. Class Wide Relief. The Parties shall undertake their best efforts to obtain approval of this Agreement by the Court as a class-wide settlement under Minn. R. Civ. P. 23.05.
- d. Class Period. For purposes of this Agreement, the “**Class Period**” shall, except as to members of the Second Utilities Subclass solely with respect to their claims as members of such subclass, (i) begin on the date that the respective member of the Settlement Class (defined below) entered into a lease agreement, as a lessee, at any property in the State of Minnesota owned by MIMG (or any of them) and (ii) shall end on February 1, 2022. As to members of the Second Utilities Subclass solely with respect to their claims as members of such subclass, (y) begin on the date that the respective member of the Second Utilities Subclass (defined below) entered into a lease agreement, as a lessee, at any property

in the State of Minnesota owned by MIMG (or any of them) and (z) shall end on June 1, 2024. For the purposes of Subsection 5(d)(i), if the tenant did not enter into a lease agreement with MIMG, but instead entered into a lease with any of MIMG's predecessors in interest, then the Class Period shall instead begin on the date that MIMG acquired ownership of the property and/or became the original lessor's successor in interest.

- e. Definition of the Class. For the purposes of this Agreement, the “**Settlement Class**” shall be defined as follows: All individuals who were tenants of MIMG during the Class Period and (i) are or were a party to a lease agreement as a lessee at any property in the state of Minnesota at the time when MIMG owned or acquired ownership of the property, (ii) entered into a lease agreement as a lessee at any property in the state of Minnesota owned by MIMG, which lease terminated before February 1, 2022, (iii) as of February 1, 2022 were a party to a lease agreement as a lessee with MIMG in the state of Minnesota and/or (iv) were parties to a lease agreement with MIMG at Eden Park Apartments or City Limits Apartment (together Eden Park Apartments and City Limits are the “**Subclass 2 Properties**”) before June 1, 2024.

f. Definition of Sub-Classes.

- i. For the purposes of this Agreement, the “**First Utilities Subclass**” shall be as follows: Any individual who qualifies as a member of the Settlement Class and who paid water and/or sewer utilities to MIMG (or to a third party acting on MIMG’s behalf) via a single meter or ratio utility billing (RUB), at any time during the Class Period. A single meter or ratio utility billing (RUB) shall mean when a multiunit rental building with one or more separate residential living units where the utility service measured through a single meter provides service to an individual unit and to all or parts of common areas or other units.
- ii. For the purposes of this Agreement, the “**Second Utilities Subclass**” (together the First Utilities Subclass and the Second Utilities Subclass are the “**Utilities Subclasses**” and each subclass is a “**Utilities Subclass**”) shall be as follows: Any individual who (i) qualifies as a member of the Settlement Class, (ii) who was a party to a lease agreement at any of the Subclass 2 Properties with MIMG at any time up to June 1, 2024, and (iii) who paid water and/or sewer utilities to MIMG (or to a third party acting on MIMG’s behalf) via a single meter or ratio utility billing (RUB), at

any time up to June 1, 2024. A single meter or ratio utility billing (RUB) shall mean when a multiunit rental building with one or more separate residential living units where the utility service measured through a single meter provides service to an individual unit and to all or parts of common areas or other units.

- g. Determining Payment by a Member of a Sub-Class.** For the purposes of determining when a member of the Utilities Subclass(es) paid a single meter or ratio utility billing (RUB), the Parties agree that such utility is paid in any month where a tenant makes a payment of any amount to MIMG, then that payment will be deemed to have been first applied to any water and sewer charges owing at the time of payment before being applied to any other charges, including rent (the “**Single Meter Payment Protocol**”).
- h. Claims Administrator.** The Parties have agreed that Epiq Systems Inc. (the “**Class Administrator**”) shall serve as the administrator and noticing agent for the purposes of this Agreement.
- i. Claim Form.** The Parties shall agree on a claim form to be submitted to the Court for approval. If the Parties cannot agree on a form, the Court shall decide on the approved claim form. The

Parties agree that the claim form shall include, at a minimum, the following:

- i. Settlement Class Member's name;
 - ii. Settlement Class Member's current address;
 - iii. Settlement Class Member's address when a tenant of MIMG (if different than (ii));
 - iv. Approximate dates of tenancy with MIMG;
 - v. Any necessary information for payment by the Claims Administrator.
- j. Claim Form Not a Basis for Denial. Failure to provide all of the information on the claim form is not grounds to reject a claim, provided the Claims Administrator can reasonably validate the claim, with, for example, publicly available information or information that MIMG reasonably possesses.
- k. Class Noticing Procedure. The Parties shall agree on noticing procedure to be submitted to the Court for approval. The Parties expect to provide direct notice to potential members of the Settlement Class, using current addresses, last known addresses, and/or email addresses that are available to MIMG. If the Parties cannot agree on a procedure, the Court shall decide on the noticing procedure.

- l. MIMG's Duty to Provide Class Information. MIMG will provide the Claims Administrator with information within MIMG's possession or control that is reasonable and necessary to the administration of the Claims Administrator's responsibilities under this Agreement. Such information will include data about single meter or ratio utility billing (RUB). The Claims Administrator may request additional information from MIMG that the Claims Administrator reasonably believes is necessary to the administration of the Claims Administrator's duties, and MIMG shall comply with any reasonable request for information.
- m. Standard for Validating Claims. The Claims Administrator shall consider MIMG's business records, publicly available records, and any claim form submitted by a purported class member or subclass member to determine whether the purported class member or subclass member has submitted a valid claim and the amount of that claim. The Claims Administrator shall evaluate whether the information available to the Claims Administrator shows with a preponderance of evidence that the purported class member or utilities subclass member qualifies as a member of the Settlement Class and/or Utilities Subclass(es). To determine eligibility for the Settlement Class, the Claims Administrator shall, among other things, evaluate whether the purported class

member was party to a lease agreement with MIMG, or any of them, within the Class Period. To determine eligibility for the Utilities Subclass(es), the Claims Administrator shall, among other things, evaluate whether the purported subclass member paid any amount to MIMG for a single meter utility or a ratio utility billing (RUB) utility. To determine the claim amount of any Utilities Subclasses member, the Claims Administrator shall, among other things, use MIMG's business records, publicly available records, and any claim form submitted by a subclass member, to determine the amount the subclass member paid to MIMG for a single meter utility or a ratio utility billing (RUB) utility. For the purposes of determining the amount paid for a single meter utility or a ratio utility billing (RUB) utility, the Claims Administrator shall use the Single Meter Payment Protocol and shall award the subclass member 115% of the amount of single meter utilities and/or a ratio utility billing (RUB) utilities paid by the subclass member during the applicable Class Period.

- n. Request for Reconsideration and Additional Information. If the Claims Administrator cannot determine the validity of a claim or denies a claim, the Claims Administrator shall provide the purported class member or subclass member with a letter stating

the basis for the denial and shall request specific additional information from the purported class member or subclass member that would be necessary to validate the claim. The purported class member or subclass member shall have 45 days from the date of the Claims Administrator's letter to provide the requested information. If the class member or subclass member does not provide the Claims Administrator with additional information within 45 days from the date of the letter, the Claims Administrator's denial shall be final. If the additional information provided by the purported class member or subclass member is sufficient to validate their claim(s), the Claims Administrator shall allow the claim. If the additional information provided by the purported class member or subclass member is not sufficient to validate their claim(s), within fourteen (14) days after the submission of the additional information, the Claims Administrator shall provide the class member or subclass member with a letter stating the basis for the denial. After exhausting the foregoing procedures, the Claims Administrator's determination denying a claim is final and cannot be reviewed or reconsidered.

- o. Appeal of Subclass Award Amount. If a member of any Utilities Subclass disagrees with the amount of his/her award as a member

of the Utilities Subclass(es), the member of the Utilities Subclass(es) may appeal (a “**Utilities Award Appeal**”) the Claim Administrator’s award by, within 60 days of receiving the award letter, sending a letter to the Claims Administrator (i) requesting the Claim Administrator review the award decision, (ii) providing documents or a narrative of the factual basis supporting subclass member’s appeal, and (iii) providing the subclass member’s requested award amount or an estimate thereof. The Claims Administrator shall evaluate the subclass member’s Utilities Award Appeal, and if the information provided supports a revised award, amend the award amount. If, after reviewing Utilities Award Appeal, the Claims Administrator does not revise the subclass member’s award amount, the Claims Administrator shall provide the subclass member with a detailed calculation of the award amount and copies of all of the information supporting the calculation (a “**Utilities Appeal Denial**”). The Claims Administrator’s Utilities Appeal Denial cannot be reviewed or reconsidered and is final.

- p. Time to Make Claims. The Claims Administrator shall accept claim forms for at least nine (9) months after the claim form is sent to the purported members of the Settlement Class.

q. Resolving the Litigation. The parties agree that the entry of an order(s) certifying the Settlement Class and the Utilities Subclasses and approving this Agreement as a class settlement under Minn. R. Civ. P. 23.05 shall fully and finally resolve the Litigation consistent with the provisions of this Agreement.

6. Class Monetary Relief. Upon the Release Effective Date, MIMG agrees as follows:

a. Class Payment. For each member of the Settlement Class who files a valid claim with the Class Administrator, MIMG will pay the class member \$125.00.

b. Subclass Payment:

i. For each member of the First Utilities Subclass who files a valid claim with the Class Administrator, MIMG will pay the subclass member 115% of all water and sewer charges paid by the subclass member during the Class Period. The amount each subclass member paid during the Class Period shall be calculated according to the Single Meter Payment Protocol.

ii. For each member of the Second Utilities Subclass who files a valid claim with the Class Administrator, MIMG will pay the subclass member 115% of all water and sewer charges paid by the subclass member through June 1, 2024. The

amount each subclass member paid during the Second Utilities Subclass period shall be calculated according to the Single Meter Payment Protocol.

- iii. For the avoidance of doubt, claim payments for valid claims made under either Utilities Subclass shall not be duplicative. A Class Member may receive payment as part of more than one Utilities Subclass only if the member was a party to a lease at more than one of MIMG's locations and otherwise qualifies for the respective subclass(es).
- c. Named Plaintiffs. Subject to the Court's approval, MIMG will pay each of the Individual Plaintiffs up to \$7,500.00 as a class representative fee, in addition to the relief afforded the Settlement Class and/or Utilities Subclasses, provided the respective Individual Plaintiff is otherwise eligible for such class or subclass. Except as to payment of their attorneys' fees as provided in Subsection 6(d), HOME Line will not receive any monetary remuneration pursuant to this Agreement. HOME Line acknowledges and agrees that it will receive valuable consideration by way of the MIMG's promises made in in Sections 7 through 11 of this Agreement.
- d. Class Counsel Fee. Subject to the Court's approval through an order granting a motion for attorneys' fees, MIMG will pay

Stinson LLP, for itself and any of its co-counsel during the Litigation, up to \$150,000.00 for Plaintiffs' attorneys' fees and expenses incurred in the Litigation. MIMG shall not be responsible for paying more than \$150,000.00 in attorneys' fees and expenses to Plaintiffs' attorneys.

7. MIMG's Promises to Reform its Lease. Within 30 days of the Release Effective Date, MIMG will modify its form of lease agreement used in Minnesota as follows:

- a. MIMG will create, in a form acceptable to Plaintiffs and consistent with Minn. Stat. § 504B.120 (2024), a "**Summary of Fees and Rent**" which will set forth the base rent, all fees charged to tenants, plus a Summary of Fees and Rent that would be charged in common scenarios at each property, such as late payment of rent. Summary of Fees and Rent must be provided to each of MIMG's tenants prior to lease signing and/or renewal.
- b. MIMG may use the National Apartment Association's ("**NAA**") lease form provided that lease is substantially in the form as the lease attached as Exhibit 1 to this Agreement (the "**Revised Lease**"), which MIMG may update from time to time to be consistent with Minnesota law.

8. Class Expungements. The Parties agree that the Court should expunge any Minnesota eviction case filed by MIMG against a member of the Settlement Class

so long as the eviction reasonably relates to the claims raised in the Litigation, because the benefit to the public is outweighed by the harm the evictions impose on the members of the Settlement Class. The Parties agree that the receipt of expungements is a material aspect of the Agreement, and the Parties will make best efforts to request and obtain this relief for the Settlement Class. MIMG, however, is not required to make affirmative motions or request for this relief.

9. Class Rental References. On the Primary Effective Date, in response to a request from a member of the Settlement Class for a Rental Reference, MIMG will provide that person a Neutral Rental Reference.

- a. A “**Rental Reference**” shall mean a reference provided by MIMG, or any of its agents, officers, owners, employees, contractors, or any other similar person acting on its behalf, to any person seeking to obtain a rental history, account history, credit history, or similar record regarding any of MIMG’s current or former Minnesota Tenants.
- b. A “**Neutral Rental Reference**” shall mean a written response (for the avoidance of doubt MIMG will not provide any Rental Reference orally) to a request made by any person to MIMG for a Rental Reference. The Neutral Rental Reference shall provide information substantially in the form as follows:
 - i. Dates of Occupancy: [Dates that tenant leased a unit from MIMG]

- ii. Payment of Rent: MIMG will not respond to inquiries regarding payment history.
- iii. Breach of Lease: MIMG will not report nonpayment of any amount allegedly due under the lease in response to an inquiry regarding a “breach of lease.” MIMG is permitted to report non-monetary breaches of the lease in accordance with their ordinary practices.
- iv. In response to a question similar to “Would MIMG re-rent to tenant?” MIMG will respond “Tenant is free to re-apply, and applications are considered upon receipt.”

Plaintiffs understand that a Rental Reference question may not fit a category above. In that case, and the answer would reasonably be considered negative for the tenant, MIMG will leave the answer blank. Otherwise, MIMG will provide an answer that is truthful but would not reasonably be considered negative for the tenant.

10. MIMG’s Promises as to Leasing and Collections Practices. Upon the Release Effective Date, MIMG agrees as follows:

- a. **Agreement to Suspend Eviction and Collection Actions on Certain Balances.** For any account balance accruing before May 1, 2022, MIMG will not file an eviction action, threaten to file an eviction action, file a civil action to collect, threaten to file a civil action to collect, send a written demand regarding, or otherwise attempt to collect (which

includes, but is not limited to, failing to provide a Neutral Rental Reference), from or against any tenant residing at any of MIMG's Minnesota properties (a "**Minnesota Tenant**") on the basis that the tenant has failed to pay an account balance that is in the aggregate less than \$2,000.00.

b. Agreement to Limit Other Pending Fees and Charges. For any past due account balance that accrued between May 1, 2022 and the Release Effective Date, MIMG will not file an eviction action, threaten to file an eviction action, file a civil action to collect, threaten to file a civil action to collect, send a written demand regarding, or otherwise attempt collect, from or against a Minnesota Tenant for failure to pay any amounts MIMG alleges are owed by the tenant except for the following categories of charges:

- i. "Base Rent", which means the amount identified in MIMG's lease with the tenant as the monthly recurring rent. For example, in most MIMG leases the Base Rent would only be the amount shown in the blank section that reads "you will pay \$_____ per month for rent."
- ii. "Parking Fees", which means amounts in addition to Base Rent that are agreed to by the lease parties in addition to Base Rent for parking a vehicle at the premises.

- iii. “Garage Fees”, which means amounts in addition to Base Rent that are agreed to by the lease parties for leasing a garage or storage unit at the premises.
- iv. “Pet Fees”, which means amounts in addition to Base Rent that are agreed to by the lease parties to allow a pet to reside with the tenant at the premises.
- v. “Non-Single Meter Utilities Charges”, which means the actual costs paid by MIMG on account of utilities the tenant, as part of the lease, has agreed to place in the tenant’s own name but for which MIMG has been billed directly by the utility provider. For the avoidance of doubt, Non-Single Meter Utilities Charges do not include any single-meter utilities covered by Minn. Stat. Sec. 504B.215, a utility for which the tenant did not explicitly agree to pay as part of the lease, or any utility that is billed to MIMG but for which MIMG did not require the tenant as part of the lease to pay utility charges directly to the utility provider.
- vi. “Single Meter Utilities Charges”, which means charges for any single-meter utilities covered by Minn. Stat. Sec. 504B.215 and for which MIMG provided the tenant with notice required by Minn. Stat. Sec. 504B.215, subd. 2(a).

vii. “Late Fees,” which means the contractually agreed fee payable by the tenant for failing to pay the charges listed in Subsections 10(b)(i)-(v) by the date agreed to in the tenant’s lease with MIMG. In no event shall a Late Fee (A) be calculated as a percentage of balances for which MIMG agreed not to evict or collect as indicated in Section 10, (B) be calculated based on charges not included in Subsections 10(b)(i)-(v) or (C) include any charge designated, in whole or in part, as (or which had previously been designated in whole or in part by MIMG as) a “penalty”.

viii. No Minnesota Tenant will be charged a Late Fee on any amounts allowed under this Subsection 10(b) so long as the Minnesota Tenant has paid such allowed amounts in full within fourteen (14) days after the Release Effective Date.

c. MIMG’s Agreement to Limit Future Collection of Fees and Charges.

From and after the Release Effective Date, MIMG will not file an eviction action, threaten to file an eviction action, file a civil action to collect, threaten to file a civil action to collect, send a written demand regarding, or otherwise attempt collect, from or against a Minnesota Tenant for failure to pay any amounts MIMG alleges are owed by a Minnesota Tenant except for the following categories of charges:

- i. “Base Rent”, which means the amount identified in MIMG’s lease with the tenant as the monthly recurring rent. For example, in most MIMG leases the Base Rent would only be the amount shown in the blank section that reads “you will pay \$_____ per month for rent.”
- ii. “Parking Fees”, which means amounts in addition to Base Rent that are agreed to by the lease parties in addition to Base Rent for parking a vehicle at the premises.
- iii. “Garage Fees”, which means amounts in addition to Base Rent that are agreed to by the lease parties for leasing a garage or storage unit at the premises.
- iv. “Pet Fees”, which means amounts in addition to Base Rent that are agreed to by the lease parties to allow a pet to reside with the tenant at the premises.
- v. “Non-Single Meter Utilities Charges”, which means the actual costs paid by MIMG on account of utilities the tenant, as part of the lease, has agreed to place in the tenant’s own name but for which MIMG has been billed directly by the utility provider. For the avoidance of doubt, Non-Single Meter Utilities Charges do not include a utility for which the tenant did not explicitly agree to pay as part

of the lease or any utility that is billed to MIMG but for which MIMG did not require the tenant as part of the lease to pay utility charges directly to the utility provider.

- vi. “Single Meter Utilities Charges”, which means charges for any single-meter utilities covered by Minn. Stat. Sec. 504B.215 and for which MIMG provided the tenant with notice required by Minn. Stat. Sec. 504B.215, subd. 2(a).
- vii. “Other Allowed Charges”, which means fees and charges that are (i) provided in the Revised Lease (which may, in MIMG’s discretion, be revised in a manner consistent with this Agreement at any time), (ii) are disclosed on the Summary of Fees and Rent (which may, in MIMG’s discretion, be revised in a manner consistent with this Agreement at any time) and, (iii) are otherwise allowed by applicable Minnesota law.
- viii. “Late Fees,” which means the contractually agreed fee payable by the tenant for failing to pay the charges listed in Subsections 10(c)(i)-(vi) by the date agreed to in the tenant’s lease with MIMG. In no event shall a Late Fee (A) be calculated as a percentage of balances for which MIMG agreed not to evict or collect as indicated in Section 10, (B) be calculated based on charges not included in Subsections

10(c)(i)-(vi) or (C) include any charge designated, in whole or in part, as (or which had previously been designated in whole or in part by MIMG as) a “penalty”.

- d. Agreement with Moving Plaintiffs.** MIMG will waive, release, and forever discharge Ms. Adams and Ms. Dahl from any and all amounts that are now or later become due through August 31, 2022, and will provide Ms. Adams and Ms. Dahl with a Neutral Rental Reference.
- e. Agreement to Accept Rental Payment.** MIMG will not refuse to accept payment from a Minnesota Tenant if the Minnesota Tenant tenders the full amount due and owing under his/her lease, as modified by Section 10 of this Agreement.
- f. Agreement to Apply Prospective Payments.** On the Release Effective Date, any payments made to MIMG by a Minnesota Tenant after May 1, 2022 will only be applied to the amounts allowed under Subsection 10(b) and/or 10(c). This means that the redemption amount for a Minnesota Tenant in any eviction related to balances accruing after May 1, 2022 is not more than the allowed amounts allowed under Subsection 10(b) or 10(c). For the avoidance of doubt, MIMG may not apply any credit or overpayment resulting from application of this Subsection 10(f) to pay any fee, charge, or amount that is not allowed under Subsection 10(a), 10(b), and/or 10(c).

g. Agreement on Actions for Material Breach of Lease. Nothing in Subsections 10(a)-(f) prevents MIMG from filing an eviction action for a material breach of lease. For the avoidance of doubt, nothing in this Subsection 10(g) shall permit MIMG to file an action for a material breach of lease based on a Tenant's failure to pay amounts owing under the lease (i.e., a material breach of lease for non-payment), unless MIMG is specifically authorized to file an eviction action for non-payment under Subsections 10(a)-(f).

11. Credit Reporting. Within 90 days following the Release Effective Date, to the extent MIMG has previously reported to any credit reporting agency that any Minnesota Tenant owes amounts inconsistent with this Agreement, MIMG shall update and provide such credit reporting agency with information on such Minnesota Tenant that is consistent with this Agreement. Within 90 days following the Release Effective Date, to the extent MIMG, has sold or delegated authority to collect, the debt of any Minnesota Tenant to any third-party, MIMG will update and provide such third-party with information on such Minnesota Tenant that is consistent with this Agreement. To the extent such third party has reported to a credit reporting agency, MIMG will take all reasonable and appropriate steps to ensure such third party shall update and provide such credit reporting agency with information on such Minnesota Tenant that is consistent with this Agreement.

12. Relief from Injunction Settlement. On the Release Effective Date, the Parties agree that the Injunction Settlement and Injunction Order shall be rescinded

and replaced and superseded by this Agreement and/or any order approving the Agreement.

13. Class Release of MIMG. Upon Release Effective Date, the Individual Plaintiffs and each member of the Settlement Class, including all members of the Utilities Subclasses, who do not validly and timely request to be excluded from the proposed Settlement Class, and each of their respective successors, assigns, legatees, heirs, and personal representatives (collectively the “**Class Releasing Parties**”) shall be deemed to have fully, finally, and forever released, relinquished, and discharged MIMG and each of their predecessors, successors and assigns, partners, privities, and any of their present and former directors, officers, employees, and equity holders (collectively the “**Released Parties**”), from all manner of action, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, penalties, losses, costs, expenses, and attorneys’ fees, which the Class Releasing Parties personally have or may have against the Released Parties arising out of or relating to any of the acts, omissions, or other conduct that was alleged in the Litigation (“**Released Class Claims**”). For the avoidance of doubt, Released Class Claims do not include any claim by a Class Releasing Party against a Released Party for: (i) a breach of the covenant of a landlord’s covenant of habitability, except the Parties agree that claims relating to habitability under Minn. Stat. § 504B.215 (including claims relating to an alleged violation of Minn. Stat. § 504B.161 resulting from a breach of Minn. Stat. § 504B.215) are released, (ii) tenant rent escrow actions, (iii) unlawful ouster, (iv) personal injury, or (v) discrimination based

on the Class Releasing Party's membership in a protected class. The foregoing examples of claims excluded from the Released Class Claims are illustrative and not intended to be the full list of excluded claims.

14. HOME Line Release. Upon Release Effective Date, HOME Line fully, finally, and forever release, relinquish, and discharge the Released Parties from all manner of action, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, penalties, losses, costs, expenses, and attorneys' fees, which HOME Line has or may have against the Released Parties arising out of or relating to any of the acts, omissions, or other conduct that was alleged in the Litigation.

15. MIMG Release of the Plaintiffs. Upon the Release Effective Date, MIMG shall fully, finally, and forever release, relinquish, and discharge the Plaintiffs, from all manner of action, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, penalties, losses, costs, expenses, and attorneys' fees, which MIMG has or may have against the Plaintiffs, or any of them, arising out of or relating to any of the acts, omissions, or other conduct that was alleged in the Litigation.

16. Authority. Each Party represents and warrants that, except to the extent the Court must approve this agreement pursuant to Minn. R. Civ. P. 23.05, the Party has full and exclusive authority to release the claims that are the subject of this Agreement, and that no other person has any right, title, or interest in such claim(s). Each person signing this Agreement represents and warrants that

he/she/they/it has been duly authorized and has the requisite authority to execute and deliver this Agreement on behalf of such Party, to bind the Party to the terms and conditions of this Agreement, and to act with respect to the rights and claims that are being altered or otherwise affected by this Agreement.

17. Entire Agreement. This Agreement constitutes the entire agreement of the Parties hereto as to the subject matter hereof. The undersigned acknowledge that there are no communications or understandings, oral or written, contrary, different, or which in any way restrict this Agreement. The undersigned further acknowledge that all prior agreements, communications, and understandings within the scope of the subject matter of this Agreement are, upon execution of this Agreement, superseded, null, and void.

18. No Reliance. The Parties represent and acknowledge that, in executing this Agreement,

- a. They do not rely and have not relied upon any representation or statement made by any Party or any of their agents, shareholders, representatives, or attorneys, with regard to the subject matter, basis, or effect of this Agreement or otherwise, other than as specifically stated in this Agreement. The Parties further declare that, in making this Agreement, they relied entirely upon their own judgment, beliefs, and interest and the advice of their counsel (where applicable and for whose expense

each shall be solely responsible) and that they have had a reasonable period of time to consider this Agreement.

- b. Notwithstanding the foregoing Section 17(a), Plaintiffs entered into this Agreement upon the affirmative representation of MIMG that on or before February 1, 2022, MIMG began providing Minnesota Tenants with notices intended to comply with the requirements of Minn. Stat. § 504B.215, subd.2a. Plaintiffs entered into this Agreement upon the further affirmative representation of MIMG that, as of the Primary Effective Date, it has complied with the Injunction Settlement or has taken action to remedy any known breach of the Injunction Settlement.

19. No Construction against Drafter. The Parties agree that each Party has reviewed this Agreement and that each fully understands and voluntarily accepts all the provisions contained in this Agreement. The Parties further agree that this Agreement was the product of negotiations between the Parties and that any rule of construction that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

20. Amendment of Agreement. No amendment or modification of this Agreement shall be binding or enforceable unless in writing and signed by all the Parties.

21. Choice of Law and Forum. This Agreement shall be construed and enforced in accordance with Minnesota law. The Parties agree that an action to enforce the Agreement shall be heard by the Court.

22. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties, their respective heirs, executors, successors, administrators, and assigns. The Parties represent and warrant that, in the context of Minn. Stat. Sec. 572.36, there was not any evident partiality, corruption, or misconduct by the Mediator that would have prejudiced the rights of any Party. The Parties therefore waive any and all rights to set aside or reform this Agreement on the basis that there was evident partiality, corruption, or misconduct by the Mediator prejudicing the rights of a Party.

23. Counterparts. This Agreement may be executed in one or more counterparts, including by facsimile and/or electronic mail, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

24. Segregation. In the event that any one or more provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

25. Remedies in the Event of Breach of the Agreement. If any Party fails to comply with any term of this Agreement, any non-breaching Party may seek an order from the Court to enforce this Agreement. If the Court determines the Party has

materially breached the Agreement, the Court may afford any non-breaching party appropriate relief at law or in equity to make the Party whole under this Agreement, including.

26. Notice of Breach. No Party may file an action to enforce this Agreement unless the enforcing-Party shall have sent written notice to the offending-Party identifying the factual basis for the breach and have provided the offending-Party five (5) days to cure the breach.

27. Notice. Notices under this Agreement, including any notice of the breach of the Agreement, shall be provided by electronic mail and overnight mail to the counsel of record as follows:

Notice to Plaintiffs:

Attn: Andrew J. Glasnovich,
50 South Sixth Street, Ste. 2600,
Minneapolis MN, 55402
Drew.glasnovich@stinson.com

Notice to MIMG:

Attn: Shawn Raiter,
30 East Seventh Street, Suite 2800
Saint Paul, MN 55101
sraiter@larsonking.com

28. Counterparts. This Agreement may be executed in counterparts (including a scanned version of signatures) and, if so executed, each counterpart shall have the full force and effect of an original.

29. Parties Agreements in Mediation. Pursuant to Minn. Stat. Sec. 572.35, subd.1, the Parties each acknowledge that this Agreement is binding, and each Party has been advised, by legal counsel of the following: (a) the Mediator has no duty to

protect their interests or provide them with information about their legal rights;
(b) signing any mediated settlement agreement may adversely affect their legal rights; and (c) they should consult an attorney before signing a mediated settlement agreement if they are uncertain of their rights.

[signature page follows]

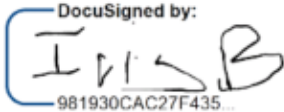
[SIGNATURE PAGES FOR PLAINTIFFS]

HOME Line



By: Eric Hauge

Its: Executive Director

Iris Bautista 
981930CAC27F435...

Laura Hamersma 
9E64C234251D43F...

Sara Kolstad 
4B1ADDD594CB40D...

Jonah Aquino 
96DB8DB1905447C...


Jemicia Mitchell 
C016328C8E4041D...


Hannah Hekel 
6FEC6A353C6F4D9...

Antwan Loving 
04559B4A1F83472...

Kiona Adams 
8A8E0C5D20AA412...


Corey Dahl 
F3CCDB02209944F...

Marsha Loving 
6D433BCFF4FA408...

Heavenle' McDonald 
81F4B54B15AB44B...

[SIGNATURE PAGES FOR MIMG]


Monarch Investment and Management Group, LLC



By: Bob Nicolls

Its: Manager


Monarch Management, Inc.



By: Bob Nicolls

Its: President


MIMG XXXVIII Stone Grove, LLC



By: Bob Nicolls

Its: Manager


MIMG CII Les Chateaux, LLC



By: Bob Nicolls

Its: Manager

MIMG CXXXVII Gates of Rochester, LLC



By: Bob Nicolls

Its: Manager

SIGNATURE PAGE FOR MIMG [CONTINUED]


MIMG XXXII Eden Park, LLC



By: Bob Nicolls

Its: Manager


MIMG CLI Upper Town, LLC



By: Bob Nicolls

Its: Manager

MIMG CXLIII Fountains in the Park, LLC



By: Bob Nicolls

Its: Manager

CMC 1 Meadows of Coon Rapids, LLC



By: Bob Nicolls

Its: Manager

Cornerstone Monarch Capital, LLC




By: Bob Nicolls

Its: Manager

SIGNATURE PAGE FOR MIMG [CONTINUED]


MIMG CLXXV Heritage Manor Sub LLC



By: Bob Nicolls

Its: Manager


MIMG CLXXXV Olympik Village Sub LLC



By: Bob Nicolls

Its: Manager

MIMG CLXXXV Winchester Sub LLC



By: Bob Nicolls

Its: Manager

M.I.M. Group LLC; MIMG XXXVIII Stone Grove LLC



By: Bob Nicolls

Its: Manager