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Attorneys for Plaintiffs, BLANCA JAUREGUI and CARLOS AGUERO, individually and on behalf of themselves and all others similarly situated and aggrieved

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

BLANCA I. JAUREGUI and CARLOS AGUERO, as individuals and on behalf of all others similarly situated and aggrieved,

Plaintiffs,

v.

SAGE APARTMENT COMMUNITIES, INC., a Nevada corporation; INVESTMENT PROPERTY GROUP UT, INC., a Utah corporation; and INVESTMENT PROPERTIES GROUP, LLC, a California limited liability company; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 30-2022-01259919-CU-OE-CXC

[Assigned for all purposes to the Hon. William Claster in Dept. CX-101]

DECLARATION OF BRANDON M. CHANG IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND PROVISIONAL CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY

DECLARATION OF BRANDON M. CHANG

1. I am an attorney at law, duly licensed to practice before all the Courts of the State of California and I am an attorney at Bibiyan Law Group, P.C., counsel for plaintiffs Blanca Jauregui ("Plaintiff Jauregui") and Carlos Aguero ("Plaintiff Aguero," and collectively, "Plaintiffs") and all others similarly situated and aggrieved. As such, I am familiar with the file in this matter and, if called as a witness, I could and would competently testify to the following facts of my own personal knowledge.

2. On or around May 16, 2022, Plaintiff Jauregui filed with the Labor and Workforce Development Agency ("LWDA") and served on defendants Sage Apartment Communities Inc. and Investment Property Group UT, Inc. (collectively, "Defendants"), a notice under Labor Code section 2699.3, stating Plaintiff Jauregui intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations ("Jauregui PAGA Notice"). A true and correct copy of the Jauregui PAGA Notice is attached hereto as Exhibit "2."

3. On or around May 16, 2022, Plaintiff Jauregui filed a Class Action complaint against Defendants in Orange County Superior Court, Case No. 30-2022-01259919-CU-OE-CXC, alleging claims for: (1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; and (9) Unfair Competition (the "Class Action").

4. On or around November 16, 2022, Plaintiff Jauregui filed a PAGA complaint in Orange County Superior Court, Case No. 30-2022-01292683-CU-OE-CXC, alleging claims for: Private Attorneys General Act of 2004 for Civil Penalties Under Labor Code Sections 210, 226.3, 558, 1174.5, 1197.1 and 2699 (the "PAGA Action").

5. On or around May 12, 2023, Plaintiff Aguero filed a Class Action complaint against Defendants in Orange County Superior Court, Case No. 30-203-01325117-CU-OE-CXC, alleging claims for: (1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage

Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Misclassification; and (10) Unfair Competition (the "Aguero Class Action").

6. On or around May 29, 2024, Plaintiff Aguero filed with the LWDA and served on Defendants, a notice under Labor Code section 2699.3, stating Plaintiff Aguero intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations ("Aguero PAGA Notice"). A true and correct copy of the Aguero PAGA Notice is attached hereto as Exhibit "3."

7. On or around August 21, 2024, Plaintiff Aguero filed a PAGA complaint in Orange County Superior Court, Case No. 30-2024-01420186-CU-OE-CXC, alleging claims for: Private Attorneys General Act of 2004 for Civil Penalties Under Labor Code Sections 210, 226.3, 558, 1174.5, 1197.1 and 2699 (the "Aguero PAGA Action").

8. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

9. Prior to mediation Plaintiffs obtained, through informal discovery, time and payroll records for all Class Members through the date of mediation, class data points, and documents pertaining to Plaintiffs' employment.

10. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").

11. On or around January 22, 2026, the Parties participated in mediation presided over by Lynn Frank, Esq., an experienced mediator of wage and hour class and PAGA actions. The mediation concluded without a settlement, but Mediator Frank made a mediator's proposal, which was accepted by both Parties.

12. The Parties stipulated to Plaintiffs' filing a First Amended Complaint in the Class Action that includes Plaintiff Aguero as a named plaintiff and Plaintiffs' claims in the Class Action, PAGA Action, Aguero Class Action, and Aguero PAGA Action. Upon the acceptance of the First Amended Complaint in the Class Action, Plaintiffs will dismiss the PAGA Action, Aguero Class Action, and Aguero PAGA Action, without prejudice, to effectively consolidate the

four Actions for the purpose of settlement approval. The First Amended Complaint shall be considered as the "Operative Complaint."

13. Class Counsel have conducted significant investigation of the law and facts relating to the claims asserted in the Action and the PAGA Notice, and have concluded that the Settlement set forth herein is fair, reasonable, adequate and in the best interests of the Settlement Class, taking into account the sharply contested issues involved, the expense and time necessary to litigate the Action through trial and any appeals, the risks and costs of further litigation of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, the information learned through discovery regarding Plaintiffs' allegations, and the substantial benefits to be received by Settlement Class Members.

The Proposed Settlement

14. Subject to Court approval pursuant to Code of Civil Procedure section 382 and California Rules of Court, rule 3.679, *et seq*., the Parties have agreed to settle the Action by agreement upon the terms and conditions and for the consideration set forth in the Settlement Agreement, a copy of which is attached hereto as Exhibit "1." A summary of the terms of the settlement are as follows:

Defendants will stipulate, for purpose of the Settlement only, as follows:

- Certification of a class ("Settlement Class," "Settlement Class Members" or "Class Members") defined as: all persons who are or previously were directly employed by Defendants in California and classified as non-exempt employees at any of Defendants' locations in the State of California at any time between May 16, 2018 through the date the Court grants preliminary approval of the class ("Class Period").
- Defendants will pay $2,200,000.00 ("Gross Settlement Amount") to resolve the matter.
- At the time of mediation, Defendants estimated that there are approximately 300 Class Members who worked approximately 36,334 Workweeks during the Class Period. The Parties acknowledge and agree that this data (and other information provided by Defendants for purposes of mediation) was relied on to extrapolate and reach an arms-length negotiation of Plaintiffs' claims in the Actions through the Class Period. Should

the number of Workweeks increase by more than 10% of what was represented at the mediation during the Class Period, the Gross Settlement Amount will be increased on a pro-rata basis for any Workweek added above the 10% increase. For example, if the number is 11% or higher, the Settlement Amount will be increased by 1%. Defendants will provide a declaration under penalty of perjury confirming the number of applicable Class Members and Workweeks they worked during the applicable Class Period one week prior to Plaintiffs' deadline to file their motion for preliminary approval of the settlement.

- "Workweeks," for purposes of calculating the distribution of the Net Settlement Amount, means the number of weeks of employment during the Class Period that each Class Member was employed by Defendants in California.
- Defendants will pay the employer's share of taxes separate and apart from the Gross Settlement Amount.
- This is a non-reversionary settlement.
- Class Members will be paid their pro rata share of the class action settlement based on the total number of Workweeks worked during the Class Period.
- The Settlement Administration costs, estimated not to exceed $7,990.00 will be paid out of the Gross Settlement Amount.
- Class Counsel, comprised of David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C., will apply for, and Defendants will not oppose, attorneys' fees of not more than one-third (1/3) of the Gross Settlement Amount, which, unless escalated pursuant to the Settlement Agreement, amounts to $733,333.33, and actual costs, not more than $50,000.00, all of which will be paid out of the Gross Settlement Amount.
- Class Counsel will apply for, and Defendants will not oppose, a service award in an amount not to exceed $10,000.00 each, to a total amount of $20,000.00, for the Class Representatives, which will be paid out of the Gross Settlement Amount.

- "Aggrieved Employees" means all persons who are or previously were employed by Defendants in California and classified as non-exempt employees at any time during the period from May 16, 2021 through the end of the Class Period ("PAGA Period").
- Defendants have agreed to pay $220,000.00 as PAGA penalties, seventy-five percent (75%) or $165,000.00 of which will be paid to the LWDA out of the Gross Settlement Amount, and twenty-five percent (25%) or $55,000.00 of which will be distributed to the Aggrieved Employees.
- In the event an Individual Settlement Payment or Aggrieved Employees' individual share of the PAGA Payment has not been cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks, plus any interest accrued thereon, shall escheat to the state via Settlement Administrator the California State Controller's Office, Unclaimed Property Fund.

Settlement Agreement and Accompanying Documents

15. Attached hereto as Exhibit "1" is a true and correct copy of the Agreement fully executed by the Parties.

16. Attached to the Agreement as Exhibit "A" thereto is the Notice of Pendency of Class and Representative Action Settlement and Final Hearing Date ("Class Notice") to be distributed to Class Members in English and Spanish.

17. The Parties have agreed to use Apex Class Action, LLC ("Apex" or "Settlement Administrator"), an experienced settlement administrator, to administer the Settlement.

18. On or around October 1, 2026, my office submitted a copy of the Agreement to the LWDA in compliance with Labor Code section 2699, subdivision (l)(2). A true and correct copy of each confirmation from the LWDA in connection with Plaintiffs is attached hereto as Exhibit "3".

The Settlement was Negotiated at Arm's-Length and is not Collusive

19. The Settlement that has been reached, subject to this Court's approval, is a product of substantial efforts by Class Counsel. The Settlement was reached after: extensive factual and legal investigation and research; substantial negotiation regarding the scope of informal discovery;

exchange of documents and information that included review of time and pay records and analysis thereof with the aid of Plaintiffs and expert data consultants; exchange of formal discovery; the deposition of Plaintiff Jauregui; interviews with putative Class Members; an analysis of shifts and Workweeks worked by Class Members in the Class Period, analysis of the number of pay periods and number of Aggrieved Employees in the PAGA Period extrapolated and carefully analyzed by Class Counsel, attorneys and staff of Bibiyan Law Group, P.C., and expert data consultants from the data produced by Defendants for calculating PAGA penalties, number of Class Members eligible for wage statement penalties and waiting time penalties; an analysis of Plaintiffs' employment records; extensive correspondence and communication between counsel; a review of pleadings, evidence and rulings in similar actions litigated elsewhere in the state; a review of similar cases in the same industry elsewhere in the country; and preparation for and attendance at a full-day mediation session, followed by months of further discussions and coordination to finalize the terms and conditions of the general settlement parameters agreed to by the Parties.

20. While Class Counsel believe in the chance of success of certifying the claims, Class Counsel recognized the potential risk, expense and complexity posed by further litigation. Moreover, litigating Plaintiffs' claims in this Litigation—claims that involve approximately 300 Class Members during the Class Period—would require enormous preparation and discovery, and ultimately would involve the deposition and presentation of numerous more witnesses (including Class Members and expert witnesses), as well as the consideration, preparation and analysis of expert reports. Therefore, should litigation have progressed any further, there would have been significant expense incurred by each side (above and beyond the expense already incurred).

The Settlement Amount is Well Within the Range of Reasonableness

21. The settlement amount reached in this case provides significant recovery to Class Members and Aggrieved Employees, and easily falls within the range of reasonableness. Based on documents and information provided by Defendants, Class Counsel understand there were approximately 300 Class Members who collectively worked a total of 36,334 Workweeks during the start of the Class Period (May 16, 2018) through the date of mediation (January 22, 2026), and 181 Aggrieved Employees who worked a total of 7,604 PAGA Pay Periods.

Unpaid Wages for Failure to Pay Off-the-Clock Work

22. Class Counsel theorized, based on Plaintiffs' narrative evidence and documents produced by Defendants, that Defendants failed to pay all wages due to Class Members because Defendants required Class Members to work off-the-clock or Class Members spent time working off-the-clock under Defendants' control and direction. Class Counsel contend, based on narrative evidence from Plaintiffs, that Class Members were required to perform work before clocking in and after clocking out, including conducting property inspections and completing paperwork, without being compensated for such time. Class Members reported that they were required to inspect the property before clocking in and after clocking out, which took up to six minutes each day. Class Counsel further contend that Class Members were required to respond to work-related calls and emergencies outside of their scheduled work hours, and that if they did not respond right away, their supervisors would reprimand them during team meetings. Class Counsel further contend that Class Members reported working approximately four hours each weekend from May 2019 through approximately May 2020 to provide food to tenants during building renovations, without compensation, despite their supervisor's knowledge of this work. Class Counsel further contend that Defendants' time records did not accurately reflect Class Members' actual time worked because such off-the-clock work was not recorded or compensated.

23. Class Counsel advanced a theory that all Class Members worked off-the-clock for an estimate of ten (10) minutes each shift throughout the Class Period, without pay. Class Counsel understands from the data provided by Defendants and analyzed by expert data consultants that there were approximately 132,493 shifts worked by Class Members during the Class Period, approximately 22.70% of shifts were longer than eight hours, and that Class Members' average regular rate of pay was $37.12 per hour. Thus, one theory advanced by Class Counsel resulted in Defendants' exposure for unpaid overtime wages due to failure to track and pay for all time worked in the approximate amount of $279,663 (132,493 shifts x 0.167 hours per shift x $37.12/hour x 0.227 shifts longer than 8 hours x 1.5 OT rate). Additionally, Class Counsel theorized Defendants' exposure for unpaid minimum wages is $1,269,775 (132,493 shifts x 0.167

hours per shift x 0.773 shifts less than 8 hours x $37.12/hour x 2 liquidated damages). Thus, Class Counsel theorized Defendants' total exposure for failure to pay for all time worked is $1,549,438.

24. Class Counsel understand that Defendants explicitly deny these contentions and make the following defenses in connection with this claim: Defendants contend that their policies specifically prohibit off-the-clock work. Defendants contend that they did not require Class Members to work off-the-clock and, rather, they were paid for all time suffered or permitted to work. Finally, Defendants contend that any allegations that Class Members were required to be under Defendants' control off-the-clock would necessitate an individualized inquiry into when and why, making this claim not subject to class treatment and any trial in this litigation unmanageable. Thus, Defendants contend that no damages can be recovered here, and, even if, *arguendo*, they could, an estimate of ten (10) minutes of unpaid work off-the-clock of Class Members for *every single shift* during the Class Period is a wild exaggeration of time spent working off-the-clock if *any* such time was spent.

Recovery of Damages for Non-Compliant Meal Periods

25. Class Counsel theorized, based on the narrative evidence of Plaintiffs, as well as documents produced by Defendants, that Defendants' meal period policies and practices throughout the Class Period were non-compliant. Class Counsel contend that the Class Members reported that meal periods were regularly interrupted, short, or missed entirely. Class Counsel further contend that Plaintiffs and Class Members reported that they were often unable to take meal periods due to the workload during the recertification period and frequently took late meal periods, approximately three times per week, due to the heavy workload. Class Members also reported that their meal periods were regularly interrupted by tenant questions and calls. Class Counsel further contend that Plaintiffs and other Putative Class Members were expected to remain responsive to tenant requests during all business hours and were required to carry a company cell phone, resulting in meal periods that were not fully duty-free. Class Counsel further contend that Class Members did not take a second meal period when they worked more than 10 hours. Class Members reported that they do not recall signing meal waivers, and no meal waivers were provided in any Plaintiffs' personnel files.

26. Class Counsel understand from the documents produced by Defendants and analysis of expert data consultants that there were 98,191 meal period eligible shifts worked during the Class Period and no meal period premiums were ever paid. Assuming a conservative 40% violation rate, one calculation performed by Class Counsel resulted in Defendants' liability for unpaid meal premiums in the approximate amount of $1,457,940 (98,191 shifts x $37.12/hour x 0.40 violation rate).

27. Class Counsel understand that Defendants deny all such contentions and makes the following defenses in connection with this claim: Defendants argued that it had compliant meal period policies and practices. Defendants argued that it provided Class Members with the opportunity to take timely and full meal periods. Defendants contend that its policy requires their employees to take timely and full meal periods. Defendants further contend that any instance of a Class Member failing to take a compliant meal period was voluntary, in violation of its meal period policy, would necessitate an individualized inquiry and would not lend itself to a manageable trial. Thus, Defendants contend that *no* monies are owed for this account but, even if any amounts were due, the amount calculated by Class Counsel is excessive.

Recovery of Damages for Non-Compliant Rest Periods

28. Class Counsel theorized, based on the narrative evidence of Plaintiffs, as well as documents produced by Defendants, that Defendants' rest period policies and practices throughout the Class Period were non-compliant. Class Counsel contend, based on Plaintiffs' narrative evidence, that Plaintiffs and Class Members were never able to take a rest break outside of the meal period. Moreover, Class Counsel contend that Defendants' records indicate that no rest period premiums were paid to Class Members for non-compliant rest periods.

29. Class Counsel understand from the documents produced by Defendants and analysis of expert data consultants that there were approximately 108,883 rest period eligible shifts worked during the Class Period and no rest period premiums were ever paid. Assuming a 100% violation rate for the 108,883 rest-period eligible shifts in the Class Period, one calculation performed by Class Counsel resulted in Defendants' maximum liability for unpaid rest premiums in the approximate amount of $4,041,737 (108,883 shifts x $37.12/hour).

30. Class Counsel understand that Defendants make the following defenses in connection with this claim: Defendants argued that they had compliant rest break policies and practices and that its policy requires their employees to take timely and full rest breaks. Defendants argued that Class Members took timely and full rest periods. Defendants further contend that any instance of a Class Member failing to take a compliant rest break was voluntary and therefore would necessitate an individualized inquiry and would not lend itself to a manageable trial. Defendants also argued that Class Members were provided a reasonable opportunity to take uninterrupted rest breaks and the employer is not required to "police" such rest breaks. Thus, Defendants contend that no monies are owed for this account but, even if any amounts were due, the amount calculated by Class Counsel is excessive.

Wage Statement Violations

31. Class Counsel theorized that Class Members are entitled to recover penalties for Defendants' Class Counsel theorized that Class Members are entitled to recover penalties for Defendants' alleged failure to issue compliant wage statements under Labor Code section 226, subdivision (e), for the derivative impact of the failure to pay all wages owed on providing accurate information on wage statements. Class Counsel also theorized that penalties are owed under Labor Code section 226 due to, at minimum, Defendants' failure to pay premium wages. A non-exempt employee suffering injury as a result of a knowing and intentional failure by an employer to comply with Labor Code section 226, subdivision (a), is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period. Class Counsel contends Defendants is liable for wage statement violations for each pay period and Class Counsel understands from the data provided by Defendants that there were 7,604 pay periods in the wage statement liability period. If, in fact, Class Members worked off-the-clock every shift as set forth above, and no rest premiums were paid, every wage statement would thus, Class Counsel theorized, violate Labor Code section 226. Thus, one calculation performed by Class Counsel, based on the penalty of one hundred dollars ($100), resulted in $760,400 (7,604 pay periods in the wage statement period x $100 penalty).

32. Class Counsel understand that Defendants deny these allegations and makes the following defenses in connection with this claim: Defendants contend that the wage statements issued to the employees fully complied with Labor Code section 226. Defendants contend that because they believe no wages are unpaid that, thus, there can be no derivative penalties. However, Class Counsel also understand the risks inherent in this claim if the above claims were not certified. Class Counsel also had to factor in, and did factor in, the risk that a Court would find there was no injury to Class Members even if the wage statements were inaccurate or that Defendants' conduct was not intentional, both of which are requirements of Labor Code section 226 before penalties can issue. Class Counsel also note that the calculation used does not take into account the first pay period violation only being $50 and the fact that all Class Members did not work all pay periods and, therefore, do not qualify for the maximum penalty of $4,000 as calculated in Plaintiffs' exposure model used at mediation.

Waiting Time Penalties

33. Pursuant to Labor Code sections 201, 202 and 203, each employee in the relevant statutory period (*i.e.*, three years before the filing of the initial Complaint) is entitled to 30 days' worth of wages as waiting time penalty for not being paid all wages due upon separation from employment. Class Counsel theorized that, under Labor Code section 203, Defendants is liable to pay each Class Member, who was terminated during the relevant statutory period, a full 30-day worth of wages as waiting time penalty for failure to pay compensation in lieu of compliant meal and rest periods, and failure to timely pay all wages due at the time of termination or resignation. Class Counsel contends that Defendants have not paid for all wages owed to Class Members, including, without limitation, for off-the-clock work and failure to pay meal and rest premiums. Since *Naranjo*, penalties may be earned for unpaid premiums and there is no question that waiting time penalties are owed. Class Counsel understand from documents provided by Defendants that there were 179 separated employees during the relevant statutory period. Thus, Class Counsel theorized Defendants' exposure for this claim to be $1,594,675 (179 separated Class Members x 37.12/hr. x 8 hours x 30 days).

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34. Class Counsel understand that Defendants deny these allegations in their entirety and contends that there is no credence to Plaintiffs' off-the-clock theories and premium pay theories, and thus, no waiting time penalties are owed based thereon. Finally, Defendants contend that their actions were not "willful" and that, thus, waiting time penalties cannot be awarded. Thus, Defendants argued that no waiting time penalties are owed.

Failure to Reimburse Work Expenses

35. Class Counsel theorized that Defendants failed to reimburse Plaintiffs and Class Members for work-related expenses because Defendants required Plaintiffs and other Class Members to use their personal cell phones for work-related purposes, including receiving work-related text messages from their supervisors outside of work hours regarding after-hours emergencies and responding to those emergencies, without reimbursement. Class Counsel further contend that Defendants' handbook does not provide any information regarding reimbursement for personal cell phone usage. Class Members reported that they risked missing work-related communications and facing discipline from supervisors if they were not responsive to work-related text messages. Class Counsel contend that Class Members would incur approximately $5.00 per Workweek for cellphone costs throughout the Class Period. Thus, one calculation performed by Class Counsel resulted in Defendants' exposure for the failure to reimburse necessary business expense in the amount of **$181,670** (36,334 Workweeks x $5.00 per Workweek).

36. Class Counsel understand that Defendants argued the following: Defendants argued that it did not require Class Members to use their cell phones for work-related purposes, that personal cell phones were used by Class Members solely for personal tasks or convenience, and as such Defendants were not required to compensate them for such use. Finally, Defendants argued that they reimbursed employees for all expenses incurred in furtherance of work. Thus, Defendants contend that they owes no monies under this theory, either.

PAGA Penalties

37. Class Counsel understand from the time and payroll data provided by Defendants that there were 7,604 pay periods in the PAGA Period. Plaintiffs' claims in the Action under

PAGA are substantially similar to those described herein. PAGA penalties include penalties for initial violations and subsequent violations. Defendants contend that only initial violation rates may be used instead of the subsequent violation rates initially used by Class Counsel. With this in mind and because Class Counsel through investigation and discovery did not come to the conclusion that Defendants at any time was notified by any governmental entity that they violated any Labor Code sections presented in the PAGA Notice and PAGA claims, Class Counsel adjusted the exposure model for Defendants to include only initial violation rates.

38. While Class Counsel are informed and believe that reasonable minds differ with regard to calculation of PAGA penalties, Class Counsel believe it is reasonable to calculate Defendants' maximum exposure in PAGA penalties as follows:

a. Overtime Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations, and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $380,200 (7,604 pay periods x $50).

b. Minimum Wage Violations: Labor Code section 1197.1 prescribes penalties of $100 for an initial violation and $250 for each subsequent violation. Using the initial pay period rate for all violations and a violation every single pay period for every single PAGA Member in the PAGA Period, this amounts to a maximum exposure of $760,400 (7,604 pay periods x $100).

c. Meal Period Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations and a violation every single pay period for every single non-exempt employee in the Settlement Period, this amounts to a maximum exposure of $380,200 (7,604 pay periods x $50).

d. Rest Period Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations and a violation every single pay period for every single non-exempt employee in the Settlement Period, this amounts to a maximum exposure of $380,200 (7,604 pay periods x $50).

e. Misclassification as Salary Exempt: Labor Code 226.8 prescribed penalties of not less than $5,000 and not more than $15,000 for each violation, not less than $10,000 and not more

than $25,000 for a pattern or practice of these violations. Class Counsel understand that approximately 37 of the 181 Aggrieved Employees were misclassified as salary exempt, and contend this establishes a pattern or practice of misclassification. One theory advanced by Class Counsel resulted in Defendants' maximum theoretical exposure, based on the initial $10,000 penalty for a pattern or practice of salary exemption misclassification, in the amount of $370,000 (37 misclassified aggrieved employees x $10,000 per violation).

f. Waiting Time Penalties: Labor Code section 2699 prescribes penalties of $100 for an initial violation and $200 for each subsequent violation. Because this violation is merited only at separation of employment, a 100% violation rate would likely include just one violation per employee. The data produced by Defendants indicate that there were 81 Aggrieved Employees in the PAGA Period. This amounts to a maximum exposure of $8,100 (81 Aggrieved Employees x $100).

g. Failure to Reimburse Work Expenses: Labor Code section 2699 would be the appropriate penalty for failure to reimburse work expenses, which prescribes penalties of $100 for an initial violation and $200 for each subsequent violation. Using *only* the initial pay penalty of $100 for all violations, and a violation every pay period for each Aggrieved Employee in the PAGA Period, this amounts to exposure of $760,400 (7,604 pay periods x $100).

h. Wage Statement Violations: According to *Gunther v. Alaska Airlines, Inc.* (2021) 287 Cal.Rptr.3d 229, in this instance, Labor Code section 2699 would be the appropriate penalty for wage statement violations that are inaccurate, which prescribes penalties of $100 for an initial violation and $200 for each subsequent violation (*Id.* at 247-248). Using the initial pay period rate for all violations and a violation every single pay period for every single Aggrieved Employee in the PAGA Period, this amounts to a maximum exposure of $760,400 (7,604 pay periods x $100)

Conclusion: In sum, Class Counsel calculated Defendants' total maximum exposure for PAGA violations if the Court were to find a 100% violation rate for *every* Aggrieved Employee in *every* pay period, allowing "stacking" of PAGA Penalties (*i.e.* multiple penalties for different Labor Code violations in the same pay period), and not exercise its discretion to reduce any of those penalties to be $3,799,900. Class Counsel understand from the mediator and the mediation

process that Defendants argued the following in connection with this claim: Defendants contend that no PAGA penalties are likely to be awarded and, even if they were, the maximum exposure calculated by Class Counsel is vastly overstated. First, Defendants defend that PAGA penalties cannot and should not be stacked. Second, Defendants assert that individualized issues predominate the PAGA claims, making the claims unmanageable for trial. Third, Defendants deny that a violation for each pay period can be established. Fourth, Defendants contend that a Court is unlikely to exercise its discretion to award civil penalties under PAGA where, as here, there is no conduct shown by Plaintiffs that would show any Labor Code violation by Defendants are knowing and intentional. Defendants insist that this is especially true in this Action where class action damages are available to Class Members, rendering an award of PAGA penalties in addition to class action damages to be double recovery.

39. Class Counsel maintain that it is possible to recover the subsequent violation rate for penalties, that stacking is permissible, and that there is no manageability requirement under PAGA (citing *Estrada v. Royalty Carpet Mills, Inc.*). Altogether, Class Counsel believe a 10% valuation of this claim off the maximum theoretical value to be reasonable, resulting in a valuation of $379,990 as a reasonable estimate of the likelihood of what Plaintiffs may recover at trial for PAGA penalties ($3,799,900 x 0.10). *See also Carrington v. Starbucks Corp.,* 30 Cal.App.5th 504, 529 (2018) (upholding trial courts 90% reduction in maximum penalties, from $50 to $5 per initial violation).

Conclusion

40. When including derivative penalties, such as waiting time penalties, wage statement violations, and discretionary PAGA penalties, Class Counsel theorized Defendants' maximum exposure to be approximately **$9,965,850**. In all, Class Counsel obtained a Gross Settlement Amount of **$2,200,000.** Particularly in light of the risks involving obstacles to class certification, all issues and risks related to liability, the issues with manageability at trial, the discretionary nature of PAGA penalties, and considering the case law regarding fair, reasonable and adequate settlements, Class Counsel strongly believe that the settlement reached is fair, reasonable and adequate, and in the best interest of Class Members.

41. Moreover, $220,000 of the Gross Settlement Amount was attributed to PAGA penalties. This allocation was decided mutually by the Parties and the mutual decision was based on: (1) the fact that damages are available for the failure to pay wage claims while only penalties are available for the PAGA claims; (2) the risk that the Court may exercise its discretion to decline to stack PAGA penalties; (3) the risk that the Court may exercise its discretion to not award the full amount of PAGA penalties available; and (4) the risk that the Court may decline to award any PAGA penalties at all in light of the fact that damages are available for Class Members and it may find any further liability against Defendants unnecessarily punitive.

The Proposed Attorneys' Fees and Costs are Reasonable

42. Class Counsel seek an attorneys' fees award of not more than one-third (1/3) of the Gross Settlement Amount, which, unless escalated pursuant to the Agreement, would amount to $733,333.33 Class Counsel also seek reimbursement of costs not to exceed $50,000. The requested fees fall well within the historical range of attorney's fees awards under the common fund theory, which is generally from 25% to 50%. The requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a contingent fee basis. Thus, the Court should preliminarily approve the requested attorneys' fees and costs, which are justified by the results achieved, the complexity of the issues, the difficulty of the case and the great risks undertaken by Class Counsel. The requested attorneys' fees will not be opposed by Defendants and are well within established guidelines.

The Requested Enhancement Award to the Named Plaintiffs and Class Representatives is Reasonable

43. I understand Defendants do not oppose the requested enhancement to Plaintiffs. Class Counsel seek a limited enhancement of not more than $10,000.00 each for Plaintiffs or a total of $20,000.00 for their services.

Conditional Certification for Settlement Purposes

Ascertainability

44. Here, the Class Members definition (i.e., all persons who are or previously were directly employed by Defendants in California and classified as non-exempt employees at any of

Defendants' locations in the State of California at any time during the Class Period) is derived from the operative complaint. Based solely on Defendants' payroll records, Class Counsel understand that there are approximately 300 Class Members.

Numerosity

45. Class Counsel understand from documents provided that Defendants identified at least 300 Class Members.

Commonality

46. This litigation is brought to resolve common issues that include whether Defendants failed to pay for all hours worked; whether Defendants provided full, timely and un-interrupted meal and rest periods, whether Class Members are entitled to premium pay for incomplete, untimely or interrupted meal or rest periods, among other claims as set forth above.

Typicality

47. Plaintiffs' claims are typical of those of other Class Members as Plaintiffs: (1) were non-exempt, hourly paid employees like other Class Members; (2) complains of not being paid for all time under Defendants' control or suffered and/or permitted to work for Defendants; (3) did not receive full premium pay for meal periods that were not compliant with the Labor Code; (4) did not receive premium pay for rest periods that were not provided, among others as set forth above.

Adequacy of Brandon M. Chang

48. I graduated with a Bachelor of Arts degree in Criminology, Law and Society from the University of California, Irvine in 2008.

49. I received my Juris Doctorate from Whittier Law School in 2012.

50. From 2018 to 2023, I practiced law as a Managing Attorney at Mesriani Law Group, P.C., managing the employment law department and representing plaintiffs in matters of employment law, specifically in harassment, discrimination, retaliation, and wage and hour matters.

51. Thereafter, I joined Bibiyan Law Group, P.C., practicing law on behalf plaintiffs in matters of employment law, and specifically on issues of unpaid wages and class action settlements. Among other tasks, I oversee and manage class action and PAGA action settlements at Bibiyan Law Group, P.C. I have led settlement negotiations and the approval process for class action and PAGA

settlements, including some of those set forth in the declaration of David D. Bibiyan, filed concurrently with this declaration.

Adequacy of Plaintiffs

52. Class Counsel believe no conflicts, disabling or otherwise, exists between Plaintiffs and Class Members because Plaintiffs allege to have been damaged by the same alleged conduct of Defendants (i.e., Plaintiffs classified as non-exempt, hourly-paid employees, not paid premium pay, etc.) and thus has the incentive to fairly represent all Class Members' claims to achieve the maximum possible recovery.

Superiority of Class Action

53. Class Counsel believe this wage and hour class action is a superior vehicle for resolution of the issues it seeks to resolve. It deals with common issues that are most efficiently adjudicated together, as indicated above. Moreover, with at least 300 Class Members, the presentation of all of them before this Court may be problematic, impractical, and burdensome.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct this October 1, 2026, at Los Angeles, California.

Brandon M. Chang

BRANDON M. CHANG

EXHIBIT 1

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Attorneys for Plaintiffs, BLANCA JAUREGUI and CARLOS AGUERO, individually and on behalf of themselves and all others similarly situated and aggrieved

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

BLANCA I. JAUREGUI, an individual and on behalf of all others similarly situated,

Plaintiff,

v.

SAGE APARTMENT COMMUNITIES, INC., a Nevada corporation; INVESTMENT PROPERTY GROUP UT, INC., a Utah corporation; and INVESTMENT PROPERTIES GROUP, LLC, a California limited liability company; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 30-2022-01259919-CU-OE-CXC

Judge: Hon. William Claster
Dept.: CX-101

REPRESENTATIVE ACTION

STIPULATION OF SETTLEMENT OF CLASS AND PAGA ACTION AND RELEASE OF CLAIMS

Complaint: May 16, 2022

This Stipulation of Settlement of Class and PAGA Action and Release of Claims is entered into by and between Plaintiffs Blanca Jauregui ("Plaintiff Jauregui") and Carlos Aguero ("Plaintiff Aguero," and collectively, "Plaintiffs"), as individuals, on behalf of themselves, and on behalf of all persons similarly situated, and in their representative capacity on behalf of the State of California and the Aggrieved Employees, and Defendants, SAGE APARTMENT COMMUNITIES, INC. and INVESTMENT PROPERTY GROUP UT, INC. (Hereafter, "Defendants"):

I. DEFINITIONS

A. "Actions" means the putative class action lawsuit designated *Blanca Jauregui v. Sage Apartment Communities, Inc, et al,,* Orange County Superior Court, Case 30-2022-01259919-CU-OE-CXC (the "Class Action"), filed May 16, 2022, the PAGA action designated *Blanca Jauregui v. Sage Apartment Communities, Inc, et al.,* Orange County Superior Court Case 30-2022-01292683-CU-OE-CXC (the "PAGA Action"), filed November 16, 2022, the class action designated as *Carlos Aguero v. Sage Apartment Communities, Inc, et al,,* Orange County Superior Court, Case 30-2023-01325117-CU-OE-CXC (the "Aguero Class Action"), filed on May 12, 2023, and the PAGA action designated as *Carlos Aguero v. Sage Apartment Communities, Inc, et al,,* Orange County Superior Court, Case 30-2024-01420186-CU-OE-CXC (the "Aguero PAGA Action"), filed on August 21, 2024.

B. "Agreement" or "Settlement Agreement" means this Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims.

C. "Aggrieved Employees" means all persons who are or previously were employed by Defendants in California and classified as non-exempt employees at any time during the PAGA Period.

D. "Aggrieved Employee Payment" means the twenty-five percent (25%) of the PAGA Payment ($55,000) that will be distributed to the Aggrieved Employees as described in this Agreement.

E. "Class" or the "Class Members" means all persons who are or previously were directly employed by Defendants in California and classified as non-exempt

employees at any of Defendants' locations in the State of California at any time during the Class Period.

F. "Class Counsel" means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C.

G. "Class Counsel Award" means the award of fees and expenses that the Court authorizes to be paid to Class Counsel for the services they have rendered to Plaintiffs, the Class Members, and the Aggrieved Employees in the Actions, consisting of attorneys' fees currently not to exceed one-third (1/3) of the Gross Settlement Amount currently estimated to be $733,333.33 out of $2,200,000.00, unless increased pursuant to this Agreement, plus costs of up to $50,000.00 for the Actions.

H. "Class Data" means information regarding Class Members that Defendants will in good faith compile from its records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class Member's full name; last known address; Social Security Number; start dates and end dates of employment.

I. "Class Period" means the period between is May 16, 2018 through the date the Court grants preliminary approval of the class.

J. "Class Representatives" means plaintiffs Blanca Jauregui and Carlos Aguero.

K. "Court" means the Superior Court for the State of California, County of Orange currently presiding over the Actions.

L. "Defendants" means SAGE APARTMENT COMMUNITIES, INC. and INVESTMENT PROPERTY GROUP UT, INC.

M. "Effective Date" means the first date upon which all of the following events have occurred:

1. this Agreement has been executed by all Parties and by Class Counsel and Defense Counsel;

2. the Court has preliminarily approved the Settlement;

3. notice has been properly given to Class Members, providing them an opportunity to opt out of the Class and Settlement as described in this Agreement;

4. the Court has held a Final Fairness and Approval Hearing and entered the Final Order and Judgment approving the Settlement; and,

5. the later of: (a) the date sixty (60) days after the entry of the Final Order and Judgment, if no motions for reconsideration and no appeals or other efforts to obtain review have been filed; or (b) in the event that a motion for reconsideration, an appeal or other effort to obtain review of the Final Order and Judgment is filed, the date sixty (60) days after such reconsideration, appeal or review has been finally concluded. In this regard, it is the intention of the Parties that the Effective Date of Settlement shall not be a date before the Court's order approving the Settlement has become completely final, and there is no timely recourse by any person who seeks to object to or otherwise contest the Settlement.

N. "Final Approval Order" means the Court's order granting final approval of this Settlement.

O. '"Funding Date" means the date by which Defendants have paid the entire Gross Settlement Amount and employer's share of payroll taxes to the Settlement Administrator in accord with the terms of this Agreement. Defendants will pay the Gross Settlement Amount to the Settlement Administrator (30) days after the entry of the Final Approval Order.

P. "Gross Settlement Amount" means Two Million Two Hundred Dollars and Zero Cents ($2,200,000.00), unless increased pursuant to this Agreement, that Defendants must pay into the QSF in connection with this Settlement, inclusive of the sum of Settlement Administration Costs, Class Counsel Award, Service Award, and the PAGA Payment. The Gross Settlement Amount is all-in with no reversion and

exclusive of the employer's share of payroll tax, if any, triggered by any payment under this Settlement.

Q. "Individual Settlement Payments" means the amount payable from the Net Settlement Amount to each Settlement Class Member and excludes any amounts distributed to Aggrieved Employees pursuant to PAGA.

R. "LWDA" means the Labor and Workforce Development Agency.

S. "LWDA Payment" means the seventy-five percent (75%) of the PAGA Payment ($165,000.00) payable to the to the LWDA.

T. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class Counsel Award, Service Award, PAGA Payment, and Settlement Administration Costs.

U. "Notice Packet" means the Class Notice, Request for Exclusion form, and Objection to Settlement form to be provided to the Class Members by the Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other than formatting changes to facilitate printing by the Settlement Administrator).

V. "Operative Complaint" means the First Amended Complaint to be filed by Plaintiffs in Orange Superior Court.

W. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, Labor Code § 2698 *et seq.*

X. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period for each Aggrieved Employee divided by the total Pay Periods for all Aggrieved Employees during the PAGA Period.

Y. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved Employee Payment, as defined herein, means the number of pay periods of employment during the PAGA Period that each Aggrieved Employee worked in California.

Z. "PAGA Period" means the period between May 16, 2021 through the date the Court grants preliminary approval of the class settlement.

AA. "PAGA Payment" means Two Hundred Twenty Thousand Dollars and Zero Cents ($220,000) to be allocated from the Gross Settlement Amount for settlement of PAGA Claims asserted in the Actions.

BB. "Parties" means Plaintiffs and Defendants, collectively, and "Party" shall mean either Plaintiffs or Defendants, individually.

CC. "Payment Ratio" means the respective Workweeks for each Class Member divided by the total Workweeks for all Class Members.

DD. "Plaintiffs" means Blanca Jauregui and Carlos Aguero.

EE. "QSF" means the Qualified Settlement Fund established, designated, and maintained by the Settlement Administrator to fund the Gross Settlement Amount.

FF. "Released Class Claims" all claims, contingent or accrued, that were pled or reasonably could have been pled in the Operative Complaint for the Class Period.

GG. "Released PAGA Claims" means all contingent or accrued claims to penalties that were pled or reasonably could have been pled in Plaintiffs' PAGA Notices under California Labor Code Section 2698 et seq., for the PAGA Period.

HH. "Released Parties" means Defendants and their current and former parents, predecessors or successors, holding companies, affiliated companies, entities, owners, shareholders, members, partners, officers, directors, managers, employees, insurers and agents.

II. "Response Deadline" means the date forty-five (45) calendar days after the Settlement Administrator mails Notice Packets to Class Members and the last date on which Class Members may submit requests for exclusion or objections to the Settlement. Neither side shall encourage any Class Member to opt out. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 15 days beyond the Response Deadline has expired.

JJ. "Enhancement Award" means an award in the amount of $10,000 to be paid to each Class Representative, for a total of $20,000 to Plaintiffs, or in an amount that the

Court authorizes, in addition to their Individual Settlement Payments and their Aggrieved Employee Payment, in recognition of their efforts and risks in assisting with the prosecution of the Actions.

KK. "Settlement" means the disposition of the Actions pursuant to this Agreement.

LL. "Settlement Administration Costs" shall mean the amount paid to the Settlement Administrator from the Gross Settlement Amount for administering the Settlement pursuant to this Agreement currently estimated not to exceed $7,990.00.

MM. "Settlement Administrator" means Apex Class Action LLC, located at 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel: (800) 355-0700. The Settlement Administrator establishes, designates, and maintains, as a QSF under Internal Revenue Code section 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross Settlement Amount is deposited for the purpose of resolving the claims of Settlement Class Members. The Settlement Administrator shall maintain the funds until distribution in an account(s) segregated from the assets of Defendants and any person related to Defendants. *All accrued interest shall be paid and distributed to the Settlement Class Members as part of their respective Individual Settlement Payment.*

NN. "Settlement Class Members" or "Settlement Class" means all Class Members who have not submitted a timely and valid request for exclusion as provided in this Agreement.

OO. "Workweeks," for purposes of calculating the distribution of the Net Settlement Amount, means the number of weeks of employment during the Class Period that each Class Member was employed by Defendants in California.

II. RECITALS

A. On May 16, 2022, Plaintiff Jauregui filed a Class Action complaint in Orange County Superior Court, Case No. 30-2022-01259919-CU-OE-CXC (the "Class Action"), alleging claims for:

/ / /

1. FAILURE TO PAY OVERTIME WAGES;
2. FAILURE TO PAY MINIMUM WAGES;
3. FAILURE TO PROVIDE MEAL PERIODS;
4. FAILURE TO PROVIDE REST PERIODS;
5. WAITING TIME PENALTIES;
6. WAGE STATEMENT VIOLATIONS;
7. FAILURE TO TIMELY PAY WAGES;
8. FAILURE TO INDEMNIFY; and
9. UNFAIR COMPETITION.

B. On November 16, 2022, Plaintiff Jauregui filed a PAGA complaint in Orange County Superior Court, Case No. 30-2022-01292683-CU-OE-CXC (the "PAGA Action"), alleging claims for: PRIVATE ATTORNEYS GENERAL ACT OF 2004 FOR CIVIL PENALTIES UNDER LABOR CODE SECTIONS 210, 226.3, 558,1174.5, 1197.1 and 2699.

C. On May 12, 2023, Plaintiff Aguero filed a Class Action complaint in Orange County Superior Court, Case No. 30-203-01325117-CU-OE-CXC (the "Aguero Class Action"), alleging claims for:

1. FAILURE TO PAY OVERTIME WAGES;
2. FAILURE TO PAY MINIMUM WAGES;
3. FAILURE TO PROVIDE MEAL PERIODS;
4. FAILURE TO PROVIDE REST PERIODS;
5. WAITING TIME PENALTIES;
6. WAGE STATEMENT VIOLATIONS;
7. FAILURE TO TIMELY PAY WAGES;
8. FAILURE TO INDEMNIFY;
9. MISCLASSIFICATION; and
10. UNFAIR COMPETITION.

D. On August 21, 2024, Plaintiff Aguero filed a PAGA complaint in Orange County Superior Court, Case No. 30-2024-01420186-CU-OE-CXC (the "Aguero PAGA Action"), alleging claims for: PRIVATE ATTORNEYS GENERAL ACT OF 2004 FOR CIVIL PENALTIES UNDER LABOR CODE SECTIONS 210, 226.3, 558,1174.5, 1197.1 and 2699

E. The Class Representatives believe they have claims based on alleged violations of the California Labor Code, and the Industrial Welfare Commission Wage Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Actions, and this action is manageable as a PAGA representative action.

F. Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Actions, disputes any wages, damages and penalties claimed by the Class Representatives, alleged in the Operative Complaint, and/or alleged in the Class Representatives' PAGA notices to the LWDA are owed, and further contends that, for any purpose other than settlement, the Actions are not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

G. The Class Representatives are represented by Class Counsel. Class Counsel investigated the facts relevant to the Actions, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through informal discovery, and reviewing documents and information provided by Defendants pursuant to informal requests for information to prepare for mediation. Defendants produced for the purpose of settlement negotiations certain employment data concerning the Class, which Class Counsel reviewed and analyzed with the assistance of an expert. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendants is fair, reasonable, and adequate, and is in the best interest of the Class considering all known

facts and circumstances, including the risks of significant delay, defenses asserted by Defendants, uncertainties regarding class certification, and numerous potential appellate issues. Although it denies any liability, Defendants agree to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement.

H. On January 22, 2026, the Parties participated in mediation presided over by Lynn Frank, Esq., an experienced mediator of wage and hour class and PAGA actions. The mediation concluded without a settlement, but Mediator Frank made a mediator's proposal, which was accepted by both Parties. Mediator Frank's settlement proposal was memorialized in the form of a Memorandum of Understanding ("MOU").

I. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Actions of Plaintiffs or the Class Members have merit or that Defendants bear any liability to Plaintiffs or the Class on those claims or any other claims, or as admissions by Plaintiffs that Defendants' defenses in the Actions have merit.

J. The Parties believe that the Settlement is fair, reasonable, and adequate. The Settlement was arrived at through arm's-length negotiations, considering all relevant factors. The Parties recognize the uncertainty, risk, expense, and delay attendant to continuing the Actions through trial and any appeal. Accordingly, the Parties desire to settle, compromise and discharge all disputes and claims arising from or relating to the Actions fully, finally, and forever.

K. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserve all available defenses to the claims in the Actions. The Settlement, this Agreement, and the Parties'

willingness to settle the Actions will have no bearing on and will not be admissible in connection with any litigation.

L. The Parties stipulated to Plaintiffs' filing a First Amended Complaint in the Class Action that includes Plaintiff Aguero as a named plaintiff and Plaintiffs' claims in the Class Action, PAGA Action, Aguero Class Action, and Aguero PAGA Action. Upon the acceptance of the First Amended Complaint in the Class Action, Plaintiffs dismissed the PAGA Action, Aguero Class Action, and Aguero PAGA Action, without prejudice, to effectively consolidate the four Actions for the purpose of settlement approval. Should the Court deny approval of this Settlement for any reason, Plaintiffs shall be permitted to refile the PAGA Action, Aguero Class Action, and Aguero PAGA Action, and the claims shall relate back to the original filing dates of said Actions. Defendants will be estopped from making any argument that there is any adverse effect on the statute of limitations caused by the dismissal of the PAGA Action, Aguero Class Action, or Aguero PAGA Action without prejudice to effectuate this consolidation.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. TERMS OF AGREEMENT

A. Settlement Consideration and Settlement Payments by Defendants.

1. Settlement Consideration. In full and complete settlement of the Actions, and in exchange for the releases set forth below, Defendants will pay the sum of the Individual Settlement Payments, the Service Award, the Class Counsel Award, PAGA Payment, and the Settlement Administration Costs, as specified in this Agreement, equal to the Gross Settlement Amount of Two Million Two Hundred Thousand Dollars and Zero Cents ($2,200,000.00), unless increased pursuant to this Agreement. The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendants. Other than the Defendants' share of

employer payroll taxes and as provided in Section III.A.4 below, Defendants shall not be required to pay more than the Gross Settlement Amount.

2. Class Size. At the time of mediation, Defendants estimated that there are approximately 300 Class Members who worked approximately 36,334 Workweeks during the Class Period. The Parties acknowledge and agree that this data (and other information provided by Defendants for purposes of mediation) was relied on to extrapolate and reach an arms-length negotiation of Plaintiffs' claims in the Actions through the Class Period. Should the number of Workweeks increase by more than 10% of what was represented at the mediation during the Class Period, the Gross Settlement Amount will be increased on a pro-rata basis for any Workweek added above the 10% increase. For example, if the number is 11% or higher, the Settlement Amount will be increased by 1%. Defendants will provide a declaration under penalty of perjury confirming the number of applicable Class Members and Workweeks they worked during the applicable Class Period one week prior to Plaintiffs' deadline to file their motion for preliminary approval of the settlement.

3. Settlement Payment. Defendants shall deposit the Gross Settlement Amount into the QSF, through the Settlement Administrator on or before the Funding Date. Any interest accrued will be added to the NSA and distributed to the Settlement Class Members.

4. Defendants' Share of Payroll Taxes. Defendants' share of employer side payroll taxes is in addition to the Gross Settlement Amount and shall be paid together with the Gross Settlement Amount on the Funding Date.

B. Release by Settlement Class Members. As of the Funding Date, in exchange for the consideration set forth in this Agreement, Plaintiffs and the Settlement Class Members release the Released Parties from the Released Class Claims for the Class Period.

C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the consideration set forth in this Agreement, the Plaintiffs, the LWDA and the State of California release the Released Parties from the Released PAGA Claims for the PAGA Period. As a result of this release, the Aggrieved Employees shall be precluded from bringing claims against Defendants for the Released PAGA Claims.

D. Conditions Precedent: This Settlement will become final and effective only upon the Effective Date.

E. Nullification of Settlement Agreement. If the Court does not preliminarily or finally approve this Settlement Agreement, it fails to become effective, or is reversed, withdrawn, or modified by the Court, or the Court in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Class Claims and Released PAGA Claims:

1. This Settlement Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;

2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses, or arguments in the Actions, including with respect to the issue of class certification.

F. In the event that Defendants fail to fund the Gross Settlement Amount, Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Settlement Administration Costs incurred to the date of nullification.

G. Certification of the Class. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Class Claims and Released PAGA Claims, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.

H. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard. Class Members and/or Aggrieved Employees understand and agree that they will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment described and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment.

I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in

connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

J. Preliminary Approval Motion. Class Counsel shall draft and file the motion for preliminary approval within a reasonable time of execution of this Agreement, or within the statutory timeframe as determined by the Court's setting of the preliminary approval hearing, which shall include this Settlement Agreement. Plaintiffs will provide Defendants with a draft of the Preliminary Approval Motion at least 3 business days prior to the filing of the Preliminary Approval Motion to give Defendants an opportunity to propose changes or additions to the Preliminary Approval Motion.

K. Settlement Administrator. The Settlement Administrator shall be responsible for: establishing and administering the QSF; calculating, processing and mailing payments to the Class Representative, Class Counsel, LWDA and Class Members; printing and mailing the Notice Packets to the Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating, deducting and remitting all legally required taxes from Individual Settlement Payments and distributing tax forms for the Wage Portion, the Penalties Portion and the Interest Portion of the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment; processing and mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the

Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities by, among other things, sending a weekly status report to the Parties' counsel stating the date of the mailing, the number of opt outs from the Settlement it receives (including the numbers of valid and deficient), and number of objections received.

L. Notice Procedure.

1. Class Data. No later than ten (10) days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to the Class Members.

2. Notice Packets.

a) The Notice Packet shall contain the Notice of Class Action Settlement. Request for Exclusion form, and Objection to Settlement form in a form substantially similar to the form attached as **Exhibit A**, including Spanish translation. The Notice of Class Action Settlement shall inform Class Members and Aggrieved Employees that they need not do anything in order to receive an Individual Settlement Payment and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment and to keep the Settlement Administrator apprised of their current mailing address, to which the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment will be mailed following the Funding Date. The Notice of Class Action Settlement shall set forth the release to be given by all members of the Class who do not request to be excluded from the Settlement Class and/or Aggrieved Employees in exchange for an Individual Settlement Payment and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment, the number of Workweeks worked by each Class Member during the

Class Period, and number of PAGA Periods worked by each Aggrieved Employee during the PAGA Period, if any, and the estimated amount of their Individual Settlement Payment if they do not request to be excluded from the Settlement and each Aggrieved Employees' share of the Aggrieved Employee Payment, if any. The Settlement Administrator shall use the Class Data to determine Class Members' Workweeks and PAGA Pay Periods. The Notice will also advise the Aggrieved Employees that they will release the Released PAGA Claims and will receive their share of the Aggrieved Employee Payment regardless of whether they request to be excluded from the Settlement.

b) The Notice Packet's mailing envelope shall include the following language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE ENTITLED TO PARTICIPATE IN A CLASS ACTION SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED NOTICE."

3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than fourteen (14) calendar days after receiving the Class Data, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via regular First-Class U.S. Mail and electronic mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to any forwarding address provided within seven (7) days of receiving the returned notice. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. In addition, if any Notice Packets, which are addressed to Class Members who are currently employed by Defendant, are returned to the Settlement Administrator as non-delivered and no forwarding address is provided, the Settlement Administrator shall notify Defendants. Defendants will request that the currently employed Class Member provide a corrected address and transmit to the Settlement Administrator any corrected address provided by the Class Member. Class Members who received a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

5. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendants' records regarding the start and end dates of employment, to provide documentation and/or an explanation to show contrary dates. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Class Member and the Parties.

6. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Before any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.

7. Exclusions. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a written request for exclusion to the Settlement Administrator by the Response Deadline. The written request for exclusion must state that the Class Member wishes to exclude himself or herself from the Settlement and (1) must contain the name, address, and the last four digits of the Social Security number of the person requesting exclusion; (2) must be signed by the Class Member; (3) must be postmarked or fax stamped by the Response Deadline and returned to the Settlement Administrator at the specified address or fax telephone number; and (4) contain a typewritten or handwritten notice stating in substance that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Blanca Jauregui v. Sage Apartments Communities, Inc, et al.,* currently pending in Superior Court of Orange, Case No. Case 30-2022-01259919-CU-OE-CXC. Class Members may fill out and mail to the Settlement Administrator the Request for Exclusion form attached to the Class Notice as their written request for exclusion. The request for exclusion will not be valid if it is not timely submitted, if it is not signed by the Class Member, or if it does not contain the name and address and last four digits of the Social Security number of the Class Member. The date of the postmark on the mailing envelope or fax stamp on the request for exclusion shall be the exclusive means used to determine whether the request for exclusion was timely submitted. Any Class Member

who submits a timely request for exclusion shall be excluded from the Settlement Class, will not be entitled to an Individual Settlement Payment and will not be otherwise bound by the terms of the Settlement or have any right to object, appeal or comment thereon. However, any Class Member that submits a timely request for exclusion that is also a member of the Aggrieved Employees will still receive his/her pro rata share of the PAGA Payment, as specified below, and in consideration, will be bound by the Release by the Aggrieved Employees as set forth herein. Settlement Class Members who fail to submit a valid and timely request for exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any final judgment entered in these Actions if the Settlement is approved by the Court. No later than twenty-one (21) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a final list of the Class Members who have timely submitted requests for exclusion. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Class to submit requests for exclusion from the Settlement.

8. Objections. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to object to the Settlement may submit to the Settlement Administrator a written statement of objection ("Notice of Objection") by the Response Deadline. Class Members may fill out and mail to the Settlement Administrator the Objection to Settlement form attached to the Class Notice as their written Notice of Objection. The postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. The Notice of Objection, if in writing, must be signed by the Settlement Class Member and state: (1) the case name and number; (2) the name of the Settlement Class Member; (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class

Member's Social Security number; (5) the basis for the objection; and (6) if the Settlement Class Member intends to appear at the Final Approval/Settlement Fairness Hearing. Settlement Class Members who fail to make objections in writing in the manner specified above may still make their objections orally at the Final Approval/Settlement Fairness Hearing with the Court's permission. Settlement Class Members will have a right to appear at the Final Approval/Settlement Fairness Hearing to have their objections heard by the Court regardless of whether they submitted a written objection. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve written objections to the Settlement or appeal from the Order and Final Judgment as defined under the Effective Date. Class Members who submit a written request for exclusion may not object to the Settlement. Class Members may not object to the PAGA Payment.

M. Allocation of the Gross Settlement Amount.

1. Calculation of Individual Settlement Payments. Individual Settlement Payments shall be paid from the Net Settlement Amount and shall be paid pursuant to the formula set forth herein. Using the Class Data, the Settlement Administrator shall add up the total number of Workweeks for all Class Members. The respective Workweeks for each Class Member will be divided by the total Workweeks for all Class Members, resulting in the Payment Ratio for each Class Member. Each Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Class Member's estimated Individual Settlement Payments. Each Individual Settlement Payment will be reduced by any legally mandated employee tax withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely

requests for exclusion on a pro rata basis based on their respective Payment Ratios.

2. Calculation of Individual Payments to the Aggrieved Employees. Using the Class Data, the Settlement Administrator shall add up the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA Period. The respective PAGA Pay Periods for each Aggrieved Employees will be divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting in the "PAGA Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the Aggrieved Employee Payment to calculate each Aggrieved Employee's estimated share of the Aggrieved Employee Payment.

3. Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as 20% wages ("Wage Portion"), 40% of the amount distributed to each Class Member will be considered interest on the unpaid wages, and will be reported as such to each Class Member on an IRS Form 1099; and (iii) 40% of the amount distributed to each Class Member will be considered statutory penalties, and will be reported as such to each Participating Class Member on an IRS Form 1099 (collectively "Penalties, Interest, and Reimbursement Portion"). The Wage Portion of the Individual Settlement Payments shall be reported on IRS Form W-2 and the Penalties, Interest, and Reimbursement Portion of the Individual Settlement Payments shall be reported on IRS Form 1099 issued by the Settlement Administrator.

4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved Employee Settlement Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099.

5. No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the PAGA Payment made to Settlement Class Members

and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

6. Tax Treatment of Settlement Funds Received and Paid. All monies received by Settlement Class Members under the Settlement which are attributable to wages shall constitute income to such Settlement Class Members solely in the year in which such monies are received by the Settlement Class Members. It is the intent of the Parties that Individual Settlement Payments and individual shares of the PAGA Payment provided for in this Settlement agreement are the sole payments to be made by Defendants to Settlement Class Members and/or Aggrieved Employees in connection with this Settlement Agreement, with the exception of Plaintiffs, and that the Settlement Class Members and/or Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and/or their shares of the Aggrieved Employee Payment.

7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or Aggrieved Employees' last known mailing address no later than fifteen (14) calendar days after the Funding Date.

8. Expiration. Any checks issued to Settlement Class Members and Aggrieved Employees shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Settlement Class Member and/or

Aggrieved Employee does not cash his or her settlement check within ninety (90) days, the Settlement Administrator will send a letter to such persons, advising that the check will expire after the 180th day, and invite that Settlement Class Member and/or Aggrieved Employee to request reissuance in the event the check was destroyed, lost, or misplaced. In the event an Individual Settlement Payment has not been cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks, plus any interest accrued thereon, shall escheat to the state via Settlement Administrator the California State Controller's Office, Unclaimed Property Fund.

a) In the event an Aggrieved Employees' individual share of the PAGA Payment has not been cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks, plus any interest accrued thereon, shall escheat to the state via Settlement Administrator the California State Controller's Office, Unclaimed Property Fund.

9. Service Award. In addition to their Individual Settlement Payments as Settlement Class Members and their individual shares of the Aggrieved Employee Payment, Plaintiffs will apply to the Court for an award of not more than $10,000.00 to Plaintiff Jauregui and Plaintiff Aguero, each, for a total of $20,000.00 to Plaintiffs, whose claims were consolidated into the Operative Complaint, as the Service Award. Defendants will not oppose a Service Award of $10,000.00 or less for Plaintiff Jauregui and Plaintiff Aguero, each. The Settlement Administrator shall pay the Service Award, either in the amount stated herein if approved by the Court or some other amount as approved by the Court, to Plaintiff Jauregui and Plaintiff Aguero from the Gross Settlement Amount no later than fifteen (15) calendar days after the Funding Date. Any portion of the requested Service Award that is not awarded to the Class Representative shall be part of the Net Settlement

Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Plaintiffs for their Service Award. Plaintiff Jauregui and Plaintiff Aguero shall be solely and legally responsible to pay any and all applicable taxes on their respective Service Award and shall hold harmless the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Service Award. Approval of this Settlement shall not be conditioned on Court approval of the requested amount of the Service Award. If the Court reduces or does not approve the requested Service Award, Plaintiff Jauregui and Plaintiff Aguero shall not have the right to revoke the Settlement, and it will remain binding.

10. Class Counsel Award. Defendants understand, and will not oppose, a motion for Class Counsel Award not to exceed one-third (1/3) of the Gross Settlement Amount currently estimated to be Seven Hundred Thirty Three Thousand, Three Hundred Thirty-Three Dollars and Thirty-Three Cents ($733,333.33) ***and*** reimbursable litigation expenses supported by declaration up to and not to exceed Fifty Thousand Dollars and Zero Cents ($50,000.00). Any awarded Class Counsel Award shall be paid from the Gross Settlement Amount. Any portion of the requested Class Counsel Award that is not awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall allocate and pay the Class Counsel Award from the Gross Settlement Amount no later than fifteen (15) calendar days after the Funding Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payments made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to this paragraph. There will be no additional charge of any kind to either the Settlement Class Members or

request for additional consideration from Defendants unless, Defendants materially breach this Agreement, including any term regarding funding, and further efforts are necessary from Class Counsel to remedy said breach, including, without limitation, moving the Court to enforce this Agreement. If the Court reduces or does not approve the requested Class Counsel Award, Plaintiffs and Class Counsel shall not have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding.

11. PAGA Payment. Two Hundred Twenty Thousand Dollars and Zero Cents ($220,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004 ("PAGA Payment"). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment ($165,000) to the California Labor and Workforce Development Agency no later than fifteen (15) calendar days after the Effective Date (hereinafter "LWDA Payment"). Twenty-five percent (25%) of the PAGA Payment ($55,000) will be distributed to the Aggrieved Employees as described in this Agreement (hereinafter "Aggrieved Employee Payment"). For purposes of distributing the PAGA Payment to the Aggrieved Employees, each Aggrieved Employee shall receive their pro-rata share of the Aggrieved Employee Payment using the PAGA Payment Ratio as defined above.

12. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The estimate of the Settlement Administration Costs is $7,990.00. The Settlement Administrator shall be paid the Settlement Administration Costs no later than fifteen (15) calendar days after the Funding Date.

N. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with the Court a Motion for Order Granting Final Approval and Entering Judgment, within twenty-eight (28) days following the expiration of the Response Deadline prior to the

final approval hearing, which motion shall request final approval of the Settlement and a determination of the amounts payable for the Service Award, the Class Counsel Award, the PAGA Payment, and the Settlement Administration Costs. Plaintiffs will provide Defendants with a draft of the Final Approval Motion at least three (3) business days prior to the filing of the Final Approval Motion to give Defendants an opportunity to propose changes or additions to the Final Approval Motion.

1. Declaration by Settlement Administrator. No later than seven (7) days after the Response Deadline, the Settlement Administrator shall submit a declaration in support of Plaintiffs' motion for final approval of this Settlement detailing the number of Notice Packets mailed and re-mailed to Class Members, the number of undeliverable Notice Packets, the number of timely requests for exclusion, the full names of any Class Members who opt out of the Settlement, the number of objections received, the amount of the average, lowest, and highest Individual Settlement Payments, the amount of the average, lowest, and highest Aggrieved Employee Payments, the Settlement Administration Costs, and any other information as the Parties mutually agree or the Court orders the Settlement Administrator to provide.

2. Final Approval Order and Judgment. Class Counsel shall present an Order Granting Final Approval of Class Action Settlement to the Court for its approval, and Judgment thereon, at the time Class Counsel files the Motion for Final Approval.

N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide an opportunity for Counsel for Defendants to review the Motions for Preliminary and Final Approval, including the Order Granting Final Approval of Class Action Settlement, and Judgment at least three (3) business days in advance of filing with the Court. The Parties and their counsel will cooperate with each other and use their best efforts to affect the Court's approval of the Motions for Preliminary and Final Approval of the Settlement, and entry of Judgment.

O. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts to implement the Settlement.

P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Actions, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

Q. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in this Agreement and its Exhibit.

S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The persons signing this Agreement on behalf of Defendants represent and warrant that he/she is authorized to sign this Agreement on behalf of Defendants. Plaintiff represent and warrant that she authorized to sign this Agreement and that she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party. The persons signing this Agreement on behalf of Plaintiffs represent and warrant that he/she is authorized to sign this Agreement on behalf of Plaintiffs.

T. No Public Comment: The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement Agreement. Class Counsel further agrees not to use the Settlement Agreement or any of its terms for any marketing or promotional purposes. Nothing herein will restrict

Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Further, Class Counsel will not include, reference, or use the Settlement Agreement for any marketing or promotional purposes, either before or after the Motion for Preliminary Approval is filed.

U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously defined.

V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes shall be governed by and interpreted according to the laws of the State of California.

W. Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts.

X. This Settlement Is Fair, Adequate, and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of these Actions and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

Y. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement and all orders and judgments entered in connection with this Agreement.

Z. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

AA. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

BB. No Admissions by the Parties. Plaintiff ha claimed and continues to claim that the Released Class Claims and Released PAGA Claims have merit and give rise to liability on the part of Defendants. Defendants claim that the Released Class Claims and Released PAGA Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement, no documents referred to, and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendants or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/her own attorney's fees and costs.

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

DATED: 08/18/2026 Blanca Jauregui

BLANCA JAUREGUI

DATED: 08/05/2026 Carlos Aguero

CARLOS AGUERO

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

DATED: _____

_____

SAGE APARTMENT COMMUNITIES INC.

_____

Printed Name

_____

Title

AA. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

BB. No Admissions by the Parties. Plaintiff ha claimed and continues to claim that the Released Class Claims and Released PAGA Claims have merit and give rise to liability on the part of Defendants. Defendants claim that the Released Class Claims and Released PAGA Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement, no documents referred to, and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendants or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/her own attorney's fees and costs.

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

DATED: _____ _____

BLANCA JAUREGUI

DATED: _____ _____

CARLOS AGUERO

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

DATED: 8/20/20

SAGE APARTMENT COMMUNITIES INC.

Julie Rodriguez

Printed Name

President

Title

DATED: 5/20/26

INVESTMENT PROPERTY GROUP UT, INC.

JULIE RODRIGUEZ

Printed Name

PRESIDENT

Title

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: _____

BIBIYAN LAW GROUP, P.C.

By: _____

Attorneys for Plaintiffs and the Settlement Class Members

DATED: August 25, 2026

CRUSER, MITCHELL, NOVITZ, SANCHEZ, GASTON & ZIMET, LLP

By: _____

Stacie Turner

Jasmina Aragon

Ian McClain-Sewer, Esq.
Attorneys for Defendants

DATED: _____

_____
INVESTMENT PROPERTY GROUP UT, INC.

_____
Printed Name

_____
Title

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 08/19/2026

BIBIYAN LAW GROUP, P.C.

By: David D. Bibiyan

Attorneys for Plaintiffs and the Settlement Class Members

DATED: _____

CRUSER, MITCHELL, NOVITZ, SANCHEZ, GASTON & ZIMET, LLP

By:_____

Stacie Turner

Jasmina Aragon

Ian McClain-Sewer, Esq.
Attorneys for Defendants

EXHIBIT A

NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND FINAL HEARING DATE

***(Blanca Jauregui v. Sage Apartment Communities, Inc, et al,, Orange County Superior Court, Case 30-2022-01259919-CU-OE-CXC*)**

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do **not** have to do anything. **Your estimated Individual Settlement Payment is: $<<___>>. See the explanation below.** After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive **no money from the Settlement**. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of Orange (the "Court") has been reached between Plaintiffs Blanca Jauregui ("Plaintiff Jauregui") and Carlos Aguero ("Plaintiff Aguero") and Defendants Sage Apartment Communities, Inc. and Investment Property Group, UT, Inc. ("Defendants"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

> All persons who are or previously were employed by Defendants in California and classified as non-exempt employees - at any time between May 16, 2018 and [ ] ("Class Period").

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 16, 2022, Plaintiff filed a Class Action Complaint against Defendants in the Superior Court of the State of California, County of Orange, Case 30-2022-01259919-CU-OE-CXC (the "Class Action"). Plaintiff asserted claims against Defendants for:

1. FAILURE TO PAY OVERTIME WAGES;
2. FAILURE TO PAY MINIMUM WAGES;

3. FAILURE TO PROVIDE MEAL PERIODS;
4. FAILURE TO PROVIDE REST PERIODS;
5. WAITING TIME PENALTIES;
6. WAGE STATEMENT VIOLATIONS;
7. FAILURE TO TIMELY PAY WAGES;
8. FAILURE TO INDEMNIFY; and
9. UNFAIR COMPETITION

On May 12, 2023, Plaintiff Aguero filed a Class Action complaint in the Superior Court of the State of California, County of Orange, Case No. 30-2023-01325117-CU-OE-CXC ("Aguero Class Action"), alleging claims for:
1. FAILURE TO PAY OVERTIME WAGES;
2. FAILURE TO PAY MINIMUM WAGES;
3. FAILURE TO PROVIDE MEAL PERIODS;
4. FAILURE TO PROVIDE REST PERIODS;
5. WAITING TIME PENALTIES;
6. WAGE STATEMENT VIOLATIONS;
7. FAILURE TO TIMELY PAY WAGES;
8. FAILURE TO INDEMNIFY;
9. MISCLASSIFICATION; and
10. UNFAIR COMPETITION.

On _____, Plaintiffs filed a First Amended Complaint in the Class Action adding Plaintiff Aguero's claims in the Aguero Class Action to the Class Action for the purpose of settlement approval.

Defendants expressly deny any liability or wrongdoing of any kind associated with the claims alleged in the Class Action, dispute any wages, damages and penalties claimed by the Class Representative are owed, and further contend that, for any purpose other than settlement, the Class Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times it complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On January 22, 2026, the Parties participated in a mediation presided over by Lynn Frank, Esq., an experienced mediator of wage and hour class and PAGA actions. The mediation concluded without a settlement, but Mediator Frank made a mediator's proposal that was accepted by the Parties. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firm of BIBIYAN LAW GROUP, P.C. to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an "all in" amount of Two Million Two Hundred Thousand Dollars and Zero Cents ($2,200,000.00) (the "Gross Settlement Amount") to fund the settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments, Settlement Administration Costs, Class Counsel Award, Service Award, and the PAGA Payment.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. "Final" means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Costs. Payment to the Settlement Administrator, estimated not to exceed [ ] for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.

- Class Counsel Award. Payment to Class Counsel of an award of attorneys' fees of no more than 1/3 of the Gross Settlement Amount (currently $733,333.33) and actually incurred litigation expenses of not more than $50,000 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Class Action and the Aguero Class Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

- Service Award. A Service Award of up to Ten Thousand Dollars and Zero Cents ($10,000.00) to Plaintiff Jauregui and Plaintiff Aguero, each, for a total of Twenty Thousand Dollars and Zero Cents ($20,00.00) to Plaintiffs, or such lesser amount as may be approved by the Court, to compensate them for their services on behalf of the Class in initiating and prosecuting the Class Action and the Aguero Class Action.

- PAGA Payment. A payment of $220,000 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), $55,000 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining $165,000 will be distributed to Aggrieved Employees as part of the PAGA Payment.

- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Class Counsel Award, the Service Award, the PAGA Payment, and the Settlement Administration Costs are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendant's records, a member of the class worked at least one-day during any such workweek.

- Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all persons who are or previously were employed by Defendants in California and classified as non-exempt employees at any time during the period between May 16, 2021 and [ ] ("PAGA Period")

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Forty percent (40%) of the amount distributed to each Class Member will be considered interest on the unpaid wages, and will be reported as such to each Class Member on an IRS Form 1099 and 40% of the amount distributed to each Class Member will be considered statutory penalties, and will be reported as such to each Participating Class Member on an IRS Form 1099 (collectively, "Penalties, Interest, and

Reimbursement Portion"). Each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for the Penalties, Interest, and Reimbursement Portion of the Individual Settlement Payments. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

No Credit Toward Benefit Plans. The Individual Settlement Payments and Aggrieved Employee Payments made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiff and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all class claims alleged, or reasonably could have been alleged based on the facts alleged, in the Operative Complaint which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

As of the Effective Date and upon funding of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means all PAGA claims based on the facts alleged in the Operative Complaint which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Class Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<_____>> Workweeks worked during the Class Period (May 16, 2018 through [ ]).

Based on this information, your estimated Individual Settlement Payment is <<_____>>.

Defendant's records reflect that you have <<_____>> pay periods worked during the PAGA Period (May 16, 2021, through [ ]).

Based on this information, your estimated Aggrieved Employee Payment is <<_____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: [ ].

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at https://apexclassaction.com/

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows**. Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the PAGA Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel: (800) 355-0700. The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Blanca Jauregui v. Sage Apartment Communities, Inc, et al,, Orange County Superior Court, Case 30-2022-01259919-CU-OE-CXC or Carlos Aguero v. Sage Apartment Communities et al.*, case no. 30-2024-01420186-CU-OE-CXC. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is ***Blanca Jauregui v. Sage Apartment Communities, Inc, et al,, Orange County Superior Court, Case 30-2022-01259919-CU-OE-CXC*** **or** *Carlos Aguero v. Sage Apartment Communities et al.*, case no. 30-2024-01420186-CU-OE-CXC**.** You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:
BIBIYAN LAW GROUP, P.C.
Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Brandon M. Chang (SBN 316197)
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1460 Westwood Boulevard, Suite 100
Los Angeles, California 90024
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Jasmina Aragon, Esq.
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sturner@cmlawfirm.com
jaragon@cmlawfirm.com
imcclainsewer@cmlawfirm.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 00:00 AM/PM on _____, at the Orange County Superior Court, Department CX101, located at 751 W. Santa Ana Blvd, Santa Ana, CA 92701 before Judge William Claster. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to ***Blanca Jauregui v. Sage Apartment***

Communities, Inc, et al,, Orange County Superior Court, Case 30-2022-01259919-CU-OE-CXC **or** *Carlos Aguero v. Sage Apartment Communities et al.*, case no. 30-2024-01420186-CU-OE-CXC, Settlement Administrator, 18 Technology Drive, Suite 164, Irvine, CA 92618 c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to [ ] or by visiting the administrator's website at [ ]

PLEASE <u>DO NOT</u> CALL THE COURT ABOUT THIS NOTICE.

<u>IMPORTANT:</u>

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.

- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Community Law Project, a non-profit organization, in accordance with CCP 386. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2

BIBIYAN LAW GROUP, P.C.

8484 Wilshire Blvd., Suite 500
Beverly Hills, California, 90211
310.438.5555 T
310.300.1705 F
www.employmentlawyerla.com

May 16, 2022

PAGA NOTICE FILED ELECTRONICALLY

Re: *Notice Letter of Blanca Jauregui on Behalf of Herself and Aggrieved Employees Under California Labor section 2699.3*

Employer: Sage Apartment Communities, Inc.
18006 Sky Park Circle, Suite 200
Irvine, California 92614

Investment Property Group UT, Inc.
136 Herber Avenue, Suite 308
Park City, Utah 84060

Investment Properties Group, LLC
6640 Van Nuys Boulevard, Suite 101
Van Nuys, California 91405

To Whom It May Concern:

This letter shall constitute notice under Labor Code section 2699.3 (hereinafter "PAGA Notice"). The $75 filing fee for the PAGA Notice was paid online by credit card at the time this PAGA Notice was submitted online to the Department of Industrial Relations.

This PAGA Notice concerns Blanca Jauregui ("Employee") employment with Employee's former employers: Sage Apartment Communities, Inc.; Investment Property Group UT, Inc; and Investment Properties Group, LLC. Employee was employed as a non-exempt employee of Sage Apartment Communities, Inc.; Investment Property Group UT, Inc; and Investment Properties Group, LLC, with duties that included, but were not limited to, property maintenance and management from approximately July of 2017 and through approximately November of 2021. In connection with the alleged claims for failure to comply with Labor Code section 6409.6, Labor Code section 2810.5, Labor Code section 432, Labor Code section 1198.5, Labor Code section 203, Labor Code section 226, Labor Code section 246, *et seq.*, Labor Code section 2802, restraints on competition, whistleblowing and freedom of speech, Employee seeks to represent all employees of Sage Apartment Communities, Inc.; Investment Property Group UT, Inc; and Investment Properties Group, LLC and each of them, as well as their parents, subsidiaries and affiliates (hereinafter, collectively, "Employer"). On all other claims mentioned herein, Employee seeks to represent only non-exempt employees of Employer.

Employee and other aggrieved employees are covered by Labor Code section 510 and applicable Wage Orders. Employee is informed and believes, and based thereon alleges, that Employer had and has a policy or practice of requiring its employees to work more than eight (8)

hours per day, forty (40) hours per week, and/or seven (7) straight workdays in a workweek without paying them proper overtime wages, as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including, without limitation, by requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer's control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock, and/or go through security screenings and/or temperature checks off the clock; failing to include all forms of remuneration, including non-discretionary bonuses, incentive pay, meal allowances, mask allowances, gift cards and other forms of remuneration into the regular rate of pay for the pay periods where overtime was worked and the additional compensation was earned for the purpose of calculating the overtime rate of pay; detrimental rounding of employee time entries, editing and/or manipulation of time entries to show less hours than actually worked, and for paying straight pay instead of overtime pay to the detriment of Employee and other aggrieved employees. Consequently, Employee is informed and believes, and based thereon alleges, that Employer violated Labor Code sections 510, 1194, and applicable Wage Orders based on its practice of providing total compensation that is less than the required legal overtime compensation for the overtime worked, entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing to compensate Employee and other aggrieved employees with minimum wages for all hours worked or otherwise under Employer's control as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including, without limitation, by requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer's control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock; detrimental rounding of employee time entries; editing and/or manipulation of time entries to show less hours than actually worked; and failing to pay split shift premiums. In addition, Employee and other aggrieved employees were required to report to work, and did report, but were not put to work and/or were furnished less than half their usual or scheduled day's work without being paid for half the usual or scheduled work at their regular rate of pay. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code sections 221, 223, 1197, 1182.12, Cal. Code Regs, title 8, section 110404(5)(A), and applicable Wage Orders based on its continued failure to pay minimum wages for all hours worked, entitling Employee and other aggrieved employees to actual and liquidated damages under, without limitation, Labor Code sections 1194 and 1194.2. Employer would also be liable for civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a policy or practice of compelling its employees to work in excess of five (5) and ten (10) hours per day without being afforded uninterrupted, timely, and complete 30-minute meal periods or compensation in lieu thereof including, without limitation: by interrupting meal periods; not providing timely meal periods; failing to provide first and second meal periods; providing short meal periods; requiring that employees carry cellular telephones or walkie-talkies during meal periods; not permitting employees to leave the premises; otherwise requiring on-duty/on-call meal periods; and auto-deducting meal periods that could not be auto-deducted by law or during which employees worked. Consequently, Employee is informed and believes, and based thereon alleges, that Employer violated Labor Code section 512, entitling Employee and other aggrieved employees to premium payments under Labor Code section 226.7. However, Employee is informed and believes that those premium payments under Labor Code section 226.7 were not made, either, for these non-compliant meal periods, either at all or at the proper regular rate of pay. Employer would thus be liable for civil penalties pursuant to Labor Code sections 558 and 2699 for both failing to authorize the taking of compliant meal periods, as well as for failing to provide premium pay under Labor Code section 226.7.

Employee is informed and believes, and based thereon alleges, that Employer maintains policies or practices of compelling its non-exempt employees, including, without limitation, Employee, to work over four-hour periods (or major fractions thereof) without authorizing and permitting Employee and other aggrieved employees to take uninterrupted, timely, and complete ten-minute rest periods in which the employees are completely relieved of all of their duties, including, without limitation: by failing to provide rest periods all together; requiring that they be bundled together and/or with meal periods; interrupting them; requiring that employees carry cellular telephones or walkie-talkies during rest periods not providing them in a timely fashion; and not permitting employees to leave the premises; and otherwise requiring on-duty/on-call rest periods. As such, Employee is informed and believes, and based thereon alleges, that Employee and other aggrieved employees are entitled to relief under, without limitation, Labor Code section 226.7. However, Employee is informed and believes that those premium payments under Labor Code section 226.7 were not made, either, for these non-compliant rest periods, either at all or at the proper regular rate of pay. Employer would thus be liable for civil penalties pursuant to Labor Code sections 558 and 2699 for both failing to authorize the taking of compliant rest periods, as well as for failing to provide premium pay under Labor Code section 226.7.

Employee is informed and believes, and based thereon alleges, that Employer maintains policies or practices of failing to permit Employee and other aggrieved employees from taking cooldown rest periods in the shade as required under California Code of Regulations, Title 8, Section 3395 and premium pay in lieu thereof under Labor Code section 226.7. As a result, Employer would be liable for civil penalties under Labor Code sections 558 and 2699.

In addition to the above, Employee is informed and believes, and based thereon alleges that Employer failed and continue to fail to keep adequate or accurate time records including wage statements and similar payroll documents under Labor Code section 226, documents signed to obtain or hold employment under Labor Code section 432, personnel records under Labor Code

section 1198.5, and time records under Labor Code section 1174, making it difficult for Employee and other aggrieved employees to calculate their unpaid wages and/or premium payments. Employer also failed to provide these documents to Employee and other aggrieved employees upon request. This would entitle Employee and other aggrieved employees to penalties prescribed by Labor Code sections 226 and 1198.5. Employer would also be liable for civil penalties pursuant to Labor Code sections 558, 1174.5 and 2699.

As a result of, among other things, Employer's herein-described policy or practice of failing to: accurately record time; failing to pay overtime and minimum wages; provide meal periods; provide rest periods; and provide compensation in lieu of meal or rest periods; as described above, Employee is informed and believes, and based thereon alleges, that Employer also intentionally failed and continues to fail to furnish aggrieved employees, including, without limitation, Employee, with itemized wage statements that accurately reflect: gross wages earned; total hours worked by the employee; net wages earned; all deductions; all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee; the legal name and address of the other; and other such information as required by Labor Code section 226, subdivision (a). Specifically, Employer intentionally failed to furnish employees with itemized wage statements that accurately reflect the hours worked by Employee and other aggrieved employees and the rates of pay at which they were or should have been paid, thus resulting in a failure to reflect gross and net wages earned and paid at each rate, as well. Consequently, since Employer would have failed to comply with Labor Code section 226, subdivision (a), Employee and other aggrieved employees would be entitled to recover penalties under, without limitation, Labor Code section 226, subdivision (e). Employer would also be liable for civil penalties pursuant to Labor Code sections 226.3, 558, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer also failed and refused, and continue to fail and refuse, to timely pay compensation to Employee and other terminated or resigned employees, including but not limited to, all overtime wages owed; all minimum wages owed; and all premium pay owed as set out above. Consequently, Employer would be liable for waiting time penalties for having violated California Labor Code sections 201, 202, and 203. Employer would also be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer has or had a policy or practice of unlawfully deducting wages by issuing in payment of wages due, or to become due, or as an advance on wages to be earned: an order, check, draft, note, memorandum, gift card, or other acknowledgement of indebtedness, (unless it was negotiable and payable in cash, on demand, without discount, at some established place of business in the state), the name and address of which must but did not appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be but was not at least 30 days, the maker or drawer did not have sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment or any scrip, coupon, cards, or other thing redeemable, in merchandise or purporting to be payable or redeemable otherwise than in money. Employee is further informed and believes, and based thereon alleges, that such wages were not compensated at the "regular rate" of

compensation as provided under Labor Code sections 226.7 and 510, subsection (a). Consequently, Employee is informed and believes, and based thereon alleges, that Employee and other aggrieved employees are entitled to relief under, without limitation, Labor Code sections 212, 213, 226.7, and 510 subsection (a). Employer would thus be liable for civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Employee is further informed and believes, and based thereon alleges that Employer failed and refused, and continues to fail and refuse, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and other aggrieved employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employer, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employer under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employer to pay employees at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, employees may collect from Employer in connection with these violations' civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer also failed and refused, and continues to fail and refuse, to reimburse employees, including, without limitation, Employee and other aggrieved employees, with their costs incurred for driving personal vehicles (*i.e.*, mileage and gas), purchasing uniforms, providing uniform and other deposits, separately laundering mandatory uniforms, for the purchase of tools and safety equipment, and for the purchase and maintenance of cellular phones and cellular phone plans, in direct consequence of the discharge of their duties, or of their obedience to the directions of Employer, as required by Labor Code section 2802, and other statutory and common law offenses. As a result, Employer are liable to reimburse Employee and other aggrieved employees for these costs incurred in furtherance of work duties. In addition, Employer would be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is further informed and believes, and based thereon alleges, that Employer has or had a policy or practice of failing to reimburse deposits made, including uniform deposits together with all interest owed at the separation of employment in violation of Labor Code section 404, entitling Employee and other aggrieved employees to damages in the amount of the deposit and accrued interest. Employer would also be liable for civil penalties under Labor Code sections 558 and 2699.

Employee is further informed and believes, and based thereon alleges, that Employer has or had a policy or practice of failing to provide Employee and other aggrieved employees with the amount of paid sick leave required to be provided pursuant to California and local laws (including,

without limitation, Labor Code section 246, *et seq*., Employee is further informed and believes that Employer also did not permit its use upon request by Employee and other aggrieved employees as contemplated under California and local laws. Employee is additionally informed and believes that the notice requirement of Labor Code section 246 *et seq.* involves a mandatory payroll or workplace injury reporting. As such, Employer would be liable for civil penalties for violation of the paid sick leave regulations under Labor Code sections 558 and 2699, as well as equitable, injunctive, or restitutionary relief, and reasonable attorneys' fees and costs.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to pay aggrieved employees their paid time off and vacation time owed upon separation of employment as wages at their final rate of pay in violation of Labor Code section 227.3 and applicable Wage Orders. As such, Employer would be liable for civil penalties for violation of Labor Code section 227.3 under Labor Code section 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to pay aggrieved employees their wages in accordance with Labor Code Section 204, which requires that: "[l]abor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive of any calendar month, shall be paid for between the 1st and 10th day of the following month." Employee is informed and believes and based thereon alleges that Employer did not and do not pay Employee and other aggrieved employees in accordance with Labor Code Section 204. As such, Employee is informed and believes, and based thereon alleges that Employer violated Labor Code section 204. Employer would be liable for civil penalties pursuant to Labor Code sections 210, 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employer would be liable for civil penalties pursuant to Labor Code sections 201.3.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to provide all working employees with suitable seats when the nature of the work reasonably permits the use of seats. Employee is further informed and believes, and based thereon alleges that Employer has failed to place an adequate number of seats in reasonable proximity to the work area and/or permitted employees to use such seats when it does not interfere with the performance of their duties when employees are not engaged in the active duties of their employment and the nature of their work requires standing.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from using or disclosing the skills, knowledge and experience they obtained at Employer for purposes of competing with Employer, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else

works at Employer and under what circumstances that they might be receptive to an offer from a rival employer. As such, Employee is informed and believes that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employer would be liable for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from disclosing violations of state and federal law, either within Employer to their managers or outside Employer to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices prevent Employee and/or other aggrieved employees from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code section 232 and 232.5. These violations of the Labor Code would expose Employer to liability for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from engaging in lawful conduct during non-work hours, thus violating state statutes entitling employees to disclose wages, working conditions, and illegal conduct, including, without limitation, Labor Code sections 96, subdivision (k), 98.6, 232, 232.5, and 1197.5, subdivision (k). Employee is informed and believes that this lawful conduct includes the exercise of Employee and/or other aggrieved employee's constitutional rights of freedom of speech and economic liberty and would thus expose Employer to liability for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to furnish and use safety devices and safeguards. And adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of requiring or permitting employees to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing or neglecting to: provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges that these failures include, without limitation, failing to disinfect time clocks and other surfaces after use by Employee and/or other aggrieved employees; failing to provide adequate protection equipment to Employee and/or other aggrieved employees; and failing to provide adequate distance in working conditions between Employee and/or other aggrieved employees.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to give sufficient, adequate and proper notice to employees of the Covid-19 exposure within one business day of receiving notice of potential Covid-19 workplace exposure from a qualifying individual as required by Labor Code section 6409.6. Employee is informed and believes that numerous employees contracted Covid-19 during the relevant time periods, but that Employer failed to provide notice to employees. Employee is additionally informed and believes that Defendant does not or did not keep adequate records of written notifications required in subdivision (a) for a period of at least three years.

Specifically, Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing within one business day after Employer or a representative of Employer received a notice of potential exposure to COVID-19 to provide written notice to Employee and other aggrieved employees, or their exclusive representatives, who were on the premises at the same worksite as a qualifying individual who was within the infectious period that they may have been exposed to COVID-19. Furthermore, Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing within one business day after Employer or a representative of Employer received a notice of potential exposure to COVID-19 to provide Employee and other aggrieved employees who were on the premises at the same worksite as the qualifying individual within the infectious period and the exclusive representative, if any, with information regarding COVID-19-related benefits to which the employee may be entitled under applicable federal, state, or local laws, including, but not limited to, workers' compensation, and options for exposed employees, including COVID-19-related leave, company sick leave, state-mandated leave, supplemental sick leave, or negotiated leave provisions, as well as antiretaliation and antidiscrimination protections of the employee. Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code sections 6409.6 and 6432.

Additionally, Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing within one business day after Employer or a representative of Employer received a notice of potential exposure to COVID-19 to notify Employee and other aggrieved employees who were on the premises at the same worksite as the qualifying individual within the infectious period, and the employers of subcontracted employees who were on the premises at the same worksite as the qualifying individual within the infectious period and the exclusive representative, if any, of the cleaning and disinfection plan that the employer is implementing per the guidelines of the federal Centers for Disease Control and Prevention and the COVID-19 prevention program per the Cal-OSHA COVID-19 Emergency Temporary Standards. Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code sections 6409.6 and 6432.

Moreover, Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing to notify the local public health agency in the jurisdiction of the worksite of the names, number, occupation, and worksite of employees who had a laboratory-confirmed case of COVID-19, as defined by the State Department of Public Health; a

positive COVID-19 diagnosis from a licensed health care provider; a COVID-19-related order to isolate provided by a public health official; or died due to COVID-19, in the determination of a county public health department or per inclusion in the COVID-19 statistics of a county. Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code sections 6409.6 and 6432.

Employee is informed and believes, and based thereon alleges that Employer violated section 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Employee is further informed and believes, and based thereon alleges that Employer had and has a policy or practice of requiring, as a condition of employment, its applicants or employees to waive any right, forum, or procedure for a violation of any provision of the California Fair Employment and Housing Act or the Labor Code, including the right to file and pursue a civil action or a complaint with, or otherwise notify, any state agency, other public prosecutor, law enforcement agency, or any court or other governmental entity of any alleged violation, in violation of Labor Code section 432.6. Employee is additionally informed and believes that Employer knew that requiring such a condition was prohibited by law. Accordingly, for violations of Labor Code sections 432.5 and 432.6, Employee and aggrieved employees are entitled to attorneys' fees, an injunction, as well as civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of conducting unlawful background checks on prospective and current employees prior to making a conditional offer. Employee is informed and believes, and based thereon alleges, that Employer violated applicable laws by, without limitation: requiring job applicants and employees to disclose their conviction history before Employer made a conditional offer of employment; inquiring into or considering the conviction history of applicants before Employer made any conditional offers of employment; considering, distributing, or disseminating information about arrests not followed by conviction, referrals to or participation in a pretrial or posttrial diversion program, convictions that have been sealed, dismissed, expunged, or statutorily eradicated pursuant to law, or any conviction for which the convicted person has received a full pardon or has been issued a certificate of rehabilitation, while conducting conviction history background checks in connection with any applications for employment; intending to deny an applicant a position of employment solely or in part because of the applicant's conviction history; and asking applicants for employment to disclose, through any written form or verbally, information concerning or related to an arrest, detention, processing, diversion, supervision, adjudication, or court disposition that occurred while the person was subject to the process and jurisdiction of the juvenile court, to the detriment of Employee and other aggrieved employees. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.7 and Government Code section 12952, entitling

Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.7, 432.8, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of relying on the salary history information of an applicant for employment as a factor in determining whether to offer employment to an applicant or what salary to offer the applicant in violation of Labor Code section 432.3 by including, on Employer's application for employment, an inquiry regarding current and/or former salary history information, including, without limitation, compensation and benefits of the applicant for employment. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.3 entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.3 and 2699.

Pursuant to Labor Code section 2699.3, subdivision (a)(2)(A), please advise within sixty-five (65) calendar days of the postmarked date of this notice whether the LWDA intends to investigate the violations alleged above. Our office understands that if we do not receive a response within sixty-five (65) calendar days of the postmark date of this PAGA Notice that the LWDA intends to investigate these allegations, Employee may immediately thereafter file a civil complaint against Employer to allege causes of action for civil penalties under the Private Attorney General Act for the herein-described alleged violations of the Labor Code.

Very truly yours,

BIBIYAN LAW GROUP, P.C.



Jeffrey C. Bils

cc: Sage Apartment Communities, Inc. (via U.S. Certified Mail, Return Receipt Requested)
Investment Property Group UT, Inc. (via U.S. Certified Mail, Return Receipt Requested)
Investment Properties Group, LLC (via U.S. Certified Mail, Return Receipt Requested)

EXHIBIT 3

Gmail

Lorie Gutierrez <lgutierrez@tomorrowlaw.com>

Thank you for your Proposed Settlement Submission

1 message

no-reply@formassembly.com <no-reply@formassembly.com> Thu, Oct 1, 2026 at 1:16 PM
To: lgutierrez@tomorrowlaw.com

10/01/2026 01:16:11 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 10/01/2026 01:16:11 PM your Proposed Settlement was successfully processed for case number LWDA-CM-884103-22

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm