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Attorneys for Plaintiffs and the Settlement Classes

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SONOMA
CIVIL UNLIMITED

SHARON FELKER; HERMAN GRISHAVER; EDGAR CRUZ SORIANO; and JEANACE ZETINO, individually and on behalf of other similarly situated individuals, Plaintiffs, vs. JRK RESIDENTIAL GROUP, INC.; JRK PROPERTY HOLDINGS, INC.; and DOES 1-100, Defendants.	Case No.: SCV-267587 **PLAINTIFFS' MEMORANDUM IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT, AWARD OF ATTORNEY FEES, COSTS AND SERVICE PAYMENTS, AND ENTRY OF JUDGMENT** Judge: Hon. Patrick M. Broderick Date: August 19, 2026 Time: 3:00 p.m. Dept. 17 Complaint Filed: December 22, 2020 Trial Date: N/A

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I. INTRODUCTION

Plaintiffs respectfully move the Court for an order granting final approval of the settlement reached after six years of hard-fought litigation. The settlement, effective upon the Court's approval and entry of judgment, achieves Plaintiffs' litigation objectives of substantial equitable relief and monetary recovery for the class members through direct payments from a non-reversionary settlement fund. These monetary and non-monetary benefits represent fair and reasonable recovery, especially when viewed in comparison to the amount in controversy in this case and the significant risk, cost, and delay of continued litigation. The settlement has been well received, with no members objecting and less than one percent opting out.

Plaintiffs ask the Court to grant final approval of the Settlement. As authorized under the Settlement Agreement, Plaintiffs further request that the Court approve $2,000,000 in attorney's fees to Class Counsel, the reimbursement of $98,846 in costs and expenses to Class Counsel, and award $10,000 to each of the named Plaintiffs. Finally, because it is a prerequisite under the Settlement Agreement to trigger the Effective Date and actual implementation of the Settlement, Plaintiffs also respectfully request formal entry of judgment.

II. SUMMARY OF THE LITIGATION

A. Factual Allegations

Plaintiffs and class members are former or current tenants in the residential rental units in California operated by Defendants JRK RESIDENTIAL GROUP, INC. and JRK PROPERTY HOLDINGS, INC. ("JRK"). During the relevant time periods, JRK operated 14 apartment properties in California comprising over 4,000 units ("JRK Apartments").

During and after the wildfires that devastated California beginning in 2017, the State's governors declared multiple states of emergency. In Los Angeles, Sonoma, and Ventura Counties, where some JRK Apartments are located, these declarations made it unlawful to rent or offer housing for a price more than ten percent greater than the price charged immediately prior to the emergency proclamation. Penal Code section 396(b). Plaintiffs contend JRK raised rents above the permissible ten percent during the states of emergency in these counties.

Additionally, Plaintiffs allege that JRK's historical rental data reveal rent increases that violate the Tenant Protection Act of 2019, Civ. Code section 1947.12 ("TPA"). The TPA, which took effect January 1, 2020, caps rent increases for most housing on a statewide basis. Under the law, annual increases are capped at either five percent plus the percentage change in a government-determined consumer price index or ten percent, whichever is lower. Plaintiffs claim JRK increased rents in a manner that violated this statute at the JRK Apartments.

Plaintiffs further contend that JRK's standard form leases included terms that allowed it to charge tenants fees for late rent and failing to carry renters' insurance. These terms, according to Plaintiffs, constituted invalid liquidated damages provisions. Civ. Code § 1671. JRK database reports show that it charged those contested fees at the JRK California Apartments throughout the relevant time period.

B. Litigation History

Plaintiffs filed their initial complaint on December 22, 2020, and filed a first amended complaint ("FAC") on June 1, 2021. On July 6, 2021, JRK filed a demurrer (its second) to all 12 causes of action and a motion to strike most of the First Amended Complaint claiming, among other things, that the Consumer Legal Remedies Act, Civ. Code sections 1750, *et seq.* ("CLRA"), does not apply to residential tenancies and that claims for price gouging and violation of the TPA, were inadequately pleaded. On March 18, 2022, this Court overruled the demurrer and denied the motion to strike in their entirety. JRK filed an answer and, in response to Plaintiffs' meet and confer, an amended answer. Because the amended answer did not adequately address defects, Plaintiffs filed a demurrer. JRK opposed and moved for sanctions. On September 28, 2022, the Court granted Plaintiffs' demurrer and denied JRK's motion for sanctions. Plaintiffs moved for class certification in February 2024. JRK simultaneously opposed class certification and moved for summary adjudication, which Plaintiffs opposed. On August 7, 2024, the Court granted Plaintiffs' motion for class certification in its entirety and denied JRK's motion for summary adjudication. Plaintiffs filed a second amended complaint (the operative complaint) on May 10, 2024. On June 6, 2024, JRK filed its operative answer.

Amidst the active motion practice described above, the Parties were also engaged in rigorous discovery for several years. Plaintiffs served 6 sets of judicial council form interrogatories, 207 special interrogatories, 37 requests for admission, and 238 requests for production of documents (not including those served with depositions). Plaintiffs responded to 4 sets of form interrogatories, 194 special interrogatories, 152 requests for admission, and 325 requests for production of documents. Plaintiffs took 5 depositions of JRK's witnesses and JRK deposed each of the named Plaintiffs. JRK produced the equivalent of hundreds of thousands of pages of documents and electronic data containing hundreds of millions of data points. Discovery was hotly contested and resulted in extensive meet and confers and motion practice.

JRK's electronic rental data and tenant database reports were both voluminous and complex. Over the course of the litigation, Plaintiffs engaged two expert consultants to review, compile, and analyze those data to identify Class Members and determine damages.

The Parties originally mediated the case in December 2023 with Hon. Ronald Sabraw (ret.) of JAMS in Walnut Creek. Osborne Decl., ¶ 23. The mediation was unsuccessful. After further litigation, the Parties agreed to another mediation, which took place in October 2024 with Bruce Friedman, Esq., of JAMS in Los Angeles. *Id*. After a full day of mediation, several weeks of additional negotiations through Mr. Friedman, and another six months of back-and-forth between the Parties involving dozens of hours of negotiation, the Parties finalized a settlement agreement on June 3, 2025 (the "Settlement"). *Id*.

During settlement negotiations, several issues remained unresolved. On November 12, 2024, before the Parties reached a settlement, JRK moved to compel absent class members to arbitration pursuant to arbitration provisions in its leases. JRK also indicated it intended to move for class decertification. *See* JRK's Response to Plaintiffs' Motion for Preliminary Approval, p. 3, filed August 13, 2025. JRK further stated that, should Plaintiffs succeed at trial, it intended to appeal, at a minimum, the Court's order granting class certification and challenge the constitutionality of the Governor's declarations of states of emergency. *Id*. at pp. 3-4. Other unresolved issues include JRK's arguments regarding the scope of Penal Code section 396(b) and (e), and the impact of Civil Code section 1671 on certain fees JRK charged to class members. These unresolved issues posed potential risks to Plaintiffs' ability to recover for themselves or on behalf of absent class members.

On June 20, 2025, Plaintiffs moved the Court for preliminary approval of the settlement. On August 27, 2025, the Court issued an order denying the motion without prejudice. Order Denying Preliminary Approval, August 27, 2025. The Order identified additional information that the Court required to analyze the reasonableness and adequacy of the settlement, including: (1) the total number of class members and their estimated range of recoveries under the Settlement; (2) the potential recovery of civil penalties under the CLRA and Civil Code section 827(b); (3) the potential recovery of punitive damages; (4) the amount of attorney's fees; (5) the reasonableness of litigation expenses incurred by Class Counsel; (6) the reasonableness of the projected settlement administration costs estimate; and (7) declarations supporting service awards to the four class representatives. *Id*.

In October 2025, Plaintiffs submitted a renewed motion for preliminary approval to provide the additional requested information and supporting declarations. On March 25, 2026, the Court granted the renewed motion for preliminary approval. Plaintiffs now move for final approval of the settlement, the award of requested attorney's fees and reimbursement of expenses, approval service awards for the Class Representatives, and entry of judgment.

C. Class Certification

Pursuant to the Court's Order of March 25, 2026, there are four Settlement Classes:

> (1) ***Late Fee Class***: All tenants whose leases for JRK California Apartments provide for a late rent charge and who were charged that late charge on a net basis, from December 22, 2016 to June 27, 2024.
>
> (2) ***RINCO (Renters Insurance Compliance) Class***: All tenants whose leases for JRK California Apartments provide for a fee for a missing renter's liability insurance policy and who were charged that fee on a net basis, from December 22, 2016 to June 27, 2024.
>
> (3) ***Section 396 Class***: All tenants with initial lease terms of no longer than one year who were charged rental price increases of more than 10 percent for JRK California Apartments in Los Angeles, Sonoma, or Ventura Counties during Wildfire Section 396 Protection Periods in those counties. Excluded from this class are tenants of The Harrison Glendale.; and,
>
> (4) ***TPA Class***: All tenants who on January 1, 2020 to June 27, 2024, were charged rent increases based on gross rental rates excluding discounts, incentives, concessions or credits for JRK California Apartments that exceeded the Rental Rate Caps. Excluded from this class are tenants of Parkside Glen Apartment Homes, Somerset Glen Senior Apartments, The Harrison Glendale, and Duo Apartments. Also excluded from this class are tenants of the Serenade at RiverPark whose rents increased in excess of the Rental Rate Caps before the Serenade TPA Dates.

D. Settlement Terms

The proposed Settlement provides three main benefits to the Settlement Class Members: a gross settlement amount of $4,000,000, equitable relief in the form of ceasing fees for late payment of rent and RINCO fees for a specified period of years, and debt relief. The litigation also resulted in catalyst benefits that are discussed below.

1. Monetary Relief to All Settlement Class Members

First, JRK will pay a non-reversionary gross settlement amount of $4 million. This amount will be used to make payments to Settlement Class Members, cover the cost of notice and administration, and to pay attorneys' fees and costs and service awards to the class representatives. After all Court-approved deductions are made from the Settlement Amount, the remaining Settlement Fund will be distributed on a *pro rata* basis among all Settlement Class Members per the Allocation Plan. Settlement Class Members were identified through JRK's records and received a notice with a unique claimant identifier. The Settlement Fund is divided into a Net Settlement Fund and a smaller Set-Aside Fund of $41,250, from which individuals who are in collections for unpaid balances related to the JRK California Apartments and were sent to collections from January 1, 2022 to June 27, 2024 ("Collections Class Members") were eligible to apply for an additional $50.00.

Settlement Class Members were advised of their estimated payment amount in the notice, and their actual *pro rata* share of the Net Settlement Fund will be calculated by the Settlement Administrator after the Settlement becomes effective. Each Class Member will be sent an award by check or digital payment with their *pro rata* share of the Net Settlement Fund. JRK provided a list of Collection Class Members to the Settlement Administrator, who facilitated the process by which such class members could submit a claim for an additional payment. Unclaimed funds remaining after payments are distributed from the Set-Aside Fund will either be redistributed to Settlement Class Members, or, with Court approval, directed to an appropriate *cy pres* beneficiary.

The Settlement Class Members will receive an average monetary recovery of $120. Approximately 200 Settlement Class Members will receive payments of over $1,000, and no settlement payment will be less than $20. Osborne Decl., ¶ 26(a).

2. *Equitable Relief*

Second, JRK will institute or maintain two equitable remedies. The Settlement Agreement provides that, for a period of two years starting upon the date of the Preliminary Approval Order, neither JRK nor any of its affiliates will charge fees for late payment of rent to any resident residing at the JRK California Apartments as of the date of the Preliminary Approval Order. The Settlement also includes that, for a period of seven years starting on the date of the Preliminary Approval Order, neither JRK nor any of its affiliates shall charge fees for failure to maintain renter's liability insurance to any resident residing at the JRK California Apartments as of the date of such Order. A violation of either provision by a JRK affiliate shall be considered a breach of the Settlement Agreement. These remedial measures will benefit Settlement Class Members and other members of the public. In 2024, JRK was charging approximately $294,000 in late fees and $159,425 in RINCO charges per year in California and the average tenure of JRK's California tenants is approximately two years. Osborne Dec.,

¶ 26(b). Class Counsel estimate that the total monetary value of this prospective equitable relief is approximately $800,000. *Id.*

3. Debt Relief

Third, JRK will provide debt relief to all current and former residents of JRK California Apartments that were sent to collections by JRK or any of its affiliates from January 1, 2017 to December 31, 2021 ("Debt Relief Residents"). JRK and its affiliates will instruct its debt collectors to cease all collection efforts against Debt Relief Residents. JRK will not engage in any new collection efforts for these debts and will also instruct its debt collector(s) to request that any applicable Consumer Reporting Agencies ("CRAs") delete all tradelines for the Debt Relief Residents. *Id.* JRK has represented that approximately $1.45 million in unpaid balances for Debt Relief Residents were sent to collections from 2017 to 2021. Recognizing that much of this debt will be time-barred but also acknowledging the benefit of the express cessation of further collections and the benefit of the deletion of tradelines, Class Counsel believe that $350,000.00 (less than 25 percent of the $1.45 million to $1.65 million outstanding balance estimated by JRK) is a fair estimate of the monetary value of these Settlement provisions to Debt Relief Residents. Osborne Dec., ¶ 26(c).

Additionally, JRK represents that no more than 825 Settlement Class Members are in collections for unpaid balances and were sent to collections from January 1, 2022 to June 27, 2024. JRK has identified each of the Collection Class Members to the Settlement Administrator and those members received notice of their eligibility to claim an additional $50.00 payment from the Set-Aside Fund—which is in addition to the payment they will receive from the Net Settlement Fund based on their status as a Settlement Class Member.

4. Catalyst Benefits

In the Settlement Agreement, JRK represents that it has adopted remedial measures in response to the Litigation, including: (a) reducing the amounts of the individual late fees and RINCO fees charged at the JRK California Apartments; and (b) purchasing and deploying compliance software Entrata CORE. Class Counsel believe that there was a benefit associated with decreasing the amounts of individual fees charged, but do not estimate its value. The value of the software compliance measures may reasonably be estimated to range from $992,000 (based on an annual cost of $198,400 for the adoption and use of compliance software attributable to JRK's California properties over a five-year period) to as much as $2.3 million (which is the estimated total amount of rent overcharges that the compliance software can be expected to avoid over a five-year period, based on approximately $2.1 million in rent increases allegedly in excess of TPA Rental Rate Caps from January 2020 to June 2024). Osborne Dec., ¶ 26(d).

E. Settlement Administration

Per the Court's Order granting preliminary approval, Angeion Group ("Angeion") was appointed settlement administrator. The final class list contains 15,095 Settlement Class Members.[1] On March 1, 2024, Angeion sent the Court-approved notice to class members via email if possible (11,877 members) and via U.S. mail if Angeion could not locate a valid email address (3,218 members). Ultimately, there were 13 class members for whom Angeion could not locate an email or physical address. Sugrim Decl., ¶ 15.

The Notice informed Settlement Class Members in plain language of the pendency and nature of the case, the Settlement terms, and how to opt out, object, comment on the Settlement, and appear at the Final Approval Hearing. As of the May 9, 2024 deadline, <u>only seven Class Members opted out of the Settlement and zero objected</u>. Sugrim Decl., at ¶¶ 23-24.

In September 2025, Angeion estimated total notice and settlement administration expenses of approximately $47,619.00. Osborne Dec., ¶ 29. That total included: initial project start-up expenses and data collection and processing to prepare notice to class members, managing undeliverable notices and responding to class member inquiries ($13,720.00); website creation and maintenance ($6,150.00); call center operation ($2,675.00); reporting to counsel and the Court and internal project reporting ($9,000.00); receiving and processing claims for payments from the Set-Aside Fund ($1,674.00); distribution, including processing undeliverable distributions, skip tracing and reissuing distributions ($10,977.00); tax filings and forms for the Qualified Settlement Fund ($1,950.00); and other processing and management costs ($1,473.00).

As of June 1, 2026, Angeion had billed approximately $35,000 to this matter. Osborne Dec., ¶ 29. Angeion has informed Class Counsel that it was required to undertake additional work on class member data "clean-up" (merging, matching, and de-duplication, of data from various sources) and that certain payment processing services are likely to be more expensive than originally estimated, due, for example, to the ratio of class members that will need paper

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[1] At the time of Preliminary Approval, counsel estimated there would be 15,112 Class Members. On review, it was determined there were 17 duplicate records, resulting in 15,095 class members. Seven class members opted out.

versus electronic checks. Osborne Dec., ¶ 29. Accordingly, an additional $15,000 (for a maximum of $62,619) is requested to cover overages that are actually and reasonably incurred to complete the settlement administration process. Even if the maximum is reached, the expenditure is reasonable on a per-class-member basis. *See Nozzi v. Hous. Auth. for the City of Los Angeles* (C.D. Cal., Feb. 15, 2018) 2018 WL 1659984, at *8 [$60,000 / 11,870 class members = $5.05 per class member]; *Cidone v. Pinnacle Property Management Services, LLC* (D. Or., Apr. 18, 2023) 2023 WL 11984272, at *5 [$100,000 / 8,247 class members = $12.13 per class member].

Lastly, pursuant to the Court's Order Granting Preliminary Approval and the Notices sent to the Class, Plaintiffs' Counsel is concurrently providing this filing to Angeion to post it on the Settlement Website.

F. Attorneys' Fees, Costs, and Service Awards

Class Counsel has spent approximately 5,000 hours litigating this case over the past six years. In connection with the Settlement, Class Counsel requests an award of attorneys' fees of $2 million and reimbursement of litigation costs and expenses of $98,846.

Class Counsel also requests the Court approve service awards to named Plaintiffs based on their respective participation in the litigation. Class Counsel requests $10,000 for each of the four Named Plaintiffs: Sharon Felker, Herman Grishaver, Edgar Cruz Soriano, Jeanace Zetino, totaling $40,000. Each of them responded to comprehensive discovery and was deposed by JRK's counsel. Each also regularly consulted with Class Counsel in person, by telephone and electronically regarding case investigation, pleading, discovery, deposition preparation, mediation and settlement throughout the course of this complex, multi-year litigation. These requested awards acknowledge the benefits each Named Plaintiff conferred on the class members as a whole. *See* Declarations of Named Plaintiffs, filed herewith.[2]

These requests for awards of attorney's fees, costs and expenses and service awards are further addressed below.

III. LEGAL ARGUMENT

Class action settlements in California require court determination that the class settlement is fair, adequate, and reasonable. *Dunk v. Ford Motor Co*. (1996) 48 Cal.App.4th 1794, 1801. While Plaintiffs bear the burden of showing the settlement's fairness, "there is a presumption of

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[2] For the Court's convenience, the declarations of the Named Plaintiffs previously filed in support of the preliminary approval motion are re-submitted with this final approval motion.

fairness when: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the trial court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." *Reed v. United Teachers Los Angeles* (2012) 208 Cal.App.4th 322, 337.

On March 25, 2026, based on a complete record, this Court made findings that the proposed Settlement appeared to be fair, adequate, and reasonable, and merited preliminary approval. The Court granted preliminary approval to the proposed Settlement, and deferred any determination on attorneys' fees, expenses, and service awards until the final approval phase. Order Granting Preliminary Approval at pp. 10-12.

A. Final Approval

The Rules of Court require courts considering final approval of a class action settlement to "conduct an inquiry into the fairness of the proposed settlement." Settlements are presumed fair where:

> "(1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small."

Dunk, *supra*, 48 Cal.App.4th at 1802.

1. The Settlement Resulted from Legitimate, Arm's-Length Negotiations

"Class settlements are presumed fair when they are reached following sufficient discovery and genuine arms-length negotiation." *Carlotti v. ASUS Computer International* (N.D. Cal., Nov. 19, 2019) 2019 WL 6134910, at *6. Here, the Parties initially mediated the case with Hon. Ronald Sabraw (Ret.) of JAMS in December 2023, which was unsuccessful. The Parties engaged in another mediation in October 2024 with Bruce Friedman, Esq., of JAMS in Los Angeles. After a full day of mediation, several weeks of additional negotiations through Mr. Friedman, and another six months of further communication between the Parties involving dozens of hours of negotiation, the Parties finalized the Settlement Agreement on June 3, 2025. The settlement is a product of hard-fought negotiations and robust mediation and should be presumed to be procedurally fair.

2. Extensive Discovery Allows the Court to Make an Informed Decision

The second of the *Dunk* factors considers whether the plaintiffs have conducted adequate discovery to inform the court that the settlement is fair. *Dunk*, *supra*, 48 Cal.App.4th at 1802. The Parties conducted a robust discovery process. The Parties engaged in nine depositions of witnesses and exchanged the equivalent of over one million pages of documents and electronic data. Osborne Decl., ¶ 19. Plaintiffs served 6 sets of judicial council form interrogatories, 207 special interrogatories, 37 requests for admission, and 238 requests for production of documents. *Id*. Much of this discovery has already been described to the Court in the briefing on Plaintiffs' motion for class certification, which included 55 exhibits, and JRK's motion for summary adjudication, which included 82 exhibits.

With such extensive discovery, Class Counsel can provide "an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation." *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th 399, 409 (quoting *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 120, cleaned up); Osborne Dec, ¶ 12.

JRK records show about $2.4 million in total net late fees and $770,000 in RINCO charges at its California apartments from December 2016 to June 2024. Plaintiffs' analysis also found approximately $2.8 million in rent increases exceeding Civil Code section 396(b) limits during wildfire periods and about $2.1 million exceeding TPA caps. The total disputed amount, approximately $8.1 million, compares favorably to the estimated $6.1 million to $7.4 million settlement value and related benefits. *See* Osborne Decl., ¶ 26.

3. Class Counsel Are Experienced in Similar Litigation

The third *Dunk* factor also weighs in favor of a presumption of fairness. They have litigated class action cases on behalf of consumers, as well as complex litigation matters against owners and operators of rental housing, both large and small. They have published articles in legal periodicals, have been quoted by national media outlets, serve on the boards of legal non-profits, and teach law school classes. Based on their experience and the novelty, difficulty and complexity of this litigation, Class Counsel believes that this settlement represents a fair and reasonable resolution for Settlement Class Members. Osborne Decl., ¶ 12.

4. There are No Objections to the Settlement

A trial court may rely on a "paucity of objectors" when approving a settlement. *Kullar,* (2008) 168 Cal.App.4th at 133. Here, not one of the 15,095 Settlement Class Members objected to the Settlement, from which the Court may infer a strong endorsement of the Settlement's fairness. Osborne Decl., ¶¶ 3, 4, 12.

B. Class Counsel's Application for Attorneys' Fees Should be Granted as Fair and Reasonable

Plaintiffs and Class Counsel request an award of fees of $2,000,000 to Class Counsel, pursuant to the Settlement Agreement. The Settlement Agreement states:

> **Fee and Expense Award for Class Counsel**. Class Counsel will apply to the Court for the Fee and Expense Award in an amount not to exceed two million dollars ($2,000,000.00) in fees and one hundred thousand dollars ($100,000.00) in expenses, which, subject to Court approval, shall be paid by the Settlement Administrator from the Settlement Amount no later than three (3) business days after JRK delivers the Settlement Amount to the Settlement Administrator.

Judicial review of fee applications is "required in all class action settlements and the fairness of the fees must be assessed independently of determining the fairness of the substantive settlement terms." *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 555-56. Under California law, there are "[t]wo primary methods of determining a reasonable attorney fee in class action litigation." *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 489.

> "The percentage method calculates the fee as a percentage share of a recovered common fund or the monetary value of plaintiffs' recovery. The lodestar method, or more accurately the lodestar-multiplier method, calculates the fee 'by multiplying the number of hours reasonably expended by counsel by a reasonable hourly rate. Once the court has fixed the lodestar, it may increase or decrease that amount by applying a positive or negative 'multiplier' to take into account a variety of other factors, including the quality of the representation, the novelty and complexity of the issues, the results obtained, and the contingent risk presented.'"

Id. (citations omitted). Which fee calculation method to use is within the discretion of the trial court with "the goal under either the percentage or lodestar approach being the award of a reasonable fee to compensate counsel for their efforts." *Id*. at 504 (citing *Consumer Privacy Cases*, *supra)*.

Courts have discretion to use the lodestar method in awarding attorney's fees. *Create-A-Card, Inc. v. Intuit, Inc.* (N.D. Cal., Sept. 22, 2009) 2009 WL 3073920, at *1. This is especially so for cases where the settlement resulted in injunctive relief. *See e.g.*, *Lilly v. Jamba Juice Company* (N.D. Cal., May 4, 2015) 2015 WL 2062858, at *5 ("Because the settlement [here] resulted in injunctive relief, the lodestar method is the appropriate measure for calculating attorneys' fees").

Successful plaintiffs may also be awarded reasonable attorneys' fees and costs as a "private attorney general" pursuant to section 1021.5 of the California Code of Civil Procedure.

See Serrano v. Priest (1977) 20 Cal.3d 25, 38 (*Serrano III*); *Serrano v. Unruh* (1982) 32 Cal.3d 621, 632-33 (*Serrano IV*) ("[t]he private- attorney-general theory rests on the policy of encouraging private actions to vindicate important rights affecting the public interest, without regard to material gain"); Code Civ. Proc. § 1021.5. California's "private attorney general" statute is designed to shift the costs of enforcing important rights affecting the public interest from private plaintiffs to defendants. Code Civ. Proc. § 1021.5; *see also Serrano IV*, 32 Cal.3d at 632-633. Courts have found that cases enforcing California's Unfair Competition Law, as this one does, satisfy this prerequisite. *See*, *e.g.*, *MacDonald v. Ford Motor Company* (N.D. Cal. 2015) 142 F.Supp.3d 884, 895. This is even so when "the 'benefits' found were achieved by settlement ... rather than by final judgment." *Westside Community for Independent Living, Inc. v. Obledo* (1983) 33 Cal.3d 348, 352 (citation omitted).

1. The Requested Attorney Fees Are Fair and Reasonable Under a Lodestar Analysis

In analyzing a request for attorney's fees, courts generally use the "lodestar" approach, basing the decision on the number of hours reasonably expended multiplied by the reasonable hourly rate in the community for similar work. *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1136; *Serrano III*, *supra*, 20 Cal.3d at 28; *Robertson v. Fleetwood Travel Trailers of Cal., Inc.* (2006) 144 Cal.App.4th 785, 819. Courts consider a variety of factors, including the nature and difficulty of the litigation, the amount involved, the skill, the success, the attorneys' experience, the importance of the litigation, and the time consumed. *Church of Scientology v. Wollersheim* (1996) 42 Cal.App.4th 628, 638-639. Courts must determine "whether under all the circumstances of the case the amount of actual time expended and the monetary charge being made for the time expended are reasonable." *Karapetian v. Kia Motors Am., Inc.* (C.D. Cal. 2013) 970 F.Supp.2d 1032, 1036, quoting, *Nightingale v. Hyundai Motor Am*. (1994) 31 Cal.App.4th 99, 104; see also, *Doppes v. Bentley Motors, Inc.* (2009) 174 Cal.App.4th 967, at 998. As described below, Class Counsel's requested attorney's fees are fair and reasonable under this lodestar analysis.

***Billable Hours* —** To assist the Court in evaluating the reasonableness of the time spent in this litigation, Class Counsel has submitted a detailed summary of the work performed throughout the case. Osborne Decl., ¶¶ 18-20. Total of billable time expended are presented in the following table:

Law Office of Joshua Katz	Law Office of Todd Espinosa	Erikson Kramer Osborne LLP	**TOTAL**
1,685	**1,779**	**1,461**	**4,925**

Class Counsel staffed the case efficiently, utilized each firm's standard billing practices to track and record time, and exercised significant billing judgment before submitting the requested hours to the Court. Osborne Decl., ¶ 22. In Class Counsel's professional opinion, the time submitted to the Court is of the kind and character that Class Counsel would bill to a fee-paying client and is reasonable considering the nature of this litigation. Osborne Decl., ¶ 16. First, Class Counsel staffed this case efficiently. Counsel divided tasks as much as possible. Class Counsel thus prosecuted complex class claims effectively and without unnecessary duplication of efforts. Class Counsel were litigating against two large, international law firms with clients with deep pockets. Second, Class Counsel's declaration demonstrates reasonable time spent in this contested litigation involving novel issues. All told, Plaintiffs' Counsel appeared in Court at multiple hearings and filed or prepared filings for more than 20 motions or oppositions to motions. Osborne Decl., ¶ 19. While JRK is fully within their rights to vigorously defend themselves, Class Counsel's lodestar should be considered in context where JRK refused to settle this case on substantially similar terms in 2023, when Class Counsel's lodestar was significantly less. Third, Class Counsel reviewed the time entries billed to this matter and exercised billing judgment to exclude hours that, in Class Counsel's professional judgment, were excessive, duplicative, or otherwise could not be billed to a fee-paying client. Through the exercise of billing judgment, Class Counsel collectively eliminated all paralegal time, legal assistant time, and all timekeepers who billed less than 10 hours to the case. Osborne Decl., ¶ 15.

***Billing Rates* —** Courts may determine the reasonableness of counsels' hourly rates in part by examining "the range of fees freely negotiated in the legal marketplace in comparable litigation." *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557. In determining the reasonableness of the hourly rates, a court must set rates according to what the market commands for analogous litigation. *Blum v. Stenson* (1984) 465 U.S. 886, 895. The relevant community for the purposes of determining the prevailing market rate is generally the "forum in which the district court sits." *Camacho v. Bridgeport Financial, Inc.* (9th Cir. 2008) 523 F.3d 973, 979. The fee applicant must produce satisfactory evidence "that the requested rates are in line with those prevailing in the community for similar services by lawyers of reasonably comparable skill, experience and reputation" which becomes the "prevailing market rate." *Id.*

Class Counsel's current billing rates range from: $650 to $1,050. Osborne Decl., ¶ 14. These rates are consistent with those that have been approved for Class Counsel in similar litigation, including cases prosecuted in California. Osborne Decl., ¶ 16-17; Espinosa Decl., ¶ 10.

Further, the requested rates are in line with the hourly rates awarded to counsel in the relevant legal market, and at class action firms specifically. *See*, *e.g.*, *Laffitte v. Robert Half Internat. Inc.* (Cal. Ct. App. 2014) 180 Cal.Rptr.3d 136, 152, *superseded sub nom. and aff'd* (2016) 1 Cal.5th 480 (affirming trial court's acceptance of expert's finding that hourly rates approved by California courts ranged from $750 to $875 and that surveys for 2009 showed hourly rates ranging from $775 to $950); *In re High-Tech Employee Antitrust Litigation* (N.D. Cal., Sept. 2, 2015) 2015 WL 5158730, at *9 (approving hourly partner rates up to $975). More specific to this case, hourly rates for JRK's attorneys in 2022 ranged from $985 to $665. Declaration of Mark G. Rackers, filed July 1, 2022, ¶ 20. Class Counsel's request is well within these ranges.

In sum, even if the Court were to apply a blended rate of $600 per hour, Class Counsel's lodestar would be approximately $3 million. The maximum $2 million attorney's fees award contemplated under the Settlement would represent a lodestar multiplier of 0.48 (or a lodestar reduction of 52 percent) and result in an effective rate of approximately $406 per hour.

2. The Requested Attorney Fees Are Also Fair and Reasonable Under a Percentage Analysis

The attorney's fees requested here are also warranted under a percentage analysis. The total estimated value of the Settlement and catalyst benefits described above ranges from $6.1 million to $7.4 million. This range is based on the $4 million Gross Settlement Payment, an estimated value of $800,000 for equitable relief related to late fees and RINCO fees not being charged for periods of years, an estimated value of $350,000 for debt relief, and an estimated value of $992,000 to $2.3 million for catalyst benefits related to fees and rents practices. A $2 million attorney fee award would represent a percentage of between 32.6 percent and 26.8.

C. The Costs and Expenses Are Fair and Reasonable

As provided for in the Settlement Agreement, Class Counsel seek reimbursement of $98,846 in litigation expenses they have paid over the past five and a half years. Osborne Decl., ¶ 27. This amount reflects the data-intensive nature of this case. Two-thirds of that total has consisted of expenses for the collection and hosting of electronically-stored information ($12,693.47) and expert fees for the analysis of JRK's leasing data ($52,350.00). *Id*.

D. The Service Awards Are Fair and Reasonable

The four named Plaintiffs seek reasonable service awards in the amount of $10,000 each ($40,000 total) their efforts on behalf of Settlement Classes. "[I]t is established that named plaintiffs are eligible for reasonable incentive payments to compensate them for the expense or risk they have incurred in conferring a benefit on other members of the class." *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles*, 186 Cal. App. 4th 399, 412 (2010). As described in their declarations, Plaintiffs gathered thousands of pages of records responsive to JRK's discovery requests, reviewed multiple rounds of pleading and actively participated in the preparation of responses to hundreds of written discovery requests. Each Plaintiff sat for a deposition by JRK's counsel. Each also regularly consulted with Class Counsel in person, by telephone and electronically regarding case investigation, pleading, discovery, deposition preparation, mediation and settlement throughout the course of this complex, multi-year litigation. *See* Felker Dec., ¶¶ 3, 5-8; Grishaver Dec., ¶¶ 3-8; Cruz Dec., ¶¶ 3-7; Zetino Dec., ¶¶ 3-8.

Service awards to Plaintiffs at the requested $10,000 amount are warranted by their active participation and the substantial work contributed to the case. *See Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1395 (affirming service awards of $10,000 each to four class representatives); *Howell v. Advantage RN, LLC* (S.D. Cal., June 9, 2020) 2020 WL 3078522, at *5 (granting preliminary approval of a class settlement providing for a $10,000 service award to the named plaintiff, which the court found to be "modest" and "reasonable"); *Davis v. Yelp, Inc.* (N.D. Cal., Jan. 27, 2023) 2023 WL 3063823, at *2 (awarding service payment of $15,000 to class representative on final settlement approval). These awards acknowledge the benefits each Named Plaintiff conferred on class members as a whole and Class Counsel respectfully request that they be approved by the Court.

IV. CONCLUSION

For the reasons above, Plaintiffs respectfully request an order granting final approval of the Settlement and awarding the requested attorney's fees, reimbursement of litigation expenses, and approving payment of service awards to Class Representatives. In order for the Settlement to become effective, Plaintiffs further request formal entry of judgment.

Dated this July 20, 2026.

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