

THE HONORABLE JAMES L. ROBERT

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

ADAMA JAMMEH and OUMIE SALLAH,

Plaintiffs,

v.

HNN ASSOCIATES, LLC, GATEWAY, LLC,
COLUMBIA DEBT RECOVERY, LLC, d/b/a
GENESIS CREDIT MANAGEMENT, LLC, and
WILLIAM WOJDAK,

Defendants.

NO. 2:19-cv-00620-JLR

**PLAINTIFFS' UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

**NOTED FOR CONSIDERATION:
January 29, 2021**

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1 **I. INTRODUCTION**

2 Plaintiffs Adama Jammeh, Oumie Sallah, and Cynthia Quintero each lived in apartment
3 complexes managed by HNN Associates, LLC. Plaintiffs allege that HNN failed to comply with all
4 requirements of the Residential Landlord Tenant Act (RLTA) regarding move in and move out
5 inspection forms, failed to return security deposits within the time required by the Act, and
6 unfairly forfeited tenant deposits in violation of Washington’s Consumer Protection Act (CPA).
7 Plaintiffs further allege that Columbia Debt Recovery, the company that collected alleged debts
8 on HNN’s behalf, violated the CPA, Washington Collection Agency Act (CAA) and Fair Debt
9 Collection Practices Act (FDCPA) by adding interest to former tenant accounts calculated from
10 the date the tenant moved out, rather than from the time that after the tenant had notice that
11 she or he owed a liquidated amount.

12 The Court certified classes comprised of HNN’s former tenants who paid a security
13 deposit without receiving an adequate move-in checklist, received a move-out statement from
14 HNN after the 21-day statutory period had elapsed, or had their security deposit forfeited by
15 HNN. Dkt. No. 105 at 57. The Court also certified a class of HNN’s former tenants whose
16 accounts HNN placed with CDR for collections and to whom CDR sent at least one written
17 collection demand. *Id.* At the Court’s request, the parties submitted supplemental briefing on
18 whether the Court should certify a subclass to address FDCPA claims arising from CDR’s
19 collection practices. Dkt. Nos. 106–108, 111–113.

20 The parties have reached an agreement to settle the case on a classwide basis and
21 Plaintiffs seek the Court’s preliminary approval of the settlement and notice to the Class
22 Members. The settlement requires Defendants to pay \$1,600,000 to establish a non-
23 reversionary Settlement Fund.¹ The Settlement Fund will be used to make payments to the
24 Class Members. There are 3,456 people associated with the accounts within the Classes. All
25 Settlement Class Members who have a deliverable mailing address will receive a payment at

26 _____
27 ¹ Unless otherwise noted, all capitalized terms have the definitions set forth in the Settlement Agreement and Release attached as Exhibit 1 to the Declaration of Blythe H. Chandler (“Chandler Decl.”).

1 the address for the primary tenant in the HNN unit with no requirement to submit claims. If the
 2 administration costs, attorneys' fees, and service award amounts requested are approved, the
 3 net fund available to pay settlement awards will be \$960,333.² After the \$30,000 that Plaintiffs
 4 request be allocated to FDCPA statutory damages and paid in pro rata shares to the CDR FDCPA
 5 Subclass members is deducted, there is a fund of \$930,933 to pay awards based on the
 6 amounts of security deposits HNN retained interest CDR collected and. This is roughly 70% of
 7 the total amounts of security deposits retained and interest collected from the Class members.
 8 This is an excellent outcome for the Classes.

9 Defendants have also agreed to provide significant non-monetary relief. The Settlement
 10 Agreement requires CDR to cease collecting amounts in excess of the principal balances, correct
 11 credit reporting, and enter partial satisfactions of judgements obtained against class members.
 12 Settlement Agreement § III.6.

13 The Settlement Fund will also be used to pay service awards to the Plaintiffs, attorneys'
 14 fees and costs, and class administration expenses approved by the Court. Plaintiffs Jammeh and
 15 Sallah will each request a service award of \$5,000. Plaintiff Quintero will request a service
 16 award of \$2,000. Class Counsel will request an award of attorneys' fees and costs totaling no
 17 more than \$600,000. Class Administrator P&N has estimated that it can administer the
 18 settlement for \$27,067. Chandler Decl. ¶ 15.

19 The settlement is an excellent result for Class Members, and is fair, adequate, and
 20 reasonable. Accordingly, Plaintiffs respectfully request that the Court take the following initial
 21 steps in the settlement approval process: (1) provisionally certify the proposed CDR FDCPA
 22 Subclass and designate Cynthia Quintero as the subclass representative; (2) grant preliminary
 23 approval of the settlement; (3) approve the proposed notice plan; (4) appoint P&N to serve as
 24 the Class Administrator; and (5) schedule the final fairness hearing and related dates.

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 27 ² \$1,600,000 fund - \$12,000 service awards - \$600,000 attorneys fees – 27,067 administration costs = \$960,933.

II. PROCEDURAL HISTORY

A. Plaintiffs' complaint.

Following an investigation, Plaintiffs Adama Jammeh and Oumie Sallah filed their initial complaint in King County Superior Court on March 7, 2019. Dkt. No. 1-1. Plaintiffs filed their First Amended Complaint on April 25, 2019, and Defendants removed the action to this Court. Dkt. No. 1. Plaintiffs sought to amend their complaint a second time to add class action allegations on July 12, 2019, and were granted leave to do so. Dkt. Nos. 12, 19. Plaintiffs allege that CDR's practices of (1) collecting and threatening to collect unlawful move-out fees; (2) adding unlawful or exaggerated interest charges; and (3) threatening Plaintiffs with impairment of their credit ratings violated the CAA, and were therefore *per se* violations of the CPA. *Id.* ¶¶ 6.1–6.16. Plaintiffs also alleged that CDR's collection practices with respect to HNN's former tenants violated the FDCPA. *Id.* ¶¶ 6.17–6.35.

Plaintiffs allege HNN violated the RLTA by collecting security deposits without providing complete move-in checklists and failing to provide statements within 21 days following move-out containing HNN's "full and specific" basis for retaining tenants' security deposits. *Id.* ¶¶ 6.51–6.56. Plaintiffs' also allege that HNN forfeited tenant security deposits in violation of the CPA. *Id.* ¶¶ 6.36–6.50.

B. The parties engaged in substantial discovery.

In the year and a half after the complaint was filed, the parties engaged in substantial discovery including several hard-fought disputes presented to the Court. Chandler Decl. ¶ 10; Dkt. Nos. 40, 43, 88. The parties exchanged initial disclosures in June 2019. Chandler Decl. ¶ 10. Thereafter, the parties exchanged multiple rounds of written discovery requests and engaged in lengthy negotiations related to the scope of the parties' respective requests. *Id.* The parties reached impasse requiring Court intervention on two occasions. Dkt. Nos. 38–40; 85–89. Plaintiffs obtained and analyzed payment data and documents regarding CDR's collection policies and procedures and HNN's move-in/move-out policies and procedures and emails between HNN and CDR related to those practices. Dkt. Nos. 85–89; Chandler Decl. ¶ 10.

1 Plaintiffs deposed representatives of HNN and CDR. Chandler Decl. ¶ 10. Plaintiffs also sought
2 information via public records requests and subpoenas duces tecum to third parties. *Id.*

3 **C. The parties litigated both class certification and partial summary judgment.**

4 After the parties fully briefed class certification (Dkt. Nos. 54–58, 66, 67, 70-72, 77, 78),
5 the Court certified the following Classes under Rule 23(a) and Rule 23(b)(3):

6 **HNN CLASSES:** Former tenants of an HNN managed property in
7 Washington who moved in before February 1, 2019 and:

8 (1) who moved out on or after July 12, 2017, and from whom HNN
9 collected a deposit or security without providing a move-in checklist that
10 stated the condition of the walls, floors, countertops, carpets, and
11 appliances in the unit (the “Move-In Form” Class); or

12 (2) who moved out on or after July 12, 2017, and to whom HNN mailed a
13 statement of HNN’s basis for retaining a deposit more than 21-days after
14 the tenant moved out of an HNN-managed unit (the “Late Statement”
15 Class); or

16 (3) who moved in to an HNN managed property after July 31, 2016, and
17 whose deposit was forfeited by HNN (the “Forfeiture Class”).

18 **CDR CLASS:** All former tenants of an HNN managed property in
19 Washington whose accounts HNN placed with CDR between February 13,
20 2017, and January 31, 2019, and to whom CDR sent at least one written
21 collection demand.

22 Dkt. No. 105 at 57. The Court reserved ruling on certification of a FDCPA Subclass and ordered
23 the parties to submit supplemental briefing on the matter. *Id.* at 58. The Court had yet to rule
24 on certification of the FDCPA Subclass when the parties filed a Notice of Settlement. Dkt. No.
25 114; Chandler Decl. ¶ 12. The parties also fully briefed a motion for summary judgment filed by
26 CDR, which the Court denied in large part (Dkt. No. 83).

27 **D. The settlement negotiations.**

On Monday, October 19, 2020, the parties participated in a full day mediation with Louis
Peterson of Hillis Clark Martin & Peterson P.S. Chandler Decl. ¶ 11. Mr. Peterson mediates
large, complex cases, including those involving consumer protection claims. *Id.* The parties did

1 not reach a settlement during mediation, but continued arm's length negotiations with Mr.
2 Peterson's assistance. *Id.* The parties agreed to the key terms of the settlement on November
3 12, 2020, and fully executed the Settlement Agreement on December 16, 2020. *Id.* ¶ 11, Ex. 1
4 (Settlement Agreement).

5 III. SETTLEMENT TERMS

6 The complete Settlement Agreement and Release of Claims is attached as Exhibit 1 to
7 the declaration of Blythe Chandler filed in support of this motion.

8 A. The proposed subclass

9 The Court certified three HNN classes and a CDR class. Dkt. No. 105 at 57. In its
10 certification order, the Court ordered the parties to submit supplemental briefing on the merits
11 of creating an FDCPA subclass. *Id.* at 58. The Court did so in response to CDR's argument that
12 Plaintiffs Jammeh and Sallah's FDCPA claims are subject to a statute of limitations defense and
13 they are therefore not typical of the CDR Class's claims and Jammeh and Sallah's statement on
14 reply that if the Court believed there was a statute of limitations issue, it could certify an FDCPA
15 subclass. In order to resolve any potential need for an FDCPA subclass, Plaintiffs request that
16 the Court provisionally certify a CDR FDCPA subclass for settlement purposes and designate
17 Cynthia Quintero as the subclass representative. The proposed subclass definition for
18 settlement purposes is:

19 All members of the CDR Class to whom CDR sent at least one written
20 collection demand on or after July 12, 2018.

21 Settlement Agreement § II.3.

22 The proposed subclass is limited to CDR class members who received a collection letter
23 from CDR within one year prior to the date Plaintiffs filed their motion for leave to file their
24 second amended complaint. Ms. Quintero is a member of the CDR Class and the proposed
25 subclass. Dkt. No. 106 at 12.

1 **B. Monetary relief.**

2 Defendants will pay \$1,600,000 into a Settlement Fund used for payment of Settlement
3 Awards to all Settlement Class Members, service awards to Class Representatives not to exceed
4 \$12,000 total, attorneys' fees of and expenses not to exceed \$600,000, and settlement
5 administration costs estimated at \$27,067. Settlement Agreement § III.1.

6 1. Payments to Settlement Class Members

7 After court-approved expenses for Class Administration, Plaintiffs' service awards and
8 attorneys' fees and costs are deducted from the Settlement Fund, the remainder will be used to
9 compensate Settlement Class Members. Settlement Class Members for whom the Class
10 Administrator has a deliverable mailing address will receive a single cash award. The amount of
11 each Settlement Class Member's payment will be their pro rata share of the cash portion of the
12 Settlement Fund based on their alleged damages. Plaintiffs propose to allocate \$30,000 to
13 payment of statutory damages under the FDCPA based on the most recent information they
14 have regarding CDR's net worth.

15 There are 3,456 Class Members. If no Class Members exclude themselves, and all Class
16 Members have deliverable addresses, Class Members will be paid approximately 70% of their
17 alleged actual damages measured by the amounts of security deposits retained by HNN and the
18 amounts of interest collected by CDR. If certified by the Court, members of the CDR FDCPA
19 Subclass will each receive an additional payment of approximately \$20, representing their pro
20 rata share of the statutory damages. Chandler Decl. ¶ 14.

21 2. Class administration fees and costs

22 The Settlement Agreement provides that any class administration fees and costs will be
23 paid from the Settlement Fund. *Id.* § VII.2. After a competitive bidding process, Class Counsel
24 propose to retain P&N Consulting (P&N) as the Class Administrator, subject to Court approval.
25 P&N estimates that it can carry out the Notice Plan for \$27,067. Chandler Decl. ¶ 15. P&N will
26 disseminate the proposed postcard notice by mail; follow up on undelivered notices; establish
27 and maintain a Settlement Website; establish a toll-free number and respond to Settlement

1 Class Member calls; process, log, and review exclusion requests; administer the Settlement
 2 Fund; disburse Court-approved attorneys' Fee Award and Service Awards, and distribute the
 3 Settlement Fund to Settlement Class Members. *Id.*

4 3. Class Representatives' statutory damages and incentive awards.

5 Class Representatives Jammeh and Sallah will request combined statutory damage and
 6 service award payments to each of them in the amount of \$5,000, consisting of a \$1,000
 7 statutory damages award authorized by the FDCPA, 15 U.S.C. § 1692k(a)(2)(B), and \$4,000 in
 8 recognition of their service to the Class. Chandler Decl. ¶ 16. Jammeh and Sallah assisted in
 9 drafting the complaints and participated extensively with their counsel in responding to written
 10 discovery, including searching for and securing documents from foreign agencies and providing
 11 four sets of supplemental responses. *Id.* Plaintiff Quintero will request a combined statutory
 12 damage and service award payment of \$2,000. *Id.* Ms. Quintero provided factual and
 13 documentary information regarding the claims and assisted in drafting Plaintiff's supplemental
 14 briefing regarding the FDCPA subclass. *Id.*

15 4. Attorneys' fees and litigation expenses.

16 Class Counsel will request that the Court approve an award of litigation expenses of and
 17 reasonable attorneys' fees of up to \$600,000 calculated using the lodestar method. Chandler
 18 Decl. ¶ 17, Settlement Agreement § IV.2. Class Counsel's current lodestar is more than
 19 \$600,000. Chandler Decl. ¶ 17; Leonard Decl. ¶ 5; Arons Decl. ¶ 4. Securing Court approval of
 20 the settlement, making sure the settlement is fairly administered and implemented, and
 21 obtaining dismissal will require an additional time commitment. Chandler Decl. ¶ 17. Class
 22 Counsel will file a motion requesting approval of an attorneys' fee and cost award to
 23 compensate and reimburse them for the work already performed in this case and the work
 24 remaining to be performed in connection with the settlement. Settlement Agreement § IV.2.

25 **C. Prospective relief.**

26 The Settlement Agreement requires Defendants to cease all efforts to collect any
 27 amounts in excess of the principal allegedly owed by Settlement Class Members on their HNN

1 accounts. Settlement Agreement § III.6. CDR must cease reporting Class Members' alleged
 2 debts to any consumer reporting agency and will request deletion of all tradelines relating to
 3 Class Members' HNN accounts. *Id.* CDR is also required to file satisfactions of any judgment it
 4 has obtained against Settlement Class Members on their HNN accounts in excess of the
 5 principal. *Id.* Finally, CDR must cease adding prejudgment interest on HNN accounts. *Id.*

6 **D. Release.**

7 The release is appropriately tailored to the claims made in the case. In exchange for the
 8 benefits provided by the settlement, Settlement Class Members will release any claims that
 9 arise from or relate to HNN's collection or retention of a security deposit, forfeiture of a
 10 security deposit, Move-Out charges or procedures, imposition of Move-Out Charges, CDR's
 11 debt collection efforts related to Class Members and their HNN Accounts, or payments to
 12 Defendants of any amount above the Move-Out Charges reflected on the final move-out
 13 statement issued to a Settlement Class Member by HNN, including, but not limited to, claims
 14 based on a violation of the CAA, FDCPA, RLTA, CPA, and any other statutory or common law
 15 claim. *Id.* § XI.2. The release does not extend to defenses or counterclaims Settlement Class
 16 Members may have to the amount of any Move-Out Charges Defendants may seek to collect in
 17 future lawsuits, or any claims, defenses, or counterclaims Settlement Class Members may have
 18 relating to wrongful eviction. *Id.*

19 **E. Notice Plan.**

20 The parties propose a Notice Plan that includes mailed notice to Settlement Class
 21 Members using address information from Defendants' records and updated through the
 22 National Change of Address system or similar system. The Notice Plan is described in section
 23 IV.E below.

24 **IV. ARGUMENT AND AUTHORITY**

25 **A. The FDCPA subclass should be preliminarily certified for settlement purposes.**

26 The subclass satisfies the requirements of Rule 23(a) and (b)(3). The Rule 23(a)
 27 requirements are numerosity, commonality, typicality and adequacy. Rule 23(b)(3) requires

1 Plaintiffs to establish “that the questions of law or fact common to class members predominate
 2 over any questions affecting only individual members, and that a class action is superior to
 3 other available methods for fairly and efficiently adjudicating the controversy.” “[T]he aspects
 4 of Rule 23(a) and (b) that are important to certifying a settlement class are ‘those designed to
 5 protect absentees by blocking unwarranted or overbroad class definitions.’” *In re Hyundai and*
 6 *Kia Fuel Econ. Litig.*, 926 F.3d 539, 558 (9th Cir. 2019) (citation omitted). “The focus is ‘on
 7 whether a proposed class has sufficient unity so that absent members can fairly be bound by
 8 decisions of class representatives.” *Id.* (citation omitted).

9 1. The FDCPA subclass satisfies the requirements of Rule 23(a)

10 The proposed subclass has at least 1,000 members. Thus, numerosity is satisfied. *See*
 11 *Celano v. Marriott Int’l Inc.*, 242 F.R.D. 544, 548-49 (N.D. Cal. 2007) (numerosity is generally
 12 satisfied when a class has at least 40 members).

13 The Court already ruled that there are numerous common and determinative questions
 14 related to the CDR Class’s FDCPA claims. Dkt. No. 105 at 34. None of these questions, nor their
 15 determinative nature, is changed by the creation of an FDCPA subclass or the addition of Ms.
 16 Quintero as a class representative.

17 Typicality is satisfied because Ms. Quintero’s claims are “reasonably coextensive with
 18 those of the absent class members.” *See* Fed. R. Civ. P. 23(a)(3); *Hansen v. Ticket Track, Inc.*, 213
 19 F.R.D. 412, 415 (W.D. Wash. 2003). CDR demanded the principal assigned by HNN and interest
 20 from date of move out from Ms. Quintero all members of the proposed FDCPA subclass using
 21 collection letters that were materially the same. *See* Dkt. No. 106 at 14.

22 Finally, the adequacy requirement is satisfied when the class representatives will “fairly
 23 and adequately protect the interests of the class.” Fed. R. Civ. P. 23(a)(4). To make this
 24 determination, “courts must resolve two questions: ‘(1) do the named plaintiffs and their
 25 counsel have any conflicts of interest with other class members and (2) will the named plaintiffs
 26 and their counsel prosecute the action vigorously on behalf of the class?’” *In re Hyundai and Kia*
 27 *Fuel Econ. Litig.*, 926 F.3d at 566 (citation omitted). The Court already determined that Class

1 Counsel is adequate to represent the certified classes, including the CDR Class. Dkt. No. 105 at
 2 58. Ms. Quintero understands her obligation to represent the best interests of the absent class
 3 members and is committed to serving as a subclass representative. Dkt. No. 108 at ¶¶ 10-11.

4 Ms. Quintero has no conflicts with other members of the proposed subclass.

5 2. The FDCPA subclass satisfies the requirements of Rule 23(b)(3)

6 Class certification is appropriate under Rule 23(b)(3) when “questions of law or fact
 7 common to the members of the class predominate over any question affecting only individual
 8 members, and ... a class action is superior to other available methods for the fair and efficient
 9 adjudication of the controversy.” In the context of a certification of a settlement class,
 10 predominance is “readily met” where “class members were exposed to uniform . . .
 11 misrepresentations and suffered identical injuries within only a small range of damages.” *See In*
 12 *re Hyundai and Kia Fuel Econ. Litig.*, 926 F.3d at 559. The Court previously ruled that common
 13 questions predominate with respect to the CDR Class’s CPA claims. Dkt. No. 105 at 54-56. The
 14 predominant nature of these common legal questions is no different for the proposed FDCPA
 15 subclass.

16 Superiority is also satisfied because resolution of thousands of the relatively small-value
 17 claims in this one action is far preferable to a multitude of individual lawsuits and promotes
 18 consistency and efficiency of adjudication. *See Fed. R. Civ. P. 23(b)(3); see also Hansen*, 213
 19 F.R.D. at 416–17 (the cumbersome nature of individual litigation and the comparatively minimal
 20 damages recoverable under the FDCPA make it likely that class members will have little interest
 21 in bringing their own action). The Court already found common treatment of the CDR Class’s
 22 claims is superior based on these facts. Dkt. No. 105 at 56. Common treatment of the proposed
 23 subclass is superior for the same reasons.

24 **B. The proposed settlement should be preliminarily approved.**

25 The court’s role at the preliminary approval stage is to ensure that “the agreement is
 26 not the product of fraud or overreaching by, or collusion between, the negotiating parties, and
 27 that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned.”

1 *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1027 (9th Cir. 1998) (citation omitted); *see also In re*
 2 *Online DVD-Rental Antitrust Litig.*, 779 F.3d 934, 944 (9th Cir. 2015).

3 Under Rule 23(e)(2), a district court considers whether (A) the class representatives and
 4 their counsel have adequately represented the class; (B) the proposal was negotiated at arm's
 5 length; (C) the relief provided by the settlement is adequate, taking into account: (i) the costs,
 6 risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing
 7 relief including the method of processing class-member claims, if required; (iii) the terms of any
 8 proposed award of attorneys' fees, including timing of payment; (iv) any agreement required to
 9 be identified under Rule 23(e)(3) made in connection with the proposed settlement; and (v) the
 10 proposal treats class members equitably relative to each other. Fed. R. Civ. P. 23(e)(2).

11 These factors are similar to those previously identified by the Ninth Circuit, including: (1)
 12 the strength of Plaintiff's case; (2) the risk, expense, complexity, and likely duration of further
 13 litigation; (3) the risk of maintaining class action status through trial; (4) the amount offered in
 14 settlement; (5) the extent of discovery completed and the stage of the proceedings; (6) the
 15 experience and views of counsel; (7) the presence of a governmental participant; and (8) the
 16 reaction of the class members to the proposed settlement. *See In re Bluetooth Headset Prods.*
 17 *Liab. Litig.*, 654 F.3d 935, 946 (9th Cir. 2011).

18 Plaintiffs will address the factors outlined by Rule 23(e)(2) and the Ninth Circuit, many of
 19 which overlap.

20 1. The settlement is the result of arm's-length, non-collusive negotiations.

21 The parties negotiated the settlement at arm's length over the course of several weeks.
 22 "Arm's length negotiations conducted by competent counsel constitute *prima facie* evidence of
 23 fair settlements." *Ikuseghan v. Multicare Health Sys.*, No. 3:14-cv-05539-BHS, 2016 WL
 24 3976569, *3 (W.D. Wash. July 25, 2016); *see also Ortiz v. Fiberboard Corp.*, 527 U.S. 815, 852
 25 (1999) ("[O]ne may take a settlement amount as good evidence of the maximum available if
 26 one can assume that parties of equal knowledge and negotiating skill agreed upon the figure
 27 through arms-length bargaining.").

1 The negotiations were conducted with the assistance of Louis Peterson, an experienced
2 mediator, and included a full-day mediation. *See Ruch v. AM Retail Group, Inc.*, No. 14-cv-
3 05352-MEJ, 2016 WL 1161453, at *11 (N.D. Cal. Mar. 24, 2016) (holding that the “process by
4 which the parties reached their settlement,” which included “formal mediation ... weigh[ed] in
5 favor of preliminary approval”); Fed. R. Civ. P. 23(e)(2) advisory committee’s note to 2018
6 amendment (“the involvement of a neutral or court-affiliated mediator or facilitator in
7 [settlement] negotiations may bear on whether they were conducted in a manner that would
8 protect and further the class interests”).

9 Class Counsel negotiated the settlement with the benefit of many years of prior
10 experience and a solid understanding of the facts and law of this case. Chandler Decl. ¶ 10.
11 Class Counsel have extensive experience litigating and settling class actions, and consumer class
12 actions challenging debt collection practices in particular. Chandler Decl. ¶¶ 7–9; Leonard Decl.
13 ¶¶ 9–10; Arons Decl. ¶¶ 7–11. The recommendation of experienced counsel weighs in favor of
14 granting approval and creates a presumption of reasonableness. *See Bellinghausen v. Tractor*
15 *Supply Co.*, 306 F.R.D. 245, 257 (N.D. Cal. 2015) (“The trial court is entitled to, and should, rely
16 upon the judgment of experienced counsel for the parties.” (citation omitted)).

17 The Ninth Circuit has identified “red flags” that may suggest that plaintiffs’ counsel
18 allowed pursuit of their own self-interest to infect settlement negotiations, including when
19 counsel receive a disproportionate portion of the settlement, the parties agree to a “clear
20 sailing” arrangement providing for the payment of attorneys’ fees separate and apart from
21 class funds, or the parties agree that any fees not awarded will revert to defendants rather than
22 be added to the class fund. *In re Hyundai and Kia Fuel Econ. Litig.*, 926 F.3d at 569. None is
23 present in this settlement. Because Class Counsel will be paid from the same Settlement Fund
24 as Class Members, they were incentivized to negotiate the largest fund possible and
25 Defendants are free to object to Class Counsel’s request. The Court has ultimate discretion over
26 the amount of the attorneys’ fee award after reviewing Class Counsel’s motion. Any requested
27 fees or Service Awards not approved by the Court will be distributed to Settlement Class

1 Members. Settlement Agreement § III.1.

- 2 2. The relief provided by the settlement is adequate considering the strength of
 3 Plaintiffs' case, the risk of maintaining a class action through trial, and the risk,
 4 cost, and delay of trial and appeal.

5 Defendants' agreement to pay \$1,600,000 to settle this case *and* to cease the debt-
 6 collection practices challenged in this litigation, request deletion of negative credit reporting,
 7 and file partial or full satisfactions of judgments required under the Settlement Agreement is
 8 more than adequate given the risks and delay of continued litigation. The monetary benefits of
 9 the settlement alone, which will pay Class Members approximately 70% of the total actual
 10 damages Class Counsel estimated for purposes of mediation, exceeds similar settlements
 11 approved by other courts. *See Knapp v. Art.com, Inc.*, 283 F.Supp.3d 823, 833 (N.D. Cal. 2017)
 12 (approving settlement of consumer class action that provided 42% of the average total
 13 potential recovery and injunctive relief); *Cavnar v. BounceBack, Inc.*, No. 2:45-CV-235-RMP, ECF
 14 No. 154 (E.D. Wash. Sept. 15, 2015) (approving settlement providing 15.6% of alleged unlawful
 15 collection fees paid by class members alleging FDCPA and Consumer Protection Act violations);
 16 *Estate of Brown v. Consumer Law Assocs.*, No. , 2013 EL 2285368, at *3 (E.D. Wash. May 23,
 17 2013) (approving settlement of class claims under Consumer Protection Act paying class
 18 members and estimated 30% of funds collected for challenged debt adjusting practices); *In re*
 19 *Mego Fin. Corp. Sec. Litig.*, 213 F.3d 454, 459 (9th Cir. 2000) (affirming the district court's
 20 approval of a settlement estimated to be worth between 1/6 and 1/2 of class members'
 21 estimated loss).

22 Plaintiffs are confident in the strength of their case but also pragmatic about the risks
 23 inherent in litigation and various defenses available to Defendants. In Plaintiffs' view, liability
 24 was relatively clear based on a review of HNN and CDR's policies and related practices. But
 25 success was not guaranteed. Defendants have consistently denied liability for Plaintiffs' claims
 26 (Settlement Agreement § XIII.1) and asserted fifteen affirmative defenses. Dkt. No. 31 ¶¶ 8.1–
 27 8.15. Plaintiffs still had several hurdles to clear before resolution through further litigation,

1 including additional discovery, supplemental briefing related to Mr. Wojdak’s motion for
 2 summary judgement, dispositive motions likely to be filed by HNN, Gateway, LLC, and Plaintiffs,
 3 and ultimately trial and any appeal that followed. Class certification is never certain, as
 4 defendants may seek to decertify at any time through trial. Plaintiffs therefore faced the
 5 ongoing risk that individual Class Members would have to file their own lawsuits or that
 6 payouts on any class-wide recovery would be substantially delayed by appeals.

7 Litigating this case to trial and through any appeals would be expensive and time-
 8 consuming and would present risk to both parties. The settlement, by contrast, provides
 9 prompt and certain relief for Class Members. *See Rodriguez v. West Publ’g Corp.*, 563 F.3d 948,
 10 966 (9th Cir. 2009); *Nat’l Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 526 (C.D. Cal.
 11 2004) (“The Court shall consider the vagaries of litigation and compare the significance of
 12 immediate recovery by way of the compromise to the mere possibility of relief in the future,
 13 after protracted and expensive litigation.” (citation omitted)).

14 “A key inquiry is whether the parties had enough information to make an informed
 15 decision about the strength of their cases and the wisdom of settlement.” *Rinky Dink, Inc. v.*
 16 *World Business Lenders*, Case No. C14-0268-JCC, 2016 WL 3087073, at *3 (W.D. Wash. May 31,
 17 2016); *see also In re Mego Fin. Corp. Sec. Litig.*, 213 F.3d at 459. Plaintiffs and Class Counsel’s
 18 decision to settle was informed by extensive discovery, data analysis, and the Court’s ruling on
 19 contested motions for class certification and summary judgment.

20 3. The settlement will be fairly distributed to Settlement Class Members.

21 The funds will be allocated to Settlement Class Members in a manner that is fair and
 22 reasonable. *See, e.g., Gehrich v. Chase Bank USA, N.A.*, 316 F.R.D. 215, 225 (N.D. Ill. 2015)
 23 (When some class members have stronger claims than others, it is appropriate to provide larger
 24 settlement awards to those class members.). Each Settlement Class Member’s share will be
 25 based on his or her actual damages. Under the FDCPA, statutory damages for absent class
 26 members are limited to \$500,000 or 1% of CDR’s net worth, whichever is less. 15 U.S.C.
 27 § 1692k(a)(2)(B). CDR’s net worth is approximately \$300,000. Chandler Decl. ¶ 19. Finally,

1 Settlement Class Members will benefit from the injunctive relief that will curtail many of the
2 allegedly violative practices in this action.

3 4. Class Counsel will request approval of a fair and reasonable fee.

4 Class Counsel intend to request an award of \$600,000 to compensate them for the work
5 performed on behalf of the Class and to reimburse them for out-of-pocket expenses they have
6 incurred in prosecuting this action. The attorneys' fees and costs Class Counsel seek are
7 reasonable under the circumstances of this case. *See In re Bluetooth Headset Products Liab.*
8 *Litig.*, 654 F.3d 935, 941 (9th Cir. 2011) (requiring that any attorneys' fee awarded be
9 reasonable). District courts have discretion to use either the percentage-of-the-fund or the
10 lodestar method to calculate a reasonable attorneys' fee from a common fund established by a
11 class action settlement. *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002). The
12 lodestar calculation method is appropriate where, as here, a fee-shifting statute authorizes "the
13 award of fees to ensure compensation for counsel undertaking socially beneficial litigation."
14 *Bluetooth*, 654 F.3d at 941. All of the certified claims arise under statutes that provide for fee
15 shifting to encourage litigation in the public interest. *See* 15 U.S.C. § 1692k(a)(3) (FDCPA); RCW
16 19.86.090 (CPA); RCW 59.18.260 and .270 (RLTA).

17 "Under the lodestar/multiplier method, the district court first calculates the 'lodestar'
18 by multiplying the reasonable hours expended by a reasonable hourly rate." *In re Wash. Pub.*
19 *Power Supply Sys. Sec. Litig.*, 19 F.3d 1291, 1295 n.2 (9th Cir. 1994). Class Counsel have already
20 invested more than 2,245 hours into prosecution of the case. After reducing their hours based
21 on billing judgment, Class Counsel's lodestar, calculated at reasonable rates for this district,
22 exceeds \$672,000. Class Counsel have also incurred \$10,700 in out-of-pocket expenses.
23 Chandler Decl. ¶ 17; Leonard Decl. ¶ 7; Arons Decl. ¶ 4.

24 The Ninth Circuit uses 25% as the benchmark to calculate and attorneys fee award using
25 the percentage of the fund method. *Online DVD-Rental*, 779 F.3d at 949. But the Ninth Circuit
26 has recognized that "the benchmark percentage should be adjusted, or replaced by a lodestar
27 calculation, when special circumstances indicate that the percentage recovery would be either

1 too small or too large in light of the hours devoted to the case or other relevant factors.” *Six (6)*
2 *Mexican Workers v. Arizona Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990). Using the
3 benchmark percentage to calculate a reasonable fee in this case would result in award that is
4 too small. Although the requested award is 37.5% of the Settlement Fund, it reflects a negative
5 multiplier of .89 of Class Counsel’s lodestar. *See Dennings v. Clearwire Corp*, Case No. C10-
6 1859JLR, 2013 WL 1858797, at *6 (W.D. Wash. May 3, 2013) (finding reasonable a fee request
7 with a negative multiplier of between .92 and .98). The requested award is reasonable under
8 the circumstances of this case. *See, e.g., Cavnar v. BounceBack, Inc.*, No. 2:45-CV-235-RMP, ECF
9 No. 154 (E.D. Wash. Sept. 15, 2015) (granting final approval of settlement and approving award
10 equaling 43% of “limited” total settlement fund of \$530,000, where award was less than
11 reasonable lodestar).

12 Use of the lodestar method here is particularly reasonable given the significant non-
13 monetary aspects of Settlement. Using the percentage-of-the-fund method to calculate a fee in
14 a settlement that provides substantial injunctive relief, in addition to significant monetary
15 relief, is likely to result in a fee that is too low considering counsel’s success on the merits. *See*
16 *Bluetooth*, 654 F.3d at 941 (the lodestar method should be used when class counsel obtain
17 significant injunctive relief under a fee shifting statute). CDR agreed to cease collection of
18 amounts above principal from Settlement Class Members, request deletion of negative credit
19 reporting that impacts a tenant’s ability to obtain rental housing, enter satisfactions of
20 judgments for amounts above principal, and cease adding prejudgment interest to the accounts
21 of former HNN tenants.

22 Plaintiffs’ counsel will prepare and file a comprehensive motion for an award of
23 attorneys’ fees supported by detailed time entry records within thirty days after the Court
24 enters a preliminary approval order in this matter. The motion will be posted on the Settlement
25 Website 30 days before the deadline for class members to opt-out of or object to the
26 settlement. Settlement Agreement § IV.2; Fed. R. Civ. P. 23(h); *In re Mercury Interactive Corp.*
27 *Sec. Litig.*, 618 F.3d 988, 994 (9th Cir. 2010).

1 5. The reaction of Class Members to the proposed settlement.

2 Class Members have not yet had an opportunity to react to the proposed settlement
3 because notice has not yet gone out. Plaintiffs will provide the Court with information about
4 Class Members' reaction in their motion for final approval of the settlement.

5 **F. The Notice Plan complies with Rule 23(e) and due process.**

6 Rule 23(e)(1) requires the Court to "direct notice in a reasonable manner to all class
7 members who would be bound by" a proposed settlement. Fed. R. Civ. P. 23(e)(1). Class
8 members are entitled to the "best notice that is practicable under the circumstances" of any
9 proposed settlement before it is finally approved by the Court. Fed. R. Civ. P. 23(c)(2)(B). Under
10 Rule 23(c)(2)(B) "notice may be by one or more of the following: United States mail, electronic
11 means, or other appropriate means." To comply with due process, notice must be "the best
12 notice practicable under the circumstances, including individual notice to all members who can
13 be identified through reasonable effort." *Amchem Prods. v. Windsor*, 521 U.S. 591, 617 (1997).
14 The notice must state in plain, easily understood language: (i) the nature of the action; (ii) the
15 definition of the class certified; (iii) the class claims, issues, or defenses; (iv) that a class member
16 may enter an appearance through an attorney if the member so desires; (v) that the court will
17 exclude from the class any member who requests exclusion; (vi) the time and manner for
18 requesting exclusion; and (vii) the binding effect of a class judgment on members under Rule
19 23(c)(3). Fed. R. Civ. P. 23(c)(2)(B); *see also In re Hyundai and Kia Fuel Econ. Litig.*, 926 F.3d at
20 567 ("settlement notices must 'present information about a proposed settlement neutrally,
21 simply, and understandably'") (citation omitted).

22 The parties have developed a Notice Plan that will include direct mail notice to Class
23 Members using address information from Defendants' records and a website that contains
24 more detailed information about the case and the Settlement. Settlement Agreement § VII.a.
25 P&N will send the large postcard notice to Class Members directly through first class mail using
26 the most recent address information available based on Defendants' records and the USPS
27 National Change of Address database. *Id.* § VII.3.a.i. P&N will also perform one advanced

1 address search for each Class Member whose notice is returned undeliverable. *Id.* § VII.3.a.ii. In
 2 addition to the postcard notice, P&N will establish and maintain a Settlement Website which
 3 will display, at a minimum, the operative Complaint, Postcard Notice, Website Notice, the
 4 Settlement Agreement, opt-out form, the Preliminary Approval Order, Class Counsel’s Motion
 5 for Fees and all other filings and orders made in connection with settlement of this action. *Id.*
 6 § VII.3.b, Ex. B (the Website Notice). Class Counsel will establish a toll-free number that Class
 7 Members can call for more information.

8 The postcard and website notices, attached as Exhibits 2 & 3 to the declaration of Blythe
 9 Chandler,³ are drafted in plain English and are easy to understand. They include key information
 10 about the settlement, including the deadline to request exclusion or object to the settlement,
 11 and the date of the Final Approval Hearing (and that the hearing date may change without
 12 further notice). The notices state the amount of the fee and cost award Class Counsel will
 13 request, the amount of the statutory and service awards Plaintiffs will request, and the
 14 estimated costs of administration. The notices disclose that by participating in the Settlement,
 15 Settlement Class Members give up the right to sue Defendants for claims covered by the
 16 release. The notices direct Class Members to the Settlement Website for further information,
 17 where copies of the notices, the Settlement Agreement, the complaint, the opt-out form, and
 18 motions and orders relating to the Settlement will be posted. Settlement Agreement § VII.3.b.
 19 The notices provide contact information for Class Counsel and the Class Administrator.

20 Class Members will have sixty days from the Settlement Notice Date to opt out of the
 21 Class or to submit objections. *Id.* § II.11–12, VIII.1, IX.1. After final approval, P&N will mail
 22 awards to all Settlement Class Members for whom P&N has a deliverable address at the
 23 address of the primary tenant listed for each tenant account code that is part of the Classes.
 24

25 _____
 26 ³ After the Settlement Agreement was executed, the parties agreed to minor revisions to the notices attached to
 27 the Settlement Agreement as Exhibits A and B. The revisions explain that a single check will be mailed to the
 primary tenant of HNN unit for tenant accounts that are part of the Classes. The revised notices are Exhibits 2 and
 3 to the declaration of Blythe Chandler.

1 Settlement Payments will be calculated by P&N based on Defendants' data. *Id.* § III.2 Class
2 Members are not required to submit claims to receive payment.

3 The parties request that the Court approve distributions in *cy pres* to the Washington
4 Community Action Network (Washington CAN) and Mary's Place of any amounts remaining in
5 the Settlement Fund 90 days after issuance of the checks, if a second distribution to Settlement
6 Class Members is not administratively feasible. *Id.* § III.4–5. No funds will revert to Defendants.
7 *Id.* at III.1. A "*cy pres* remedy must account for the nature of the plaintiffs' lawsuit, the
8 objectives of the underlying statutes, and the interests of the silent class members. . . ." *Lane v.*
9 *Facebook, Inc.*, 696 F.3d 811, 820-21 (9th Cir. 2012) (quotations omitted). Washington CAN is a
10 non-profit organization that seeks to achieve racial, social, gender and economic justice in
11 Washington. Its Housing Justice campaign provides support and resources for Washington
12 renters facing homelessness and other hardships as a result of abusive landlord practices. *See*
13 www.washingtoncan.org. Mary's Place is a local non-profit organization operating seven
14 emergency family shelters across King County, which provide safe, inclusive shelter and services
15 to women, children, and families experiencing homelessness. *See* www.marysplaceseatle.org.
16 Since its founding in 1999, Mary's Place has helped hundreds of women and families find stable
17 housing. Distribution of any remaining funds to these organizations will serve (1) the Consumer
18 Protection Act's overarching purpose of protecting Washington consumers from unfair or
19 deceptive business practices, *see* RCW 19.86.050, 19.86.920; and (2) the Collection Agency Act's
20 and the Fair Debt Collection Practices Act's shared purpose to "protect vulnerable and
21 unsophisticated debtors from abuse, harassment, and deceptive collection practices." *Guerrero*
22 *v. RJM Acquisitions LLC*, 499 F.3d 926, 938 (9th Cir. 2007); *see also Panag v. Farmer's Ins. Co. of*
23 *Wash.*, 166 Wash.2d 27, 54, 204 P.3d 885 (2009). The *cy pres* award will benefit the interest of
24 the Class Members affected by the debt collection practices at issue in this case.

25 The manner and content of the proposed Notice Plan complies with Rule 23 and due
26 process.

G. The schedule for final approval.

The next steps in the settlement approval process are to schedule a final approval hearing, notify Class Members of the settlement and hearing, and provide class members with the opportunity to exclude themselves from, or object to, settlement. The parties propose the following schedule for final approval of the settlement:

ACTION	DATE
Deadline for Mailing Class Notice (“Notice Deadline”)	30 days after entry of Preliminary Approval Order
Class Counsel’s Fee Motion Submitted	30 days after Notice Deadline
Exclusion/Objection Deadline	60 days after Notice Deadline
Final Approval Brief and Response to Objections Due	No later than 14 days prior to the Final Approval Hearing
Final Approval Hearing / Noting Date	At the Court’s discretion, but no earlier than 120 days after the Preliminary Approval Order is entered.
Final Approval Order Entered	At the Court’s discretion

V. CONCLUSION

Plaintiffs respectfully request that the Court take the following initial steps in the settlement approval process: (1) provisionally certify the proposed CDR FDCPA Subclass and designate Cynthia Quintero as the subclass representative; (2) grant preliminary approval of the settlement; (3) approve the proposed notice plan; (4) appoint P&N to serve as the Class Administrator; and (5) schedule the final fairness hearing and related dates.

1 RESPECTFULLY SUBMITTED AND DATED this 14th day of January, 2021.

2 TERRELL MARSHALL LAW GROUP

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

ADAMA JAMMEH and OUMIE SALLAH,

Plaintiffs,

v.

HNN ASSOCIATES, LLC, GATEWAY, LLC,
COLUMBIA DEBT RECOVERY, LLC, d/b/a
GENESIS CREDIT MANAGEMENT, LLC, and
WILLIAM WOJDAK,

Defendants.

NO. 2:19-cv-00620-JLR

**[PROPOSED] ORDER APPROVING NOTICE
OF A PROPOSED CLASS ACTION
SETTLEMENT**

The Court previously certified two Classes and appointed Plaintiffs Adama Jammeh Oumie Sallah as representatives of the Classes (Dkt. No. 105). The Court reserved ruling on whether to certify Plaintiffs’ FDCPA claims or certify a subclass of FDCPA claimants. *Id.* The parties have filed supplemental briefing directed to the subclass issue.

Plaintiffs and Defendants HNN Associates, LLC, Gateway, LLC, Columbia Debt Recovery, LLC, and William Wojdak have reached a proposed settlement of the Classes’ claims. Plaintiffs move for approval of notice to the Classes of the proposal. Fed. R. Civ. P. 23(e)(1)(A). The terms of the settlement are set forth in the Settlement Agreement and Release attached as Exhibit A to the Declaration of Blythe H. Chandler in support of Plaintiffs’ motion for approval of notice of a proposed class action settlement (hereinafter, “Agreement” or “Settlement Agreement”).

1 The Court has read and considered the Settlement Agreement, the exhibits attached
2 thereto, and the briefing submitted in support of approval of notice of the settlement and is
3 fully advised. All capitalized terms not otherwise defined in this Order shall have the same
4 meaning as defined in the Settlement Agreement.

5 THEREFORE, THE COURT FINDS AND CONCLUDES AS FOLLOWS:

6 1. This Court has jurisdiction over the subject matter of this Action and personal
7 jurisdiction over the Parties and the Classes.

8 2. The Court finds that (a) the Agreement resulted from extensive arm's-length
9 negotiations, with participation of an experienced mediator, and (b) the Agreement is sufficient
10 to warrant notice thereof to members of the Classes and the Final Approval Hearing described
11 below.

12 3. The Court previously certified the following Classes under Rule 23(b)(3):

13 **HNN CLASSES:** Former tenants of an HNN managed property in Washington who
14 moved in before February 1, 2019 and:

15 (1) who moved out on or after July 12, 2017, and from whom HNN collected a
16 deposit or security without providing a move-in checklist that stated the condition
17 of the walls, floors, countertops, carpets, and appliances in the unit (the "Move-
In Form" Class); or

18 (2) who moved out on or after July 12, 2017, and to whom HNN mailed a
19 statement of HNN's basis for retaining a deposit more than 21-days after the
20 tenant moved out of an HNN-managed unit (the "Late Statement" Class); or

21 (3) who moved in to an HNN managed property after July 31, 2016, and whose
22 deposit was forfeited by HNN (the "Forfeiture Class").

23 **CDR CLASS:** All former tenants of an HNN managed property in Washington whose
24 accounts HNN placed with CDR between February 13, 2017 and January 31, 2019,
and to whom CDR sent at least one written collection demand.

25 Dkt. No. 105 at 57.

26 The Court reserved ruling on certification of FDCPA claims or an FDCPA Subclass. The
27 parties agree to certification of the following subclass for settlement purposes only:

1 **CDR FDCPA SUBCLASS:** All members of the CDR Class to whom CDR
2 sent at least one written collection demand on or after July 12, 2018.

3 For settlement purposes only, the Court finds that the requirements of Rule 23(b)(3) are
4 satisfied for the CDR FDCPA Subclass for the reasons set forth in its order certifying the CDR
5 Class. For settlement purposes only, the Court finds that Cynthia Quintero’s claims are typical of
6 the CDR FDCPA Subclass and appoints her as an adequate representative of the CDR FDCPA
7 Subclass (*see* Dkt. No. 108 (describing Ms. Quintero’s understanding of the duties of class
8 representative and her willingness to undertake them)).

9 4. The Court preliminarily finds that the Agreement is fundamentally fair, adequate,
10 and reasonable.

11 5. The Court appoints P&N as the administrator of the settlement, who shall fulfill
12 the functions, duties, and responsibilities of the Class Administrator as set forth in the
13 Agreement and this Order.

14 6. The Court approves the proposed forms of notice attached as Exhibits B and C to
15 the declaration of Blythe Chandler and the plan for giving direct notice to the Class by U.S. Mail
16 as set forth in the Agreement (“Notice Plan”). The Notice Plan, in form, method, and content,
17 fully complies with the requirements of Rule 23 and due process, constitutes the best notice
18 practicable under the circumstances, and is due and sufficient notice to all persons entitled
19 thereto. The Court finds that the Notice Plan is reasonably calculated to, under all
20 circumstances, reasonably apprise the Class Members of the pendency of this action, the terms
21 of the Agreement, the right to object to the settlement, and how to exclude themselves from
22 the Settlement Classes.

23 7. Pursuant to the Agreement, the Class Administrator shall provide individual
24 notice via U.S. Mail to the most recent address for each Class Member reflected in the records
25 produced by Defendants to the Class Administrator, as updated by the Class Administrator
26 through the National Change of Address system or a comparable system, no later than
27 _____ (the “Notice Deadline”), which is thirty (30) days following entry of this

1 Order. The Class Administrator shall establish a Settlement Website within fourteen (14) days
2 following entry of this Order.

3 8. Members of the Classes may exclude themselves from the Settlement Classes by
4 mailing to the Class Administrator a written request no later than [REDACTED] (“Opt-Out
5 Deadline”), which is sixty (60) days after the Notice Deadline. All requests must be signed, and if
6 mailed, must be postmarked no later than the Opt-Out Deadline.

7 9. Any Settlement Class Member who desires to object to the fairness of this
8 settlement must file a written objection with the Court by [REDACTED] (“Objection
9 Deadline”), which is sixty (60) days after the Notice Deadline. The objection must provide:

- 10 a. The name, address, telephone number, and email address of the person
11 objecting, and if represented by counsel, of his/her counsel;
- 12 b. Specify, in writing, all objections;
- 13 c. A statement of his/her membership in any Classes; and
- 14 d. A detailed list of any other objections submitted by the Settlement Class
15 Member, and/or his/her counsel, to any class actions in any court,
16 whether state or otherwise, in the United States in the previous five (5)
17 years. If the Settlement Class Member or his/her counsel has not
18 objected to any other class action settlement in any court in the United
19 States in the previous five (5) years, he/she shall affirmatively state so in
20 the written materials in connection with the objection to this Settlement.

21 10. Anyone who properly objects, as described herein, may appear at the Final
22 Approval Hearing, including through an attorney hired at the objector’s expense. Such objectors
23 or their attorneys intending to appear at the Final Approval Hearing must file a notice of
24 appearance with this Court no later than ten (10) days prior to the Final Approval Hearing. Any
25 member of the Classes who fails to comply with the provisions herein shall waive and forfeit
26 any and all rights to appear and/or object separately, and shall be bound by the terms of this
27 settlement and the orders and judgments of this Court. Class Counsel shall file responses to any

1 valid objections no later than fourteen (14) days prior to the Final Approval Hearing.
2 Defendants' counsel also may file responses, but no later than fourteen (14) days prior to the
3 Final Approval Hearing.

4 11. Pursuant to Rule 23(e)(2) of the Federal Rules of Civil Procedure, a hearing will
5 be held before this Court to determine whether the settlement is fair, reasonable, and
6 adequate, and should be approved by this Court; to determine whether the Final Approval
7 Order and Final Judgment under this settlement should be entered; to consider the application
8 for attorneys' fees and expenses of Class Counsel; to consider the application for a service
9 award to the Representative Plaintiffs; to consider the distribution of the Settlement Fund
10 pursuant to the Agreement; and to rule on any other matters that the Court may deem
11 appropriate. At the Final Approval Hearing, the Court may enter the Final Approval Order and
12 Final Judgment in accordance with the Agreement that will adjudicate the rights of the
13 Settlement Class Members.

14 12. Defendant CDR is ordered to comply with the non-monetary relief required by
15 the Settlement as follows:

- 16 a. Within thirty (30) days of full execution of the Settlement Agreement, CDR shall
17 cease all efforts to collect any amounts in excess of the Principal allegedly owed
18 by Class Members on their HNN accounts.

19 Additional non-monetary commitments with which Defendants must comply after the Effective
20 Date of the Settlement will be addressed in the Court's Final Approval Order.

21 13. The Final Approval Hearing is scheduled for [REDACTED] before the
22 Honorable James L. Robart at the United States District Court for the Western District of
23 Washington, 700 Stewart Street, Suite 14128, Seattle, WA 98101. The Court may change the
24 date for the Final Approval Hearing. If the Court changes the hearing date, notice of such
25 change shall be posted on the settlement website.

1 14. All memoranda and other submissions in support of the Final Approval Order
2 and Final Judgment and this settlement shall be filed no later than fourteen (14) days prior to
3 the Final Approval Hearing.

4 15. All notice and settlement administration expenses shall be paid from the
5 Settlement Fund pursuant to the Agreement.

6 16. On or before thirty (30) days after the Notice Deadline, Class Counsel shall file
7 and serve an application for an award of attorneys' fees and out-of-pocket costs, and an
8 application for service awards to Representative Plaintiffs. The application shall be posted on
9 the Settlement Website within one business day after it is filed.

10 17. All members of the Classes will be bound by all orders pertaining to the
11 settlement unless such person(s) request exclusion from the Classes. Settlement Class
12 Members who do not timely and validly request exclusion shall be so bound, even if they have
13 previously or subsequently initiated individual litigation or other proceedings against the
14 Released Parties relating to the Released Claims.

15 18. Pending entry of the Final Approval Order, Representative Plaintiffs and Class
16 Members (except those who opt-out) are barred and enjoined from commencing, prosecuting,
17 instigating, or in any way participating in the commencement or prosecution of any action
18 asserting any Released Claims, either directly, representatively, derivatively, or in any capacity,
19 against Released Parties.

20 19. Class Members do not need to appear at the Final Approval Hearing or take any
21 other action to indicate their approval and partake in this settlement.

22 20. This Order and the settlement are not admissions or concessions by Defendants
23 of any liability or wrongdoing. This Order is not a determination of liability or wrongdoing. This
24 Order also does not constitute any opinion or position of this Court as to the merits of the
25 claims and defenses related to this Action.

26 21. This Action is stayed until further ordered by this Court, except such actions and
27 proceedings that may be necessary to implement this settlement and Order.

22. If Final Approval does not occur, the parties shall be returned to the status quo ex ante, for all litigation purposes, as if no settlement had been negotiated or entered into and thus this Order and all other findings or stipulations regarding the settlement shall be automatically void, vacated, and treated as if never filed.

23. Counsel for the parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the settlement which are not materially inconsistent with either this Order or the terms of the Settlement Agreement.

24. This Court retains jurisdiction to consider all further matters arising out of or connected with the settlement. The Court reserves the right to adjourn or continue the date of the Final Approval Hearing without further notice to Settlement Class Members. The Court may approve or modify the settlement without further notice to Class Members.

25. The following timeline will govern proceedings through the Final Approval Hearing:

DEADLINE	EVENT
_____ (Thirty days after entry of this Order)	Deadline to mail notice
_____ (Fourteen days after entry of this Order)	Deadline to make the settlement website available
_____ (Thirty days after Notice Deadline)	Deadline for Class Counsel to file their motion for attorneys' fees, costs, and service awards for the class representatives
_____ (Sixty days after Notice Deadline)	Deadline for Class Members to submit exclusion requests or objections
_____ (Fourteen days before Final Approval Hearing)	Deadline to file responses to objections and motion for final approval
_____ (At the Court's convenience but no earlier than 120 days after entry of this order)	Final Approval Hearing

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IT IS SO ORDERED.

DATED this _____ of _____, 2020.

United States District Judge