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[EXEMPT FROM FILING FEES
UNDER GOV. CODE, § 6103]

Attorneys for the People of the State of California

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

THE PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

INVITATION HOMES INC., a Maryland corporation,

Defendant.

Case No.

STIPULATION FOR ENTRY OF FINAL JUDGMENT AND PERMANENT INJUNCTION

The People of the State of California (“People”), appearing through their attorney, Rob Bonta, Attorney General of the State of California, by Supervising Deputy Attorney General Tina Charoenpong and Deputy Attorneys General Gabriel Schaeffer and Monica J. Zi, and Invitation Homes Inc. (“Defendant”), appearing through its attorneys, Melinda Haag and Erika Hoglund of Paul, Weiss, Rifkind, Wharton & Garrison LLP, stipulate as follows:

- 1. The Court has jurisdiction over the subject matter of this action, jurisdiction over

1 the parties to this action, and venue is proper in this Court.

2 2. The Final Judgment and Permanent Injunction (“Judgment”), a true and correct
3 copy of which is attached hereto as Exhibit A, may be entered by any judge of the Los Angeles
4 County Superior Court.

5 3. Concurrently with the filing of this Stipulation for Entry of Final Judgment and
6 Injunction (“Stipulation), the People have filed a Complaint in this matter alleging that Defendant
7 violated Business and Professions Code section 17200 et seq.

8 4. Defendant neither admits nor denies wrongdoing or liability of any kind but has
9 agreed to resolve the allegations contained in the People’s Complaint by entering into this Final
10 Judgment.

11 5. The People may submit the Judgment to any judge or commissioner of the Court
12 for approval and signature, based on this Stipulation, during the Court’s ex parte calendar, on any
13 other ex parte basis, or through the Court’s e-filing system, without notice to or appearance by
14 Defendant, which notice and right to appear Defendant hereby waives.

15 6. The People and Defendant (collectively, “Parties”) waive their right to move to set
16 aside the Judgment through any collateral attack, and further waive their right to appeal from the
17 Judgment, except that the People and Defendant each agree that this Court shall retain jurisdiction
18 for the purposes specified in Paragraph 19 of the Judgment. Nothing herein shall waive any right
19 to appeal from any decision in connection with a future effort to enforce the Judgment.

20 7. The Parties stipulate and consent to the entry of the Judgment as a compromise of
21 disputed claims, without trial or adjudication of any issue of law or fact, and without the
22 Judgment constituting evidence of or an admission by Defendant regarding any issue of law or
23 fact alleged in the Complaint. Defendant acknowledges that it is able to abide by the provisions of
24 the Judgment, and further acknowledges that a violation of this Judgment may result in additional
25 relief under section 17207 of the Business and Professions Code.


26 8. Defendant will accept service of any Notice of Entry of Judgment entered in this
27 action by electronic delivery of such notice to its counsel of record, and agree that service of the
28 Notice of Entry of Judgment will be deemed personal service upon Defendant for all purposes.

1 9. The individuals signing below represent that they have been authorized by the
2 Parties they represent to sign this Stipulation.

3 10. This Stipulation may be executed in counterparts, and the Parties agree that a
4 facsimile, electronic signature, or scanned PDF signature shall be deemed to be, and shall have
5 the same force and effect as, an original signature.

6
7 Dated: 1/4/24

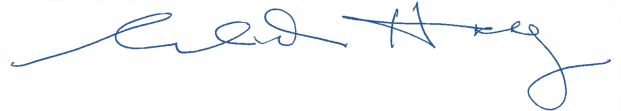
ROB BONTA
Attorney General of the State of California
TINA CHAROENPONG
Supervising Deputy Attorney General



11 By: Gabriel Schaeffer
12 Deputy Attorney General
13 *Attorneys for the People of the State
of California*

14 Dated: 1/4/24

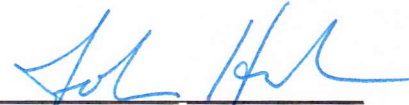
PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP



17 By: Melinda Haag
18 *Attorneys for Defendant Invitation
Homes Inc.*

19 Dated: 1/4/2024

INVITATION HOMES INC.



22 By: John Huh
23 Senior Vice President, Litigation &
24 Investigations
25 *Invitation Homes Inc.*

Exhibit A

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

THE PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

INVITATION HOMES INC., a Maryland corporation,

Defendant.

Case No.

[PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

The People of the State of California (“People”), appearing through their attorney, Rob Bonta, Attorney General of the State of California, by Supervising Deputy Attorney General Tina Charoenpong and Deputy Attorney Generals Gabriel Schaeffer and Monica J. Zi, and Invitation Homes Inc. (“Defendant”), appearing through its attorneys, Melinda Haag and Erika Hoglund of Paul, Weiss, Rifkind, Wharton & Garrison LLP, have stipulated to the entry of this Final Judgment and Permanent Injunction (“Judgment”) by the Court without the taking of proof and without trial or adjudication of any issue of fact or law, and without Defendant admitting any liability or wrongdoing regarding any issue of law or fact alleged in the Complaint, and with all parties having waived their right to appeal any issue of fact or law arising from the allegations addressed by this Judgment.

1 The Court having considered the matter and the Stipulation concurrently filed herewith,
2 and good cause appearing:

3 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

4 1. This Court has jurisdiction over the allegations and subject matter of the People’s
5 Complaint filed in this action, and the parties to this action; venue is proper in this County; and
6 this Court has jurisdiction to enter this Judgment.

7 2. Defendant does not admit to any violations of law and does not admit any
8 wrongdoing that was or could have been alleged by the People before the date of the Judgment
9 under any law. No part of this Judgment, including its statements and commitments, shall
10 constitute evidence of any liability, fault, or wrongdoing by Defendant.

11 **DEFINITION**

12 3. The following definition shall apply for purposes of this Judgment:

13 A. “AFFECTED TENANTS” shall mean the tenants who were identified in
14 the California Attorney General’s investigation as having received
15 unlawful rental rates and increases.

16 **INJUNCTION**

17 4. Nothing in this Judgment alters the requirements of federal or California state law
18 to the extent they offer greater protection to consumers.

19 5. The injunctive provisions of this Judgment shall become effective immediately
20 upon entry of this Judgment and shall apply to: Defendant; its subsidiaries, affiliates, and
21 successors; its directors, officers, employees, and agents; and its independent contractors who
22 have job duties relating to rent setting, notices, or collection. The injunctive provisions shall apply
23 with respect to Defendant’s operations in California and to its residential properties in California.

24 6. Defendant shall comply with all California state and local laws regarding rent
25 increases, including but not limited to Civil Code section 1947.12 and Penal Code section 396.

26 7. Defendant shall evaluate the compliance of any proposed rent increase with all
27 California state and local laws regarding rent increases at least three days before notice of a rent
28 increase is served or, if no notice is required, at least three days before the rent increase takes

1 effect. Defendant shall retain data and documents regarding its compliance evaluations for at least
2 four years.

3 8. Defendant shall evaluate the compliance of any new base rental rate for a rental
4 unit with all California state laws regarding allowable rent increases before advertising a unit for
5 lease, or, if inapplicable, before entering into any lease agreement with a tenant. Defendant shall
6 retain data and documents regarding its compliance evaluation for at least four years.

7 9. Defendant shall restore lawful rental rates for all California tenants with rental
8 rates that do not comply with California laws, including the AFFECTED TENANTS.

9 10. Defendant shall perform a quarterly audit on all processes and systems designed to
10 ensure that rental increases comply with California state and local law, and document its findings.

11 11. Defendant's Analytics & Operations Planning Department and Internal Audit
12 Department shall oversee, on an ongoing basis, Defendant's processes and systems for ensuring
13 that rental rates comply with California state and local law, and for performing the quarterly
14 audits on those processes and systems.

15 12. Defendant shall monitor all California statewide and local states of emergencies on
16 a weekly basis to ensure that base rental rates and rent increases do not violate California state or
17 local laws governing rent setting.

18 13. Defendant shall not collect, or claim in a legal action, any rent not lawfully owed
19 under California state or local law by a tenant. If it becomes aware that any amounts claimed in a
20 pending legal action include unlawfully demanded rent, it shall amend its filings, withdraw the
21 suit, or move to dismiss the claim for a monetary judgment. If Defendant becomes aware that any
22 amounts claimed in a legal action where judgment has been entered include unlawfully demanded
23 rent, it shall move to amend or vacate the judgment. If the judgment cannot be amended or
24 vacated, Defendant shall forego the collection of any rent not lawfully owed, ensure that this rent
25 is not collected, and shall notify the tenant of the correct lawful amount owed and that this
26 amount is less than the amount claimed in the judgment.

27 14. To the extent that Defendant provides information on late rental payments or
28 nonpayment by its current or former tenants to credit reporting agencies, or this information is

1 provided to credit reporting agencies by entities with whom Defendant contracts or to whom
2 Defendant sells or assigns debts, Defendant shall ensure that this information is correct or
3 corrected and does not reflect rent charged in violation of California state or local law.

4 15. Defendant shall provide an annual compliance report on residential rent increases
5 to the California Attorney General's Office for five years, detailing the number and amount of
6 rent increases, steps taken to ensure compliance with California state and local laws, any potential
7 violations, and any planned or implemented remediation. The first compliance report shall be
8 provided one year after entry of this Judgment.

9 **MONETARY PROVISIONS**

10 16. Pursuant to Business and Professions Code section 17206, Defendant shall pay
11 \$2,040,000 in civil penalties. Payment shall be made within 30 calendar days of the date of entry
12 of this Judgment, pursuant to instructions provided by the California Attorney General's Office.
13 These funds shall be allocated in accordance with section 17206, subdivision (c), of the Business
14 and Professions Code, and the state's portion of these funds and any interest accrued thereon shall
15 be for the exclusive use by the Attorney General for the enforcement of consumer protection
16 laws, pursuant to section 17206, subdivision (c)(4), of the Business and Professions Code.

17 17. By entering into the Stipulation for Entry of Final Judgment and Permanent
18 Injunction, Defendant has certified that it has provided \$1,586,905.52 in restitution to the
19 AFFECTED TENANTS, and is attempting to provide an additional \$101,034.99 in restitution,
20 which reflects the total amount of rent increases identified in the California Attorney General's
21 investigation that were in excess of the state rent caps in Penal Code section 396 and Civil Code
22 section 1947.12 plus 5% interest.

23 **RELEASE**

24 18. Effective upon payment of the amounts due under Paragraphs 16 and 17 of this
25 Judgment, the People release and discharge Defendant and its past and present subsidiaries,
26 affiliates, and successors; its past and present directors, officers, employees, and agents; and its
27 past and present independent contractors who have job duties relating to rent setting, notices, or
28 collection, from any and all civil claims, civil causes of action, costs and attorney's fees, the

1 People have asserted or could have asserted based on unlawful rental rates and increases that
2 Invitation Homes charged or noticed to the AFFECTED TENANTS prior to the date of entry of
3 this Judgment.

4 **ADDITIONAL PROVISIONS**

5 19. This Court retains jurisdiction over this Judgment and the Parties hereto for the
6 purpose of enabling either party to the Judgment to apply to the Court at any time for such further
7 orders or directions as may be necessary or appropriate for the construction or the carrying out of
8 this Judgment, for the modification of any of the injunctive provisions of this Judgment, for
9 enforcement of this Judgment, and for any other purpose authorized by law.

10 20. Any notices required to be sent to the People or to Defendant under this Judgment
11 shall be sent by email and certified mail to the following. Any party may update its designee or
12 address by sending written notice to the other party informing them of the change.

13 a. For the People of the State of California:

14 Deputy Attorney General Gabriel Schaeffer
15 Consumer Protection Section
16 Office of the Attorney General
17 300 South Spring Street, Suite 1702
18 Los Angeles, CA 90013
19 Gabriel.Schaeffer@doj.ca.gov
20 Monica.Zi@doj.ca.gov
21 Tina.Charoenpong@doj.ca.gov

22 b. For Defendant:

23 Mark Solls
24 Chief Legal Officer
25 Invitation Homes Inc.
26 1717 Main Street
27 Dallas, TX 75201
28 msolls@invitationhomes.com

With a copy to:

Jon Olsen
Chief Financial Officer
Invitation Homes Inc.
1717 Main Street
Dallas, TX 75201

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jolsen@invitationhomes.com

Melinda Haag
Erika Hoglund
Paul, Weiss, Rifkind, Wharton & Garrison LLP
535 Mission Street, 24th Floor
San Francisco, CA 94105
mhaag@paulweiss.com
ehoglund@paulweiss.com

21. The clerk is ordered to enter this Judgment forthwith.

ORDERED AND ADJUDGED at Los Angeles, California.

DATED: _____

JUDGE OF THE SUPERIOR COURT