

FILED

SEP 21 2022

ADMINISTRATIVE HEARING PROCESS

CONSUMER PROTECTION DIVISION,
OFFICE OF THE ATTORNEY
GENERAL OF MARYLAND,

Proponent,

v.

WESTMINSTER MANAGEMENT, LLC,
et al.,

Respondents.

IN THE

CONSUMER PROTECTION DIVISION

OF THE OFFICE

OF THE ATTORNEY GENERAL

CPD Case No.: 19-048-317165

OAH Case No.: OAG-CPD-04-19-34292

* * * * *

FINAL ORDER BY CONSENT

1. The Consumer Protection Division of the Office of the Attorney General (the “Agency”)¹ hereby orders Respondents Westminster Management, LLC (“Westminster”), and Carriage Hill Investment Limited Partnership, Carroll Park Holdings LLC, Commons at Whitmarsh I, II, and V, LLC, Commons at Whitmarsh III, LLC, Commons at Whitmarsh IVA, LLC, Commons at Whitmarsh IVB, LLC, RP Cove Village, LLC, Dutch Village, LLC, Essex Park Holdings, LLC, Fontana, LLC, Hamilton Manor Apartments, LLC, Harbor Point Estates I, II, IV, LLC, Harbor Point Estates III, LLC, Highland #179, LLC, Highland #241 LLLP, Highland #689, LLC, Morningside Park Holdings, LLC, Pleasantview, LLC, Princeton Estates Limited Partnership, Riverview Apartments, LLC, SRH Fox Haven, LLC, SRH Woodmoor, LLC, SRH Charlesmont, LLC, Whispering Woods #250, LLC, and Whispering Woods #299 Limited

¹ The Consumer Protection Division acting in its capacity as a quasi-judicial agency is referred to herein as the “Agency,” while the Consumer Protection Division acting as the Proponent in the instant matter is referred to as the “Division.”

Partnership (collectively referred to as “Owner Respondents” and with Westminster as the “Respondents”)² to cease and desist from violating the Maryland Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 through 13-501 (2013 Repl. Vol. and 2021 Supp.), and in the case of only Westminster, the Maryland Consumer Debt Collection Act, Md. Code Ann., Com. Law §§ 14-201 through 14-204 (2013 Repl. Vol. and 2021 Supp.), and take affirmative action pursuant to § 13-403(b)(1) of the Maryland Consumer Protection Act as described herein.

2. The Parties consent and agree to the terms of this Final Order by Consent (“Final Order”) to fully and finally resolve the Division’s alleged violations to avoid the time and expense of further trial or adjudication.

PARTIES

3. The Division is responsible for enforcement of Maryland consumer protection laws, including the Maryland Consumer Protection Act (“MCPA”), Md. Code Ann., Com. Law §§ 13-101 through 13-501 (2013 Repl. Vol. and 2021 Supp.), and the Maryland Consumer Debt

² For the purposes of this Final Order, the Respondents are referred to in collective groups as follows: (a) the “Westminster Respondents” (Westminster Management, LLC; Commons at Whitemarsh I, II, V, LLC; Commons at Whitemarsh III, LLC; Commons at Whitemarsh IVA, LLC; Commons at Whitemarsh IVB, LLC; Dutch Village, LLC; Fontana, LLC; Hamilton Manor Apartments, LLC; Harbor Point Estates I, II, IV, LLC; Harbor Point Estates III, LLC; Highland #179, LLC; Highland #241, LLLP; Highland #689 LLC; Pleasantview LLC; Riverview Apartments, LLC; RP Cove Village, LLC; Whispering Woods #250, LLC; and Whispering Woods #299 Limited Partnership); (b) the “SRH Respondents” (Carriage Hill Investment Limited Partnership; Princeton Estates Limited Partnership; SRH Fox Haven, LLC; SRH Woodmoor, LLC; and SRH Charlesmont, LLC); and (c) the “Middle River Respondents” or the “Park Holdings Respondents” (Carroll Park Holdings LLC; Essex Park Holdings, LLC; and Morningside Park Holdings, LLC).

Collection Act (“MCDCA”), Md. Code Ann., Com. Law §§ 14-201 through 14-204 (2013 Repl. Vol. and 2021 Supp.).

4. Westminster is a New Jersey company that regularly conducted business in Maryland. Westminster managed residential apartment complexes in Maryland that offered consumer realty for rent to consumers, including the properties owned by the Owner Respondents.

5. Respondent Carriage Hill Investment Limited Partnership, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Carriage Hill Apartments (“Carriage Hill”). Carriage Hill is located at 3456 Carriage Hill Circle, Randallstown, MD 21133.

6. Respondent Carroll Park Holdings LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Carroll Park Apartments (“Carroll Park”). Carroll Park is located at 227 Carroll Island Road, Middle River, MD 21220.

7. Respondent SRH Charlesmont, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Charlesmont Apartment Homes (“Charlesmont”). Charlesmont is located at 3000 Wallford Drive, Dundalk, MD 21222.

8. Respondents Commons at Whitemarsh I, II, V, LLC, Commons at Whitemarsh III, LLC, Commons at Whitemarsh IVA, LLC, and Commons at Whitemarsh IVB, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore

County, Maryland known as The Commons at Whitemarsh Apartments (“The Commons”). The Commons is located at 9901 Langs Road, Baltimore, MD 21220.

9. Respondent RP Cove Village, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Cove Village Apartments (“Cove Village”). Cove Village is located at 2 Driftwood Court, Essex, MD 21221.

10. Respondent Dutch Village, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore City, Maryland known as Dutch Village Apartments (“Dutch Village”). Dutch Village is located at 2349 Perring Manor Road, Baltimore, MD 21234.

11. Respondent Essex Park Holdings LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Essex Park Apartments and Townhomes (“Essex Park”). Essex Park is located at 1572 Alconbury Road, Essex, MD 21221.

12. Respondent Fontana, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Fontana Village Apartments (“Fontana Village”). Fontana Village is located at 1 Orion Court, Rosedale, MD 21237.

13. Respondents SRH Fox Haven, LLC and SRH Woodmoor, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County,

Maryland known as Gwynn Oaks Landing Apartments (“Gwynn Oaks Landing”). Gwynn Oaks Landing is located at 3103 Windsor Boulevard, Baltimore, MD 21207.

14. Respondent Hamilton Manor Apartments, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Prince George’s County, Maryland known as Hamilton Manor Apartments (“Hamilton Manor”). Hamilton Manor is located at 3342 Lancer Drive, Hyattsville, MD 20782.

15. Respondents Harbor Point Estates I, II, IV, LLC and Harbor Point Estates III, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Harbor Point Estates (“Harbor Point”). Harbor Point is located at 909 S. Marlyn Avenue, Essex, MD 21221.

16. Respondents Highland #179, LLC, Highland #689, LLC, and Highland #241, LLLP, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Highland Village Townhomes (“Highland Village”). Highland Village is located at 3953 McDowell Lane, Halethorpe, MD 21227.

17. Respondent Morningside Park Holdings LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Morningside Park Townhomes (“Morningside Park”). Morningside Park is located at 50 Hebron Drive, Middle River, MD 21220.

18. Respondent Pleasantview, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore City, Maryland known as Pleasantview

Apartments (“Pleasantview”). Pleasantview is located at 2101 E. Northern Parkway, Baltimore, MD 21214.

19. Respondent Princeton Estates Limited Partnership, at times pertinent to this enforcement action, owned a residential rental apartment property in Prince George’s County, Maryland known as Princeton Estates Apartment Homes (“Princeton Estates”). Princeton Estates is located at 4637 Dallas Place, Temple Hills, MD 20748.

20. Respondent Riverview Apartments, LLC, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Riverview Townhomes (“Riverview”). Riverview is located at 600 Fifth Avenue, Halethorpe, MD 21227.

21. Respondents Whispering Woods #250, LLC and Whispering Woods #299 Limited Partnership, at times pertinent to this enforcement action, owned a residential rental apartment property in Baltimore County, Maryland known as Whispering Woods Apartments (“Whispering Woods”). Whispering Woods is located at 37 Alberge Lane, Middle River, MD 21220.

PROCEDURAL HISTORY

22. On October 23, 2019, the Division filed a Statement of Charges alleging that the Respondents violated the MCPA by committing unfair or deceptive trade practices in violation of § 13-303 of the MCPA, as defined by § 13-301(1), (2), (3) and (14)(iii) of the MCPA, as well as unfair practices prohibited by § 13-303 of the MCPA, by: (i) collecting lease application fees in excess of the amounts permitted by Md. Code Ann., Real Prop. § 8-213 (2013 Repl. Vol. and 2018 Supp.) (the “Application Fee Law”); (ii) misapplying consumers’ rent payments to trigger late fees

and calculating late fees based on charges other than delinquent rent payments, in violation of Md. Code Ann., Real Prop. § 8-208 (2013 Repl. Vol. and 2018 Supp.) (the “Late Fee Law”), and Prince George’s County Code of Ordinances § 13-158; (iii) collecting costs without first obtaining a judgment and collecting costs that they did not actually incur, in violation of Md. Code Ann., Real Prop. § 8-401 (2013 Repl. Vol. and 2018 Supp.) (the “Summary Ejectment Law”); (iv) collecting security deposits from tenants and failing to provide consumers with required notices, failing to return accrued interest, and making improper deductions, in violation of Md. Code Ann., Real Prop. § 8-203 (2013 Repl. Vol. And 2018 Supp.) (the “Security Deposit Law”); (v) misleading consumers regarding whether payment of an early termination fee to terminate a lease prior to its expiration is optional or mandatory and failing to disclose their obligation to mitigate damages; (vi) Westminster collecting consumer debts without the collection agency license required by the Maryland Collection Agency Licensing Act, Md. Code Ann., Bus. Reg. § 7-301 (2013 Repl. Vol. and 2018 Supp.) (“MCALA”), and collecting or attempting to collect consumer debts that it knew or should have known were not owed, in violation of the MCDCA; (vi) Westminster, Dutch Village, LLC and Pleasantview, LLC offering properties for rent in Baltimore City without the multifamily residential dwelling licenses required by Balt. City Code, Article 13, § 5-4; and (vii) failing to adequately maintain the rental dwellings that were offered to consumers.

23. The Division filed with its Statement of Charges a Petition for Hearing requesting that the Agency hold a public hearing pursuant to the authority contained in Md. Code Ann., Com. Law § 13-403.

24. The Agency, after considering the Statement of Charges and Petition for Hearing, granted the Petition for Hearing and issued its Order Granting Hearing and Notification of Hearing on October 23, 2019 and informed the Respondents that the Agency had delegated its authority to the Office of Administrative Hearings (“OAH”) to conduct a contested case hearing and to render proposed findings of fact and conclusions of law.

25. On February 13, 2020, the Division filed an Amended Statement of Charges, adding charges that the Respondents violated the MCPA by failing to return: (a) security deposit interest to consumers required by the Security Deposit Law; and (b) small credit balances owed to consumers.

26. A hearing before the OAH commenced on September 9, 2020 and continued for a total of 31 days, concluding on December 1, 2020.

27. On April 29, 2021, Administrative Law Judge Emily Daneker issued a Proposed Decision.

28. On May 12, 2021, the Respondents filed a Motion for Recusal of Steve Sakamoto-Wengel as the Final Decisionmaker in this matter. The Division filed its Opposition to the Motion for Recusal on May 28, 2021. On June 30, 2021, the Agency issued its ruling denying the Respondents’ Motion for Recusal.

29. The Division and the Respondents each filed exceptions to the ALJ’s Proposed Decision and submitted opposing proposed final orders.

30. On November 18, 2021, the Agency held a hearing on the Parties’ exceptions and proposed final orders.

31. On August 16, 2022, the Parties filed a Joint Motion to Stay this matter for thirty (30) days, which the Agency granted on August 17, 2022.

32. This Final Order is entered with the consent of the Parties to fully and finally resolve this matter.

33. The Respondents deny the Division's allegations and deny that they violated the MCPA or any other law. Westminster further denies that it violated the MCDCA. Nothing contained in this Final Order shall be construed as an admission or concession that any Respondent violated any law, rule, or regulation.

DEFINITIONS

34. For the purposes of this Final Order, the terms below shall have the following definitions:

A. "Emergency maintenance" shall mean a maintenance request for one of the following conditions:

- No heat if the outside temperature is below 50 degrees Fahrenheit;
 - Lack of air conditioning if the outside temperature is over 85 degrees Fahrenheit;
 - A natural gas odor;
 - Loss of electricity in a unit for reasons other than the tenant's non-payment of a bill or where the repair is outside landlord's control, such as a power line damaged by a storm;
 - The sounding of a carbon monoxide detector or a smoke detector;
 - A water leak or flood if water is entering the unit in a non-conventional method, such as through a ceiling, floor, or back up;
 - Lack of hot water;
 - Lack of water;
 - Inoperable refrigerator;
 - Inoperable toilet if the toilet is the only toilet in the unit;
 - An unsecured entry caused by a broken or inoperable door or window lock;
- or

- Any other condition that threatens the health, safety, or well-being of a tenant.
- B. “Expenses” in connection with the processing of a lease application shall mean the actual costs the Respondents incurred in processing a particular consumer’s lease application, such as for performing a credit check. Expenses in connection with the processing of a lease application shall not include fixed costs relating to leasing, including the processing of lease applications, such as employee salaries or overhead.
- C. An “application fee” shall be any fee paid by a consumer in connection with an application to rent a residential property, other than a security deposit, that is paid prior to a consumer signing a lease. An “application fee” shall include any holding fee, reservation fee, or other fee that is paid by a prospective tenant to hold a vacant unit until they sign a lease agreement. A residential property for purposes of this definition shall be any consumer realty that consists of five or more units and is not offered for seasonal or condominium rentals.
- D. “Pre-2018 Lease” shall refer to the form Lease Agreement used by Westminster that contained the following language regarding court costs: “[s]hould Landlord employ an Agent to institute proceedings for rent and/or repossession of the Premises for non-payment of any installment of rent, and should such rent be due and owing as of the filing of said proceedings, Tenant shall pay to Landlord the reasonable costs incurred by Landlord in utilizing the services of said Agent.” (admitted into the record of this case as CPD Ex. 331).

- E. The “Respondents’ Properties” shall refer to Carriage Hill, Carroll Park, Charlesmont, The Commons, Cove Village, Dutch Village, Essex Park, Fontana Village, Gwynn Oaks Landing, Harbor Point, Hamilton Manor, Highland Village, Morningside Park, Pleasantview, Princeton Estates, Riverview, and Whispering Woods.
- F. “Summary ejectment action” shall mean an action brought against a tenant for non-payment of rent pursuant to the Summary Ejectment Law.
- G. “Rent” shall mean the monthly or other periodic sum paid by a consumer for the use or occupancy of a residential rental property. “Rent” shall not include any other charge, cost, or fee a tenant may be asked to pay in connection with their use or occupancy of a residential property, including late fees, agent fees, court costs, collection costs, utility costs, and other non-periodic payments.
- H. “\$12 agent fee” shall refer to the fee that the Respondents charged to consumers in connection with the filing of a petition for a warrant of restitution to obtain possession of a rental premises pursuant to the Summary Ejectment Law.
- I. “Writ fee” shall refer to the fee charged by a court for the filing of a petition for a warrant of restitution to obtain possession of rental premises pursuant to the Summary Ejectment Law.
- J. “Consumer” and “tenant” as used herein shall be interchangeable and shall mean any person who rents a residential dwelling for personal, family, or household purposes.

CEASE AND DESIST PROVISIONS

35. The cease and desist provisions of this Final Order shall apply to the Maryland operations of the Respondents and to their officers, employees, agents, assignees, affiliates, merged or acquired entities, parent or controlling entities, and wholly owned subsidiaries, to the extent those individuals and/or entities are acting in their capacities on behalf of the Respondents' operations in Maryland.

36. The provisions of this Final Order shall apply to the Respondents in connection with their offer, lease, and rental of consumer realty in Maryland.

37. Unless otherwise specified, the cease and desist provisions of this Final Order shall apply to each of the Respondents. As used herein, the term "Respondents" shall be read to include each individual Respondent, as appropriate.

38. To the extent that any Respondent no longer exists as a corporation, partnership, limited partnership, limited liability partnership, limited liability company, or real estate investment trust and has not engaged in any operations as an unincorporated association, joint venture, or sole proprietorship, or no longer operates in Maryland, the cease and desist provisions of the Final Order shall only apply to the Respondents if they revive their charters or otherwise become an active corporation, partnership, limited partnership, limited liability partnership, limited liability company, or real estate investment trust or begin to act as an unincorporated association, joint venture, or sole proprietorship, or do business in Maryland.

39. The Respondents shall not make any misleading oral or written statements that have the capacity, tendency, or effect of deceiving or misleading consumers.

40. The Respondents shall not fail to state any material fact, the omission of which would have the capacity, tendency, or effect of deceiving or misleading consumers.

41. The Respondents shall not charge consumers any non-refundable application fee that exceeds \$25 unless the Respondents return to consumers any portion of the application fee that is not expended on a credit check or other expenses arising out of the processing of the consumer's lease application.

42. The Respondents shall not retain any portion of a fee in excess of \$25, other than a security deposit, in connection with a lease application unless the Respondents maintain documentation of their expenses arising out of a credit check or other expenses arising out of the processing of the consumer's lease application, including the amount expended and the third party to whom the payment was made.

43. To the extent that the Respondents charge a consumer any fee to hold or reserve a residential unit in advance of the prospective tenant signing a lease, the Respondents shall either apply such fee to the tenant's security deposit upon move in or, if the consumer does not ultimately sign a lease, shall return the fee to the consumer within fifteen (15) days following notification by the consumer that no tenancy will occur.

44. The Respondents shall maintain a copy of each lease application form they use to offer their residential properties to prospective tenants, and in the event the Respondents require consumers to pay any fees or deposits in connection with their lease applications that exceed \$25, the Respondents shall also maintain the following information for a period of at least five (5) years after payment of the fee:

- (a) the name of each prospective tenant from whom an application fee was collected;
- (b) the amount of any fee or deposit collected from the prospective tenant in connection with his or her application to lease consumer realty;
- (c) the amounts that the Respondents expended on a credit check and/or other expenses arising out of the consumer's application for lease;
- (d) the amounts from the application fee or deposit that the Respondents credited toward the consumer's security deposit; and
- (e) the amounts the Respondents returned to the consumer.

45. Westminster shall collect, hold, and return security deposits consistent with the requirements of the Security Deposit Law.

46. To the extent that Westminster withholds or deducts any amounts from a consumer's security deposit for damage to the leased premises, common areas, major appliances, and/or furnishings owned by the landlord, such withholdings or deductions shall be made only for actual damage caused by the tenant or the tenant's family, agents, employees, guests, or invitees in excess of ordinary wear and tear.

47. Westminster shall not withhold or deduct any amounts from a consumer's security deposit unless, within 45 days after the termination of the consumer's tenancy, Westminster sends the consumer a written list of the amounts that are withheld or deducted and a statement of the costs actually incurred that support the deductions or amounts withheld.

48. Westminster shall return all security deposits to consumers with simple interest that has accrued at the daily U.S. Treasury yield curve rate for 1 year, as of the first business day of each year, or 1.5% a year, whichever is greater, less any damages rightfully withheld, except that no security deposit interest shall be due and owing if:

- (a) Respondents have held the security deposit for less than 6 months;
- (b) For any period that is less than one full month:

- i. the security deposit collected was less than \$50; or
- ii. the tenant is evicted or ejected for breach of a condition or covenant of a lease prior to the termination of the tenancy or abandons the premises prior to the termination of the tenancy and does not demand return of the security deposit.

49. The Respondents shall not charge a consumer who is delinquent in the payment of rent a late fee in excess of 5% of the amount of rent due for the rental period for which the payment was delinquent.

50. Unless otherwise directed by a consumer, the Respondents shall apply all payments they receive from consumers first toward the satisfaction of any amount of rent due for the rental period for which the payment was made, and only after the consumer's payment has been fully applied toward the satisfaction of the rent due for that rental period shall the Respondents apply any part of the payment toward any other amounts that are owed by the tenant, including any delinquent rental payments, late fees, collection costs, and other arrearages.

51. The Respondents shall not charge, collect, or demand payment of court costs from consumers unless permitted to do so by the consumer's rental agreement and the Respondents are otherwise legally entitled to seek court costs.

52. Respondents Westminster, Dutch Village, LLC and Pleasantview, LLC shall not offer for rent or lease any multifamily dwelling unit within Baltimore City unless they hold a valid and current multifamily dwelling license ("MFDL") under the Baltimore City Code.

53. Respondents Westminster, Dutch Village, LLC and Pleasantview, LLC shall not charge, accept, retain, or seek to collect any rental payment or other compensation for providing to another the occupancy of all or any part of any rental dwelling located in Baltimore City unless the owner of that rental dwelling possesses and maintains in good standing the required MFDL.

54. Respondents Westminster, Dutch Village, LLC and Pleasantview, LLC shall not file any summary ejectment action in the District Court, directly or through any agent, against any tenant residing in Baltimore City, unless the owner of that rental dwelling possesses and maintains in good standing the required MFDL.

55. Westminster shall not collect any consumer debts unless it holds, at the time of collection, a valid and current collection agency license pursuant to MCALA.

56. Westminster shall not collect from any consumer any debt that Westminster knows are not owed by the consumer.

57. Westminster shall not represent to any consumer that the consumer owes any amounts unless the consumer, in fact, owes Westminster the demanded debt.

58. The Respondents shall not misrepresent the quality or condition of any rental premises to tenants.

59. At the time they take a lease application from a prospective tenant, Westminster and the following Owner Respondents – Carriage Hill Investment Limited Partnership, Carroll Park Holdings, LLC, Commons at Whitemarsh I, II, and V, LLC, Commons at Whitemarsh III, LLC, Commons at Whitemarsh IVA, LLC, Commons at Whitemarsh IVB, LLC, RP Cove Village, LLC, Dutch Village, LLC, Fontana, LLC, Harbor Point Estates I, II, IV, LLC, Harbor Point Estates III, LLC, Highland #179, LLC, Highland #241 LLLP, Highland #689, LLC, Pleasantview, LLC, Riverview Apartments, LLC, SRH Fox Haven, LLC, SRH Woodmoor, LLC, SRH Charlesmont, LLC, Whispering Woods #250, LLC, and Whispering Woods #299 Limited Partnership – shall:

- (a) provide the consumer with an opportunity to inspect the offered unit, regardless of its condition, state of repair, or occupancy; and

- (b) not enter into a lease agreement with a consumer until the consumer has been provided with an opportunity to inspect the unit that is being offered as a rental, regardless of its condition, state of repair, or occupancy.

60. The Respondents shall hire and maintain a maintenance staffing at any residential property they own or manage at a level that is reasonably expected to meet the maintenance demands for that property and ensure compliance with the requirements of this Final Order.

61. The Respondents shall respond to any request for emergency maintenance within twenty-four (24) hours of receiving the request. For purposes of this paragraph, responding to a request shall constitute making repairs or providing the services needed to resolve the request, or, if not possible to complete the needed repairs or services within twenty-four (24) hours after receiving the request, scheduling a reasonable date certain for the needed repairs or services to be performed or provided.

62. The Respondents shall respond to any request for maintenance that is not emergency maintenance within forty-eight (48) hours of receiving the request. For purposes of this paragraph, responding to a request shall constitute making the repairs or providing the services needed to resolve the request, or, if not possible to complete the needed repairs or services within forty-eight (48) hours after receiving the request, scheduling a reasonable date certain for the needed repairs or services to be performed or provided.

63. The Respondents shall keep and maintain accurate records of all maintenance services that they provide to consumers including, but not limited to, accurately recording the following information:

- (a) a complete description of the nature of the maintenance request (including

- all information provided by the requesting tenant);
- (b) the name of the tenant making the maintenance request;
- (c) the unit number for which the maintenance is requested;
- (d) the date and time the maintenance request is made;
- (e) the date(s) and time(s) any repair is made;
- (f) the date(s) and time(s) any repair or maintenance service is scheduled and the scheduled date of the repair or maintenance service;
- (g) a full description of the repair(s) or other maintenance service(s) provided; and
- (h) the person(s) or contractor(s) that performed the repair(s) or maintenance service(s).

RESTITUTION

64. The Westminster Respondents shall pay the Agency restitution consistent with the terms of this Final Order.

65. The Division shall distribute the restitution paid by the Westminster Respondents to consumers impacted by the Respondents' leasing and rental practices consistent with the claims procedures contained in this Final Order.

Fee-Based Restitution

66. The Westminster Respondents shall pay the Agency restitution equal to the following amounts that the Respondents collected from consumers, less any portion of the amounts already refunded to consumers: (a) all amounts in excess of \$25 that the Respondents received from consumers for application fees and/or holding fees that were not credited toward a consumer's security deposit or refunded to a consumer; (b) all \$12 agent fees the Respondents received from consumers on or after December 1, 2013 in connection with any summary ejectment action; and (c) all credit balances that remained on a consumer's ledger during or following a consumer's tenancy that were written off or otherwise not returned to the consumer by the

Respondents. In addition, Respondents Westminster, Pleasantview, LLC, and Dutch Village, LLC shall pay restitution equal to the amounts they collected from consumers for writ fees that were not actually incurred. These restitution amounts will be referred to collectively herein as “Fee-Based Restitution.” If the Respondents charged consumers any of the fees that comprise the Fee-Based Restitution, but did not collect the fees, Westminster Respondents shall satisfy these restitution amounts by either removing the fees from the consumers’ account balance if they still own the debt or, if the debt has been sold or transferred to any third-party, the Westminster Respondents shall inform that third-party that the debt was not due and cannot be collected.

67. The Fee-Based Restitution that the Westminster Respondents shall pay includes the following amounts:

(a) The Westminster Respondents shall pay restitution to all consumers from whom the Respondents collected application fees in excess of \$25 and to whom the Respondents did not either credit the fees toward a security deposit or refund amounts in excess of their expenses incurred in processing the application, including unrefunded holding fees in at least the following amounts totaling \$30,068.00:

Respondent	Total Unrefunded Holding Fees
Carriage Hill Investment Limited Partnership	\$1,500
Carroll Park Holdings, LLC	\$500
SRH Charlesmont, LLC	\$1,700
Commons at Whitemarsh I, II, V, LLC, Commons at Whitemarsh III, LLC, Commons at Whitemarsh IVA, LLC, and Commons at Whitemarsh IVB, LLC	\$8,799
RP Cove Village, LLC	\$300
Essex Park Holdings, LLC	\$500
SRH Fox Haven, LLC and SRH Woodmoor, LLC	\$1,470
Hamilton Manor Apartments, LLC	\$100

Respondent	Total Unrefunded Holding Fees
Harbor Point Estates I, II, IV, LLC and Harbor Point Estates III, LLC	\$3,900
Highland #179, LLC, Highland #689, LLC, and Highland #241, LLLP	\$4,700
Princeton Estates Limited Partnership	\$799
Riverview Apartments, LLC	\$2,700
Whispering Woods #250, LLC, and Whispering Woods #299 Limited Partnership	\$3,100
Total	\$30,068

(b) The Westminster Respondents shall pay restitution for small credit balances that were cancelled in at least the following amounts totaling \$2,465.24:

Respondent	Total Write Offs
Carriage Hill Investment Limited Partnership	\$32.64
SRH Charlesmont, LLC	\$85.83
Commons at Whitemarsh I, II, V, LLC, Commons at Whitemarsh III, LLC, Commons at Whitemarsh IVA, LLC, and Commons at Whitemarsh IVB, LLC	\$27.85
RP Cove Village, LLC	\$9.17
Dutch Village, LLC	\$115.70
Essex Park Holdings, LLC	\$700.28
Fontana, LLC	\$0.18
SRH Fox Haven, LLC and SRH Woodmoor, LLC	\$180.48
Hamilton Manor Apartments, LLC	\$827.76
Harbor Point Estates I, II, IV, LLC and Harbor Point Estates III, LLC	\$209.32
Highland #179, LLC, Highland #689, LLC, and Highland #241, LLLP	\$31.51
Pleasantview, LLC	\$73.72
Princeton Estates Limited Partnership	\$92.31
Riverview Apartments, LLC	\$39.38
Whispering Woods #250, LLC, and Whispering Woods #299 Limited Partnership	\$39.11
Total	\$2,465.24

(c) The Westminster Respondents shall pay restitution for improperly charged \$12 agent fees, in at least the following amounts totaling \$297,950.00:

Respondent	Total Amount of Improperly Charged \$12 Agent Fees
Carriage Hill Investment Limited Partnership	\$27,336
Carroll Park Holdings LLC	\$3,036
SRH Charlesmont, LLC	\$11,580
Commons at Whitemarsh I, II, V, LLC, Commons at Whitemarsh III, LLC, Commons at Whitemarsh IVA, LLC, and Commons at Whitemarsh IVB, LLC	\$50,244
RP Cove Village, LLC	\$1,356
Dutch Village, LLC	\$35,076
Essex Park Holdings, LLC	\$60
Fontana, LLC	\$12,422
SRH Fox Haven, LLC and SRH Woodmoor, LLC	\$35,028
Hamilton Manor Apartments, LLC	\$816
Harbor Point Estates I, II, IV, LLC and Harbor Point Estates III, LLC	\$38,064
Highland #179, LLC, Highland #689, LLC, and Highland #241, LLLP	\$13,896
Morningside Park Holdings, LLC	\$4,620
Pleasantview, LLC	\$21,192
Princeton Estates Limited Partnership	\$9,888
Riverview Apartments, LLC	\$10,140
Whispering Woods #250, LLC, and Whispering Woods #299 Limited Partnership	\$23,196
Total	\$297,950

(d) Respondents Westminster and Dutch Village, LLC are jointly and severally liable for the payment of \$48,630.00 that they improperly overcharged consumers residing at Dutch Village in court costs for filing petitions for a warrant of restitution.

(e) Respondents Westminster and Pleasantview, LLC are jointly and severally liable for the payment of \$30,630.00 that they improperly overcharged consumers residing at Pleasantview in court costs for filing petitions for a warrant of restitution.

68. Consumers are entitled to receive payments of Fee-Based Restitution pursuant to the claims procedure described in this Final Order in the aggregate of the following amounts, to

the extent they have not already been refunded to the consumer by the Respondents: (a) the sum of all amounts the consumer paid to Respondents for an application fee and/or holding fee that exceeded \$25 and that were not credited toward the consumer's security deposit; (b) all credit balances that remained in the consumer's accounts during or following their tenancies that were written off or not returned to the consumer by the Respondents; (c) all \$12 agent fees the consumer paid to the Respondents on or after December 1, 2013; and (d) \$30 for each time that the consumer paid an \$80 writ fee to Respondents Westminster, Dutch Village, LLC, and/or Pleasantview, LLC.

Security Deposit Restitution

69. The Westminster Respondents shall pay the Agency restitution equal to the amount of all interest that accrued or should have accrued on consumers' security deposits that the Respondents did not return to consumers at the conclusion of their tenancies, provided that the Respondents held the security deposit for more than six (6) months and the security deposit collected was at least \$50. For ease of calculation, the security deposit interest that shall be returned to consumers shall be calculated at a rate of 3% per annum.

70. Westminster shall also pay the Agency restitution to the following consumers in the below listed amounts that were deducted from their security deposits:

- LaShawn Epps - \$225.27;
- Antoinette Summons - \$200; and
- Javonia Harden - \$200.48.

The restitution amounts required pursuant to paragraphs 69 and 70 will be referred to herein as "Security Deposit Restitution."

71. Consumers are entitled to receive Security Deposit Restitution pursuant to the claims procedure described in this Final Order if they did not receive accrued interest on their security deposits at the conclusion of their tenancies for every full month that the Respondents held their security deposits, except that consumers shall not be entitled to Security Deposit Restitution if they: (a) were evicted or ejected for breach of a condition or covenant of a lease prior to the termination of the tenancy or abandoned the premises prior to the termination of the tenancy, and (b) did not demand return of the security deposit by giving written notice by first-class mail to the applicable Respondent within 45 days of being evicted or ejected or of abandoning the premises. Additionally, the consumers listed in paragraph 70 are entitled to receive the amounts listed in that paragraph.

Court Cost Restitution

72. The Westminster Respondents shall pay the Agency restitution equal to all court costs that the Respondents collected from consumers under the Pre-2018 Lease. These restitution amounts will be referred to collectively herein as “Court Cost Restitution.” If the Respondents charged consumers any of the amounts that comprise the Court Cost Restitution, but did not collect the amounts, the Westminster Respondents shall satisfy these Court Cost Restitution amounts by either removing the amounts from the consumers’ account balance if they still own the debt or, if the debt has been sold or transferred to any third-party, the Westminster Respondents shall inform that third-party that the debt was not due and cannot be collected.

73. Consumers are entitled to receive Court Cost Restitution pursuant to the claims procedure described in this Final Order if they rented a unit from the Respondents pursuant to the Pre-2018 Lease and the Respondents charged the consumer court costs.

Maintenance-Based Restitution

74. The Westminster Respondents shall pay the Agency restitution equal to the amount of rent disgorged in connection with the claims procedure described in paragraphs 85 through 104 of the Final Order. These amounts will be referred to as “Maintenance-Based Restitution.”

75. Consumers shall be entitled to receive Maintenance-Based Restitution if they file claims consistent with Paragraph 87 of this Final Order and are able to demonstrate that their use and enjoyment of any residential premises they rented at one of the Respondents’ Properties was disturbed as a result of a Respondent’s failure to provide maintenance services to the consumer during their tenancy.

76. The Fee-Based Restitution, Security Deposit Restitution, Court Cost Restitution and Maintenance-Based Restitution shall be distributed by the Division consistent with the terms of this Final Order to consumers who were harmed by the Respondents’ practices that the Division charged violated the MCPA.

CLAIMS PROCEDURE

77. At the same time the Westminster Respondents execute this Final Order, they shall pay the Agency \$500,000 to fund the payment of Fee-Based Restitution and Security Deposit Restitution, as well as the \$800,000 payment provided under paragraph 105 to fund the payment of Court Cost Restitution and Maintenance-Based Restitution. The payments required under this

paragraph shall be deposited into an escrow bank account that shall be established exclusively for the purpose of distributing restitution pursuant to the claims procedure outlined herein (the “Restitution Account”). The financial institution in which the Restitution Account is established shall be a Maryland-chartered or nationally-chartered bank located in Maryland. The Westminster Respondents shall provide monthly statements issued by the bank in which the Restitution Account is maintained that reflects the balance of the account and all deposits and withdrawals made during the reporting period contained in the statement.

78. If, at any time during the claims procedure described herein, there are insufficient funds in the Restitution Account to pay the full amount of the restitution required by this Final Order, the Division shall instruct the Westminster Respondents to make additional payments into the Restitution Account so that it will be adequately funded to pay all restitution amounts that are due under this Final Order. The Westminster Respondents shall deposit such payments into the Restitution Account within ten (10) business days of receiving any such instruction from the Division.

Non-Maintenance-Based Claims

79. Within eight (8) months from the date of the entry of this Final Order, the Westminster Respondents shall provide the Division with a list of all Maryland consumers entitled to receive Fee-Based Restitution, Security Deposit Restitution and Court Cost Restitution pursuant to the Final Order and the amount of restitution that each consumer is owed (the “Consumer List”). For each consumer identified on the Consumer List, the Westminster Respondents shall provide the following information in the form of an Excel spreadsheet, with each item below contained in

a separate field, if maintained in the Yardi database or other database that is maintained by the

Westminster Respondents:

- (a) The consumer's full name;
- (b) The consumer's last known street address;
- (c) The consumer's last known city, state and zip code;
- (d) The consumer's last known phone number(s);
- (e) The consumer's last known email address(es);
- (f) The name of the community or communities where the consumer resided while a tenant at one or more of the Respondents' Properties;
- (g) The inclusive dates of the consumer's tenancy while a tenant at one or more of the Respondents' Properties; and
- (h) A separate listing of all of the following amounts owed as restitution for each listed consumer:
 - (i) the amount(s) in excess of \$25 collected from consumers as application fees that were not credited toward a security deposit or refunded to the consumer;
 - (ii) all \$12 agent fees the consumer paid to the Respondents on or after December 1, 2013;
 - (iii) the amounts in excess of \$50 that the Respondents charged consumers at Dutch Village and/or Pleasantview for writ fees in connection with summary ejectment actions commenced against the consumer;
 - (iv) the amount of any interest accrued on the consumer's security deposit that was not credited or paid at the end of the consumer's tenancy calculated at 3% per annum, except that this amount need not include unpaid security deposit interest for consumers that (1) were evicted or ejected for breach of a condition or covenant of a lease prior to the termination of the tenancy or abandoned the premises prior to the termination of the tenancy, and (2) did not demand return of the security deposit pursuant to the Security Deposit Law;
 - (v) the Security Deposit Restitution owed to the consumers listed in paragraph 70 of this Final Order;
 - (vi) the amount of any credit balances that remained on the consumer's ledger during or following the consumer's tenancy that was written off or not returned to the consumer; and
 - (vii) all court costs collected from the consumer in summary ejectment actions pursuant to a Pre-2018 Lease.

80. In compiling the Consumer List, the Westminster Respondents may rely on the evidence submitted by the Division during the hearing of this matter identifying amounts that were

improperly charged to consumers and that comprise the amounts included in the Fee-Based Restitution, Security Deposit Restitution and Court Cost Restitution. To the extent that Westminster Respondents have reason to believe that those lists are incomplete, the Westminster Respondents shall use commercially reasonable methods to identify additional eligible consumers, which shall include reviewing their electronic tenant ledger data.

81. Within eleven (11) months from the date of the entry of this Final Order, the Westminster Respondents shall pay all consumers who are entitled to restitution for non-maintenance-based claims under this Final Order by mailing a check to the consumer at their current address that is available through a Global Address Verification Service (such as the United States Postal Service's National Change of Address Database or Melissa, Inc.) and agreed to by the Westminster Respondents and the Division, or to any address that is provided to the Westminster Respondents by the Division. If no address is available for a consumer through a Global Address Verification Service or supplied by the Division, or the consumer does not cash the restitution check that was mailed pursuant to this paragraph, then this unpaid restitution amount shall be paid to the Division at the same time the Westminster Respondents provide their updated Consumer List pursuant to paragraph 82. In addition, Fee-Based Restitution will not be paid directly to any consumer unless the consumer's Non-Maintenance-Based Restitution amount due is \$10 or more. Instead, such amounts less than \$10 shall be paid to the Division consistent with paragraph 84 of this Final Order.

82. Within seventeen (17) months of the date of the entry of this Final Order, the Westminster Respondents shall provide the Agency with an updated Consumer List that contains

the information that is required to be contained in the Consumer List under paragraph 79, as well as information indicating whether the restitution owed to a consumer whose name is contained on the Consumer List was paid to the consumer or remains unpaid and due and owing and was remitted to the Agency. On the same date that the Westminster Respondents provide the Agency the updated Consumer List required by this paragraph, the Westminster Respondents shall also make a payment to the Division equal to the amount of restitution that is owed to consumers for Fee-Based Restitution, Security Deposit Restitution and Court Cost Restitution.

83. If, at any stage of the claims process, it is determined that the amount contained in the Restitution Account will require additional payments to satisfy all consumer restitution due under this Final Order, the Westminster Respondents shall deposit additional money in the amount specified by the Division within thirty (30) days of being notified by the Division of the additional amount.

84. At the conclusion of any claims process conducted by the Division, any part of the Fee-Based Restitution, Security Deposit Restitution and Court Coast Restitution paid to the Division by the Westminster Respondents under this Final Order that has not been distributed to consumers may, at the discretion of the Attorney General, be (a) held in trust for consumers by the State or (b) used in accordance with State law, for consumer education or other purposes permitted by State law.

Claims Procedure - Maintenance-Based Restitution

85. The Westminster Respondents shall perform a claims procedure to identify and pay restitution to consumers who may be eligible to receive Maintenance-Based Restitution pursuant to the terms of this Final Order.

86. The Westminster Respondents shall be responsible for payment of all of the costs of the claims process described herein.

87. A consumer shall be eligible to seek Maintenance-Based Restitution if a claim filed by the consumer meets the criteria set forth in subparagraphs (a) and (b) of this paragraph (hereinafter a “Qualified Maintenance Claim”).

(a) The consumer experienced any of the following conditions during their tenancy at any of the Respondents’ Properties:

- (i) A leak, flood, or burst pipe, such that water was entering the home in a non-conventional way;
- (ii) Mold;
- (iii) A rodent, roach, or bedbug infestation;
- (iv) An inoperable toilet (if the toilet is the only one in the unit);
- (v) Broken door(s) and/or window(s) if the condition could reasonably have posed a security threat to the tenant;
- (vi) Lack of heat in winter for more than 12 hours;
- (vii) Lack of air conditioning in summer for more than 12 hours;
- (viii) Lack of water (not tenant caused);
- (ix) Lack of hot water; and/or
- (x) Lack of electricity, unless caused by action taken by the utility provider because of the consumer’s failure to timely pay a utility bill

(b) The condition complained of by the consumer either:

- (i) Qualified as a request for emergency maintenance and Westminster did not respond to the maintenance request within twenty-four (24) hours of receiving the request by either making or scheduling the required repair;

- (ii) Did not qualify as a request for emergency maintenance and Westminster did not respond to the maintenance request within forty-eight (48) hours of receiving the request by either making or scheduling the required repair;
- (iii) Was not repaired within ninety-six (96) hours of Westminster receiving the request; or
- (iv) Occurred two or more times in any twelve (12) month period.

88. Within three (3) months of the date of the entry of this Final Order, the Westminster Respondents shall mail all consumers who resided in the Respondents' Properties and whose addresses can be located through a Global Address Verification service (such as the United States Postal Service National Change of Address Database or Melissa, Inc. and agreed to by the Westminster Respondents and the Division) or whose address is provided by the Division at any time during the claims procedure, the claim form attached hereto as Attachment A (hereinafter the "Claim Form").

89. The Westminster Respondents shall hire an independent, third-party Claims Administrator who is approved by the Division, to receive Claim Forms. Consumers may make a claim for Maintenance-Based Restitution by filling out and returning a Claim Form to the Claims Administrator within one year (1) from the date the Claim Form is mailed to the consumer. A Claim Form will be considered returned as of the date that it is postmarked. Consumers may include any information with their Claim Form that they believe is relevant to the consideration of their claim. Consumers shall have the right to supplement the information provided in or with their Claim Forms at any time during the claims procedure.

90. The Westminster Respondents shall hire a person to resolve Qualified Maintenance Claims submitted by consumers (the "Maintenance Claims Master") who must be approved by the Division. The Maintenance Claims Master shall be, or shall have been, a member in good standing

of the Maryland bar, shall have had prior experience as a judge, administrative law judge, arbitrator, or mediator, and shall not have had any prior employment relationship with any of the Respondents.

91. The Claims Administrator shall be required to promptly forward Claim Forms s/he receives to the Westminster Respondents and the Division. Within sixty (60) days after the Claims Administrator receives a Claim Form, the Westminster Respondents shall either resolve the consumer's claim pursuant to paragraph 93 of the Final Order or deliver to the Maintenance Claims Master: (a) the consumer's Claim Form and all supporting documentation provided by the consumer; (b) the Westminster Respondents' response to the claim set forth in the consumer's Claim Form; and (c) any maintenance log data and/or other records that reflect the maintenance history for that tenant during their tenancy or tenancies in the Respondents' Properties. The Westminster Respondents shall provide the consumer claimant and the Division with copies of all documents and information that the Westminster Respondents provide to the Maintenance Claims Master.

92. At any time during the Claims Procedure, the Westminster Respondents and the Division may agree that a filed claim is not a Qualified Maintenance Claim.

93. Prior to delivering a Qualified Maintenance Claim to the Maintenance Claims Master, the Westminster Respondents may attempt to independently resolve the claim with the consumer. Should the Westminster Respondents and the consumer claimant reach a settlement prior to the deadline for submitting the Claim Form to the Maintenance Claims Master, the Westminster Respondents shall, in lieu of delivering the Claim Form and related information to

the Maintenance Claims Master pursuant to paragraph 91 of the Final Order, notify the Division of the settlement, including by providing the Division with a description of the settlement terms and proof of any payment made to the consumer. The Westminster Respondents may resolve a claim pursuant to this paragraph by forgiving the consumer's existing debt that is presently owed to the Respondents and that is not time-barred by any statute of limitations, provided that (a) the amount of the forgiven debt remains due and owing and efforts are being made to collect the debt; and (b) the consumer consents to having their existing debt forgiven in lieu of an affirmative restitution payment.

94. If the Westminster Respondents do not resolve a consumer's claim pursuant to paragraph 93 of the Final Order and do not forward the consumer's claim to the Maintenance Claims Master within the time period provided under paragraph 91, then the Division may forward the consumer's claim to the Maintenance Claims Master and shall notify the Westminster Respondents of the transmission.

95. The Maintenance Claims Master shall be responsible for the resolution of all Qualified Maintenance Claims not resolved subject to paragraph 93 of the Final Order. Prior to the scheduling of the first hearing addressing a Qualified Maintenance Claim, the Westminster Respondents and the Division shall be permitted to address the Maintenance Claims Master in order to explain their positions regarding the claims procedure and the availability of restitution to consumers.

96. The Maintenance Claims Master shall resolve Qualified Maintenance Claims he or she receives by scheduling a hearing on each claim to determine: (a) the merit of the consumer's

claim; and (b) what amount of past rent, if any, the Westminster Respondents must disgorge to compensate the consumer based on any loss of enjoyment of the property as a result of the Respondents' alleged failure to adequately maintain the rental premises.

97. The Maintenance Claims Master may reject a claim if the information provided on the Claim Form cannot establish a Qualified Maintenance Claim, by sending the consumer a letter explaining the basis for the rejection of the claim. If the consumer whose claim is rejected by the Maintenance Claims Master disagrees with the rejection of the claim and has additional information they wish to submit that they believe would establish that their claim is a Qualified Maintenance Claim, within 30 days, the consumer may resubmit their claim to the Maintenance Claims Master, who shall reevaluate the claim and either (a) schedule a hearing on the claim, or (b) inform the consumer claimant that their claim remains rejected as not being a Qualified Maintenance Claim.

98. The Maintenance Claims Master shall conduct hearings on Qualified Maintenance Claims in person, by telephone, a web-based videoconferencing platform, or other means agreed to by the consumer.

99. The Maintenance Claims Master shall be responsible for, among other things, reviewing the submitted Claim Forms, supporting materials, and testimony provided by the consumer along with the Westminster Respondents' testimony and any maintenance records or other materials provided by the Westminster Respondents in response to the consumer's claim. The Maintenance Claims Master may, at any time, request that either the consumer or the

Westminster Respondents supplement the materials they have provided to the Maintenance Claims Master.

100. No state or federal rules of evidence shall apply to the Maintenance Claims Master's review of Qualified Maintenance Claims. The Maintenance Claims Master shall conduct hearings on each consumer's claim in an informal manner that does not require any legal expertise on the part of the participant. *Ex parte* communication with the Maintenance Claims Master should be discouraged but, to the extent it occurs, the Maintenance Claims Master shall share the substance of the communication with the other party.

101. The Maintenance Claims Master shall issue a written decision regarding each Qualified Maintenance Claim that is resolved through the maintenance-based claims process described herein, setting forth the basis for the decision and the calculation of any restitution awarded. Any restitution awarded shall not exceed the amount of rent paid by the claimant to the Respondents that was owed for the months for which their Qualified Maintenance Claim is made. The Maintenance Claims Master shall deliver a copy of that written decision to the consumer, the Westminster Respondents, and the Division. In the event a decision issued by the Maintenance Claims Master requires the Westminster Respondents to pay Maintenance-Based Restitution, the Westminster Respondents shall, within thirty (30) days of their receipt of such decision, cause that payment to be made from the Restitution Account. Within thirty (30) days of making any payment to a consumer pursuant to this paragraph, the Westminster Respondents shall provide the Division with a copy of the check and transmittal letter that is sent to the consumer.

102. The Maintenance Claims Master shall submit any bill for his or her costs to both the Division and the Westminster Respondents, and the Westminster Respondents shall pay the Maintenance Claims Master within thirty (30) days of receipt of any bill. Any bill submitted pursuant to this paragraph shall be limited to the Maintenance Claims Master's operating expenses and a payment for their services at an agreed upon hourly rate.

103. No later than one hundred and eighty (180) days after the Maintenance Claims Master has resolved all timely submitted claims by consumers, all restitution payments that were ordered by the Maintenance Claims Master but were not paid to the consumers by the Westminster Respondents (either because the Westminster Respondents were unable to deliver the check or the consumer failed to cash the check), shall be remitted by the Westminster Respondents to the Division. Such amounts may, at the discretion of the Attorney General, be (a) held in trust for consumers by the State or (b) used in accordance with State law, for consumer education or other purposes permitted by State law.

104. If, at any time during the claims procedure described herein, the \$800,000 payment into the Restitution Account is insufficient to pay all Court Cost Restitution and Maintenance-Based Restitution then, consistent with paragraph 78, the Division shall instruct the Westminster Respondents to deposit additional amounts into the Restitution Account. If, at the conclusion of the claims procedure described herein, the amount of Court Cost Restitution and Maintenance-Based Restitution paid does not exceed \$800,000, then that portion of the \$800,000 payment made pursuant to paragraph 105 that was not used by the Division to pay restitution shall be paid to the Division.

PENALTIES

105. At the same time the Westminster Respondents execute this Final Order, they shall pay the Agency a civil penalty in the amount of Three Million, Two Hundred and Fifty Thousand Dollars (\$3,250,000), as follows: (a) the Westminster Respondents shall pay the Agency Two Million, Four Hundred and Fifty Thousand Dollars (\$2,450,000); and (b) the Westminster Respondents shall deposit Eight Hundred Thousand Dollars (\$800,000) into the Restitution Account provided for under paragraph 77 of this Final Order to be used to pay Court Cost Restitution and Maintenance-Based Restitution.

106. Upon the full and final payment of the civil penalties and restitution amounts required by this Final Order, the Respondents shall be released of all claims that were alleged, or could have been alleged, by the Division in its Amended Statement of Charges for their conduct that occurred prior to the entry of this Final Order.

107. For a period of ten (10) years following the entry of this Final Order, prior to offering or leasing a unit at any residential property in Maryland, the Respondents shall provide the Division with copies of their standard lease agreements, lease applications, and every other document that the Respondents intend to provide to a prospective tenant as part of their leasing procedure subsequent to the date of this Final Order. Annually, within the ten (10) years period provided under this paragraph, the Respondents shall provide the Division with all changes to their leasing documents and any new documents provided to prospective tenants as part of the leasing process in Maryland.

OTHER PROVISIONS

108. Any notice or mailing required under this Final Order shall be provided in writing as follows:

Notice to the Division shall be
be directed to:

Philip D. Ziperman
Consumer Protection Division
200 St. Paul Place, 16th Floor
Baltimore, MD 21202
(410) 576-6417
pziperman@oag.state.md.us

Notice to the Westminster Respondents shall
be directed to:

Ty Kelly
Baker, Donelson, Bearman,
Caldwell & Berkowitz, PC
100 Light Street, 19th Floor
Baltimore, MD 21202
(410) 862-1049
tykelly@bakerdonelson.com

Notice to the SRH Respondents shall
be directed to:

Christopher R. Mellott, Esquire
Evan T. Shea, Esquire
Venable LLP
750 East Pratt Street Suite 900
Baltimore, MD 21202
(410) 528-4649
etshea@Venable.com

Notice to the Middle River Respondents
shall be directed to:

Barry C. Goldstein, Esquire
John T. Sly, Esquire
Waranch & Brown
1301 York Road Suite 300
Lutherville, MD 21093
(410) 821-3511
bgoldstein@warnach-brown.com

Any party may change its designated notice recipients by written notice to the other Parties.

DISPUTES

109. The Chief of the Division, or his designee, shall resolve any disputes concerning this Final Order and enter any supplemental orders needed to effectuate its purpose.

ENFORCEMENT


110. This Final Order is enforceable by the Consumer Protection Division pursuant to the MCPA, and any violation of this Final Order is a violation of the MCPA by the Respondent who has violated its obligations.

111. Any future violations of this Final Order shall constitute a subsequent violation of the MCPA by the Respondent who has violated its obligations for purposes of § 13-410 and shall be subject to the penalty provisions for any subsequent violations contained therein.


112. A Respondent other than the Westminster Respondents shall be responsible only for its own violations of the Cease and Desist Provisions of this Final Order and shall not be responsible for any of the Westminster Respondents' payment or other obligations pursuant to this Final Order.

Approved as to form and substance by:

WESTMINSTER RESPONDENTS

By: 
Ty Kelly
Alison Schurick
Christopher C. Dahl
Baker Donelson
100 Light Street, 19th Floor
Baltimore, MD 21202


SRH RESPONDENTS

By: 
Michael B. MacWilliams
Christopher R. Mellott
Evan T. Shea
Venable LLP
750 E. Pratt Street, Suite 900
Baltimore, MD 21202

MIDDLE RIVER RESPONDENTS



By: 
Barry C. Goldstein
John T. Sly
Waranch & Brown, LLC
1301 York Road, Suite 300
Lutherville, MD 21093

CONSUMER PROTECTION DIVISION

By: 
Philip Ziperman
Jessica Kaufman
Niki McCormally
Kira Wilpone-Welborn
200 St. Paul Place, 16th Fl.
Baltimore, MD 21202

SO ORDERED,

CONSUMER PROTECTION DIVISION
OFFICE OF THE ATTORNEY GENERAL

Date:  By: 
Steven M. Sakamoto-Wengel
Consumer Protection Counsel for Regulation,
Legislation and Policy and Chief's Designee

BRIAN E. FROSH
Attorney General

ELIZABETH F. HARRIS
Chief Deputy Attorney General

CAROLYN QUATTROCKI
Deputy Attorney General



WILLIAM D. GRUHN
Chief
Consumer Protection Division

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Date

Consumer Name
Consumer Address

Re: Notice of Claims Process for Maintenance-Based Restitution
Consumer Protection Division v. Westminster Management, LLC, *et al.*

Dear Consumer,

The Office of the Attorney General of Maryland, Consumer Protection Division ("Division") has issued a Final Order by Consent in connection with the mutual resolution of the Division's allegations that Westminster Management, LLC, *et al.* ("Westminster") violated the Maryland Consumer Protection Act.

Pursuant to the Final Order, consumers who experienced any of the following eligible maintenance conditions (the "Qualified Maintenance Conditions") while renting a residential unit at a Westminster-managed property may be eligible to receive restitution. A Qualified Maintenance Condition is:

- (1) A significant leak, flood, or burst pipe;
- (2) Mold;
- (3) A rodent, roach, or bedbug infestation;
- (4) An inoperable toilet (if the toilet is the only one in the unit);
- (5) Broken door(s) and/or window(s) if the condition could reasonably have posed a security threat to the tenant;
- (6) Lack of heat in winter for more than 12 hours;
- (7) Lack of air conditioning in summer for more than 12 hours;
- (8) Lack of water for more than 12 hours;
- (9) Lack of hot water for more than 24 hours; and/or
- (10) Lack of electricity, unless caused by action taken by the utility provider because of the consumer's failure to timely pay a utility bill.

If you experienced a Qualified Maintenance Claim while residing at a Westminster-managed property, you may be eligible for restitution if Westminster: (a) did not respond to the your request for Emergency Maintenance (defined below) within twenty-four (24) hours by

either making or scheduling a required repair; (b) did not respond to your request for a non-emergency maintenance within forty-eight (48) hours by either making or scheduling a required repair; (c) the condition was not repaired within ninety-six (96) hours of Westminster's receipt of the request; or (d) the condition was reported to Westminster and occurred two or more times in any twelve (12) month period.

"Emergency Maintenance" means a maintenance request for one of the following conditions:

- No heat for more than 12 hours if the outside temperature is below 50 degrees Fahrenheit;
- Lack of air conditioning for more than 12 hours if the outside temperature is over 85 degrees Fahrenheit;
- Loss of electricity in a unit for reasons other than the tenant's non-payment of a bill or where the repair is outside landlord's control, such as a power line damaged by a storm;
- A significant water leak or flood if water is entering the unit in a non-conventional method, such as through a ceiling, floor, or back up;
- Lack of hot water for more than 24 hours;
- Lack of water for more than 12 hours;
- Inoperable toilet if the toilet is the only toilet in the unit; or
- An unsecured entry caused by a broken or inoperable door or window lock if the condition could reasonably have posed a security threat to the tenant.

To make a restitution claim, please fill out and return the enclosed Claims Form along with any supporting documentation (documents, photographs, video, etc.) to:

Westminster Claims Processing
[Address to be Supplied]

*****Completed Claims Forms and supporting documents must be submitted
by <date>*****

After you submit your Claims Form, a Westminster representative may contact you directly to attempt to resolve your claim. If your claim is not settled directly with Westminster, you may be eligible to present your claim to a Special Master at an informal hearing held in person, by telephone or an Internet-based videoconferencing platform (such as WebEx or Zoom). If your claim is qualified, the Special Master may determine what amount of past rent, if any, that you paid while residing at a Westminster-managed property during the time period of your maintenance claim should be refunded. If you are eligible to present your claim to the Maintenance Claims Master, you will receive a separate notice with the date, time, and mode of the hearing.

If you have any questions about the Claims Process, you may contact [Name of Claims Administrator] at [email] or [phone].

Very truly yours,

<?>

Consumer Protection Division

Enclosure: Claims Form

Consumer Protection Division v. Westminster Management, LLC, et al.
Claim Form

READ CAREFULLY

(Please retain Instructions and a copy of this Claim Form for your records)

If you experienced certain maintenance conditions as a tenant at a property managed by Westminster Management, LLC you may be entitled to receive a restitution payment pursuant to a Final Order issued by The Office of the Attorney General, Consumer Protection Division.

To make a restitution claim, please fill out and return this Claim Form, along with a copy of any photos, video, email or other documents that you have to support your claim, to:

Westminster Claims Processing
[Address to be Supplied]

Claim form mailed on **<date of mailing>**
****Deadline to mail this Claim Form is <date of mailing + 1yr>****

Section A. Personal Information

First Name: _____ M.I.: _____ Last Name: _____ SSN: _____

Current Street Address: _____ City, State, Zip Code: _____

Email Address: _____ Phone Number(s): _____

Section B. Property Information

Name of Property Managed by Westminster: _____ Dates of Tenancy: _____

Address at Property: _____

Have you lived at more than one property managed by Westminster Management, LLC? ☐ Yes ☐ No

If yes, Name of Property: _____ Dates of Tenancy: _____

Address at Property: _____

Section C. Qualifying Conditions

Please check (✓) all the eligible conditions you experienced during your tenancy:

- ☐ A significant leak, flood, or burst pipe;
- ☐ Mold;
- ☐ A rodent, roach, or bedbug infestation;
- ☐ An inoperable toilet (if the toilet is the only one in the unit);
- ☐ Broken door(s) and/or window(s) that reasonably posed a security threat;
- ☐ Lack of heat in winter for more than 12 hours;
- ☐ Lack of air conditioning in summer for more than 12 hours;
- ☐ Lack of water for more than 12 hours;
- ☐ Lack of hot water for more than 24 hours; and
- ☐ Lack of electricity (not caused by tenant failure to timely pay a utility bill).

Did the condition(s) complained of above:

Qualify as a request for emergency maintenance that Westminster did not respond to within twenty-four (24) hours by either making or scheduling the required repair? ☐ Yes ☐ No

Identify condition(s) and estimated date(s) of occurrence: _____

Qualify as a non-emergency maintenance request that Westminster did not respond to within forty-eight (48) hours by either making or scheduling the required repair? ☐ Yes ☐ No

Identify condition(s) and estimated date(s) of occurrence: _____

Remain not repaired within ninety-six (96) hours? ☐ Yes ☐ No

Identify condition(s) and estimated date(s) of occurrence: _____

Occur two or more times in any twelve (12) month period? ☐ Yes ☐ No

Identify condition(s) and estimated date(s) of occurrence: _____

Section D. Additional Information

If you have additional information about your claim (including documents, photos, or video), please attach it to this claim form.

Signature: _____ Printed Name: _____

Date: _____