

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT is by and between the Equal Rights Center, a District of Columbia non-profit corporation (“ERC”), and AIR Property Management TRS, LLC, RI – 15 LP, Vaughan Place, LLC, Upton Place West LLC, Upton Place East LLC, and OP Property Management, LLC (collectively, “AIR”) (ERC and AIR are collectively, the “Parties”). This Agreement is effective on the date last signed by any Party below (the “Effective Date”).

WHEREAS, RI-15 LP is the owner of Latrobe Apartments located at 1325 15th St NW, Washington, DC 20005, which is operated by AIR Property Management TRS, LLC;

WHEREAS, Vaughan Place, LLC is the owner of Vaughan Place located at 3401 38th St NW, Washington, DC 20016, which is operated by OP Property Management, LLC;

WHEREAS, Upton Place East LLC and Upton Place West LLC are the owners of Upton Place located at 4000 Wisconsin Ave NW, Washington, DC 20016, which is operated by AIR Property Management TRS;

WHEREAS, the ERC is a civil rights organization that identifies and seeks to eliminate unlawful and unfair discrimination in housing and offers a variety of services to third-parties designed to improve and promote equal access to housing in the District of Columbia;

WHEREAS, the ERC filed a lawsuit captioned *Equal Rights Center v. AIR Communities, L.P. et al.*, in the Superior Court of the District of Columbia, Case No. 2024-CAB-000668 (the “Lawsuit”) alleging that RI- 15 LP, Vaughan Place, LLC, and AIR Communities L.P. failed to comply with District of Columbia law with regard to the screening of applicants for apartments at Latrobe Apartments and Vaughan Place;

WHEREAS, the ERC and AIR have a mutual goal of ensuring equal access for all persons to housing offered at Latrobe Apartments, Vaughan Place, and Upton Place (the “Properties”);

WHEREAS, the ERC and AIR wish to resolve the issues identified in the Lawsuit and work collaboratively to develop and implement policies and training to ensure AIR’s compliance with the D.C. Tenant Screening Laws (as defined below).

IT IS, THEREFORE, AGREED:

I. Term. This Agreement will commence on the Effective Date and will continue for a term of five (5) years.

II. Actions To Further Fair Housing at the Properties.

A. AIR shall not discriminate against prospective renters on any of the bases prohibited by federal, state or local law. Such prohibition shall include:

a) a prohibition against discrimination on the basis of prospective tenants’ use of Housing Choice Vouchers, Rapid Rehousing Subsidies, and other forms of

income-based housing subsidies as a source of income to pay for some or all of the monthly rent, as required by law;

b) a prohibition against minimum income requirements for prospective tenants seeking to rent with the assistance of an income-based housing subsidy;

c) a prohibition against credit score requirements for prospective tenants seeking to rent with the assistance of an income-based housing subsidy;

d) a prohibition against considering the credit score or lack thereof of a prospective tenant seeking to rent with the assistance of an income-based housing subsidy;

e) a prohibition against consideration of credit issues for prospective tenants seeking to rent with the assistance of an income-based housing subsidy if such credit issues arose during a period in which the prospective tenant did not have an income-based housing subsidy if AIR could reasonably have known the date of receipt of the income-based housing subsidy;

f) a prohibition against inquiry into a prospective tenant's criminal history prior to a conditional offer of tenancy being made;

g) a prohibition against consideration of criminal convictions not within the list of convictions that can be considered under the Fair Criminal Record Screening for Housing Act, and

h) a prohibition against consideration of criminal convictions of a prospective tenant that occurred more than 7 years prior to the application.

B. Notwithstanding the prohibitions described in paragraph 6 of the Agreement, nothing in this Agreement shall require AIR to act in violation of any amendments to the D.C. Code that may take effect after the Effective Date of the Agreement, and nothing in this Agreement shall relieve AIR of any obligations it may have resulting from any amendments to the D.C. Code that may take effect after the Effective Date of the Agreement.

C. *Tenant Screening Policy.* Within fourteen (14) days of the Effective Date, AIR shall provide to the ERC a revised tenant screening policy and criteria (collectively, the "Tenant Screening Policy"). This Policy shall include the following statement:

“[INSERT NAME OF PROPERTY] complies with the Fair Housing Act of 1968 as amended, as well as state and local law. In Washington, D.C., discrimination in the sale or rental of housing based on, among other things, lawful source of income, is prohibited. [INSERT NAME OF PROPERTY] complies with all applicable federal, state and local laws pertaining to the use of Housing Choice Vouchers, Rapid Rehousing Subsidies and other forms of income-based housing subsidies as a source of income, including laws regarding application of minimum income requirements, credit scores and credit issues.

[INSERT NAME OF PROPERTY] also complies with all applicable federal, state and local laws regarding the application of criminal background checks and prior eviction screenings.”

D. Within thirty (30) days of the Effective Date, AIR will confirm to ERC that it has distributed the Tenant Screening Policy to the following persons/entities: (1) all employees engaged in the management or leasing of apartments at the Properties; (2) all employees involved in the screening of applicants for apartments at the Properties; and (3) third party screening companies engaged in the screening of applicants for the Properties. If AIR makes any substantive changes to the Tenant Screening Policy, it will, within ten (10) business days after making those changes, distribute the revised Tenant Screening Policy to the persons/entities identified above and ERC.

E. AIR will, with respect to the Properties:

1. Request that prospective tenants disclose (a) their voucher status prior to the running of any background checks; and (b) the date when a prospective tenant’s use of a voucher began;

2. Require that any background screening service used by AIR include the dates on which any credit-related issues of a prospective tenant arose and that AIR staff are adequately trained to apply such information in compliance with local law (with the Parties agreeing that the training being provided by the ERC hereunder will satisfy such requirement);

3. Ensure that all prospective tenant screening procedures comply with the Eviction Record Sealing Authority and Fairness in Renting Amendment Act of 2022 and the Fair Criminal Record Screening for Housing Act, and that all staff who interact with potential applicants are adequately trained in such procedures (with the Parties agreeing that the training being provided by ERC hereunder will satisfy such requirement); and

4. Provide all prospective tenants with a written copy of all eligibility criteria used to decide whether or not to rent to a prospective tenant before accepting an application fee.

F. *Fair Housing Training.*

1. ERC will provide annual training (the “Training Program”) via webinar to all AIR employees whose responsibilities include the management and leasing of apartments at the Properties and/or screening of applicants for apartments at the Properties (the “Training Group”) during the Term as follows:

a) The Training Program will consist of three hours of fair housing instruction, followed by a question & answer portion, which will allow time for AIR’s staff to gain insight on fair housing issues and best practices as needed, including source-of-income as a protected class.

b) The Training Program will be led by civil rights content area specialists and industry practitioners who support both newcomers and seasoned professionals in addressing fair housing, civil rights, and source-of-funds, and race related matters.

c) The Training Program will accurately cover (i) the background and history of the Fair Housing Act and other laws that impact housing in the District of Columbia; (ii) a discussion of protected classes under federal and District of Columbia law; (iii) common scenarios related to fair housing compliance; and (iv) race, criminal history, eviction, and source of income specific protections afforded under federal and District of Columbia fair housing laws.

2. The first training session will take place within four months of the Effective Date, and every 12 months thereafter at times mutually agreeable to the Parties. Each training session will be recorded and made available to any member of the Training Group who was unable to attend the live training and any newly hired employees, within three (3) business days so that these employees can take the training. Within sixty (60) days after each live training session, AIR will certify to ERC that all members of the Training Group have attended a training session.

3. At least thirty (30) days before each training session, and upon AIR's request, ERC shall make available to AIR any materials to be used at the training, including any PowerPoints, handouts, or agendas.

G. *Affirmative Marketing.* AIR will revise the Properties' websites to list all eligibility criteria for housing applicants. Such revisions will also include the following statements: (1) there is no minimum credit score requirement for any applicant, and credit score is one of many factors to be considered; (2) if an applicant has a federal, state, or local housing voucher, credit scores will not be considered; (3) there are no minimum income requirements for recipients of federal, state, or local housing vouchers; (4) credit issues may not be considered for any applicant with a federal, state, or local housing voucher if such credit issues arose during a period in which the prospective tenant did not have a housing voucher; and (5) a statement that applicants may provide evidence demonstrating inaccuracies within any criminal record or evidence of rehabilitation or other mitigating factors. AIR will include the following information on the Properties' websites: AIR will not deny applicants based on sealed eviction records and/or evictions filed three or more years ago, and AIR will not deny applicants based on a criminal history if more than seven years old. AIR will provide ERC with notice of any proposed changes to the Properties' websites that pertain to tenant screening criteria at least thirty (30) days before making such changes, and AIR will consider in good faith any comments from ERC about those changes.

H. *Voucher Liaison.* AIR will designate at least one employee to be the housing voucher liaison for the Properties. The housing voucher liaison will become familiar with the process for D.C.'s Housing Choice Voucher program and any other applicable housing vouchers, as well as changes regarding these vouchers. AIR shall notify ERC of the name of this individual.

I. *Compliance Testing.*

1. The ERC will conduct a total of thirty (30) tests of the Properties during the Term of the Agreement. Using trained ERC testers, the ERC will design and conduct telephone and/or in-person testing to evaluate compliance with fair housing requirements by onsite leasing and community management staff.

2. The ERC will report the test results to AIR at legal@aircommunities.com, daniel.hooks@aircommunities.com, and lisa.cohn@aircommunities.com no later than forty-five (45) days after the test. The ERC will advise AIR at this time whether ERC believes a violation of federal or local fair housing laws occurred during the test and, if so, ERC's suggested practical cure. At such time, the ERC will provide AIR temporary access (*i.e.*, access on a shared platform for at least five business days) to any test recordings that ERC believes shows a violation of the fair housing laws. The ERC will redact proprietary and personally identifying information about the testers in these recordings before making them accessible. If ERC believes a violation has occurred, the Parties shall meet telephonically or by video conference within ten (10) business days after the transmittal of a test to discuss ERC's findings in connection with the test. AIR shall respond to ERC's conclusion within thirty (30) days of the meeting and will have sixty (60) days from the date of the meeting to cure the violation or otherwise demonstrate to the ERC why the alleged conduct is not a violation. The term "cure" means to correct the violation or set in place a process or policy so that the violation does not occur again and does not mean to pay any money or provide any additional form of consideration to the ERC or its testers regarding the alleged violation other than what is provided for in this Agreement. If the Parties in good faith cannot reach an agreement on whether a violation has taken place and/or the steps necessary to cure the violation within sixty (60) days, either Party can seek resolution from a D.C. court of competent jurisdiction.

3. The ERC, on behalf of itself and its testers, expressly waives any and all claims and rights of action against AIR based upon the results of the fair housing testing set forth in this Section I, except to enforce this Agreement.

J. *Process For Future Alleged Violations.* The ERC provides advocacy and counseling to complainants who suspect they have experienced illegal housing discrimination, and nothing in this Agreement shall impair the rights of the ERC to provide such information, advocacy, and counseling to complainants. The ERC will disclose this Agreement to a complainant making allegations against AIR, and will provide the complainant with the following options if it finds the allegations to be credible: (a) the ERC can attempt to use its relationship with AIR to reach a resolution of the matter on the complainant's behalf; (b) the ERC can continue assisting the complainant in the manner that it normally would with any administrative or non-litigation advocacy, counseling, or referrals, without attempting to utilize its relationship with the entity in question to resolve the matter; or (c) the complainant can proceed on his or her own without the assistance of the ERC. The ERC provides information about the HUD/FHAP administrative complaint process to all complainants alleging discrimination and informs all complainants of their independent right to file an administrative complaint.

K. ERC agrees that during the Term of this Agreement, if ERC becomes aware of an alleged violation of federal or District of Columbia law regarding AIR's tenant screening

practices outside the context of the compliance testing set forth in Paragraph II.I above (including those not within the scope of the Lawsuit) pertaining to the Properties, ERC will not bring a suit as an organizational or associational plaintiff unless and until it notifies AIR of the alleged violation and gives AIR sixty (60) days to cure the alleged violation. AIR must respond to the alleged violation within thirty (30) days. If the violation is not cured, then ERC may file suit.

III. Releases.

A. Upon execution of this Agreement, ERC and all related persons, partnerships, or other entities and their heirs, predecessors, successors, assigns, transferees, and agents, and ERC as an organizational or associational plaintiff (the “ERC Releasers”) hereby release and forever discharge AIR and each of its related persons, partnerships, corporations, or other entities and their predecessors, successors, successor owners, parents, subsidiaries, affiliates, assigns, lessors, transferees, agents, directors, officers, employees, investors, shareholders, insurers, and attorneys (“AIR Releasees”), from and against all actions, causes of action, claims, suits, debts, damages, judgments, liabilities, and demands whatsoever, whether matured or unmatured, whether at law or in equity, whether now known or unknown that ERC Releasers now have or may have had, or hereafter claim to have, on behalf of themselves or any other person or entity, against AIR Releasees at any time before and including the date of this Agreement (the “Released ERC Claims”).

B. Upon execution of this Agreement, AIR and all related persons, partnerships, or other entities and their heirs, predecessors, successors, assigns, transferees, members, and agents (the “AIR Releasers”) hereby release and forever discharge ERC and each of its related persons, partnerships, corporations, or other entities and their predecessors, successors, successor owners, parents, subsidiaries, affiliates, assigns, lessors, transferees, agents, directors, officers, employees, investors, shareholders, insurers, and attorneys (the “ERC Releasees”), from and against all actions, causes of action, claims, suits, debts, damages, judgments, liabilities, and demands whatsoever, whether matured or unmatured, whether at law or in equity, whether now known or unknown that AIR Releasers now have or may have had, or hereafter claim to have, on behalf of themselves or any other person or entity, against the ERC Releasees at any time before and including the date of this Agreement (the “Released AIR Claims”).

C. For the purpose of implementing a full and complete release, ERC and AIR expressly acknowledge that the release they give in this Agreement is intended to include in its effect, without limitation, claims that they did not know or suspect to exist at the time of execution hereof, regardless of whether the knowledge of such claims, or the facts upon which they might be based, would materially have affected the settlement of this matter, and that the consideration given under this Agreement is also for the release of those claims and contemplates the extinguishment of any such unknown claims.

D. ERC represents that it has not filed any charges, complaints, lawsuits, or other proceedings against AIR, either on behalf of itself or its members, in any court or municipal, state or federal agency charged with the enforcement of any law relating to the Released ERC Claims.

E. AIR represents that it has not filed any charges, complaints, lawsuits, or other proceedings against ERC, either on behalf of itself or its members, in any court or municipal, state or federal agency charged with the enforcement of any law relating to the Released AIR Claims.

IV. Confidentiality.

A. All documents or information generated by or exchanged by the Parties in connection with the creation of this Agreement (but not the Agreement itself, and not documents or information generated in connection with the investigation or filing of this Lawsuit) (collectively “Confidential Information”) are confidential and may not be disclosed to any third-party, other than to their respective legal, accounting, tax advisors and Board of Directors without the other Party’s written consent, except that documents or information may be used in any litigation to enforce this Agreement if filed under seal. ERC shall advise all legal, accounting, tax advisors, and Board of Directors of this confidentiality requirement prior to providing them with Confidential Information. Other than to enforce the provisions of this Agreement, ERC further agrees that the Confidential Information will not be used to form the basis of any lawsuit or other legal action by ERC, either on its own behalf or on behalf of its members, against AIR, nor will any such information be used as evidence in any such lawsuit. If ERC receives a subpoena or order from a court requiring the disclosure of Confidential Information, it will notify AIR within three (3) business days of receipt of such request and not disclose the Confidential Information before ten (10) days after the provision of the notice.

B. All documents or information generated after the Effective Date, including any compliance testing, is confidential, unless and until any enforcement action is brought based in whole or in part on those documents or information, and either Party may include such information in any enforcement proceeding, and such information does not need to be filed under seal.

V. Compensation for ERC’s Services and Attorneys’ Fees.

A. Within thirty (30) days of the Effective Date and the receipt of a completed W-9 form from ERC counsel Cohen Milstein Sellers & Toll PLLC (“Cohen Milstein”), AIR will make a payment of \$235,000 to Cohen Milstein (the “Payment”) as compensation for the services provided under this Agreement, consideration for the release of the ERC’s claims in the Lawsuit, and reimbursement for all expenses, costs and attorneys’ fees incurred in connection with the Lawsuit. This payment will be made by wire transfer to Cohen Milstein using wire transfer information provided by such counsel.

B. The AIR Releasees shall have no liability whatsoever for amounts owed for taxes by the ERC or Cohen Milstein on account of the Payment to be made under this Agreement. The ERC shall be solely responsible for determining whether taxes are due in connection with the Payment. The ERC shall bear any and all tax liability, including but not limited to liability for taxes, interest and penalties, for the amount paid to the ERC under this Agreement. The ERC shall hold harmless the AIR Releasees, and each of them, from and against any and all amounts, costs, expenses, attorneys’ fees, claims, actions, judgments or settlements resulting from the assertion or enforcement thereof of any tax liabilities.

VI. Publicity.

A. The Parties agree that they will not include the Payment set forth in Section V in any press release, statements to the media, or social media posting. The Parties may refer any media inquiries to this Agreement, which can be posted online.

B. The Parties shall not, in any public statements about this case and this settlement, reference any allegations of discrimination or other violations by AIR not contained in the Complaint, or suggest that AIR has engaged in any other unlawful conduct not contained in the Complaint. The Parties will provide each other drafts of any press releases or written statements made as initial announcements of this Agreement that they intend to issue at least three (3) business days in advance of publication for comment. ERC and AIR will consider each other's comments in good faith and shall implement them as, in each Party's sole discretion, they deem appropriate. ERC and AIR will provide each other with final drafts of these initial press releases or written statements at least twenty-four (24) hours prior to their issuance.

VII. Miscellaneous.

A. *Independent Contractor Status.* The ERC, its employees or agents will, in all instances, perform the services hereunder as independent contractors, and will, in no event, be deemed to be employees of AIR.

B. *Entire Agreement.* This Agreement represents the sole and entire Agreement between the Parties, superseding all prior agreements, negotiations and understandings with respect to the subject matters covered hereby. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by any of the Parties concerning the subject matter hereof. This is an integrated Agreement.

C. *Construction of the Agreement.* This Agreement will be construed as a whole in accordance with its fair meaning in accordance with the laws of the District of Columbia. The language of this Agreement will not be construed for or against any particular Party. Each and every covenant, term, provision and agreement herein contained will be binding upon and inure to the benefit of the successors and assigns of the Parties except that ERC may not assign this Agreement without AIR's consent. The headings used herein are for reference only and will not affect the construction of this Agreement.

D. *Severability.* In the event that any one or more of the provisions contained in this Agreement will, for any reason, be held to be invalid, void, illegal or unenforceable in any respect, such invalidity, voidness, illegality, or unenforceability will not affect any other provision of this Agreement, and the remaining portions will remain in full force.

E. *Deadlines.* If, despite the good faith efforts of the Parties, one or more of the deadlines contained in this Agreement is extended by mutual agreement of the Parties, it is understood that deadlines following that deadline will be moved accordingly, as necessary to ensure that the original intent of the Agreement.

F. *Amendment to Agreement.* Any amendment to this Agreement must be in a writing signed by duly authorized representatives of the ERC and AIR and stating the intentions

of the Parties to amend this Agreement. No breach of any provision of this Agreement will be deemed waived unless the waiver is in writing signed by a duly authorized representative of the waiving Party. Waiver of any one breach will not be deemed a waiver of any other breach of the same or any other provision of this Agreement.

G. *Notices and Communications.* All communications about this Agreement between the ERC and AIR shall be through the persons identified below or their designees, except for communications in the training sessions referenced in Paragraph II.F and during the tests referenced in II.I. Notices and all other documents referenced in this Agreement shall be sent by electronic mail and certified mail as to the following individuals:

For ERC:

- a) Kate Scott
Executive Director Equal Rights Center
820 First Street NE
Suite LL160
Washington, DC 20002
KScott@equalrightscenter.org

and

Joanna Wasik
Washington Lawyers' Committee for Civil Rights and Urban Affairs
700 14th Street, Suite 400
Washington, DC 20005
Joanna_wasik@washlaw.org

and

Brian Corman
Cohen Milstein Sellers & Toll PLLC
1100 New York Ave., NW
Suite 500
Washington, DC 20005
bcorman@cohenmilstein.com

For AIR:

- b) Lisa Cohn, Esq.
President and General Counsel
4582 S. Ulster St. 1700
Denver, CO 80237
Lisa.Cohn@aircommunities.com

- c) Dan Hooks, Esq.
Senior Counsel
4582 S. Ulster St. 1700

Denver, CO 80237
Daniel.Hooks@aircommunities.com

and

- d) Minh N. Vu, Esq.
Seyfarth Shaw LLP
975 F Street, NW
Washington, DC 20004
mvu@seyfarth.com

SIGNATURES BEGIN ON NEXT PAGE

RHODE ISLAND 15 LP

By: RI-15 GP, LLC,
its general partner

By: *Lisa Cohen*
Its: President & General Counsel
Date: 6/28/2024

VAUGHAN PLACE, LLC

By: APARTMENT INCOME REIT, L.P.,
its member

By: AIR-GP, INC.,
its general partner

By: *Lisa Cohen*
Its: President & General Counsel
Date: 6/28/2024

UPTON PLACE EAST LLC

By: AIR Property Management TRS

By: AIR/BETHESDA HOLDINGS, INC.,
its member

By: *Lisa Cohen*
Its: President & General Counsel
Date: 6/28/2024

UPTON PLACE WEST LLC

By: AIR Property Management TRS

By: AIR/BETHESDA HOLDINGS, INC.,
its member

By: *Lisa Cohen*
Its: President & General Counsel
Date: 6/28/2024

AIR PROPERTY MANAGEMENT TRS, LLC

By: AIR/BETHESDA HOLDINGS, INC.,
its member

By: *Lisa Cohen*
Its: President & General Counsel
Date: 6/28/2024

OP PROPERTY MANAGEMENT, LLC,

By: APARTMENT INCOME REIT, L.P.,
its manager

By: By: AIR-GP, INC.,
 its general partner
 Lisa Cohen
Its: President & General Counsel
Date: 6/28/2024

EQUAL RIGHTS CENTER,
a District of Columbia corporation

By: *Kate Gott*
Its: Executive Director
Date: 6/28/2024