

**ESSEX PROPERTY MANAGEMENT COMPANY
GRIEVANCE PROCEDURE**

1. **PURPOSE** This Grievance and Appeal Procedure (the “Procedure”) is intended to assure that residents and applicants (a “Household”) are afforded an opportunity for an informal process and appeal hearing if a Household disputes any Landlord action or failure to act involving a Household’s lease or application with the Landlord or other Landlord rules or regulations which adversely affects the individual Household’s rights, duties, welfare, or status (an “Adverse Action”).
2. **NON-DISCRIMINATION** With respect to the treatment of applicants and residents, the Landlord will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, gender identity, age, disability, handicap, military status, source of income, marital status or presence of children in a household, acquired immune deficiency syndrome (AIDS) or AIDS-related conditions (ARC), or any other arbitrary basis. All criteria shall be applied equitably and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency.
3. **SCOPE**
 - a. This Procedure is available to those properties managed by Essex Property Management Company (“Landlord”), that are subject to a regulatory agreement with the California Tax Credit Allocation Committee based on an award of Low Income Tax Credits (each a “Subject Property”).
 - b. Only applicants to, or current residents of, a Subject Property, have the rights to the process described in this Procedure. This Procedure is an informal method of addressing disputes related to adverse actions taken by Landlord in regards to a resident’s tenancy or an applicant’s application at a Subject Property (a “Grievance”). The use of the Procedure shall not waive or otherwise affect the rights of Households or Landlord to have any dispute resolved by a court or administrative process.
 - c. This Procedure shall not be used for: (i) disputes between residents, between applicants and residents, (ii) disputes of more than one household, (iii) terminations for non-payment, or termination for activity threatening the health and safety of other residents, including perpetrators of domestic violence.
4. **INFORMAL SETTLEMENT OF GRIEVANCE** Any Grievance shall be personally presented to Landlord within the time limit specified by written notice from the Landlord, or, if no such time is specified, within thirty (30) days of the Landlord’s action or failure to act giving rise to the dispute. The Grievance must be presented to Landlord in writing on a pre-printed form supplied by the Landlord or in any other written form chosen by the Household (a “Grievance Form”). An attempt will be made to settle the grievance informally, by discussion

and without a hearing (“Discussion”). A summary of the discussion shall be prepared within five (5) work days (the “Summary”). One copy shall be given to the Household and one retained in Landlord’s file. The Summary shall specify: (i) the names of the participants, (ii) dates of meeting, (iii) the nature of the proposed disposition of the grievance and the specific reason therefore, and (iv) how to request a hearing under Section 5 below if the Household is not satisfied.

5. **OBTAINING A HEARING** If the Household is not satisfied with the results of the Discussion, the Household may request a hearing regarding the Grievance (a “Hearing”).

a. **Request for Hearing** The Household shall submit a written request for a hearing to the Landlord within fourteen (14) days after receipt of the Summary. The written request (“Hearing Request”) shall specify (i) the reason for the Grievance, and (ii) the resolution sought. The Hearing Request must describe the Grievance in terms specifying how Landlord’s action or failure to act adversely affects the Household’s rights, duties, or status in violation of the Household’s lease, or other Landlord rules or regulations governing the operation of the property or application process.

b. **Hearing Officer** Landlord will appoint a hearing officer that has the power to render a final decision on the Grievance (the “Hearing Officer”). The Hearing Officer shall be an employee of Landlord that was not directly involved in the act or failure to act leading to the Grievance.

c. **Failure to Request a Hearing** If the Household does not provide Landlord with a Hearing Request in the time provided above, then the disposition of the Grievance shall become final, and Landlord will not consider the Grievance further either pursuant to this Procedure or through other means; provided, however, that failure to request a hearing shall not constitute a waiver by the Household of Household’s right thereafter to contest the Landlord’s action in disposing of the Grievance in an appropriate judicial proceeding.

d. **Hearing Prerequisite** The Grievance must be presented to Landlord and the informal procedure described in Section 4 above completed prior to requesting a Hearing. Any Hearing Request received by Landlord that is not a response to a Summary shall be deemed an initial Grievance Form and subject to a Discussion and Summary.

e. **Escrow Deposit** Before a Hearing is scheduled in any Grievance involving the amount of rent which the Landlord claims is due, the Household shall pay to the Landlord an amount equal to the amount of all the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The Household shall, thereafter, deposit the same amount of the monthly rent in an independently supervised escrow account monthly until the Grievance is resolved by decision of the hearing officer or hearing panel. Landlord may require proof that such deposits are being made. Unless this requirement is waived by the Landlord, the failure to make such payments shall result in a termination of the Household’s right to use this Procedure. Failure to make the above-designated payment shall not constitute a waiver of any right the Household may have to contest the Landlord’s disposition of the Grievance in an appropriate judicial proceeding.

f. Scheduling of Hearing Upon Household's compliance with this section, a Hearing shall be promptly scheduled by the Hearing Officer for a time and place reasonably convenient to the Household and the Landlord. A written notification specifying the time, place, and the procedure governing the hearing shall be delivered to the Household and the appropriate Landlord official.

6. **PROCEDURES GOVERNING THE FORMAL HEARING** The Hearing Officer shall comply with this Section, and Section 7, Scope Of Jurisdiction Of The Hearing, below.

a. Due Process The Household shall be afforded a fair hearing providing the basic safeguards of due process which shall include: (i) the opportunity to examine before the Hearing and, at the expense of the Household, to copy all documents, records, and regulations of the Landlord that are relevant to the Adverse Action. Any document not so made available after request therefore by the Household may not be relied on by the Landlord at the Hearing; (ii) the right to be represented by counsel or other person chosen as Household's representative; (iii) the right to a Hearing; (iv) the right to present evidence and arguments in support of the Household's Grievance, to controvert evidence relied on by the Landlord, and to confront and cross-examine all witnesses on whose testimony or information relied upon by the Landlord; and (v) a decision based solely and exclusively on the facts presented at the Hearing.

b. Prior Determination on an Issue is Binding The Hearing Officer may render a decision without a Hearing if the Hearing Officer determines that the Grievance has been previously decided in another proceeding.

c. Failure to Appear If the Household or the Landlord's designee fails to appear at a scheduled Hearing, the Hearing Officer may make a determination that the party has waived the party's right to a Hearing. The Household and the Landlord's designee shall be notified of the determination by the Hearing Officer, provided that the determination that the Household has waived Household's right to a hearing shall not constitute a waiver of any right the Household may have to contest the Landlord's disposition of the Grievance in an appropriate judicial proceeding.

d. Hearing Transcript The Household or the Landlord may arrange, in advance, and at the expense of the party making the arrangement, for a transcript of the Hearing. Copies of the transcript shall only be available for purchase by the Household and Landlord.

7. **SCOPE OF JURISDICTION OF THE HEARING OFFICER**

a. The Household must first make a showing of entitlement to the relief sought and thereafter the Landlord will have the burden of justifying the Adverse Action against which the Grievance is directed.

b. The relief sought by the Household must be directly relevant to the Adverse Action and must not be inconsistent with: (i) Local, State, or Federal Law; (ii) Household's

Lease; (iii) Landlord rules and regulations, including tenant selection criteria; (iv) the property's house rules and regulations; or (v) Federal, State, or Local regulations applicable to Landlord.

c. The Hearing shall be conducted informally by the Hearing Officer and oral or documentary evidence pertinent to the facts and issues raised by the Grievance may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings. The Hearing Officer shall require the Landlord, the Household, and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer to remain orderly may result in exclusion from the Hearing or in a decision adverse to the interest of the disorderly party and granting or denial of the relief sought, as appropriate.

d. The hearing officer will conduct the Hearing in order to determine whether the Landlord's Adverse Action is consistent with the Household's lease or with other applicable Landlord and property rules or regulations, and whether the Landlord is justified in proceeding with its actions.

8. DECISION OF THE HEARING OFFICER

a. The Hearing Officer shall prepare a written decision together with the reasons therefore, within five (5) work days after the hearing (the "Decision"). A copy of the Decision shall be sent to the Household and the Landlord. The Landlord shall retain a copy of the Decision in the its file.

b. A Decision in favor of the Household must specify which provision of the Household's lease or other regulation has been violated by Landlord. The remedy granted by the hearing officer may not violate: (i) Local, State, or Federal Law; (ii) Household's Lease; (iii) Landlord rules and regulations, including tenant selection criteria; (iv) the property's house rules and regulations; or (v) Federal, State, or Local regulations applicable to Landlord.

c. A Decision in favor of the Landlord, or which denies the relief requested by the Household in whole or in part, shall not constitute a waiver of, nor affect in any manner whatever, any rights the Household may have to a trial de novo or judicial review in any judicial proceedings, which may thereafter be brought in the matter. (In other words, if the Household loses, the Household can still go to court.)

9. **LANDLORD EVICTION ACTIONS** If a Household has requested a Hearing in accordance with Section 5 above on a Grievance involving an Landlord Notice of Termination of Tenancy, and the Hearing Officer upholds the Landlord's action to terminate the tenancy, the Landlord may commence an appropriate eviction action against the Household.