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PRESS RELEASE

Seniors Rejoice over \$7 Million Class Action Settlement in the Mission Valley Village Mobilehome Park Litigation

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The homeowners and residents of the Mission Valley Village Mobilehome Park applauded San Diego Superior Court Judge Judith Hayes' approval of the Class Action Settlement reached in their long battle against the owner of their mobilehome park—one of the nation's largest developers, Archstone. The settlement is valued at over \$7 million, but the benefits of the settlement could ultimately reach \$13 million for these homeowners and seniors.

Peter Zamoyski, Esq.—one of the attorneys at Tatro & Zamoyski who has represented the homeowners throughout this litigation—remarked, “This extraordinary settlement agreement came about only after a long series of tough David against Goliath battles. At the end of the day, these senior citizens are standing tall and proud after going toe-to-toe against a Fortune 500 company that seemed to have all the power and financial muscle that one can imagine.” Zamoyski added, “This court-approved settlement guarantees residents' legal rights and financial benefits, all of which give the elderly residents of the Park a renewed sense of economic stability and certainty. It provides peace of mind for them and their families knowing that, regardless of the timing of the Park closure or their own personal situations, they have guaranteed, well-known options that can't ever be taken away.”

A homeowner and resident meeting will be held today, Wednesday, June 1, 2011, at 6:00 p.m. at the Mission Valley Village clubhouse, located at 6950 Mission Gorge Road in San Diego, California. The press is welcome. Peter Zamoyski, Esq., and residents of the Park will be on hand to answer questions and discuss the terms of the settlement.

Mission Valley Village Mobilehome Park is a senior-citizen retirement community located in the Allied Gardens/Mission Gorge area. After Archstone (ASN Mission Gorge, LLC) bought the property and took over operations in 2007, Archstone announced its plan to close the Park and build a luxury

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condominium development. But rather than close the Park and pay legally-required relocation benefits, Archstone indefinitely put the Park closure on hold, then raised rents park-wide. Residents' home values plummeted and the fixed-income seniors were immediately faced with an uncertain future and potentially dire economic hardships. Also, questions arose as to the legal rights of the residents and how to properly determine the legally-required relocation benefits owed at the time of Park closure. This class-action settlement resolved all of these issues.

There are three main components to the class action settlement: (1) relocation benefits owed to homeowners at the time of park closure; (2) rent reductions and rebates; and (3) confirmation of legal rights.

(1) Relocation Benefits. Once Archstone issues its 6-month Notice of Park Closure, it must pay **\$4 million or more in relocation benefits** to the 70 remaining households. For example, a couple who owns a two-bedroom home will receive no less than \$48,000; an owner of a three-bedroom home will receive no less than \$89,000. Archstone must also provide relocation consultants to help the residents find a new place to live, coordinate movers, and ensure a smooth transition.

(2) Rent Reduction. An integral part of the settlement requires Archstone to reduce residents' monthly space rent back to its level in 2007 and to pay a rent rebate to every household. Further, and most critically important to the residents, the settlement requires that residents' monthly space rent will be frozen at the reduced rate for the next ten (10) years. The potential value over the years of this **rent-reduction component of the settlement** could reach as high as **\$2.9 million**.

(3) Legal Rights. The settlement confirms residents' legal rights to freely sell and transfer their homes, and confirms that the heirs of a homeowner who passes away has all the same legal rights as the original homeowner. The settlement confirms that all homeowners will receive the legally-required relocation benefits at the time of park closure—even if that homeowner bought the house recently. Archstone's confirmation of homeowners' unfettered legal rights to sell, coupled with the confirmation that any subsequent owner will get all relocation benefits when the Park closes—along with fixed rent for the next 10 years—means that prospective buyers will once again pay full market value for the homes at Mission Valley Village knowing that when the Park closes, they will get all relocation benefits. Going from a nearly zero-home value, to restoring full market value through this settlement for these seniors' homes, carries an estimated class-wide value of up to **\$5.9 million**.

“We couldn't be happier with the overall outcome for these very deserving folks,” said Zamoyski. “But this all came together when everybody in the system pitched in. All the way from the mediator, judge, everyone in our office and opposing counsel's office, and the employees of Archstone, it was a collective effort to make things right.” Judge Judith Hayes signed the Order Approving Final Approval of Class Action Settlement in *Mission Valley Village Mobilehome Association, Inc., v. ASN Mission Gorge, LLC, et al.*, San Diego Superior Court Case no. 37-2010-00090665-CU-BC-CTL, on Friday, May 27, 2011.