

**SETTLEMENT AGREEMENT BETWEEN THE UNITED STATES OF
AMERICA AND GREYSTAR MANAGEMENT SERVICES, LLC**

I. INTRODUCTION

1. This Settlement Agreement (“Agreement”) is made and entered into by and between the United States of America, through the Department of Justice (“United States”), and Greystar Management Services, LLC (“Greystar”). The United States and Greystar are referred to herein as the “Parties.”

II. RECITALS

2. This agreement resolves the United States’ allegations that Greystar engaged in violations of the Servicemembers Civil Relief Act (“SCRA”), 50 U.S.C. §§ 3901-4043.

3. Specifically, the United States alleges that Greystar violated Section 3955 of the SCRA, 50 U.S.C. § 3955, by unlawfully imposing early termination charges against servicemembers who were exercising their federally protected right to terminate their residential leases after they received qualifying military orders.

4. Greystar relied on third-party property management software platforms, including RealPage, Yardi, and Entrata, that automatically imposed early termination charges on SCRA-protected servicemembers.

5. The United States alleges that Greystar left it up to individual employees to identify and manually reverse the automatically imposed charges, a

procedure that inevitably resulted in numerous SCRA violations.

6. The United States alleges that the early termination charges Greystar imposed ranged from several hundred dollars up to thousands of dollars. The United States also alleges that some of the early termination charges that Greystar imposed were in the form of “chargebacks” of rent concessions or discounts servicemembers had received during their tenancies.

7. Greystar denies that it violated the SCRA or any other federal, state, or local statute or regulation. Nothing herein shall be construed as a finding of any noncompliance with the SCRA or any other federal, state, or local statute or regulation.

8. The Parties agree that, to avoid the delay, uncertainty, inconvenience, and expenses of protracted litigation, the claims against Greystar should be resolved without further proceedings. As indicated by the signatures appearing below, the Parties agree to the terms of this Agreement.

9. The effective date of this Agreement will be the date of the signature of the last signatory to the Agreement.

III. STATEMENT OF CONSIDERATION

10. In consideration of, and consistent with, the terms of this Agreement, the United States will not pursue claims against Greystar alleging that Greystar imposed early termination charges in violation of Section 3955 of the SCRA in a

civil action. The Parties agree and acknowledge that this consideration is adequate and sufficient.

IV. TERMS AND CONDITIONS

The Parties agree and covenant as follows:

A. Prohibited Conduct and Affirmative Obligations

11. Greystar, its officers, employees, agents, representatives, assigns, successors-in-interest, and all persons and entities in active concert or participation with it, will not impose or seek to collect any early termination charge, including but not limited to the required repayment of any lease incentive or discount, from a servicemember or dependent of a servicemember who lawfully terminates a lease under 50 U.S.C. § 3955.

B. Compliance with the SCRA and SCRA Policies and Procedures

12. Within six months of the effective date of this Agreement, Greystar shall transition all residential properties under its management to property management software platforms that do not automatically impose early termination charges, including but not limited to the required repayment of any lease incentive or discount, on servicemembers or dependents of servicemembers who lawfully terminate a lease under 50 U.S.C. § 3955.

13. Beginning six months after the effective date of this Agreement and

continuing for the duration of this Agreement, Greystar shall not use any property management software platform that automatically imposes early termination charges on servicemembers or dependents of servicemembers who lawfully terminate a lease under 50 U.S.C. § 3955.

14. Within thirty (30) days after the effective date of this Agreement, Greystar shall develop new SCRA Policies and Procedures for Leasing and Lease Terminations in compliance with 50 U.S.C. § 3955, to be approved by the United States. These policies and procedures must include the following provisions:

a. Greystar shall permit servicemembers to terminate a lease if they execute a lease and thereafter receive: (i) orders calling them to military service; (ii) orders for a permanent change of station; (iii) orders to deploy with a military unit, or as an individual in support of a military operation, for a period of 90 days or more; or (iv) a stop movement order issued in response to a local, national, or global emergency, effective for an indefinite period or for a period of not less than 30 days, which prevents the servicemember or servicemember's dependents from occupying the lease. A servicemember's termination of a lease shall terminate any obligation a servicemember's dependent may have under the lease, except for taxes, summonses, or other

obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, that are due and unpaid at the time of termination of the lease, which shall be paid by the servicemember or their dependent;

b. A servicemember may terminate the lease by delivering a written notice of termination and a copy of qualifying military orders or other notification, certification, or verification from the servicemember's commanding officer, with respect to the servicemember's current or future military duty status, to Greystar, its employees, or agents. Delivery may be accomplished by hand delivery, private business carrier, U.S. mail, or electronic means reasonably calculated to ensure actual receipt of the communication by Greystar;

c. Greystar shall treat any lease termination pursuant to 50 U.S.C. § 3955 as effective no later than 30 days after the first date on which the next rental payment is due and payable after the date on which the notice was delivered, unless the terminating servicemember requests a later termination date. Any rent amounts that are unpaid for the period preceding the effective date of the lease termination must be, if applicable, prorated. Rents or lease amounts paid in advance for a period after the effective date of the termination of the lease shall be

refunded to the lessee at the last known address of the lessee within 30 days of the effective date of termination;

- d. Greystar may not impose an early termination charge on a servicemember who terminates their lease based on receipt of qualifying military orders. The prohibition on imposition of early termination charges also prohibits Greystar from requiring any servicemember to repay a rent concession or discount at termination;
- e. Greystar shall not initiate or pursue a waiver of any of the lease termination rights provided under 50 U.S.C. § 3955, nor shall it enforce any such waiver that has been previously executed;
- f. Greystar shall revise or amend any lease forms in use at Greystar managed properties to ensure that all early termination provisions comply with 50 U.S.C. § 3955 through an SCRA specific addendum (the "SCRA Addendum"); and
- g. When finalizing a lease on behalf of a building owner with a servicemember, Greystar shall include the SCRA Addendum with the lease packet detailing eligibility for, and relief provided by, the SCRA, and provide a designated telephone number and electronic mail address to obtain SCRA relief or raise questions or concerns regarding such relief.

15. No later than thirty (30) days after the effective date of this Agreement, Greystar shall provide a copy of the proposed SCRA Policies and Procedures and the SCRA Addendum required under Paragraph 14 to counsel for the United States. The United States shall respond to the proposed SCRA Policies and Procedures within thirty (30) calendar days after receipt. If the United States objects to any part of the SCRA Policies and Procedures, the Parties shall confer to resolve their differences. Greystar shall begin the process of implementing the SCRA Policies and Procedures within ten (10) calendar days of approval by the United States.

16. If, at any time during the term of this Agreement, Greystar proposes to materially change its SCRA Policies and Procedures, it shall first provide a copy of the proposed changes to counsel for the United States. The United States shall respond to the proposed changes within thirty (30) calendar days after receipt. If the United States objects to any part of the proposed changes, the Parties shall confer to resolve their differences.

C. Training

17. During the term of this Agreement, Greystar shall provide annual SCRA compliance training to all of its employees responsible for leasing, including lease termination. This training shall also be provided to all new employees within thirty (30) calendar days of their hiring. Within thirty (30) calendar days of the United States' approval of the SCRA Policies and Procedures pursuant to Paragraph

14, Greystar shall provide to the United States the curriculum, instructions, and any written material included in the training required by this Paragraph. The United States shall have thirty (30) calendar days from receipt of these documents to raise any objections to the training materials, and, if it raises any, the Parties shall confer to resolve their differences.

18. Greystar shall secure a digital signature or acknowledgment substantially similar to the form attached as Exhibit A from all employees at the trainings required by Paragraph 17 acknowledging that they have received, read, and understood the SCRA Policies and Procedures, have had the opportunity to have their questions about these documents answered, and agree to abide by them. For the duration of this Agreement, copies of those acknowledgements shall be provided to the United States upon request. Greystar shall also certify in writing to counsel for the United States that all employees successfully completed the trainings required by Paragraph 17. Greystar will pay any expenses associated with the trainings required by Paragraph 17.

D. Compensation to Aggrieved Servicemembers

19. Greystar will engage an independent consultant whose duties shall include a review of all military lease terminations processed by Greystar from July 1, 2018, to the present to evaluate whether Greystar imposed early termination charges on those accounts. Greystar shall bear all costs and expenses associated

with the independent consultant. Greystar shall propose an independent consultant and submit the independent consultant's proposed methodology to the United States for approval within 30 days of the effective date of this Agreement. The United States shall respond to Greystar regarding the proposed independent consultant and methodology within 30 days after it receives Greystar's proposed selection and methodology by providing approval or by sending comments and/or questions. If the United States does not approve of Greystar's initial proposals, the Parties will attempt to resolve the United States' concerns in good faith. Any dispute as to the selection of the independent consultant or the independent consultant's methodology will be resolved pursuant to the provisions of Paragraph 47. Greystar's contract with the independent consultant shall require the independent consultant to comply with the provisions of this Agreement as applicable to the independent consultant. The independent consultant's contract shall require the independent consultant to work cooperatively with Greystar and the United States in the conduct of its activities, including reporting to and providing all reasonably requested information to the United States. The independent consultant's contract shall require the independent consultant to comply with all confidentiality and privacy restrictions applicable to the party who supplied the information and data to the independent consultant.

20. Within thirty (30) days of receiving approval from the United States, Greystar shall provide to the independent consultant account ledgers for all tenants who terminated their leases due to military orders from July 1, 2018, to the present. The independent consultant shall submit the results of its review of the account ledgers to the United States within 90 days after it receives the files from Greystar.

21. The independent consultant's report to the United States shall include a searchable list of the accounts where an early termination charge was imposed, including: (1) the full name of the tenant(s); (2) the property name; (3) the property address, including the unit number; (4) the total amount of any early termination charge imposed; and (5) the total amount of any early termination charge paid. The independent consultant shall also provide the United States with copies of the account ledgers for the accounts where an early termination charge was imposed.

22. Greystar shall compensate the tenants identified in the report in an amount equal to: (a) three times the total amount of any early termination charge paid; plus (b) the total amount of any early termination charge that was imposed but not paid. Where there is more than one tenant listed on the lease, the compensation amount shall be divided equally among co-tenants.

23. Greystar shall deliver payment to each tenant, except for those tenants currently residing in Oregon, in the amount calculated pursuant to Paragraph 22 to

their last known address¹ within forty-five (45) days of receiving the final list of tenants to be compensated.

24. All compensation checks may include the phrase “Settlement in Full” in the memorandum section. All compensation checks shall be accompanied by a letter (the form of which is to be approved in advance by the United States and is consistent with the language set forth in Exhibit B) explaining that cashing or endorsing the check releases all claims for violations of Section 3955 of the SCRA related to alleged residential lease early termination charges.

25. For any and all tenants currently residing in Oregon, Greystar shall send the tenants a Release in the form attached as Exhibit B to their last known address within forty-five (45) days of receiving the final list of tenants to be compensated. Within thirty (30) days of receiving a properly executed copy of the Release at Exhibit B, Greystar shall issue and mail a compensation check to the tenant(s) in the amount calculated pursuant to Paragraph 22.

26. Within fourteen (14) days of the effective date of this Agreement, Greystar shall deposit ONE MILLION THREE HUNDRED AND FIFTY THOUSAND DOLLARS (\$1,350,000) into an interest-bearing escrow account for the purpose of fulfilling its obligations under Paragraph 22. Greystar shall provide

¹ Before attempting delivery of the compensation checks or releases as set forth in Paragraphs 23 and 25, Greystar shall conduct a search of a commercially available database, such as the National Change of Address (NCOA), to determine each tenant’s last known address.

written verification of the deposit to the United States within three (3) business days of depositing the funds described in this Paragraph. Any taxes, costs, or other fees incurred on the escrow account shall be paid by Greystar. The Parties understand that the review by the independent consultant may lead to recalculations of the compensation owed to tenants under Paragraph 22. If that review results in additional funds being owed pursuant to Paragraph 22, Greystar shall add funds to the escrow account as necessary to meet its obligations under this Agreement. If, on the other hand, that review results in a reduced amount of compensation owed under Paragraph 22, the United States will permit Greystar to withdraw the unallocated funds from the escrow account.

27. Greystar shall promptly conduct one skip trace and redeliver or reissue any payment or notification that is returned as undeliverable, or that is not deposited, cashed, or returned within six (6) months of the date the initial mailing as set forth in Paragraphs 23 and 25.

28. During the term of this Agreement, Greystar shall, upon the request of a tenant entitled to compensation, reissue any check that is not cashed or deposited prior to its expiration.

29. Every six months for the term of this Agreement, Greystar shall provide the United States with an accounting of all declarations and releases received, checks issued, checks cashed or deposited (including check copies), credit

entries updated, and notifications without responses or that were returned as undeliverable.

30. Any amounts in the escrow account required by Paragraph 26 that have not been distributed to aggrieved persons within five years of the date of this Agreement shall be paid to the United States Treasury in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States.

31. Within ninety (90) calendar days of the effective date of this Agreement, Greystar shall enter into a contract retaining an Independent Settlement Administrator (“Administrator”) to conduct the activities set forth in Paragraphs 22-29 on Greystar’s behalf. The selection of the Administrator and the terms of the Administrator’s contract related to the Administrator’s duties pursuant to this Agreement shall be subject to the non-objection of the United States. Greystar shall bear all costs and expenses of the Administrator. Greystar’s contract with the Administrator shall require the Administrator to comply with the provisions of this Agreement as applicable to the Administrator. The Administrator’s contract shall require the Administrator to work cooperatively with Greystar and the United States in the conduct of its activities, including reporting regularly to and providing all reasonably requested information to the United States. The Administrator’s contract shall require the Administrator to comply with all confidentiality and privacy

restrictions applicable to the party who supplied the information and data to the Administrator.

32. The Administrator's contract shall require the Administrator, as part of its operations, to establish, and to maintain throughout the contract period, multiple cost-free means for affected servicemembers to contact it, including an electronic mail address, a website, and a toll-free telephone number.

33. Greystar shall provide to the Administrator, with sufficient lead time to allow the Administrator to ensure compliance with the time requirements of this Agreement, the name, most recent mailing address in its servicing records, Social Security number, and any other information as requested by the United States and the Administrator with respect to the tenants identified as eligible for compensation pursuant to Paragraph 22. Such information and data shall be used by the Administrator solely for the purpose of implementing the Agreement.

34. In the event that the United States has reason to believe that the Administrator is not materially complying with the terms of its contract with Greystar, Greystar shall present for review and determination of non-objection a course of action to effect the Administrator's material compliance with its contract with Greystar. The United States shall make a determination of non-objection to the course of action or direct Greystar to revise it. In the event that the United States directs revisions, Greystar shall make the revisions and resubmit the course of

action to the United States within fifteen (15) days. Upon notification that the United States has made a determination of non-objection, Greystar shall direct the Administrator to implement the course of action. Any dispute as to the terms of the contract, the Administrator's compliance with the contract, or a course of action to effect the Administrator's material compliance with the contract will be resolved pursuant to the provisions of Paragraph 47.

35. Greystar shall bear all costs and expenses of distributing the compensation payments under this Agreement.

36. No individual may obtain review by the Parties of the identifications made, and payments disbursed (including the amounts thereof), pursuant to Paragraphs 19-34.

E. Civil Penalty

37. Within ten (10) calendar days of the effective date of this Agreement, Greystar shall pay a total of SEVENTY-SEVEN THOUSAND THREE HUNDRED AND SEVENTY DOLLARS (\$77,370) to the United States Treasury as a civil penalty pursuant to 50 U.S.C. § 4041(b)(3) and 28 C.F.R. § 85.5 to vindicate the public interest. The payment shall be made in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States.

F. Additional Reporting and Record-Keeping Requirements

38. For the duration of this Agreement, Greystar shall retain all Records

relating to its obligations hereunder, including its records with respect to all SCRA lease termination requests and all records relating to compliance activities as set forth herein. The United States shall have the right to review and copy any such records, including electronic data, upon reasonable request during the term of this Agreement.

39. During the term of this Agreement, Greystar shall notify counsel for the United States in writing every three months of receipt of any SCRA or military-related complaint, whether the complaint is made orally or in writing. Greystar shall provide a copy of any written complaints with the notifications. Whether regarding a written or oral SCRA complaint, the notification to the United States shall include the full details of the complaint, including the complainant's name, address, telephone number, and email address. Greystar shall also promptly provide the United States all information it may request concerning any such complaint and shall inform the United States in writing within thirty (30) calendar days of the terms of any resolution of such complaint. If the United States raises any objections to Greystar's actions, the Parties shall meet and confer to consider appropriate steps to address the concerns raised by the United States' review.

V. SCOPE OF SETTLEMENT AGREEMENT

40. The provisions of this Agreement shall apply to Greystar and its

subsidiaries, predecessors, acquired companies, and successors. They shall also apply to the officers, employees, managers, agents, representatives, assigns, successors-in-interest, and all persons and entities in active concert or participation with all of those persons and entities.

41. Greystar shall not be liable or responsible for SCRA violations committed by property owners of properties that Greystar manages, so long as Greystar does not encourage or actively participate in those violations.

42. If Greystar is acquired by or merges with another entity, Greystar shall, as a condition of such acquisition or merger, obtain the written agreement of the acquiring or surviving entity to be bound by any obligations remaining under this Agreement for the remaining term of this Agreement.

43. This Agreement does not resolve and release claims other than the claims for violations of 50 U.S.C. § 3955 related to alleged residential lease early termination charges from July 1, 2018 to the present. This Agreement does not release any claims that may be held or are currently under investigation by any other federal or state agency or entity.

44. Nothing in this Agreement will excuse Greystar's compliance with any currently or subsequently effective provision of law or order of a regulator with authority over Greystar that imposes additional obligations on it.

45. The Parties agree that, as of the effective date of this Agreement, litigation is not “reasonably foreseeable” concerning the matters described above. To the extent that either party previously implemented a litigation hold to preserve documents, electronically stored information (“ESI”), or things related to the matters, described above, the party is no longer required to maintain such a litigation hold. Nothing in this Paragraph relieves either party of any other obligations imposed by this Agreement.

VI. ATTORNEY’S FEES AND COSTS AND REMEDIES FOR NON-COMPLIANCE

46. The Parties shall be responsible for their own attorney’s fees and court costs, except as provided for in Paragraph 47.

47. The Parties shall endeavor in good faith to resolve informally any differences regarding the interpretation of, and compliance with, this Agreement prior to initiating court action. However, in the event the United States contends that there has been a failure by Greystar, whether willful or otherwise, to perform in a timely manner any act required by this Agreement or otherwise comply with any provision thereof, the United States may bring a civil action for breach of this Agreement, or any provision thereof, in the United States District Court for the District of South Carolina. That Court shall serve as the exclusive jurisdiction and venue for any dispute concerning this Agreement. The Parties consent to and agree

not to contest the jurisdiction of that Court. The Parties further acknowledge that venue in that Court is appropriate and agree not to raise any challenge on this basis.

48. In the event the United States files a civil action as contemplated by Paragraph 47 to remedy breach of this Agreement, the United States may seek the following: (1) an injunction mandating specific performance of any term or provision in this Agreement, without regard to whether monetary relief would be adequate; (2) an award of reasonable attorneys' fees and costs incurred in bringing an action to remedy breach of this Agreement; and (3) any additional relief that may be available under law or equity. If such a civil action is filed, Greystar expressly agrees not to count the time during which this Agreement is in place, or use the terms or existence of this Agreement, to plead, argue, or otherwise raise any defenses under theories of claim preclusion, issue preclusion, statute of limitations, estoppel, laches, or similar defenses.

49. Failure by the United States to enforce any provision of this Agreement shall not operate as a waiver of the United States' right or ability to enforce any other provision of this Agreement.

VII. DURATION, EXECUTION AND OTHER TERMS

50. This Agreement shall be in effect for a period of five (5) years from its effective date.

51. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. Any signature delivered by a party by facsimile or electronic transmission (including email transmission of a PDF image) shall constitute an acceptable, binding signature for purposes of this Agreement.

52. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

53. This Agreement, including Exhibits A-B, constitutes the complete agreement between the Parties. No prior or contemporaneous communications, oral or written, or prior drafts shall be relevant or admissible for purposes of determining the meaning of any provision herein or in any other proceeding.

54. This Agreement is governed by and shall be interpreted under the laws of the United States.

55. The undersigned represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

56. Except where this Agreement expressly conditions or predicates performance of a duty or obligation upon the performance of a duty or obligation by another Party, the performance of one Party's duties or obligations under this Agreement shall not be discharged or excused by the actual or alleged breach of the duties and obligations by another Party.

57. This Agreement is a public document. Both Parties consent to the United States' disclosure of this Agreement and information about this Agreement to the public.

58. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement.

59. The Parties agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is illegal or invalid.

60. The Parties agree that they will defend this Agreement against any challenge by any third party. In the event that this Agreement or any of its terms are challenged by a third party in a court other than the United States District Court for the District of South Carolina, the Parties agree that they will seek removal and/or transfer to the United States District Court for the District of South Carolina.

61. This Agreement may be modified only with the written consent of the Parties. Any modifications must be in writing and signed by the Parties through their authorized representatives.

FOR UNITED STATES OF
AMERICA:

BRYAN P. STIRLING
United States Attorney
District of South Carolina

HARMEET K. DHILLON
Assistant Attorney General
Civil Rights Division

MICHAEL E. GATES
Deputy Assistant Attorney General
Civil Rights Division

CARRIE PAGNUCCO, Chief
Housing and Civil Enforcement
Section

Dated: June 23, 2025



BETH DRAKE
Assistant U.S. Attorney
United States Attorney's Office
District of South Carolina


Dated: 6/24/25



ELIZABETH A. SINGER, Director
U.S. Attorneys' Fair Housing Program
AUDREY M. YAP
ALAN A. MARTINSON
Trial Attorneys
Civil Rights Division
U.S. Department of Justice

FOR GREYSTAR MANAGEMENT SERVICES, LLC:

Dated: 06/23/2025



MIKE CLOW

Executive Director, Real Estate Operations

Ayman Rizkalla

AYMAN RIZKALLA, ESQ.
DOUGLAS PAUL, ESQ.

Akerman LLP

750 Ninth Street, N.W., Suite 750

Washington, D.C. 20001

Counsel for Greystar Management Services, LLC

EXHIBIT A

EMPLOYEE ACKNOWLEDGMENT

I acknowledge that on [INSERT DATE], I was provided training regarding SCRA compliance and copies of Greystar's SCRA Policies and Procedures. I have read and understand these documents and have had my questions about these documents and the SCRA answered. I understand my legal responsibilities and shall comply with those responsibilities.

[PRINT NAME]

[SIGNATURE]

[JOB TITLE]

EXHIBIT B

RELEASE

Pursuant to the Settlement Agreement resolving the United States' allegations that Greystar Management Services, LLC ("Greystar") violated the Servicemembers Civil Relief Act, and in consideration of Greystar's payment to me of \$ [AMOUNT], I, [TENANT'S NAME], hereby release and forever discharge all claims, arising prior to the date of this Release, related to the alleged violation of Section 3955 of the Servicemembers Civil Relief Act based on the alleged imposition of residential lease early termination charges, that I may have against Greystar, its affiliates, and all of its and their direct and indirect subsidiaries, predecessors, acquired companies, and successors, and all its and their direct and indirect members, officers, employees, managers, agents, representatives, assigns, and successors-in-interest.

Executed this _____ day of _____, 20__.

SIGNATURE: _____

PRINT NAME: _____