

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA

A proposed class action settlement may affect your rights.

A federal court authorized this notice. This is not a solicitation from a lawyer. You are not being sued.

THIS NOTICE IS FOR PEGASUS CLASS MEMBERS WHO ARE ALSO PARTICIPATING LANDLORD SUBCLASS MEMBERS

- There is a proposed settlement in a class action lawsuit entitled *Valencia Rios v. Belvedere NRDE, LLC*, No. 3:25cv0474, which claims that Pegasus Residential, LLC, Belvedere NRDE, LLC and Glenmoor Oaks NRDE, LLC (“Defendants”) violated the Virginia Consumer Protection Act (“VCPA”) and Virginia Residential Landlord Tenant Act (“VRLTA”) through the assessment and collection of pest fees, a “Community Fee,” and a “Lease Administration Fee,” which are collectively referred to herein as the “Disputed Fees.” Defendants deny the Plaintiffs’ allegations and deny that they are liable to the Plaintiffs or any of the putative settlement class members.
- The Plaintiffs allege claims on behalf of a class of similarly situated individuals who executed leases at apartment complexes managed by Pegasus and located in Virginia who paid or were obligated to pay any of the Disputed Fees between June 23, 2023, and January 29, 2026. According to Defendants’ records, you satisfy this definition and are thus entitled to the relief obtained on behalf of the class members, including cash payments and an agreement to halt collection of the Community Fee and Lease Administration Fee.
- If you do not opt out of the proposed settlement, you will receive a cash payment of approximately **\$302.83**. Whether you act or not, your legal rights are affected by the proposed settlement. Your rights and options—and the deadlines to exercise them—are explained in this notice. Please read this notice carefully in its entirety.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS PROPOSED SETTLEMENT | | |
|--|--|---------------------------------------|
| Your Rights and Options | What to Do | Deadlines to Do It |
| Object to the Settlement | Write to the Court about why you do not like the proposed settlement; for more information regarding objecting, please read Section 9 below. | Postmarked on or before July 13, 2026 |
| Opt out of the Settlement | Write to the Settlement Administrator stating that you do not wish to participate in the proposed settlement. See Section 6 below. If you validly opt out, you will not receive any monetary payments from the settlement. | Postmarked on or before July 13, 2026 |

| | | |
|-------------------|--|------|
| Do Nothing | You are not required to take any action to receive the automatic benefits of the proposed settlement. If the proposed settlement is finally approved and you do not opt out, then you will be bound by the Court's final judgment and the release of claims in the Settlement Agreement. | None |
|-------------------|--|------|

1. Does this Notice apply to me?

This Notice and the class settlement it describes apply to you if you executed a lease at **an** apartment complex in Virginia managed by Pegasus Residential LLC and paid or were obligated to pay any of the Disputed Fees between June 23, 2023, and January 29, 2026. Records from Pegasus indicate you would be a class member.

This Notice informs you about the proposed settlement and your rights. Before any final judgment is entered, the Court will have a hearing to decide whether to approve the proposed settlement. The proposed settlement will be finally approved only after any objections or appeals are resolved. If the proposed settlement is finally approved, then you will benefit from the relief provided by the proposed settlement. Once the proposed settlement is final, you will also be bound by the release and other provisions of the proposed settlement.

This notice is only a summary of the proposed settlement. More details about the proposed settlement, the date when appeals are no longer allowed and the settlement is final, deadlines for certain actions, and your options are available in a longer document called the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting www.landlordsettlement.com.

The class action lawsuit is known as *Valencia Rios v. Belvedere NRDE, LLC*, No. 3:25cv0474, and is pending in the United States District Court for the Eastern District of Virginia, with Judge Robert E. Payne presiding. The individuals who sued are called the Plaintiffs; the entities that they sued are called the Defendants. The Plaintiffs are Maria Camila Valencia Rios, Aquarius Filali, and Nadji Filali. The Defendants are Belvedere NRDE, LLC, Pegasus Residential, LLC, and Glenmoor Oaks NRDE, LLC.

2. What is this lawsuit about?

The lawsuit alleges that Defendants violated the VCPA and VRLTA by making misrepresentations in connection with certain fees and assessing fees that they could not assess under Virginia law. Defendants deny the Plaintiffs' allegations and deny that they are liable to the Plaintiffs or any of the putative settlement class members. The Court has not decided whether either side is right or wrong. Instead, both sides agreed to settle the case and provide benefits to the class.

The Plaintiffs filed this case as a proposed class action. When the parties reached this proposed settlement, the Court had not decided whether the case could be a class action. As part of the proposed settlement, the Court certified a tentative class action for settlement purposes only, under Federal Rule of Civil Procedure 23(b)(3). If the proposed settlement is not finally approved, then the Court will later determine if the case may or may not proceed as a class action.

3. How do I know if I am part of the proposed settlement?

The Court has decided that everyone who fits the following description is a “Pegasus Settlement Class Member”:

All consumers: (1) who executed a lease at any of the Pegasus-Managed Properties and (2) paid or were obligated to pay any Disputed Fee from June 23, 2023 through January 29, 2026.

The Court has also decided that individuals who executed a lease at the following Pegasus-Managed Properties and paid or were obligated to pay the Disputed Fees during the same time period are also part of a subclass (the “Participating Landlords Settlement Subclass”) entitled to additional payments from a contribution by their landlords to the Settlement Fund: Innslake Place, Glenmoor Oaks, The Belvedere, The Point at Beaufont, The Point at Beaufont I, The Point at Beaufont II, Hickory Creek, River Forest, Spring Water, or Copper Mill.

Because you have received this Notice, you have been identified as *both* a Pegasus Settlement Class Member and a Participating Landlords Settlement Subclass Member.

4. What benefits does the proposed settlement provide?

The proposed settlement provides a monetary payment to all Pegasus Settlement Class Members from a fund totaling \$2,650,000. Members of the Participating Landlords Settlement Subclass, including you, are also entitled to an additional payment from a contribution by their respective landlords totaling \$1,212,000.

Pursuant to the Court’s approval, the Settlement Fund will also be used to pay a Service Award of up to \$15,000 for each Plaintiff, attorneys’ fees awarded to Class Counsel, reimbursement of Class Counsel’s litigation expenses and costs, and Administrative Costs of the Settlement Administrator.

As part of the Settlement, Defendants have also agreed to halt collection of the Community Fee and Lease Administration Fee moving forward.

Any Residual Funds that are not feasible and practical to distribute to individual Settlement Class Members will be provided to National Association of Consumer Advocates.

No class members will have to pay or buy anything to benefit from the relief provided by the Settlement Agreement.

5. How does the proposed settlement affect my rights?

In general terms, if the proposed settlement is finally approved by the Court, then you will be giving up the right to file a lawsuit against Pegasus and the landlord at the relevant apartment complex for claims under the VCPA or VRLTA related to any of the Disputed Fees that arose between June 23, 2023, and January 29, 2026. The precise terms of the dismissal and release are explained in the Settlement Agreement, which you can view on the settlement website, www.landlordsettlement.com.

The Court’s order will apply to you even if you object to the settlement or have any other claim, lawsuit, or proceeding pending against any of the Defendants for violations of the VCPA or VRLTA.

If you have any questions about the release, please visit the settlement website for additional information or consult

with a lawyer. See Section 7 below for more information regarding your options in seeking legal advice concerning the settlement.

6. Can I choose not to be in the proposed settlement?

Yes. You have the opportunity to opt out of the Settlement by submitting a written Request for Exclusion to Rios v Belvedere, c/o Settlement Administrator, PO Box 23648, Jacksonville, FL 32241, postmarked no later than sixty (60) days from May 14, 2026. To be valid, a Request for Exclusion must be personally signed and must include: (i) your name, address and telephone number; (ii) and a statement substantially to the effect that: "I do not want to be part of the Settlement Class in *Valencia v. Belvedere*." Notwithstanding the foregoing, no person within the Settlement Class may submit a Request for Exclusion for any other person in the Settlement Class.

If you timely submit a valid Request for Exclusion, you will exclude yourself from the Settlement Class and will not be bound by further orders or judgments in the Litigation, subject to Court approval. You will preserve your ability to independently pursue, at your own expense, any individual, non-class, non-representative claims that you claim to have against the Defendants or other Released Parties. No person who has opted out of the settlement may object to any part of the Settlement Agreement.

7. Do I have a lawyer in this case?

Yes. The Court approved the following individuals to represent you and other Settlement Class Members:

- Kristi Kelly, Andrew Guzzo, Casey Nash, Pat McNichol and Matt Rosendahl of Kelly Guzzo, PLC at 3925 Chain Bridge Road, Suite 202, Fairfax, Virginia 22030. Telephone: (703) 424-7570.

The Court has appointed these lawyers as Class Counsel. You will not be charged for these lawyers. You may hire your own attorney, if you choose, but you will be personally responsible for your attorney's fees and expenses.

8. How will the lawyers be paid? What will the Class Representatives receive?

The attorneys representing the class have handled this case on a contingency basis. To date, they have not been paid anything for their work. Class Counsel will request that the Court award attorneys' fees and expenses for the time and effort they have spent on this case. The amount that will be requested by Class Counsel will be one-third of the total Settlement Fund (which is \$3,862,000) and a service award for each of the Named Plaintiffs of up to \$15,000.

Any approved attorneys' fees and expenses or the Plaintiffs' service awards will be paid from the Settlement Fund, and no Settlement Class Member will owe or pay anything directly for the attorneys' fees and expenses of Class Counsel.

9. How do I tell the Court if I do not agree with the proposed settlement?

If you are a Settlement Class Member, then you can object to the proposed settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views.

To object to this Settlement Agreement, you must file your objection in writing with the Clerk of Court no later than sixty (60) days from May 14, 2026. You must also serve a copy of your objection to counsel for both Plaintiffs

and Defendants. The objection must include certain information outlined in the Court's Preliminary Approval Order and the Settlement Agreement. If you fail to timely file and serve a written objection, you shall not be permitted to object to the approval of the settlement or Settlement Agreement and shall be foreclosed from seeking any review of the settlement or the terms of the Settlement Agreement by appeal or other means.

You will not be permitted to object to the settlement or the Settlement Agreement if you decide to exclude yourself from the settlement.

10. When and where will the Court decide whether to finally approve the proposed settlement?

The Court will hold a final approval hearing on August 24, 2026, at 10:00 a.m. before the Hon. Robert E. Payne, in the United States District Court for the Eastern District of Virginia in Richmond, Virginia.

At this hearing, the Court will consider whether the proposed settlement is fair, reasonable, and adequate. The Court will consider all timely and proper objections. You do not have to attend the hearing. The Court may also decide how much to award Class Counsel and the Plaintiffs. After the hearing, the Court will decide whether to finally approve the proposed settlement.

The Court may change the date of the final approval hearing without further notice to the Class. You should check the website, www.landlordsettlement.com, after August 24, 2026, to confirm the hearing date, the court-approval process, and the Effective Date.

11. How do I get more information?

More details about the proposed settlement, the date when appeals are no longer allowed and the settlement is final, deadlines for certain actions, and your options are available in a longer document called the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting www.landlordsettlement.com or by emailing info@landlordsettlement.com.