

May 3, 2019

Julie McGovern  
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**VIA EMAIL ONLY (david@ruralhome.org)**

David Lipsetz  
Chief Executive Officer  
Housing Assistance Council  
1025 Vermont Avenue, N.W., Suite 606  
Washington, D.C. 20005

**Re: Engagement Letter – Housing Assistance Council/Rural Housing Service**

Dear David:

(Reno & Cavanaugh, “we,” or “us”) have represented HAC & RHS for years without a contract. We are writing to document that relationship and to raise rates for the first time since 2011.

This letter is intended to formalize our agreement to represent you, as provided for in the ABA Rules of Professional Conduct governing the legal profession. It sets forth how we propose to staff this matter, describes our billing arrangement, and addresses other certain understandings. By signing this letter, you are agreeing to be bound by the terms and conditions set forth herein.

I will have primary responsibility for this matter and will act as your principal attorney contact. I urge you to contact me at any time with your comments or questions concerning the progress of this matter. Other lawyers and legal assistants in the firm may work on your matters from time to time under my supervision. We will only involve them in order to provide services to you on the most efficient and timely basis or in circumstances where they bring special expertise or experience to bear on your work.

In a matter of this kind, it may be appropriate to take additional factors into account in establishing our fees, such as the novelty or the complexity of the work, the efficiency with which it is accomplished, the exigencies imposed by you or the circumstances, the extent to which we may have foregone other client opportunities in order to satisfy your requirements, and the nature of the results that we ultimately achieve on your behalf. If we feel that the presence of any of these factors makes it fair and appropriate to do so, we will discuss whether an adjustment

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to our bill is appropriate, but any adjustment of our fee from our hourly rates will be subject to your approval. Please note that we have been holding at 2011 hourly rates for several years. See Attachment I for the 2019 Fee Schedule.

As is customary, the fees described above do not include expenses that may be incurred in the course of our work and which may be included in your bill. Those expenses may include express service, filing fees, service of process, searches of official records, and messengers. Except as indicated on the rate sheet, we do not charge clients for postage or photocopies.

We may decide in consultation with you that it is necessary to employ or contract with other persons to perform services for you in connection with this matter, but we will first notify you of our intention to do so. You will pay all fees and expenses of those persons through a billing arrangement established at the time of contract.

Through this letter, we are explaining, and you are acknowledging, that it is very difficult to predict the outcome of this legal matter. In retaining this firm to represent you, you are not relying on any predictions or representations by us in that respect. As the matter progresses, however, I will always be pleased to discuss with you the status of the matter and whatever factors I think will influence its future course.

In addition, I wish to remind you that Reno & Cavanaugh, PLLC, is a professional limited liability company. In general, this means that each member of the firm is responsible for his or her own professional actions and that the assets of Reno & Cavanaugh, PLLC, also stand behind the professional actions of each member. The liability of members not directly performing services to you and the liability of other employees by the firm may be limited by applicable law.

Any controversy or claim arising out of or relating to this agreement or the breach of this agreement (including but not limited to payment of our fees and expenses) shall be settled by arbitration in District of Columbia Attorney/Client Arbitration Board, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction.

I regret that it is necessary to start our dealings with this formal letter, but I feel that having a clear understanding of such matters at the outset will only serve to improve the quality of the relationship in the long run. The attorney/client relationship is one of mutual trust and confidence. I encourage you to feel free to raise questions about my billing or any other matters.

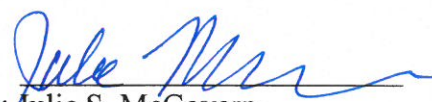
If the foregoing correctly reflects our understanding, please sign and date this letter, and return it to me. You may wish to keep a signed copy for your files.

If you have any questions about this letter, please do not hesitate to contact me at the contact information listed above. If you do wish to proceed, please sign below and return to me via to confirm your agreement to the terms of our engagement.

We very much look forward to working with you on this matter.

Sincerely,

Reno & Cavanaugh PLLC

By:   
Name: Julie S. McGovern  
Title: Member

AGREED TO AND ACCEPTED:

Housing Assistance Council/Rural Housing Service

By: \_\_\_\_\_  
Name: David Lipsetz  
Title: Chief Executive Officer  
Date: \_\_\_\_\_

**ATTACHMENT 1**

**FEE SCHEDULE**

	Standard Hourly Rates	Discounted Hourly Rates
<b>FIRM MEMBERS / COUNSEL</b>	<b>\$390- \$590</b>	<b>\$320-\$520</b>
Julie McGovern	\$480	\$410
<b>ASSOCIATES</b>	<b>\$280-\$320</b>	<b>\$250-\$270</b>
Nydia Pouyes	\$320	\$280
Christopher O'Mahoney	\$300	\$270
<b>PARALEGAL/LAW CLERK</b>	<b>\$150- \$175</b>	<b>\$150-\$175</b>
Alyssa Green	\$150	\$150

E19.02/B19.02

While the above represents the core team assigned to the Authority's matters, we would make all firm attorneys available to you depending on the issue.

In addition, R&C charges a flat rate of \$500 for each audit letter requested.

Our rates include many miscellaneous expenses often billed separately by other firms, and we never mark up 3<sup>rd</sup> party expenses we incur on your behalf. Examples of these types of expenses include:

In-house Photocopying	No Charge	3 <sup>rd</sup> Party Document Reproduction	At Cost
Routine Administrative Support	No Charge	Subcontracts with Counsel	At Cost
Facsimiles	No Charge	Travel	At Cost
Local & Long Distance Telephone Charges	No Charge	3 <sup>rd</sup> Party Conference Call Charges	At Cost
Standard Legal Research Services	No Charge	Specialized Legal Research Services	At Cost
USPS Postage	No Charge	Courier Services	At Cost

R&C makes every effort to perform the work in the most cost-effective manner possible. In many cases, we can reduce overall costs through our knowledge of the field and by utilizing attorneys at lower hourly rates. We are aware of and sensitive to the needs and goals of clients and have considerable experience representing organizations subject to a variety of budget, cost control, and billing requirements. The rates quoted above are valid for a period of 12 months from the effective date of this agreement and thereafter will be adjusted annually based on market conditions. R&C bills according to 6 (six) minutes increments (i.e., one-tenth of an hour). R&C requires payment within thirty (30) days of the date of invoice.

Names provided on the chart above are for illustrative purposes. Any of the above personnel may be admitted as members, of counsel, or otherwise promoted and their rates adjusted accordingly. If new attorneys join the firm during the course of this transaction and to the extent they work on the project they will be billed at comparable rates, based on experience. R&C will

maintain all records for five years after a contract ends. At that time, unless notified by the client, R&C reserves the right to dispose of all materials relating to the transaction.