



U.S. Department of Justice
Civil Rights Division
Housing and Civil Enforcement

SHR:TJM:CJF:jf
DJ 175-57-646

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F.H.E.O.
MAR 1 '10 PM 1:23

February 23, 2010

By FedEx

Lynn Grosso
Director, Office of Enforcement
U.S. Department of Housing and Urban Development
451 7th Street, SW
Suite 5226
Washington, DC 20410

Re: FHAA v. Hunt, et al. / FHEO Case No. 05-08-1737-8

Dear Ms. Grosso:

The above-referenced matter was referred to this office following a charge of discrimination and the election of the parties to proceed in federal district court. The Department of Housing and Urban Development's charge alleged that the Respondents violated the Fair Housing Act by refusing to rent and misrepresenting the availability of housing on the basis of race. The alleged discrimination took place during a paired rental test conducted by the Complainant fair housing group.

While the referral was pending with this office, the Complainant and Respondents agreed to an out-of-court settlement. Under the terms of the parties' January 28, 2010, settlement agreement, a copy of which is enclosed, the Respondents will pay the Complainant \$20,000 in monetary relief and will agree to various injunctive measures to prevent future discrimination. As is reflected in the enclosed letter, the Complainant has notified this office that it considers the settlement a satisfactory resolution of its claims and that it does not wish the Department of Justice to pursue the matter any further. Accordingly, no further action by this office is warranted at this time.

With this letter, we are returning the HUD investigative file for the above-referenced matter. We are also returning the investigative file for *Barker v. Hunt, et al.*, FHEO Case No. 05-08-1760-8. This is a related matter where your office made a determination of no reasonable cause, but where you made the file available for our review because of the potential overlap with the *FHAA v. Hunt* matter.

Please convey our thanks to your staff for their work on this matter. Should you have any questions, please do not hesitate to contact me at (202) 305-0022.

Sincerely,

Steven H. Rosenbaum
Chief

By:



Christopher J. Fregiato
Attorney
Housing and Civil Enforcement Section

cc: Barbara Knox, Director, OFHEO Region V (by U.S. Mail)

Enclosures

**Margolius
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&
Assoc.**

Attorneys at Law

January 29, 2010

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Mr. Christopher J. Fregiato
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- Social Security
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- Personal Injury
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- Housing

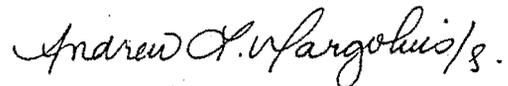
**RE: *Secretary of HUD v. James Hunt and Sagamore 400 Townhouses*
(HUD ALJ No.: 09-M-115-FH/42; FHEO Case No.: 05-08-1737-9)**

Dear Mr. Fregiato:

As you are aware, my office represents the Fair Housing Advocates Association. Pursuant to our discussions, please be advised that the Fair Housing Advocates Association has resolved and settled its claims against *James Hunt, et al.*, in the fair housing case originally entitled *Secretary of HUD v. James Hunt and Sagamore 400 Townhouses* (HUD ALJ No. 09-M-115-FH/42; FHEO Case No. 05-08-1737-8). We have resolved our claims to our satisfaction and, on behalf of the Fair Housing Advocates Association, do not wish the Justice Department to pursue these claims any further.

If you should have any questions, please feel free to call. Thank you for your time and attention in this matter.

Very truly yours,



ANDREW L. MARGOLIUS

ALM/dmj
cc: William D. Edwards
Jeffrey J. Snell

Marcia W. Margolius
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Rigel A. Ariza
Emily E. Warren
Samuel J. Ruhe
R. J. Roberto

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is made and entered into on January 28th, 2010, by and between Fair Housing Advocates Association, on behalf of itself, its employees, its agents, and all of its divisions, parents, subsidiaries, affiliates, partners, predecessors, successors and assigns (collectively "FHAA"), on the one hand, and James Hunt, Sr., on behalf of himself, his agents, representatives, heirs, executors, administrators, survivors, and assigns; and Sagamore 400 Townhouses, LLC, on behalf of itself, its employees, its agents, and all of its divisions, parents, subsidiaries, affiliates, partners, predecessors, successors and assigns (collectively "Sagamore"), on the other hand.

RECITALS

A. There is a dispute between FHAA and Sagamore, the nature of which is set forth in an Administrative Complaint filed by The Secretary, United States Department of Housing and Urban Development, on behalf of FHAA against Sagamore before the Department of Housing and Urban Development, Office of Administrative Law Judges, titled *The Secretary, United States Department of Housing and Urban Development, on behalf of Fair Housing Advocates Association v. James Hunt, Sr., et al.*, HUD ALJ No. 09-M-115-FH/42; FHEO Case No. 05-08-1737-8 (collectively "the Litigation") that has been terminated on October 16, 2009 and

B. Without admitting any liability for or groundlessness of the claims, FHAA and Sagamore desire to avoid further proceedings and/or controversy, and wish to fully resolve, settle and compromise any and all claims that were raised or could have been raised as a result of the underlying facts of the Litigation.

STATEMENT OF AGREEMENT

1. In exchange for the promises set forth in this Agreement, Sagamore shall pay the sum of Twenty Thousand Dollars and Zero Cents (\$20,000) in a check made payable to Fair Housing Advocates Association within ten days from the date a representative of FHAA executes this Agreement. Sagamore agrees that it will also:

- (a) Include the Fair Housing logo in all future leases and applications, beginning April 1, 2010;
- (b) Include the Fair Housing logo or Fair Housing phrase "Equal Housing Opportunity" in all future advertising as of April 1, 2010;
- (c) Develop and disseminate a fair housing policy to all residents and applicants who visit the leasing office;
- (d) Conduct fair housing training for all employees of Respondents who are involved in the day-to-day activities of showing or leasing units at the property located at 400 West Aurora Road, Sagamore Hills, Ohio 44067.

2. In exchange for the consideration described in paragraph 1 of this Agreement, FHAA fully releases and forever discharges Sagamore from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, obligations, controversies, debts, costs, claims for interest, expenses, damages, judgments, liabilities, attorney fees, or causes of action of whatever kind, whether known or unknown, vested or contingent, suspected or unsuspected, including all claims alleged in the Litigation, for acts or omissions occurring prior to the date of the execution of this Agreement. FHAA further agrees that this agreement shall be a final settlement of the Litigation and FHAA shall so notify the the U.S. Department of Justice, Civil Rights Division, Housing and

Civil Enforcement, within three days from the date Sagamore executes this Agreement and each party agree to bear their own costs.

3. FHAA warrants and represents that no claim, demand, cause of action or obligation which is the subject of this Agreement has been assigned or transferred to any other person or entity and that FHAA has the sole right to execute this Agreement.

4. This Agreement is a fully binding, enforceable and complete settlement which shall be governed by the laws of the State of Ohio.

5. It is agreed that the invalidity or unenforceability of any one provision or part of this Agreement shall not render any other provision or part thereof invalid or unenforceable and that such other non-offending provisions or parts shall remain in full force and effect.

6. Each party represents that they understand the terms of this Agreement, have had the opportunity to review the Agreement with legal counsel and enter into this Agreement voluntarily and of their own free will.

7. This Agreement contains the entire agreement between the FHAA and Sagamore and supersedes any and all prior agreements or understandings pertaining to the subject matter hereof. FHAA and Sagamore represent and acknowledge that in executing this Agreement, they have not relied upon any representation or statement made by any other party or any other party's agents, representatives or attorneys with regard to the subject matter of this Agreement.

I have read and fully understand the contents of the foregoing Settlement Agreement and Release, and I accept and agree to the provisions it contains and hereby execute it voluntarily, free of any duress and with full understanding of its consequences.

FAIR HOUSING ADVOCATES ASSOCIATION

By: [Signature] Date: 1/28/10
Witness: [Signature]

SAGAMORE 400 TOWNHOUSES LLC

By: [Signature] Date: 1-28-2010
Witness: [Signature]

JAMES HUNT, SR.

[Signature] Date: 1-28-2010
Witness: [Signature]

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