

**UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HEARINGS AND APPEALS**

The Secretary, United States Department of Housing and Urban Development, on behalf of Names Redacted)	
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Charging Party)	HUDOHA No. _____
)	
v.)	FHEO No. 04-16-4686-8
)	FHEO No. 04-15-0537-8
)	FHEO No. 04-15-0448-8
Advocate Law Groups of Florida, P.A., Jon B. Lindeman, Jr., and Ephigenia K. Lindeman)	
)	
Respondents)	
)	

CHARGE OF DISCRIMINATION

I. JURISDICTION

Complainants Name Redacted (“Complainant Name Redacted”), Names Redacted (collectively, “Names Redacted Complainants” or “the Names Redacted”), and Names Redacted (collectively, “Name Redacted Complainants” or “the Names Redacted”) filed verified complaints with the Department of Housing and Urban Development (“HUD”) alleging that Respondents Advocate Law Groups of Florida, P.A., and Jon B. Lindeman, Jr. discriminated against them because of national origin, in violation of the Fair Housing Act (“Act”). 42 U.S.C. §§ 3601-19. Complainant Name Redacted complaint was timely filed on May 25, 2016 and amended on May 23, 2018 to, *inter alia*, add Ephigenia K. Lindeman as a Respondent. The Name Redacted Complainants’ complaint was timely filed on March 24, 2015 and amended on May 21, 2018 to, *inter alia*, add their adult sons Names Redacted as Complainants and add Ephigenia K. Lindeman as a Respondent. The Name Redacted Complainants’ complaint was timely filed on April 22, 2015 and was amended on June 7, 2018 to, *inter alia*, add Ephigenia K. Lindeman as a Respondent.

Complainants collectively allege that Respondents Advocate Law Groups of Florida, P.A., Jon B. Lindeman, Jr., and Ephigenia K. Lindeman (collectively, “Respondents”) discriminated against them based upon national origin in violation of sections 804(a)-(b), 805, and 818 of the Act, 42 U.S.C. §§ 3604(a)-(b), 3605, and 3617. Specifically, Complainants allege that Respondents discriminated against them by targeting them for illegal or unfair loan modification assistance because of their national origin. Complainants allege that, as a result of

Respondents' discriminatory acts, they were diverted from obtaining legitimate assistance, and foreclosure proceedings were brought against them.

The Act authorizes the Secretary of HUD to issue a Charge of Discrimination on behalf of aggrieved persons following an investigation and determination that reasonable cause exists to believe that a discriminatory housing practice has occurred. 42 U.S.C. §3610(g)(1)-(2). The Secretary has delegated that authority to the General Counsel (24 C.F.R. §103.400 and 103.405), who has delegated that authority to the Associate General Counsel for Fair Housing and the Assistant General Counsel for Fair Housing Enforcement. 76 Fed. Reg. 42463, 42465 (July 18, 2011).

By a Determination of Reasonable Cause issued contemporaneous with this Charge of Discrimination, the Director of the Office of Systemic Investigations of the Office of Fair Housing and Equal Opportunity has determined that reasonable cause exists to believe that a discriminatory housing practice has occurred in this case and has authorized and directed the issuance of this Charge. 42 U.S.C. § 3610(g)(2).

II. SUMMARY OF FINDINGS IN SUPPORT OF THIS CHARGE

Based on HUD's investigation of the allegations contained in the aforementioned complaints and Determination of Reasonable Cause, Respondents are hereby charged with violating the Act as follows:

A. Legal Authority

1. It is unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of national origin. 42 U.S.C. § 3604(a); 24 C.F.R. §§ 100.50(b)(3), 100.70(b).
2. It is unlawful to discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of national origin. 42 U.S.C. § 3604(b); 24 C.F.R. §§ 100.50(b)(2), (3); 100.65(a); 100.70(b).
3. It is unlawful for any person or entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of national origin. 42 U.S.C. § 3605; 24 C.F.R. §§ 100.110(b), 100.120; 100.130.
4. A "residential real estate-related transaction" includes the making or purchasing of loans or providing other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling or secured by residential real estate. 42 U.S.C. § 3605(b).
5. It is unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of any right granted or protected by sections 804 or 805 of the Act. 42 U.S.C. § 3617; 24 C.F.R. §§ 100.400(b), (c)(2).

B. Parties and Properties

i. Complainants

6. Complainant Name Redacted, born in Colombia, is Hispanic and is a native Spanish-speaker with limited English proficiency. Complainant Name Redacted is an aggrieved person, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.

7. Complainants Names Redacted, born in Puerto Rico, are Hispanic and are native Spanish-speakers with limited English proficiency. At all times relevant to this charge, they lived with their two sons, Complainants Names Redacted. Names Redacted are aggrieved persons, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.

8. Complainant Name Redacted, a native Spanish-speaker with limited English proficiency born in the Dominican Republic, and her son, Complainant Name Redacted, are Hispanic. The Name Redacted Complainants are aggrieved persons, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.

ii. Respondents

9. Respondent Advocate Law Groups of Florida, P.A. (“ALG”) is a Florida corporation with its principal place of business at 15100 N.W. 67th Avenue, Miami Lakes, FL 33014. At all times relevant to this charge, ALG, through its employees, offered or provided mortgage modification services. ALG employed both attorneys and non-attorneys.

10. Respondent Jon B. Lindeman, Jr. (“Respondent Lindeman”) is a licensed attorney and is the managing general partner and president of ALG. At all times relevant to this charge, Respondent Lindeman oversaw, supervised, directed, or controlled all the activities of ALG.

11. Respondent Ephigenia K. Lindeman (“Respondent Effie Lindeman”) is the Chief Financial Officer of ALG and has served as ALG’s Director of Operations and Chief Mortgage Investigator/Auditor. Among other duties, Respondent Effie Lindeman oversaw, supervised, directed, or controlled ALG’s marketing and sales/client intake staff and activities. She also managed other aspects of ALG’s day-to-day operations, including collections, and communicated with mortgage lenders on behalf of ALG clients. Respondent Effie Lindeman is not licensed to practice law.

iii. Dwellings

12. Address redacted is a single-family house previously owned by Complainant Name Redacted. At all times relevant to this charge, Complainant Name Redacted resided at this house, which is a dwelling within the meaning of the Act, 42 U.S.C. 3602(b); 24 C.F.R. § 100.20.

13. Address redacted is a single-family house previously owned by Complainants Names Redacted. At all times relevant to this charge, the Name Redacted Complainants resided at this house, which is a dwelling within the meaning of the Act, 42 U.S.C. 3602(b); 24 C.F.R. § 100.20.

14. Address redacted is a single-family house that is and was owned by Complainant Name Redacted at all times relevant to this charge. It is a dwelling within the meaning of the Act, 42 U.S.C. 3602(b); 24 C.F.R. § 100.20.

C. Factual Allegations

i. Respondents' Practices

15. At all times relevant to this Charge, Respondents marketed and sold illegal or unfair mortgage modification services to financially distressed Florida homeowners. Respondents targeted Hispanic borrowers for such services, and the majority of Respondents' clients were Hispanic.

16. At all times relevant to this Charge, Respondents marketed ALG's loan modification services through radio, television, and online advertisements. Most of ALG's advertisements were in Spanish, and ALG's television advertising was exclusively in Spanish. ALG's advertisements were designed to mislead consumers regarding their mortgage payment obligations and contained information intended to deceive borrowers regarding the likelihood and extent of mortgage relief that ALG could obtain on their behalf. In one such Spanish-language television advertisement, an ALG spokesperson suggested that as many as 45 percent of all homeowners who obtained a mortgage between the years 1997 and 2008 were not obligated to continue paying their mortgage. In the same advertisement, the ALG spokesperson used deceptive terminology when explaining which homeowners "qualify" for a mortgage modification. In another Spanish-language television advertisement, an ALG spokesperson misleadingly asserted that ALG would cut homeowners' mortgage payments in half.

17. At all times relevant to this Charge, ALG staff similarly made false or misleading representations during in-person consultations with prospective clients regarding the extent of mortgage relief ALG would obtain on their behalf, the amount of time it would take to obtain a mortgage modification, the prospective clients' obligation to continue making mortgage payments while seeking a mortgage modification, and the availability of alternative assistance to obtain a mortgage modification.

18. At all times relevant to this Charge, ALG staff regularly conducted prospective client consultations and client meetings and phone calls in Spanish. In contrast, ALG's retainer agreements specifying the terms and conditions of its services were written almost entirely in English. Respondents did not provide written Spanish translations of their retainer agreements to clients.

19. At all times relevant to this Charge, Respondents mortgage modification activities were conducted almost exclusively by non-attorneys. However, Respondents' advertisements and retainer agreements misleadingly suggested that mortgage modification clients would be receiving the services of an attorney.

20. At all times relevant to this Charge, Respondents charged clients upfront retainer fees of between \$2,800 and \$5,700 for the provision of mortgage modification services. Respondents also charged recurring monthly fees of varying amounts after clients paid such retainer fees. Clients paid all such fees before any written agreement was reached with the clients' lender or mortgage servicer or before any other mortgage modification or mortgage relief was obtained. Respondents never disclosed to clients that they may stop doing business with Respondents or reject an offer of mortgage assistance without having to pay for Respondents' services. To the contrary, ALG's retainer agreement stated that all client payments were non-refundable. ALG staff also threatened clients that they would be fined, their mortgage payments and interest rates would increase, and/or their homes would be foreclosed on if they discontinued making payments to ALG. Some ALG retainers even provided that the monthly fee could only be cancelled at the sole discretion of Respondents Jon or Effie Lindeman.

21. ALG staff routinely instructed clients to stop communicating with their lenders or servicers. Yet, after clients signed retainer agreements and paid Respondents advance fees, Respondents regularly failed to answer or return clients' phone calls and failed to provide updates regarding the status of clients' loan modification applications.

22. Respondents collected thousands of dollars in advance fees from clients but failed to obtain mortgage modifications or failed to obtain modifications on the terms that Respondents falsely or deceptively promised.

23. Respondents' false, deceptive, or misleading representations, collection of advance fees, and other acts as alleged in paragraphs 15-22 may violate Florida's Foreclosure Rescue Statute, Fla. Stat. § 501.1377, which prohibits certain acts related to the offering of foreclosure-related rescue services, and federal Regulation O, 12 C.F.R. § 1015 *et seq.*, which prohibits unfair and deceptive acts and practices with respect to the provision of mortgage assistance relief services.

ii. The Name Redacted Complainants

24. In or about January 2010, Complainant Name Redacted viewed an ALG advertisement on Spanish-language television and went to ALG's Orlando, Florida office to seek assistance with a mortgage modification. An ALG intake employee met with Ms. Name Redacted, conducted the meeting in Spanish, falsely promised that ALG would reduce the Name Redacted Complainants' monthly mortgage payments, and assured Ms. Name Redacted that she would not lose her home.

25. During Complainant Name Redacted initial meeting with ALG, the same intake employee advised Ms. Name Redacted that she should forward to ALG any bank correspondence

the Name Redacted received, should not contact the Names Redacted bank (Bank of America), should not make any further mortgage payments, and should use the money set aside for the mortgage payments to pay ALG instead. The Names Redacted had made mortgage payments through December 2009 but ceased making further mortgage payments upon ALG's advice. At this initial client meeting, the Names Redacted only sought mortgage modification assistance and did not seek ALG's assistance with any other matters.

26. Based on the false promise and other representations of ALG's intake employee, the Names Redacted orally retained ALG at that initial meeting in January 2010. ALG's intake employee required the Names Redacted to pay a \$2,800 advance fee for mortgage modification assistance, in apparent violation of Fla. Stat. § 501.1377(3)(b) and 12 C.F.R. § 1015.5(a). The Names Redacted paid this fee in installments between January and May 2010. The ALG intake employee estimated that the Names Redacted loan modification would be completed by June 2010 and explained that if the modification was not completed by that time, then the Names Redacted would need to pay an additional \$395 per month for ALG's services. ALG never executed a written contract with the Names Redacted memorializing the terms of their agreement to provide mortgage modification services, in apparent violation of Fla. Stat. § 501.1377(3)(a).

27. On February 26, 2010, ALG mailed a large package of documents to the Names Redacted, replete with boilerplate, that said "[t]his package contains the exact documents that we have sent to the bank on your behalf." One document in the package, issued by Respondent Effie Lindeman, requested that the Names Redacted mortgage be rescinded in exchange for the Names Redacted returning the Names Redacted home to their bank. The Names Redacted never discussed with nor authorized ALG to assert a right of rescission with their bank, which was directly contrary to the Names Redacted desire to keep their home.

28. Other documents in the February 26, 2010 package issued by Respondent Effie Lindeman alleged fraud, Truth in Lending Act violations, and other unlawful conduct by the Names Redacted bank. These allegations were purportedly based on a mortgage audit of the Names Redacted closing package, exhaustive mortgage transaction research by ALG, and interviews with people who had knowledge of the practices and policies of the parties to the Names Redacted mortgage transactions. Yet, ALG's client file for the Names Redacted did not contain any documentation substantiating ALG's claims that ALG conducted a mortgage audit, exhaustive research pertaining to the Names Redacted mortgage transactions, or interviews with people who had knowledge of the practices and policies of the parties to the Names Redacted mortgage transactions. Nor did ALG pursue any of the alleged unlawful conduct by means of affirmative litigation against the Names Redacted bank.

29. In the February 26, 2010 package, ALG falsely asserted that it was providing the Names Redacted bank with a hardship letter, income verification, and other documentation to support a mortgage modification request. No such documentation was in fact provided to the bank at that time. In fact, ALG did not submit a modification request with such supporting documentation to the Names Redacted bank until March 2013, more than three years after the Names Redacted first retained ALG.

30. On April 20, 2010, the Names Redacted bank initiated foreclosure proceedings against them. Without signing a written retainer agreement with the Names Redacted, ALG entered its appearance in the case—a case that the court ultimately dismissed for lack of prosecution on June 14, 2013.

31. The Names Redacted bank filed another foreclosure complaint against them on March 27, 2014. Without signing a written retainer agreement with the Names Redacted, ALG again entered their appearance in the Names Redacted foreclosure case, but ALG failed to file a responsive pleading, which led the Names Redacted bank to request a default judgment on October 9, 2014 and to renew that request on January 12, 2015.

32. On many occasions when Ms. Names Redacted called ALG, she had difficulty reaching someone who could give her an update on her request for a loan modification or on the foreclosure proceeding. When Ms. Names Redacted was able to speak with someone at ALG regarding the status of her foreclosure proceedings, ALG staff told her not to worry and misleadingly asserted that they had taken care of everything with the court.

33. The Names Redacted became dissatisfied with ALG's services and tried to terminate their relationship with ALG numerous times. Each time they did so, ALG staff would threaten Ms. Names Redacted that if she didn't continue making payments to ALG the Names Redacted foreclosure case would proceed and her home would be taken away.

34. The Names Redacted ultimately terminated their relationship with ALG by the summer of 2014. Yet, ALG continued to withdraw payments from Ms. Names Redacted account without her consent and did not withdraw as counsel in the foreclosure case against the Names Redacted until February 25, 2015.

35. The Names Redacted paid ALG more than \$18,500 over a four-and-a-half-year period, yet the Names Redacted never received a mortgage modification or an offer for a modification while working with ALG.

36. Less than four months after ALG withdrew from the Names Redacted foreclosure case, the Names Redacted, obtained a loan modification offer from the Names Redacted bank with the no-cost assistance of a nonprofit organization.

iii. The Names Redacted Complainants

37. The Names Redacted Complainants first learned about ALG through advertisements on Spanish-language television and Spanish-language radio. On or about February 5, 2010, the Names Redacted went to ALG's office in Orlando, Florida to seek mortgage modification assistance. At that time, the Names Redacted had not yet made a mortgage payment for December 2009 or for any month in 2010. However, the Names Redacted lender, Wells Fargo, had not initiated foreclosure proceedings.

38. At their initial meeting in February 2010, an ALG intake employee met with the Names Redacted and conducted the meeting in Spanish. During the meeting, the Names Redacted only sought mortgage modification assistance and did not request or seek Respondents' assistance with any other matters. The ALG intake employee falsely promised the Names Redacted Complainants that ALG could reduce their mortgage payment by half and claimed that ALG had assisted some clients to secure free housing. The ALG intake employee advised the Names Redacted to stop making mortgage payments to their bank, instructed the Names Redacted not to accept any correspondence or calls from their bank, claimed that it would take no more than one year to secure the promised mortgage modification, and assured the Names Redacted they would not lose their home. The employee also falsely asserted that the Names Redacted could not obtain a mortgage modification from their bank without the assistance of an attorney.

39. Based on the false or misleading promises, assurances, and representations by ALG's intake employee, Complainant Names Redacted signed a retainer agreement with ALG during the February 5, 2010 meeting. The retainer agreement was written entirely in English. The Names Redacted requested a translation of the document, but ALG never provided one. The agreement required the Names Redacted to pay ALG an advance fee of \$4,800 for mortgage modification assistance, in apparent violation of Fla. Stat. § 501.1377(3)(b) and 12 C.F.R. § 1015.5(a). The Names Redacted paid the \$4,800 in full on February 8, 2010.

40. ALG's retainer agreement with the Names Redacted stated that "based upon all of the circumstances explained, ... the client will no longer make payments as contemplated by the note and/ [sic] mortgage." The retainer agreement failed to include any recommendation that the Names Redacted contact their mortgage servicer before signing it, in apparent violation of Fla. Stat. § 501.1377(4)(c). The retainer agreement also failed to provide that the Names Redacted had the right to cancel the agreement without penalty within three business days after signing, in apparent violation of Fla. Stat. § 501.1377(4)(b).

41. Following the instruction of ALG's intake employee, the Names Redacted Complainants ceased communicating with their bank and made no further mortgage payments after retaining ALG's services.

42. On February 28, 2010, ALG mailed a large package of documents to the Names Redacted that stated, "[t]his package contains the exact documents we have sent to the bank on your behalf." One document in the package, issued by Respondent Effie Lindeman, requested that the Names Redacted mortgage be rescinded in exchange for the Names Redacted returning their home to their bank. The Names Redacted neither discussed with nor authorized ALG to assert a right of rescission with their bank, which was directly contrary to the Names Redacted desire to remain in their home.

43. Other documents in the February 28, 2010 package issued by Respondent Effie Lindeman alleged fraud, Truth in Lending Act violations, and other unlawful conduct by the Names Redacted lender. These allegations were purportedly based on a mortgage audit of the Names Redacted closing package, exhaustive mortgage transaction research by ALG, and

interviews with people who had knowledge of the practices and policies of the parties to the Names Redacted mortgage transactions. Yet, ALG's client file for the Names Redacted did not contain any documentation substantiating ALG's claims that ALG conducted a mortgage audit, exhaustive research pertaining to the Names Redacted mortgage transactions, or interviews with people who had knowledge of the practices and policies of the parties to the Names Redacted mortgage transactions. Nor did ALG pursue any of the alleged unlawful conduct by means of affirmative litigation against the Names Redacted bank.

44. In the February 28, 2010 package, ALG falsely asserted that it was providing the Names Redacted bank with a hardship letter, income verification, and other documentation to support a mortgage modification request. No such documentation was in fact provided to the bank at that time. In fact, ALG did not submit a modification request with such supporting documentation to the Names Redacted bank until June 9, 2010, more than four months after the Names Redacted first retained ALG.

45. On June 25, 2010, Wells Fargo filed a foreclosure complaint in court against the Names Redacted. Within two weeks of filing the foreclosure complaint, Wells Fargo offered the Names Redacted a mortgage modification that proposed to reduce the Names Redacted interest rate and monthly mortgage payment. However, the terms Wells Fargo offered were drastically different from ALG's promise to reduce the Names Redacted mortgage payment by half. ALG staff advised the Names Redacted to reject the mortgage modification offer, explaining that the offer was not significantly different from what they had already been paying. ALG thereafter made no attempt to negotiate better mortgage modification terms, and after two months, Wells Fargo rescinded the mortgage modification offer. ALG never obtained a mortgage modification or better mortgage modification terms for the Names Redacted.

46. In March and April 2011 and December 2012, Wells Fargo sent a letter to the Names Redacted advising them that they may want to consider an interest rate and mortgage payment reduction program specifically designed for borrowers, like the Names Redacted, with loans guaranteed by the U.S. Department of Veterans Affairs. Despite the Names Redacted having shared these letters with ALG, ALG staff neither discussed this program with them nor explored this option to reduce the Names Redacted interest rate and mortgage payment.

47. Instead, ALG entered their appearance for the Names Redacted in their foreclosure case—a case which resulted in the foreclosure of the Names Redacted home in 2013.

48. After the foreclosure, ALG assured the Names Redacted that ALG would get their house back and charged the Names Redacted \$2,500 plus a \$550 monthly fee for an appeal of the foreclosure judgment. On June 20, 2013, the Names Redacted executed an appellate retainer with ALG that was nearly entirely in English, had provisions in Spanish that were less favorable than the English provisions, and provided that the Names Redacted were prohibited from communicating with their bank and that any such communication would be grounds for ALG to terminate its representation of the Names Redacted without notice.

49. ALG's representation of the Names Redacted was characterized by unresponsiveness and a lack of diligence. The Names Redacted wanted to fire ALG, but when they attempted to do so, ALG staff told the Names Redacted that their retainers with ALG were irrevocable. Language in ALG's retainer agreements with the Names Redacted also asserted that the retainer fee and monthly fees were nonrefundable.

50. The Names Redacted Complainants paid ALG more than \$13,500 for their services and ultimately lost their home in the process.

iv. Complainant Name Redacted

51. Complainant Name Redacted first met with an ALG intake employee on or about February 24, 2014, after she learned of ALG through an advertisement on Spanish-language television. Although Complainant Name Redacted was already subject to an existing loan modification agreement, her monthly payments were set to increase and she wanted a loan modification with a fixed payment. Complainant Name Redacted only sought mortgage modification assistance and did not request or seek Respondents' assistance with any other matters. ALG's intake employee, who conducted the meeting entirely in Spanish, explained that Ms. Name Redacted was the perfect client.

52. Although Respondent Jon B. Lindeman, Jr. issued a "Welcome Letter" to Complainant Name Redacted, which indicated that a loan modification would take between nine months to three years for any one client, ALG's intake employee told Complainant Name Redacted that, because of a new federal law, she should get an approval or denial of her mortgage modification application within three to six months, at most.

53. At Complainant Name Redacted initial meeting with ALG in February 2014, an ALG intake employee told her to stop making her mortgage payments because if she continued to do so, her mortgage servicer would assume that she could afford to pay her mortgage and this would lessen her chances of getting a loan modification. Accordingly, Complainant Names Redacted stopped making mortgage payments immediately after hiring ALG. Prior to ALG's involvement, Complainant Names Redacted had been current on her mortgage payments.

54. During the February 2014 meeting, ALG's intake employee also told Complainant Names Redacted to cease contact with her mortgage provider. Consistent with ALG's oral instruction, ALG's "Welcome Letter" also stated that Complainant Names Redacted communication with "the opposing party" (her mortgage servicer—Ocwen Loan Servicing LLC) would be grounds for ALG to terminate her representation.

55. During the February 2014 meeting, ALG's intake employee also told Complainant Names Redacted that a loan modification would require an advance fee of \$5,700. She paid ALG roughly \$2,000 within a few weeks of signing the retainer agreement and subsequently paid monthly installments of \$535 per month for the loan modification services. ALG staff told Complainant Names Redacted that she would be fined if she ever stopped paying ALG the

monthly fee. ALG's collection of such fees appears to violate Fla. Stat. § 501.1377(3)(b) and 12 C.F.R. § 1015.5(a).

56. ALG's retainer agreement with Complainant Names Redacted, which was predominately in English, required that Complainant Names Redacted continue to pay the monthly fees to ALG "until the complete case is resolved and or closed!" The agreement elsewhere provided that the monthly fee could be cancelled at the sole discretion of Respondents Jon or Effie Lindeman. In yet another part of the retainer agreement, ALG provided that a client could terminate the retainer agreement within 72 hours (including weekends) of when the agreement was executed to obtain a 50% refund. The retainer agreement failed to provide that Complainant Names Redacted had the right to cancel the agreement without penalty within three business days after signing, in apparent violation of Fla. Stat. § 501.1377(4)(b). ALG's retainer also failed to include a recommendation that Complainant Names Redacted contact her lender before signing any agreement, in apparent violation of Fla. Stat. § 501.1377(4)(c).

57. On February 28, 2014, ALG mailed a large package of documents to Complainant Names Redacted, replete with boilerplate, that said "[t]his package contains the exact documents that we have sent to the bank on your behalf." One document in the package, issued by Respondent Jon B. Lindeman, Jr., requested that Complainant Names Redacted mortgage be rescinded in exchange for her returning her home to the bank. Complainant Names Redacted never discussed with nor authorized ALG to assert a right of rescission with her bank, which was directly contrary to Complainant Names Redacted desire to keep her home.

58. Other documents in the February 28, 2014 package issued by Respondent Jon B. Lindeman, Jr. alleged fraud, Truth in Lending Act violations, and other unlawful conduct by Complainant Names Redacted bank. These allegations were purportedly based on a mortgage audit of Complainant Names Redacted closing package, exhaustive mortgage transaction research by ALG, and interviews with people who had knowledge of the practices and policies of the parties to Complainant Names Redacted mortgage transactions. Yet, ALG's client file for Complainant Names Redacted did not contain any documentation substantiating ALG's claims that ALG conducted a mortgage audit, exhaustive research pertaining to the Names Redacted mortgage transactions, or interviews with people who had knowledge of the practices and policies of the parties to Complainant Names Redacted mortgage transactions. Nor did ALG pursue any of the alleged unlawful conduct by means of affirmative litigation against Complainant Names Redacted bank.

59. In the package, ALG falsely asserted that it was providing Complainant Names Redacted bank with a hardship letter, income verification, and other documentation to support a mortgage modification request. No such documentation was in fact provided as part of the package.

60. Thereafter, Complainant Names Redacted repeatedly called ALG, but was never able to speak with anyone about the details of her case. When ALG staff returned her calls on a few occasions, ALG staff told Complainant Names Redacted to provide paperwork that she had already provided to ALG multiple times.

61. Complainant Names Redacted mortgage servicer initiated foreclosure proceedings against her on March 19, 2015. Nearly one month later, on April 17, 2015, ALG entered its appearance in Complainant Names Redacted foreclosure case.

62. Complainant Names Redacted paid ALG \$8,420.00 over the course of roughly fourteen months, yet she never received a mortgage modification or an offer for a modification while working with ALG. When she complained to ALG that she was charged much more than the \$5,700 they initially told her a modification would cost, ALG staff explained to her for the first time that ALG was charging her an increased fee because the \$5,700 quote was only applicable if she had made a lump-sum payment when she retained ALG.

63. Complainant Names Redacted, without a fixed-rate loan modification and with no other viable alternatives, ultimately resorted to selling her house in a short sale.

64. As a result of Respondents' discriminatory conduct, Complainants and their families suffered actual damages, including fees for illegal and/or unfair mortgage modification services, lost housing opportunities and emotional distress.

D. Legal Allegations

65. As described above, Respondents discriminated against the Names Redacted Complainants by making a dwelling unavailable because of national origin in violation of subsection 804(a) of the Act. 42 U.S.C. § 3604(a); 24 C.F.R. §§ 100.50(b)(3), 100.70(b).

66. As described above, Respondents discriminated against Complainants in the provision of services or facilities in connection with the sale of a dwelling in violation of subsection 804(b) of the Act. 42 U.S.C. § 3604(b); 24 C.F.R. §§ 100.50(b)(2), (3); 100.65(a); 100.70(b).

67. As described above, Respondents discriminated against Complainants in making available residential real estate-related transactions, and in the terms or conditions of such transactions, because of national origin, in violation of section 805 of the Act. 42 U.S.C. § 3605; 24 C.F.R. §§ 100.110(b); 100.120; 100.130.

68. As described above, Respondents interfered with Complainants' exercise or enjoyment of rights granted or protected by sections 804 and 805 of the Act in violation of section 818 of the Act. 42 U.S.C. § 3617; 24 C.F.R. §§100.400(b) and (c)(2).

III. CONCLUSION

WHEREFORE, the Secretary of the U.S. Department of Housing and Urban Development, pursuant to 42 U.S.C. § 3610(g)(2)(A) of the Act, hereby charges Respondents with engaging in

discriminatory housing practices in violation of 42 U.S.C. §§ 3604(a) and (b), 3605, and 3617, and requests that an Order be issued that:

1. Declares that Respondents' discriminatory housing practices, as set forth above, violate the Act, 42 U.S.C. §§ 3601 *et seq.*;
2. Enjoins Respondents, their agents, employees, and successors, and all persons in active concert or participation with them from discriminating against any person because of national origin in any aspect of the sale or rental of a dwelling, including services in connection therewith, and/or in any residential real estate-related transaction;
3. Awards such damages as will fully compensate Complainants for any and all damages caused by Respondents' discriminatory conduct;
4. Assesses a civil penalty against each Respondent for each separate and distinct discriminatory housing practice that Respondent is found to have committed, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671.
5. Awards any additional relief as may be appropriate, pursuant to 42 U.S.C. § 3612(g)(3).

Respectfully submitted on this 6th day of September 2018.

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