

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

Civil Action No. 3:13-CV-1396-D

STONEBRIDGE AT BEAR CREEK, LLP;
S & H REALTY MANAGEMENT, LLP; and
NANCY QUANDT,

Defendants.

CONSENT ORDER

I. INTRODUCTION

1. On April 5, 2013, the United States brought this action to enforce the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, 42 U.S.C. §§ 3601-3631, as amended (“FHA”), against Defendants, Stonebridge at Bear Creek, LLP (“Stonebridge”), S & H Realty Management LLP (“S & H Realty”), and Nancy Quandt (“Quandt”). The complaint alleges that Defendants have engaged in a pattern or practice of discrimination on the basis of national origin by steering, segregating, and denying housing opportunities to tenants of Middle Eastern and South Asian descent who live at the Stonebridge at Bear Creek Apartments (“Stonebridge Apartments”).
2. Defendant Stonebridge is the sole owner of the Stonebridge Apartments, a 184-unit, 21-building apartment complex located at 2250 Fuller Wisser Road, Euless, TX 67039.

Defendant S & H Realty manages the Stonebridge Apartments. Defendants Stonebridge and S & H Realty are referred to hereinafter as the “Corporate Defendants.”

3. Defendant Nancy Quandt is employed by S & H Realty and has been a manager of Stonebridge Apartments since at least 2004. Defendant Quandt is responsible for enforcing applicant and tenant policies and for supervising, hiring, and firing leasing agents.
4. The United States alleges that, beginning in at least 2004 and continuing through at least 2010, Defendant Quandt: (a) instructed leasing agents under her supervision to refuse to rent to persons of Middle Eastern and South Asian descent unless they could be assigned to two buildings at the Stonebridge Apartments, namely Buildings #16 and #18; (b) instructed leasing agents to assign persons of Middle Eastern and South Asian descent only to Buildings #16 and #18, even if there were vacancies in other buildings; (c) terminated the employment of leasing agents for complaining about Defendant Quandt’s discriminatory instructions; (d) enforced the apartment’s rules more strictly against persons of Middle Eastern and South Asian descent; and (e) routinely made derogatory comments, referring to residents and potential residents of Middle Eastern and South Asian descent, as “curry people,” whom she “hated” and who “stink” and are “dirty.”
5. The complaint alleges that the Corporate Defendants knew or should have known that Defendant Quandt and the leasing agents under her direction and supervision denied housing opportunities to persons of Middle Eastern and South Asian descent.
6. The United States alleges that through the above-stated actions, Defendants violated the FHA by refusing to rent or to negotiate for the rental of a dwelling, or otherwise making unavailable or denying a dwelling to a person or persons because of national origin in

violation of 42 U.S.C. § 3604(a); discriminating in the terms, conditions, or privileges of sale or rental of dwellings, and/or in the provision of services or facilities in connection therewith, because of national origin in violation of 42 U.S.C. § 3604(b); making statements and causing to be made, printed or published statements and advertisements with respect to the rental of a dwelling that indicate a preference, limitation or discrimination based on national origin, and an intention to make such a preference, limitation or discrimination, in violation of §3604 (c); and, representing to a person, or persons, because of national origin that any dwelling was not available for inspection or rental when such dwelling was in fact available, in violation of § 3604(d).

7. Defendants deny the allegations in the Complaint. The Parties have agreed that this lawsuit should be resolved without a trial to avoid protracted and costly litigation, therefore, the Parties consent to entry of this Consent Order.

Therefore, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

II. GENERAL INJUNCTION

8. Defendants, their agents, and employees are enjoined, with respect to the rental of dwellings, from:
 - a. Refusing to rent a dwelling unit, refusing or failing to provide or offer information about a dwelling unit, or otherwise making unavailable or denying a dwelling unit to any person because of national origin;
 - b. Discriminating against any person in the terms, conditions or privileges of renting a dwelling unit, or in the provision of services or facilities in connection therewith, because of national origin;

- c. Making, printing, publishing, or causing to be made, printed, or published any notice, statement, or advertisement with respect to the rental of a dwelling unit that states any preference, limitation or discrimination based on national origin; or
 - d. Coercing, intimidating, threatening or interfering with any person in the exercise or enjoyment of, or on account of having exercised or enjoyed, or on account of having aided and encouraged any other person in the exercise or enjoyment of, any right granted by the Fair Housing Act.
9. Unless otherwise specified, Defendants' responsibilities under this Order shall apply to all multi-family dwelling units that Defendants manage, own, operate or in which they have a financial interest at any time during the duration of this Order, including, but not limited to, Stonebridge Apartments. Within ten (10) days of the date of this Order, Defendants will provide the United States with a complete list of multi-family dwelling units that they own, manage, operate or in which they have a financial interest. Defendants will supplement this list consistent with the reporting requirements set out in paragraph 27 *infra*.

III. ADDITIONAL INJUNCTIVE RELIEF RELATED TO DEFENDANT QUANDT

10. Effective upon the entry by the Court of this Order, Corporate Defendants shall terminate the employment of Defendant Quandt, if still employed by either Corporate Defendant, and shall not rehire her for the duration of this Order.
11. If, during the term of this Order, Defendant Quandt begins to work in any capacity in connection with the sale or rental of a dwelling, she shall: (a) provide the person(s) employing or retaining her in such activities with a copy of this Order; (b) provide the person(s) whom she supervises, including any rental agents or employees, with a copy of

this Order; and (c) notify the United States of the nature and location of her employment, including the name, address, and contact information for the employer, within ten (10) days of commencing employment.

12. Within ten (10) days of submitting a copy of the Order to the persons required to be notified in this Section, Defendant Quandt shall submit to the United States a statement stating the name of each owner, employer, employee or agent to whom a copy of this Order was provided and the date of provision.

IV. NON-DISCRIMINATION POLICIES AND PROCEDURES

13. Corporate Defendants shall prepare and implement the written Nondiscrimination and Anti-Steering Policy contained in Attachment A (hereinafter “Nondiscrimination Policy”). The Nondiscrimination Policy shall apply to all dwelling units subject to this Order. Within (30) days of the date of this Order, Corporate Defendants shall provide the Nondiscrimination Policy via first class mail postage pre-paid to the head of the household for each rental unit at Stonebridge Apartments.
14. Within thirty (30) days of the date of this Order, Corporate Defendants shall provide a copy of this Order and the Nondiscrimination Policy to any agents, employees or other individuals involved in showing, renting or managing any dwelling units subject to this Order. Corporate Defendants shall secure a signed statement from each agent or employee acknowledging that he or she has received and read the Order and Nondiscrimination Policy, has had the opportunity to have questions answered, and agrees to abide by the relevant provisions of this Order and the Nondiscrimination Policy. This statement shall be in the form of Attachment B. Defendant S & H Realty shall also provide a copy of this Order to any owner of multifamily dwelling units on whose behalf

Defendant S & H Realty manages units, and shall submit a statement stating the name of each owner and the date a copy of this Order was provided.

15. During the term of this Order, within five (5) days of each new agent, employee or individual becoming involved in the showing, rental or management of any dwelling unit subject to this Order, Corporate Defendants shall provide the individual(s) with a copy of this Order and the Nondiscrimination Policy and shall secure the same signed statement, in the form of Attachment B, from each agent or employee.

V. NOTICE TO PUBLIC OF NONDISCRIMINATION

16. Within thirty (30) days of the date of this Order, and for the duration of this Order, Corporate Defendants shall prominently post in each public and common use area of Stonebridge Apartments (including but not limited to the leasing office and exercise room) notices, no smaller than fourteen (14) inches by eighteen (18) inches, stating: “Notice: Federal law prohibits this complex from discriminating in the provision of housing or related services on the basis of race, color, sex, national origin, religion, disability, or familial status, including having children under age 18” in English, Spanish, Arabic, Farsi, Urdu, and Hindi (Devanagari script). The notices shall also include a fair housing logo (as in HUD Form 928.1) and state: “Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination: 1-800-669-9777; 1-800-927-9275 (TTY); www.hud.gov/fairhousing.”
17. Corporate Defendants shall include the words “Equal Housing Opportunity” and the fair housing logo in any advertising that they, their agents, or employees produce or disseminate related to the provision of housing. The words and logo shall be prominently placed and easily readable. For purposes of this Order, “advertising” shall include any

statement made for the purpose of soliciting the rental of a dwelling, whether paid or unpaid, in newspapers, telephone directories, on the Internet, television or other media broadcasts, or on billboards, signs, pamphlets, fliers, handouts, promotional literature, or any other written materials.

18. Corporate Defendants shall include the following written statement in English, Spanish, Arabic, Farsi, Urdu, and Hindi (Devanagari script) in an addendum to the standard rental application and rental agreement: “Notice: Federal law prohibits this complex from discriminating in the provision of housing or related services on the basis of race, color, sex, national origin, religion, disability or familial status, including having children under age 18.” This statement shall be written using letters of equal or greater size to those used for the text of the rental application and the rental agreement.

VI. NONDISCRIMINATORY STANDARDS AND PROCEDURES FOR SHOWING AVAILABLE DWELLING UNITS TO PROSPECTIVE TENANTS

19. Within 30 days of the date of entry of this Consent Order, Corporate Defendants shall develop and submit to the United States, objective, uniform, non-discriminatory standards and procedures for informing prospective tenants about dwellings and their availability at Stonebridge Apartments, including, but not limited to, procedures for maintaining wait lists and showing units. Such standards and procedures shall be approved by the United States in advance of their implementation and shall be consistent with the provisions of this Section. Within five (5) days of approval of the proposed standards and procedures by the United States, the Corporate Defendants shall implement and prominently display them in the Stonebridge leasing office where there is rental activity and/or personal contact with applicants and/or prospective tenants. Corporate

Defendants shall make available a copy of these standards and procedures upon request to any applicant for the rental of a dwelling. For the duration of this Order, these standards and procedures may be modified only if written notice is given to counsel for the United States thirty (30) days before the proposed modifications are to take effect and the United States does not object.

20. The nondiscriminatory standards and procedures discussed in the preceding Paragraph shall include the use of the following documents, which the Corporate Defendants shall update as new information becomes available and retain for the duration of the Consent Order:
- a. Guest Cards: Corporate Defendants shall ensure that, for all prospective tenants who inquire in person about dwelling units, a Guest Card is completed, either by the prospective tenant and/or the Defendants, that contains:
 - i. The date of the prospective tenant's visit and, when the prospective tenant agrees to provide the information, the prospective tenant's name, address, daytime, and evening telephone numbers;
 - ii. The apartment size the prospective tenant requests and the date on which the prospective tenant wishes to move;
 - iii. Whether the prospective tenant filled out an application;
 - iv. Whether the prospective tenant was invited to see available dwelling units and the address and unit number of each one shown and, if not shown, an explanation why not; and
 - v. The names of all employees/agents who assisted the prospective tenant.

- vi. Once the Guest Card is completed and/or returned to the Corporate Defendants, the Corporate Defendants shall note the race and national origin of the prospective tenant based on a good-faith observation. The Corporate Defendants should not ask the prospective tenants about their race or national origin, either directly or indirectly.
- b. Phone Logs: Corporate Defendants shall maintain a phone log for all prospective tenants who inquire by telephone about dwelling units that contains the following information:
- i. The date of each prospective tenant's phone call, their name and telephone number(s);
 - ii. The date and time on which the prospective tenant is scheduled to view an apartment, if applicable;
 - iii. The apartment types and sizes the prospective tenant is interested in and the date or date range in which the prospective tenant is available to move;
 - iv. An indication as to whether the prospective tenant was invited to see available dwelling units, and if not invited, an explanation as to why not; and
 - v. The names of all employees/agents who assisted the prospective tenant.
- c. Availability List: Corporate Defendants shall maintain and continuously update an Availability List that includes the unit numbers of all apartments known to be available, or reasonably expected to be available, for rental within the next 30 days. The Availability List shall also indicate the date and

manner in which the Corporate Defendants or their agents or employees were first informed of the actual or likely availability of each apartment, the date on which the apartment is expected to be vacated by the tenant, and the first date it would likely be available for rental or occupancy by a new tenant.

Corporate Defendants, their agents, and their employees shall share the complete information on the Availability List with each person who visits or calls to inquire about the availability of dwelling units. Nothing in this Section requires the Defendants to disclose to prospective tenants private information as to why tenants may be vacating any particular apartment.

- d. Rental Applications: Corporate Defendants, their agents, and their employees shall provide and process rental applications on a non-discriminatory basis and shall preserve all rental applications, whether deemed complete or incomplete, and any correspondence about the availability of dwelling units for the duration of this Order.
- e. Waiting Lists: Corporate Defendants, their agents, and their employees shall maintain waiting lists in a non-discriminatory manner and shall, with the approval of the United States, develop uniform standards for selecting individuals from the list.
- f. Showing Apartments: Corporate Defendants, their agents, and their employees shall, with the approval of the United States, develop uniform standards for determining when they may show the grounds and/or available apartments to prospective tenants and the manner in which they do so.

VII. FAIR HOUSING TRAINING

21. If, during the term of this Order, Defendant Quandt begins to work in any capacity in connection with the sale or rental of a dwelling, she shall, within sixty (60) days of the beginning of such work, attend an in-person training on the Fair Housing Act. The trainer or training entity shall be qualified to perform such training and shall be approved in advance by the United States. The identity of the proposed trainer shall be submitted to the United States at least fifteen (15) days in advance of such training and Defendant Quandt shall bear the costs and expenses associated with the provision of the training. Alternatively, Defendant Quandt may attend the training provided by Corporate Defendants as described later in this Section. In either case, Defendant Quandt shall provide to the United States, within fifteen (15) days of the training, a statement confirming: a) her attendance; b) the date of the training; c) the duration of the training; and d) that she has understood the content of the training. The Certification of Training is included as Attachment C to this Order.
22. Within sixty (60) days after entry of this Order, the Corporate Defendants shall provide and require training on the requirements of this Order and the FHA, with specific emphasis on discrimination on the basis of national origin. The training shall be provided to all employees and/or agents responsible for managing and leasing any multi-family dwellings subject to this Order, including, but not limited to, employees or agents who carry-out the following tasks: interacting and communicating with prospective tenants, fielding phone calls, showing units to prospective tenants, reviewing applications and/or deciding which units to rent and to whom; and those who supervise them (collectively “Staff”). The training shall be conducted according to the following requirements:

- a. The training shall be conducted in person by a qualified third party selected by the Corporate Defendants and subject to the approval of the United States. The training shall be recorded and any expenses associated with the training or recording shall be borne by the Corporate Defendants;
 - b. Staff covered by this Section that work at or manage Stonebridge Apartments shall attend the training in person and shall not be excused from attending in person without good cause that must be stated in writing, approved by Corporate Defendants, and forwarded to the United States;
 - c. Staff covered by this Section at all properties subject to this Order, other than Stonebridge Apartments, shall be shown the recorded training within sixty (60) days of the in-person training.
 - d. All Staff covered by this section hired, at any time after entry of this Order but before its expiration, at any property subject to this Order, shall be shown the recorded training within fifteen (15) days of hiring.
23. The Corporate Defendants shall provide to the United States, in the manner stated in Section VIII (“Reporting and Document Retention”), certifications signed by each person receiving the training confirming: a) his or her attendance; b) the date of the training; c) the duration of the training; and d) that he or she understood the content of the training. The Certification of Training is included as Attachment C to this Order.
24. All individuals covered by this Section shall sign Attachment C within ten (10) days after completing the training required by this Section.

VIII. REPORTING AND DOCUMENT RETENTION REQUIREMENTS

25. In addition to any statements required to be delivered under Section III of this Agreement (“Additional Injunctive Relief For Defendant Quandt”), within sixty (60) days of the date of this Order and annually thereafter for the duration of this Order, Defendant Quandt shall deliver to the United States a report containing information regarding her compliance with this Order, including but not limited to: a list of all dwellings that Defendant Quandt currently manages, owns, or in which she has a financial interest, other than her primary residence.¹
26. For the duration of this Order, Defendant Quandt shall notify the United States in writing within fifteen (15) days of receipt of any written or oral complaint against her or any of her agents or employees, regarding housing discrimination, including intimidation or retaliation. If the complaint is written, Defendant Quandt shall provide a copy of the complaint with the notification. The notification shall include the full details of the complaint, including the complainant’s name, address and telephone number, if known. Defendant Quandt shall also promptly provide the United States with all information it may request concerning any such complaint and shall inform the United States within fifteen (15) days of the substance of any resolution of such complaint.
27. Within ninety (90) days of the date of this Order, and every six (6) months thereafter for the duration of this Order, Corporate Defendants shall deliver to the United States a

¹ All documents or other communications required by this Consent Order to be sent to the United States shall be sent by commercial (non-USPS) express delivery service addressed as follows: Chief, Housing and Civil Enforcement Section, Civil Rights Division, U.S. Department of Justice, 1800 G Street, N.W., Suite 7002, Washington, D.C. 20006, Attn: DJ 175-73-360, or as otherwise directed by the United States. Faxes to the United States, when required, shall be sent to (202) 514-1116.

report containing information regarding Corporate Defendants' compliance with this Order during the preceding reporting period, including but not limited to:

- e. Current photographs of fair housing notices posted under Paragraph 16;
 - f. Copies of any advertising, as described in Paragraph 17;
 - g. A copy of the rental application and rental agreement required under Paragraph 18;
 - h. Any statements under Paragraphs 14 and 15;
 - i. Certificates of attendance of fair housing training, pursuant to Paragraph 23.
 - j. A list of all multi-family dwellings in which Corporate Defendants have a current ownership, management, or financial interest.²
 - k. Complete copies of rent rolls at the Stonebridge Apartments.
28. During the term of this Order, Corporate Defendants shall notify the United States in writing within fifteen (15) days of receipt of any written or oral complaint against Corporate Defendants or any of their agents or employees, regarding housing discrimination, including intimidation or retaliation. If the complaint is written, Corporate Defendants shall provide a copy of the complaint with the notification. The notification shall include the full details of the complaint, including the complainant's name, address and telephone number, if known. Corporate Defendants shall also promptly provide the United States with all relevant, non-privileged information it may request concerning any such complaint and shall inform the United States within fifteen (15) days of the substance of any resolution of such complaint.
29. For the duration of this Consent Order, Defendants shall preserve all records under their

² All documents or other communications required by this Consent Order to be sent to the United States shall be sent by commercial (non-USPS) overnight delivery service addressed as follows: Chief, Housing and Civil Enforcement Section, Civil Rights Division, U.S. Department of Justice, 1800 G Street, N.W., Suite 7002, Washington, D.C. 20006, Attn: DJ 175-34-30, or as otherwise directed by the United States. If transmission by facsimile to the United States is required, the following facsimile number should be used: (202) 514-1116.

custody or control that relate to any of the obligations under this Consent Order, including, but not limited to, all leases, all applications by prospective tenants, guest cards, rent rolls, waiting lists, and any logs, files or notes that relate to the showing, offering or assignment of a dwelling unit. The Defendants shall provide copies of all such records to the United States upon reasonable notice.

IX. MONETARY RELIEF

30. Within thirty (30) days of the entry of this Consent Order, the Defendants shall deposit in an interest bearing escrow account the total sum of two-hundred-and-ten-thousand dollars (\$210,000) for the purpose of compensating any persons whom the Court determines may have been harmed by any of the Defendants' rental practices ("Aggrieved Persons"). This money shall be referred to as the "Settlement Fund." In addition, within thirty (30) days of the entry of this Consent Order, the Defendants shall submit proof to the United States that this account has been established and the funds deposited.
31. Any interest accruing to the Settlement Fund shall become a part of the Settlement Fund and be utilized as set forth in this Order.
32. The Corporate Defendants shall publish and distribute a Notice to Potential Victims of Housing Discrimination ("Notice", attached as Attachment D), informing the public of the availability of funds and/or other relief, such as a transfer to another building or unit at the Corporate Defendants' expense, for persons aggrieved by Defendants' actions. Potential victims may include applicants or prospective tenants who sought to live at Stonebridge Apartments, as well as current and former tenants of the Stonebridge Apartments. The Notice shall be published and distributed as follows:
 - a. Within sixty (60) days after the date of entry of this Consent Order, Corporate

- Defendants shall have the Notice published on at least four (4) occasions in the “A” Section (or News Section) of the *Eules News* including at least two (2) occasions on Sunday, in a space measuring at least one-quarter (1/4) of a page;
- b. Within sixty (60) days after the date of entry of this Consent Order, Corporate Defendants shall have the Notice published on at least four (4) occasions in the “A” Section (or News Section) of the *Fort Worth Star-Telegram*, including at least two (2) occasions on Sunday, in a space measuring at least one-quarter (1/4) of a page;
 - c. The Corporate Defendants shall provide a copy of the newspapers containing each such Notice to the United States within ten (10) days of Notice publication.
 - d. Within thirty (30) days of the date of entry of this Consent Order, the Corporate Defendants shall provide a copy of the Notice to the organizations listed in Attachment E.
 - e. Within thirty (30) days of the entry of this Order, Corporate Defendants shall distribute a copy of the Notice to each current tenant at Stonebridge Apartments, and shall mail a copy of the Notice to the last-known address of all former tenants who resided at Stonebridge at any time between January 1, 2004, and the present.
 - f. Within forty-five (45) days of entry of this Order, Corporate Defendants shall provide to the United States certification or proof that the Notice has been sent to all current and former tenants as described in the preceding Paragraph.
33. The Corporate Defendants, upon reasonable notice, provide copies to the United States of any documents, information, or records in its possession, custody, or control, or that of its agents or employees that the United States believes to be useful in identifying persons

who may be entitled to relief under this Consent Order. These documents may include, but are not limited to, all leases, applications by prospective tenants, rent rolls, waiting lists, and any logs, files or notes that relate to the showing, offering or assignment of a dwelling unit generated or maintained by Quandt or any agent or employee of the Corporate Defendants who served under Quandt at any time during Defendant Quandt's tenure as a manager of any property of the Corporate Defendants. Corporate Defendants shall preserve copies of all such records for the duration of this Order.

34. Nothing in this Consent Order shall preclude the United States from making its own efforts to locate and provide notice to potential Aggrieved Persons.
35. The United States shall investigate the claims of the potentially Aggrieved Persons and, within one-hundred-eighty (180) days after the date of entry of this Consent Order, shall make a preliminary determination of which persons are aggrieved and the appropriate relief to provide to such persons. This includes a determination of whether such person shall be entitled to monetary relief and/or entitled to a transfer to a comparable rental unit in another building at no cost, and the appropriate amount of damages that should be paid to such person in the event monetary relief is warranted and/or a transfer is requested.
36. The United States will inform the Corporate Defendants in writing of its preliminary determination of persons who are aggrieved and entitled to damages and/or a transfer and provide a copy of a sworn declaration from each Aggrieved Person setting forth the factual basis of the claim. The Corporate Defendants shall have fourteen (14) days to review the declarations and provide to the United States any documents or information that it believes may refute the claims. The parties shall have thirty (30) days to endeavor, in good faith, to resolve any differences regarding the list of persons entitled to monetary

relief and/or a transfer and regarding the appropriate amount of damages to be awarded to each person, prior to submitting their recommendations to the Court for resolution or approval.

37. After completion of the process described in the preceding Paragraph, the parties shall submit their joint final recommendations to the Court for approval, if they agree, or separate recommendations, if they do not agree. Within ten (10) days of a Court Order providing for the distribution of funds to Aggrieved Persons, the Corporate Defendants shall deliver to the United States the payments in the amounts approved by the Court in the form of individual checks made out to the Aggrieved Persons.
38. In no event shall the aggregate of all such payments exceed the sum of the Settlement Fund plus any accrued interest.
39. No Aggrieved Person shall be paid until he/she has executed and delivered to the United States the release at Attachment F. When the United States has received a payment from the Corporate Defendants payable to an Aggrieved Person and a signed release in the form of Attachment F from the Aggrieved Person, the United States shall deliver the payment to the Aggrieved Person and the original, signed release to counsel for the Defendants.
40. After the satisfaction of the conditions described in all the preceding Paragraphs of this Section, and after the expiration of the corresponding time periods, any money remaining in the Settlement Fund, including interest, shall be distributed to a qualified organization(s) for the purpose of conducting enforcement or educational activities related to the Fair Housing Act in Euless, TX, and/or the surrounding metropolitan area, with an emphasis on the protection of the rights of persons of Middle Eastern and South

Asian descent. Before selecting the qualified organization(s), the Corporate Defendants will obtain a proposal from the organization(s) on how the funds will be used consistent with the above-stated purpose, submit such proposal to the United States, and consult with and obtain the non-objection of the United States. The United States and the Corporate Defendants may request modification of the proposal before approving the organization(s). The parties shall thereafter seek approval from the Court to distribute the remaining funds to the qualified organization(s).

41. The Corporate Defendants shall also require that the qualified organization(s) receiving funds submit to the Defendants and the United States a detailed report on how the funds are utilized within one year of receipt of funds, and every year thereafter until the funds are exhausted.

X. CIVIL PENALTY

42. Within 10 days of the entry of this Consent Order, Defendant Stonebridge shall pay a total of fifty-thousand dollars (\$50,000) to the United States Treasury as a civil penalty pursuant to 42 U.S.C. § 3614(d)(1)(C) to vindicate the public interest. The payment shall be in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States.
43. Within 10 days of the entry of this Consent Order, Defendant S & H Realty shall pay a total of fifty-thousand dollars (\$50,000) to the United States Treasury as a civil penalty pursuant to 42 U.S.C. § 3614(d)(1)(C) to vindicate the public interest. The payment shall be in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States.
44. Within 30 days of the entry of this Consent Order, Defendant Quandt shall pay a total of

seven thousand dollars (\$7,000) to the United States Treasury as a civil penalty pursuant to 42 U.S.C. § 3614(d)(1)(C) to vindicate the public interest. The payment shall be in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States.

XI. TRANSFER OF INTEREST

45. If, during the term of this Order, the Defendant Stonebridge maintains that its reporting obligations under this Order relating to Stonebridge Apartments has terminated or changed because it has sold or transferred any portion of Stonebridge to a bona-fide third-party purchaser in an arm's-length transaction, Defendant Stonebridge shall inform the United States and provide the date of the sale or transfer, copies of the sale or transfer documents, and the name(s) and contact information of the subsequent purchaser. Any such sale or transfer shall not affect any of Defendant S & H Realty's obligations under this Order so long as it is still providing management services for the Stonebridge Apartments.
46. If, during the term of this order, Defendant S & H Realty asserts that its reporting obligations under this order have ceased or changed because it no longer provides management services for the Stonebridge Apartments, it shall inform the United States and provide a copy of any documents ending such management services.

XII. JURISDICTION, SCOPE AND DURATION OF ORDER

47. The parties stipulate, and the Court finds, that the Court has personal jurisdiction over the Defendants for purposes of this civil action, and subject matter jurisdiction over the United States' claims in this action pursuant to 28 U.S.C. §§ 1331,1345, and 42 U.S.C. § 3614(a).

48. The provisions of this Consent Order shall apply to all Defendants' officers, agents, employees, successors and assigns, and all persons acting in active concert or participation with them.
49. This Order shall remain in effect for a period of five (5) years after its entry. The Court shall retain jurisdiction over the action for the duration of the Order for the purpose of enforcing its provisions and terms. The United States may file a motion requesting that the term of the Consent Order be extended in the interest of justice. The case shall be dismissed with prejudice when the Order expires.

XIII. ENFORCEMENT OF THIS ORDER

50. The parties shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Order before bringing such matters to the Court for resolution. However, in the event of a failure by any of the Defendants, whether willful or otherwise, to perform in a timely manner any act required by this Order, or otherwise to act in conformance with any provision thereof, the United States may move this Court to impose any remedy authorized by law or equity. Remedies include, but are not limited to, findings of contempt, an order requiring performance of such act or deeming such act to have been performed, and an award of any damages, costs, and reasonable attorneys' fees that may have been occasioned by the violation or failure to perform.
51. The Consent Decree does not constitute a judicial finding of any violations of law and may not be used in a future suit to establish the defendants' liability except, in the event that any Defendant engages in any future violation(s) of the Fair Housing Act, such violation(s) shall constitute a "subsequent violation" pursuant to 42 U.S.C.

§3614(d)(1)(C)(ii).

52. This agreement is enforceable only by the parties. No person or entity is intended to be a third-party beneficiary of the provisions of this Order for purposes of any civil, criminal, or administrative action. Accordingly, no third party or entity may assert any claim or right as a third-party beneficiary or protected class under this Order.

XIV. MODIFICATION OF ORDER

53. Any time limits for performance imposed by this Consent Order may be extended by written agreement of the parties. Other provisions in the Order may be modified only upon approval of the Court, upon motion by either party.

XV. COSTS OF LITIGATION

54. Each party to this litigation will bear its own costs and attorneys' fees associated with this litigation.

XVI. TERMINATION OF LITIGATION HOLD

55. The parties agree that, as of the date of the entry of this Consent Order, litigation is not "reasonably foreseeable" concerning the matters described above. To the extent that any 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 litigation hold. Nothing in this Paragraph relieves any party of any other obligations imposed by this Consent Order.

IT IS SO ORDERED:

This 8th day of January, 2014.


SIDNEY A. FITZWATER
CHIEF JUDGE

For the United States:

Signed January 8, 2014.

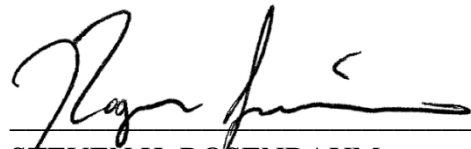
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Attorney General

SARAH R. SALDAÑA
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Northern District of Texas

JOCELYN SAMUELS
Assistant Attorney General
Civil Rights Division

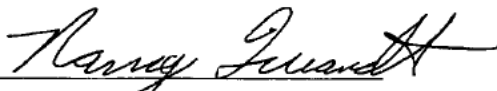
 /s Susan Ernst

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United States Attorney's Office
Northern District of Texas
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Dallas, TX 75252
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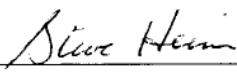


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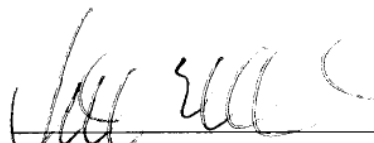
For Defendants:



Nancy Quandt



Stonebridge at Bear Creek, LLP
Steve Heim
Partner



S & H Realty Management LLP
Scott Elfstrom
President

Attachment A

Nondiscrimination and Anti-Steering Policy

It is the policy of Stonebridge at Bear Creek Apartments to comply with the Fair Housing Act, 42 U.S.C. §§ 3601 et seq., by ensuring that apartments are available to all persons without regard to race, color, religion, national origin, disability, familial status (having children under age 18), or sex. This policy means that, among other things, Stonebridge at Bear Creek Apartments and all agents or employees with responsibility for renting, or managing any dwelling units must not discriminate in any aspect of the rental of dwellings, including but not limited to steering qualified applicants or tenants to particular units, floors, buildings or areas of a complex, because of race, color, religion, national origin, disability, familial status, or sex. Such agents and employees may not:

- a. Refuse to rent after the making of a bona fide offer, or refuse to negotiate for rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, national origin, disability, familial status, or sex;
- b. Discriminate against any person in the terms, conditions, or privileges of rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, national origin, disability, familial status, or sex;
- c. Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, national origin, disability, familial status, or sex, or an intention to make any such preference, limitation, or discrimination; or
- d. Coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the Fair Housing Act.

Any agent or employee who fails to comply with this non-discrimination policy will be subject to appropriate disciplinary action. Any action taken by an agent or employee that results in the unequal service, treatment or behavior to tenants or prospective tenants on the basis of race, color, religion, national origin, disability, familial status, or sex, may constitute a violation of state and federal fair housing laws. An individual who believes that he or she is the victim of discrimination may contact the U.S. Department of Housing and Urban Development at 1-207-945-0467, or the U.S. Department of Justice at 1-800-896-7743, mailbox 994.

Attachment B

**Acknowledgment of Receiving and Reviewing Consent Order
and Nondiscrimination/Anti-Steering Policy**

I have received a copy of the Consent Order entered in *United States v. Stonebridge, et al.*, Civil Action No. 3:13-CV-1396-D (N.D. Tex.). I have also received a copy of the attached Nondiscrimination Policy. The Consent Order and the Nondiscrimination Policy were explained to me by my employer, and all questions concerning these documents were answered. I have read and understand the Consent Order and the Nondiscrimination/Anti-Steering Policy.

DATE

EMPLOYEE/AGENT NAME (PRINT)

EMPLOYEE/AGENT SIGNATURE

Attachment C

Certificate of Training

I, _____, hereby acknowledge that on _____ 20 ____, I completed an in-person training by _____ on the requirements of the Fair Housing Act, 42 U.S.C. §§ 3601-19, in compliance with Consent Order entered by the United States District Court for the Northern District of Texas in *United States v. Stonebridge, et al.*, Civil Action No. 3:13-CV-1396-D. The training was held for ____ hours.

I understand my obligation to not discriminate against any person in the terms, conditions or privileges of renting a dwelling because of race, color, religion, national origin, disability, familial status (having children under age 18), or sex.

I understand my obligation to not steer qualified applicants or tenants to particular units, floors, buildings or areas of a complex, because of race, color, religion, national origin, disability, familial status (having children under age 18), or sex.

I understand my obligation not to retaliate against any individual for exercising a right protected by the Fair Housing Act in violation of Section 818 of the Act.

DATE

NAME (PRINT)

SIGNATURE

Attachment D

**NOTICE TO POTENTIAL VICTIMS OF HOUSING DISCRIMINATION
AT STONEBRIDGE AT BEARCREEK APARTMENTS (EULESS)**

On _____, 2014, the United States District Court for the Northern District of Texas entered a consent order resolving litigation brought by the United States Department of Justice against Stonebridge at Bear Creek, LLP, S & H Realty Management LLP, and Nancy Quandt (the apartment manager). The complaint alleges that the defendants denied housing opportunities to persons of Middle Eastern and South Asian descent seeking to live at Stonebridge Apartments and steered persons of Middle Eastern and South Asian descent into segregated buildings or units at Stonebridge Apartments in violation of the Fair Housing Act.

- Stonebridge (at Bear Creek) Apartments is located at 2250 Fuller Wisser Road, Euless, TX 76039.

**YOU MAY BE ENTITLED TO A MONETARY AWARD AND/OR A
FREE APARTMENT TRANSFER UNDER THE FAIR HOUSING ACT IF:**

- You were denied an opportunity to live at, or were discouraged from living at, Stonebridge Apartments because of your national origin; or,
- You were treated negatively or steered to certain buildings or units at Stonebridge apartments because of your national origin.

If you believe that you have been discriminated against in any way described above, please contact the United States Department of Justice at: 1-800-896-7743, mailbox number 994, e-mail fairhousing@usdoj.gov, or write to us at:

United States Department of Justice
Attn: DJ# 175-73-360
Civil Rights Division / Housing and Civil Enforcement Section
950 Pennsylvania Ave., NW – G Street
Washington, DC 20530

You must call or write by April 28, 2014, and your message or letter must include your name, address, and a phone number where you may be reached.

Attachment E**COMMUNITY ORGANIZATIONS**

Gurdwara Sikh Sangat	1400 West Eules Boulevard Eules, TX 76040-6910
Shirdi Sai Centre of Texas	1037 W. Rochelle Road Irving, TX 75062
Islamic Center of Irving	2555 Esters Road Irving, TX 75062
DFW Hindu Temple	1605 North Britain Road Irving, TX 75061
St. Abanoub Coptic Orthodox Church	850 S. Eules Main Street Eules, TX 76040
Islamic Association of Midcities/Colleyville Masjid	500 Cheek Sparger Road Colleyville, TX 76034
Dar Alhuda Islamic Center	1245 Karla Drive Hurst, TX 76053
Dallas-Ft. Worth Islamic Center	4019 Jackson Street Irving, TX 75061
BAPS Shri Swaminarayan Mandir	4601 N. State Highway 161 Irving, TX 75038
Barkaat-Ul-Quran	555 W. Airport Freeway, Suite #170 Irving, TX 75062
St. Mary Coptic Orthodox Church	1110 John McCain Road Colleyville, TX 76034

Attachment F

FULL AND FINAL RELEASE OF CLAIMS

In consideration for the parties' agreement to the terms of the Consent Order they entered into in the case of *United States v. Stonebridge, et al.*, Civil Action No. 3:13-CV-1396-D, as approved by the United States District Court for the Northern District of Texas, and in consideration for the payment of \$_____, I, _____, do hereby fully release and forever discharge Stonebridge at Bear Creek, LLP ("Stonebridge"), S & H Realty Management LLP ("S & H Realty"), and Nancy Quandt ("Quandt"), (hereinafter "Defendants"), along with their insurers, attorneys, principals, predecessors, successors, assigns, directors, officers, agents, employees, former employees, heirs, executors, and administrators and any persons acting under their direction or control from any and all fair housing claims, demands, judgments, or liabilities (1) that arise out of or relate to the facts at issue in the litigation referenced above, or in any way related to that litigation; and (2) that were or could have been alleged in the litigation described above (either by me or the United States); and (3) any other claims arising from the housing discrimination alleged in that litigation or in the HUD investigation of Defendants. **I understand that I may later discover additional injuries or damages that are not known to me at this time. This release specifically applies to such later discovered injuries or damages and I specifically accept the risk that I may later discover such injuries or damages.** This Release does not release claims that arise after the signing of this Release.

Executed this _____ day of _____, 2014.

Signature

Print Name