

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN KLOSTERMAN and SUSAN
KLOSTERMAN,

Defendants.

CASE NO.: 1:18CV194

COMPLAINT OF THE UNITED
STATES OF AMERICA

For its Complaint, the United States of America alleges as follows:

1. This action is brought by the United States to enforce the provisions of Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act), as amended, 42 U.S.C. §§ 3601, *et seq.*

JURISDICTION AND VENUE

2. This court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 42 U.S.C. § 3614(a).

3. Venue is proper in this district under 28 U.S.C. § 1391(b) because the actions and omissions giving rise to the United States' allegations occurred in the Southern District of Ohio, and Defendants reside or do business in the Southern District of Ohio.

FACTUAL ALLEGATIONS

4. Defendant John Klosterman is a resident of Cincinnati, Ohio.
5. Defendant John Klosterman operates a residential rental business in

or around Cincinnati, Ohio, including properties in the Sedamsville neighborhood of Cincinnati.

6. During part or all of the period of time relevant to this action, Defendant John Klosterman has owned or had an ownership interest in at least fifty-five residential properties in or around Cincinnati, Ohio (the “subject properties”). These properties include single family homes and apartments. These properties include, but are not limited to, the following properties in Cincinnati, Ohio: 628 Delhi Ave., 634 Delhi Ave., 636 Delhi Ave., 801 Delhi Ave., and 659 Sedam St.

7. Defendant Susan Klosterman is Defendant John Klosterman’s wife.

8. Defendant Susan Klosterman also owns or has an ownership interest in the subject properties.

9. At all times relevant to this action, Defendant John Klosterman controlled all aspects of the management of each subject property including, but not limited to, advertising vacancies, accepting or rejecting prospective tenants, setting rates for rent and security deposits, collecting rent, accepting requests for repairs, and evicting tenants.

10. The subject properties are dwellings within the meaning of 42 U.S.C. § 3602(b).

11. Since at least 2013 through the present, Defendant John Klosterman has subjected female tenants of the subject properties to discrimination on the basis

of sex, including severe, pervasive, and unwelcome sexual harassment, on multiple occasions. Such conduct has included, but is not limited to:

- a. Making unwelcome sexual comments, making unwelcome sexual advances, and sending unwanted sexual text messages and photos to female tenants;
- b. Touching female tenants on their legs and other parts of their bodies without their consent;
- c. Offering to grant tangible housing benefits—such as reducing the rent and overlooking or excusing late or unpaid rent—in exchange for sex;
- d. Taking adverse housing actions, such as eviction or refusing to make repairs, or threatening to take such actions, against female tenants who objected to and/or refused sexual advances;
- e. Expressing a preference for renting to single female tenants, and taking adverse housing actions against female tenants upon learning that they were not single; and
- f. Entering the homes of female tenants without their consent and otherwise monitoring their daily activities with cameras directed at their units and through other means.

12. Defendant John Klosterman's discriminatory housing practices described above in paragraphs 4-11 occurred while he was exercising his authority as an agent for Defendant Susan Klosterman.

13. Defendant Susan Klosterman is liable for the discriminatory housing practices of her agent, John Klosterman. Defendant Susan Klosterman knew or should have known of John Klosterman's discriminatory housing practices, had the authority to take preventive and corrective action, and failed to take reasonable preventive or corrective measures to prevent or redress John Klosterman's conduct.

CAUSE OF ACTION

14. By the actions and statements described above, Defendants John and Susan Klosterman have:

- a. Denied dwellings or otherwise made dwellings unavailable because of sex, in violation of 42 U.S.C. § 3604(a);
- b. Discriminated in the terms, conditions, or privileges of the rental of dwellings, or in the provision of services or facilities in connection therewith, because of sex, in violation of 42 U.S.C. § 3604(b);
- c. Made statements with respect to the rental of dwellings that indicate a preference, limitation, or discrimination based on sex, in violation 42 U.S.C. § 3604(c); and
- d. Coerced, intimidated, threatened, or interfered with persons in the exercise or enjoyment of, or on account of their having exercised or enjoyed, their rights granted or protected by Section 804 of the Fair Housing Act, in violation of 42 U.S.C. § 3617.

15. The conduct of Defendants John and Susan Klosterman constitute:

- a. A pattern or practice of resistance to the full enjoyment of the rights granted by the Fair Housing Act, 42 U.S.C. §§ 3601, et seq., and
- b. A denial to a group of persons of rights granted by the Fair Housing Act, 42 U.S.C. §§ 3601, et seq., which denial raises an issue of general public importance.

16. Female tenants and persons associated with them have been injured by Defendants John and Susan Klosterman's discriminatory conduct. Such persons are aggrieved persons as defined in 42 U.S.C. § 3602(i), and have suffered damages as a result of Defendants John and Susan Klosterman's conduct.

17. Defendant John Klosterman's conduct was intentional, willful, and/or taken in reckless disregard of the rights of others.

PRAYER FOR RELIEF

WHEREFORE, the United States requests that the Court enter an Order that:

- a. Declares that Defendants John and Susan Klosterman's discriminatory practices violate the Fair Housing Act, as amended, 42 U.S.C. §§ 3601, et seq.;
- b. Enjoins Defendants John and Susan Klosterman, their agents, employees, and successors, and all other persons in the active concert or participation with them from:
 - i. Discriminating on the basis of sex, including engaging in sexual harassment, in any aspect of the rental of a dwelling;

- ii. Interfering with or threatening to take any action against any person engaged in the exercise or enjoyment of rights granted or protected by the Fair Housing Act, as amended;
 - iii. Failing or refusing to take such affirmative steps as may be necessary to restore, as nearly as practicable, the victims of Defendant John Klosterman's past unlawful practices to the position they would have been in but for the discriminatory conduct; and
 - iv. Failing or refusing to take such affirmative steps as may be necessary to prevent the recurrence of any discriminatory conduct in the future and to eliminate, as nearly as practicable, the effects of Defendant John Klosterman's unlawful practices;
- c. Awards monetary damages to each person aggrieved by Defendants John and Susan Klosterman's discriminatory conduct, pursuant to 42 U.S.C. § 3614(d)(1)(B);
 - d. Assesses civil penalties against Defendants John and Susan Klosterman in order to vindicate the public interest, pursuant to 42 U.S.C. § 3614(d)(1)(c); and
 - e. Awards such additional relief as the interests of justice may require.

Dated: March 21, 2018

Respectfully submitted,

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