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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 OAKLAND DIVISION

11 UNITED STATES OF AMERICA,
12 Plaintiff,

CASE NO. 4:22-CV-5639-DMR

13 v.

**PARTIAL CONSENT ORDER
RESOLVING CLAIMS BETWEEN THE
UNITED STATES AND LOUIS A.
LIBERTY & ASSOC., PLC AND LOUIS A
LIBERTY**

14 LOUIS LIBERTY & ASSOCIATES, PLC
15 d/b/a/ THE HOUSE LAWYER, LOUIS A.
16 LIBERTY, and BARNEY DIAMOS

17 Defendants.

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20 **I. INTRODUCTION**

21 1. This action was filed by the United States to enforce the provisions of the Fair Housing
22 Act, 42 U.S.C. §§ 3601–3631 (“FHA”). The United States filed this action on behalf of
23 Alejandrina Rocha, Juan Rocha, Aureliano Ceja, and Lorena Ceja (collectively, the
24 Complainants) pursuant to 42 U.S.C. § 3612(o).

25 2. The United States’ Complaint alleges that Louis Liberty & Associates, PLC d/b/a The
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1 House Lawyer, Louis A. Liberty, and Barney Damos discriminated against the
2 Complainants on the basis of national origin by targeting them for inadequate and
3 predatory loan modification services.

- 4 3. The United States and Defendants Louis Liberty & Associates, PLC d/b/a The House
5 Lawyer, and Louis A. Liberty (Liberty Defendants) have voluntarily agreed to resolve the
6 claims against the Liberty Defendants without further litigation. This Consent Order
7 resolves the United States' claims against the Liberty Defendants.
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9 **II. GENERAL INJUNCTION**

- 10 4. The Liberty Defendants, their agents, employees, and all other persons in active concert or
11 participation with them, are hereby enjoined from:
12 a. Discriminating against any person in the terms, conditions, or privileges of the sale of
13 a dwelling, or in the provision of services or facilities in connection with such a
14 dwelling, because of national origin, in violation of 42 U.S.C. § 3604(b);
15 b. Discriminating against any person in the terms and conditions of a residential real
16 estate-related transaction because of national origin, in violation of 42 U.S.C. § 3605;
17 and
18 c. Coercing, intimidating, threatening, or interfering with any person in the exercise of
19 fair housing rights, in violation of 42 U.S.C. § 3617.
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21 **III. REAL ESTATE-RELATED ACTIVITIES**

- 22 5. The Liberty Defendants declare that they are not currently involved in providing any
23 mortgage relief assistance services¹, including but not limited to mortgage loan
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25 _____
26 ¹ The term “mortgage relief assistance services” shall be defined as set forth in 12 CFR § 1015.2.

1 modifications, either individually or through an organization or business entity. They
2 further declare that they are not involved in any business activities involving the sale or
3 rental of residential real estate, or in the provision of services or facilities in connection
4 therewith (hereinafter “real estate-related activities”).

- 5 6. If the Liberty Defendants become involved in providing any mortgage relief assistance
6 services or in any real estate-related activities during the term of this Consent Order, they
7 shall notify the United States in writing within seven (7) days of becoming involved in
8 such activities, and they will comply with Sections IV and V.
9

10 **IV. FAIR HOUSING TRAINING**

- 11 7. If, during the term of this Consent Order, either Liberty Defendant becomes involved in
12 providing any mortgage relief assistance services or in any real estate-related activities,
13 the Defendant(s) shall attend an in-person training on nondiscrimination laws, including
14 the Fair Housing Act, with emphasis on discrimination in real estate-related transactions,
15 within thirty (30) days of becoming involved in such activities. The training shall be
16 conducted in accordance with the following:
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- 18 a. The trainer or training entity shall be independent of the Defendant(s) and their
19 counsel, qualified to conduct such training, and approved in advance by the
20 United States;
21 b. The Defendant(s) shall submit to the United States the name and contact
22 information of the person or organization proposed to provide the training no
23 fewer than thirty (30) days before the training date;
24 c. Within fourteen (14) days after the training, the Defendant(s) shall provide to the
25

1 United States a signed statement confirming attendance that includes the date of
2 the training, the name of the instructor, and the length of the course; and

3 d. Any expenses associated with this training shall be borne by the Defendant(s).

4 **V. NONDISCRIMINATION POLICIES**

5 8. If, during the term of this Consent Order, Defendant Louis Liberty becomes a manager,
6 principal, or owner in a business or organization engaged in mortgage relief assistance
7 services or real estate-related activities, or if Defendant Louis Liberty & Associates offers
8 any such services, they shall do the following:

9 a. Design policies to prevent and detect potential Fair Housing Act violations, and
10 provide to the United States the details of those policies. The Defendant(s) must
11 submit the policies to the United States within forty-five (45) days of taking on a
12 management, ownership, or principal role or position in a business or organization
13 engaged in any mortgage relief assistance services or real-estate related activities.
14 The United States shall have thirty (30) days to review and agree or object to the
15 proposed policies. The parties shall use the dispute resolution procedures set forth
16 in Paragraph 18 to resolve any objections by the United States. Within one (1)
17 week of being approved by the United States, the policies shall be implemented
18 and distributed to all employees, agents, co-managers, co-principals, and co-
19 owners involved in the mortgage relief assistance services or real estate-related
20 activity.
21

22 b. Provide training for all employees, agents, co-managers, and co-owners/principals
23 on the Fair Housing Act, including on its national origin discrimination
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1 provisions. The training must occur within forty-five (45) days of the
2 Defendant(s) taking on a management, ownership, or principal role or position in
3 a business or organization engaged in any mortgage relief assistance services or
4 real estate-related activities. The trainer or training entity shall be independent of
5 the Defendant(s) and its/his counsel, qualified to conduct such training, and
6 approved in advance by the United States. The Defendant(s) shall submit to the
7 United States the name and contact information of the person or organization
8 proposed to provide the training no fewer than thirty (30) days before the training
9 date. Within fourteen (14) days after the training, the Defendant(s) shall provide
10 to the United States signed statements from all attendees confirming attendance
11 that includes the date of the training, the name of the instructor, and the length of
12 the course. Any expenses associated with this training shall be borne by the
13 Defendant(s).
14

15 **VI. REPORTING AND RECORD-KEEPING**

16 9. If a Liberty Defendant becomes a manager, principal, or owner in a business or
17 organization engaged in mortgage relief assistance services or real estate-related activities
18 under Paragraph 6 , the Liberty Defendant shall report every six (6) months, beginning six
19 (6) months from the entry of this Order, with the final report provided to the United States
20 sixty (60) days prior to the expiration of this Order, detailed descriptions of the following
21 to the United States:
22

23 a. Business interests held, and/or business activities or employment engaged in, at
24 any point in time during the six-month reporting period by either of the Liberty
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1 Defendants, including identifying whether any of these interests, activities, or
2 employment are in businesses that primarily serve a population that is limited
3 English proficient, defined as individuals who do not speak English as their
4 primary language and who have a limited ability to read, speak, write, or
5 understand English (“LEP”); and

6 b. Complaints of discrimination, misrepresentation, or fraud made about either
7 Liberty Defendant or the business(es) they are or were engaged in, whether such
8 complaints were formal or informal, written or otherwise. If written in any form
9 or medium, the Defendant(s) must submit legible copies of the complaint with the
10 report required by this Paragraph.

11 c. Confirmation that the antidiscrimination policies under Paragraph 8 have been
12 distributed to all employees, agents, co-managers, and co-owners, including any
13 new employees, agents, co-managers, and co-owners hired in the preceding six
14 (6) months; and

15 d. Copies of all promotional, advertising, and marketing materials for the business.

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18 10. The Liberty Defendants shall preserve all records related to this Order. Upon reasonable
19 notice to the Liberty Defendants, the United States may inspect and copy any records
20 related to this Order to determine compliance.

21 **VII. MONETARY DAMAGES**

22 11. Defendant Louis A. Liberty paid restitution to clients as a result of complaints made to the
23 State Bar of California.

24 12. No later than thirty (30) days after the date of entry of this Consent Order, the Liberty
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1 Defendants shall pay a total sum of \$1,000 in monetary damages to Alejandrina Rocha
2 and Juan Rocha by delivering a check in that amount, payable to Alejandrina Rocha and
3 Juan Rocha, to counsel for the United States.

4 13. No later than thirty (30) days after the date of entry of this Consent Order, the Liberty
5 Defendants shall pay a total sum of \$1,000 in monetary damages to Aureliano Ceja and
6 Lorena Ceja by delivering a check in that amount, payable to Aureliano Ceja and Lorena
7 Ceja, to counsel for the United States.

8 14. As a prerequisite to receiving the payment described in Paragraphs 11-12, all
9 Complainants shall sign a release in the form of Attachment A. Counsel for the United
10 States shall deliver the original release form to counsel for the Liberty Defendants.
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12 **VIII. JURISDICTION, DURATION, MODIFICATION AND REMEDIES**

13 15. The parties stipulate, and the Court finds, that this Court has subject matter jurisdiction
14 over this action pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3612(o). This
15 Consent Order is effective immediately upon its entry by the Court.
16

17 16. This Court shall retain jurisdiction over this action and the parties thereto for the duration
18 of this Order for the purpose of enforcing and modifying its terms. This Order shall be in
19 effect for a period of two (2) years from its effective date. The United States may move
20 the Court to extend the period in which this Order is in effect if it believes that any Liberty
21 Defendant has likely violated one or more terms of this Order or if the interests of justice
22 otherwise require an extension.

23 17. Any time limits for performance imposed by this Order may be extended by mutual
24 written agreement of the parties.
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1 18. The parties to this Order shall endeavor in good faith to resolve informally any differences
2 regarding interpretation of and compliance with this Order prior to bringing such matters
3 to the Court for resolution. However, in the event that the Liberty Defendants fail to
4 perform in a timely manner any act required by this Order or act in violation of any
5 provision of this Order, the United States may move the Court to impose any remedy
6 authorized by law or equity, including, but not limited to, an order requiring performance
7 or non-performance of certain acts and an award of damages, costs, and reasonable
8 attorney's fees that may have been occasioned by the Liberty Defendants' violation or
9 failure to perform.
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11 19. The United States may take reasonable steps to monitor the Liberty Defendants'
12 compliance with this Order and the Fair Housing Act, including but not limited to
13 conducting fair housing tests at any business(es) or location(s) owned, operated, or
14 managed by the Liberty Defendants.
15

16 20. This Consent Order may be signed by the parties in several counterparts, each of which
17 shall serve as an original as against any party who signed it, and all of which taken
18 together shall constitute one and the same document.

19 21. The United States agrees that, as of the date of this Order, litigation is not "reasonably
20 foreseeable" between the United States and the Liberty Defendants concerning the matters
21 described in the United States' Complaint. However, the Liberty Defendants agree that to
22 the extent that they previously implemented a litigation hold to preserve documents,
23 electronically stored information, or things related to the matters described herein, they
24 will continue to do so until all claims against any other Defendant has been resolved.
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1 Nothing in this paragraph relieves the parties of any other obligation imposed by this
2 Order.

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4 For the United States:

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6 KRISTEN CLARKE
7 Assistant Attorney General
8 Civil Rights Division

9 /s/ Andrea K. Steinacker

10 SAMEENA SHINA MAJEED
11 Chief
12 CARRIE PAGNUCCO
13 Acting Deputy Chief
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24
25 For Liberty Defendants:

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29 LOUIS A. LIBERTY

30 On behalf of himself and Louis Liberty & Associates, PLC

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ORDER

IT IS SO ORDERED this 6th day of April, 2023.



THE HONORABLE DONNA M. RYU
CHIEF MAGISTRATE JUDGE

ATTACHMENT A

RELEASE

In consideration for the parties' agreement to the terms of the Partial Consent Order entered in *United States v. Louis Liberty & Assocs., PLC*, No. 4:22-cv-5639-DMR (N.D. Cal.), and Defendants' payment to my household of one thousand dollars (\$1,000), pursuant to the Consent Order, I hereby agree, to fully release and forever discharge Defendants Louis Liberty & Associates, PLC and Louis A. Liberty from any and all fair housing claims set forth, or which could have been set forth, in the Complaint in this lawsuit that I may have had against any of them for any of their actions related to those claims through the date of the entry of the Consent Order.

I acknowledge and understand that by signing this Release and accepting this payment, I am waiving any right to pursue my own legal action based on the discrimination alleged by the United States in this action.

I also acknowledge that I have been informed that I may review the terms of this Release with an attorney of my choosing, and to the extent that I have not obtained legal advice, I voluntarily and knowingly waive my right to do so.

This Release constitutes the entire agreement between Defendants Louis Liberty & Associates, PLC and Louis A. Liberty and me, without exception or exclusion.

Printed Name

Signature

Date