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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 BARNEY
DIAMOS**

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 (“Damos”) discriminated against
2 the Complainants on the basis of national origin by targeting them for inadequate and
3 predatory loan modification services. Damos denied any and all allegations of unlawful
4 discrimination and expressly denies any liability under this action, and has agreed to enter
5 into this Partial Consent Order to avoid further expense and effort at litigation of disputed
6 claims.

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8 3. The United States and Damos have voluntarily agreed to resolve the claims against
9 Damos without further litigation. This Consent Order resolves the United States’ claims
10 against Damos only.

11 **II. GENERAL INJUNCTION**

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

24 **III. REAL ESTATE-RELATED ACTIVITIES**

- 25 5. Damos declares that he is not currently involved in providing any mortgage relief
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1 assistance services¹, including but not limited to mortgage loan modifications, either
2 individually or through an organization or business entity. Damos further declares that he
3 is not involved in any business activities involving the sale or rental of residential real
4 estate, or in the provision of services or facilities in connection therewith (hereinafter “real
5 estate-related activities”).

- 6 6. If Defendant Damos becomes involved in providing any mortgage relief assistance
7 services or in any real estate-related activities during the term of this Consent Order, he
8 shall notify the United States in writing within seven (7) days of becoming involved in
9 such activities, and he will comply with Sections IV and V.
10

11 **IV. FAIR HOUSING TRAINING**

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

4 d. Any expenses associated with this training shall be borne by Damos.

5 **V. NONDISCRIMINATION POLICIES**

6 8. If, during the term of this Consent Order, Damos becomes a manager, principal, or owner
7 in a business or organization engaged in mortgage relief assistance services or real estate-
8 related activities, he 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. Damos must submit the
11 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 17 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 b. Provide training for all employees, agents, co-managers, and co-owners/principals
22 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 Damos taking
2 on a management, ownership, or principal role or position in a business or
3 organization engaged in any mortgage relief assistance services or real estate-
4 related activities. The trainer or training entity shall be independent of Damos
5 and his counsel, qualified to conduct such training, and approved in advance by
6 the United States. Damos shall submit to the United States the name and contact
7 information of the person or organization proposed to provide the training no
8 fewer than thirty (30) days before the training date. Within fourteen (14) days
9 after the training, Damos shall provide to the United States signed statements
10 from all attendees confirming attendance that includes the date of the training, the
11 name of the instructor, and the length of the course. Any expenses associated with
12 this training shall be borne by Damos or the organization with which he is
13 involved.
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15 **VI. REPORTING AND RECORD-KEEPING**

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- 17 9. If, during the term of this Consent Order, Damos becomes engaged in mortgage relief
18 assistance services or real estate-related activities, or becomes a manager, principal, or
19 owner in a business or organization engaged in mortgage relief assistance services or real
20 estate-related activities, he shall report every six (6) months from the commencement of
21 such activity, with the final report provided to the United States sixty (60) days prior to the
22 expiration of this Order, detailed descriptions of the following to the United States:
23
- 24 a. Business interests held, and/or business activities or employment engaged in, at
25 any point in time during the six-month reporting period by Damos, including
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1 identifying whether any of these interests, activities, or employment are in
2 businesses that primarily serve a population that is limited English proficient,
3 defined as individuals who do not speak English as their primary language and
4 who have a limited ability to read, speak, write, or understand English (“LEP”);
5 and

6 b. Complaints of discrimination, misrepresentation, or fraud made about Damos or
7 the business(es) he is or was engaged in, whether such complaints were formal or
8 informal, written or otherwise. If written in any form or medium, Damos must
9 submit legible copies of the complaint with the report required by this Paragraph.
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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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17 10. Damos shall preserve all records related to this Order. Upon reasonable notice to Damos,
18 the United States may inspect and copy any records related to this Order to determine
19 compliance.

20 **VII. MONETARY DAMAGES**

21 11. No later than fifteen (15) days after the date of entry of this Consent Order, Damos shall
22 pay a total sum of \$2,500 in monetary damages to Alejandrina Rocha and Juan Rocha by
23 delivering a check in that amount, payable to Alejandrina Rocha and Juan Rocha, to
24 counsel for the United States.
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1 12. No later than fifteen (15) days after the date of entry of this Consent Order, Damos shall
2 pay a total sum of \$2,500 in monetary damages to Aureliano Ceja and Lorena Ceja by
3 delivering a check in that amount, payable to Aureliano Ceja and Lorena Ceja, to counsel
4 for the United States.

5 13. As a prerequisite to receiving the payment described in Paragraphs 11-12, all
6 Complainants shall sign a release in the form of Attachment A. Counsel for the United
7 States shall deliver the original release form to counsel for Damos.
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9 **VIII. JURISDICTION, DURATION, MODIFICATION AND REMEDIES**

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

13 15. This Court shall retain jurisdiction over this action and the parties thereto for the duration
14 of this Order for the purpose of enforcing and modifying its terms. This Order shall be in
15 effect for a period of two (2) years from its effective date. The United States may move
16 the Court to extend the period in which this Order is in effect if it believes that Damos has
17 likely violated one or more terms of this Order or if the interests of justice otherwise
18 require an extension.
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20 16. Any time limits for performance imposed by this Order may be extended by mutual
21 written agreement of the parties.

22 17. The parties to this Order shall endeavor in good faith to resolve informally any differences
23 regarding interpretation of and compliance with this Order prior to bringing such matters
24 to the Court for resolution. However, in the event that Damos fails to perform in a timely
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1 manner any act required by this Order or act in violation of any provision of this Order,
2 the United States may move the Court to impose any remedy authorized by law or equity,
3 including, but not limited to, an order requiring performance or non-performance of
4 certain acts and an award of damages, costs, and reasonable attorney's fees that may have
5 been occasioned by Damos' violation or failure to perform.

6 18. The United States may take reasonable steps to monitor Damos' compliance with this
7 Order and the Fair Housing Act, including but not limited to conducting fair housing tests
8 at any business(es) or location(s) owned, operated, or managed by Damos.

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

12 20. The United States agrees that, as of the date of this Order, litigation is not "reasonably
13 foreseeable" between the United States and Damos concerning the matters described in
14 the United States' Complaint. However, Damos agrees that to the extent that he
15 previously implemented a litigation hold to preserve documents, electronically stored
16 information, or things related to the matters described herein, he will continue to do so
17 until all claims against any other Defendants have been resolved. Nothing in this
18 paragraph relieves the parties of any other obligation imposed by this Order.
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For the United States:

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PARTIAL CONSENT ORDER
CASE NO. 4:22-CV-5639-DMR

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ORDER

IT IS SO ORDERED this 10th 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 Defendant's payment to my household of two thousand, five hundred dollars (\$2,500.00), pursuant to the Consent Order, I hereby agree, to fully release and forever discharge Barney Damos 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 Barney Damos and me, without exception or exclusion.

Printed Name

Signature

Date