SETTLEMENT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND LISA HINCMAN, MICHAEL VETRANO, AND LCM REALTY MANAGEMENT, LLC

I. BACKGROUND

1. This Settlement Agreement ("Agreement") is entered into by and among the United States of America ("United States") and Lisa Hincman ("Hincman"), Michael Vetrano ("Vetrano"), and LCM Realty Management, LLC ("LCM Realty") (collectively, "Defendants").

2. The United States alleges that Hincman, Vetrano, and LCM Realty Management, LLC discriminated against Virginia Cluett ("Complainant") and her minor child on the basis of familial status, in violation of the Fair Housing Act ("FHA"), 42 U.S.C. §§ 3601-3619, with respect to a unit in a residential rental property located at 74 Aborn Street in Peabody, Massachusetts ("Aborn property").

3. Specifically, the United States alleges that in October 2022, Hincman and Vetrano refused to rent a unit at the Aborn property to Complainant, a mother living with a child with autism, because of her familial status. The United States further alleges that in November and December 2022, Suffolk University Law School's Housing Discrimination Testing Program conducted testing at the Aborn Property, and Hincman and Vetrano made statements indicating that they had a policy of refusing to rent the Aborn property to tenants with children. The United States further alleges that the discriminatory incidents occurred when Vetrano and Hincman were acting as agents of LCM Realty, and that LCM Realty is also liable for their discriminatory actions and conduct. The United States further alleges that Complainant and her child are aggrieved persons under 42 U.S.C. § 3602(i), and have suffered injuries because of the conduct described above.

4. Complainant filed a housing discrimination complaint with the U.S. Department of Housing and Urban Development ("HUD") on December 23, 2022. As required by the Fair Housing Act, 42 U.S.C. § 3610(a) and (b), the Secretary of HUD investigated the complaint made by Complainants, attempted conciliation without success, and prepared a final investigative report.

5. Based on the information gathered in the investigation, the Secretary determined that reasonable cause exists to believe that illegal discriminatory housing practices occurred. On March 17, 2026, the Secretary issued a Determination of Reasonable Cause and Charge of Discrimination pursuant to 42 U.S.C. § 3610(g), charging the Defendants with discrimination under the Fair Housing Act.[1] On March 26, 2026, Complainant elected to have the claims asserted in HUD's Charge of Discrimination resolved in a federal civil action pursuant to 42 U.S.C. § 3612(a). Accordingly, on April 7, 2026, a HUD Administrative Law Judge issued a

[1] The Charge of Discrimination was identified by FHEO Case No. 01-23-3210-8.

notice of election and terminated administrative proceedings. Following the notice of election, the Secretary of HUD authorized the Attorney General to commence a civil action pursuant to 42 U.S.C. § 3612(o).

6. The United States and the Defendants (collectively, the "Parties") entered an agreement to toll the statute of limitations for filing a cause of action up to and including August 14, 2026.

7. The Parties agree that, to avoid the time, expense, and uncertainty of litigation, the claims against Hincman, Vetrano, and LCM Realty should be resolved without litigation. The Parties consent to this Agreement, as shown by the signatures below. This Agreement constitutes a full resolution of the United States' claims set forth in the Charge of Discrimination against Hincman, Vetrano, and LCM Realty.

THEREFORE, the Parties, through their authorized representatives, stipulate and agree as follows:

II. MONETARY DAMAGES

8. Hincman, Vetrano, and LCM Realty shall pay a total sum of THIRTY THOUSAND DOLLARS ($30,000.00) for the sole purpose of paying monetary damages to the Complainant as follows:

a. Within ten (10) days of the final signature on this Agreement, Hincman, Vetrano, and LCM Realty will pay $15,000 in monetary damages by delivering a check payable to Virginia Cluett to counsel for the United States via overnight delivery.

b. Once the United States has received the check payable to the Complainant, the United States shall deliver the Check to the Complainant after obtaining her signed release in the form of Attachment A.

c. By December 31, 2026, Hincman, Vetrano, and LCM Realty will pay $15,000 in monetary damages by delivering a second check payable to Virginia Cluett to counsel for the United States via overnight delivery. The United States shall deliver the second payment to the Complainant.

d. The monetary damages to the Complainant are a debt within the meaning of 11 U.S.C. § 523(a)(6). Accordingly, Hincman, Vetrano, and LCM Realty will not seek to discharge any part of this debt in bankruptcy.

III. NON-MONETARY RELIEF

9. Prohibition against Discrimination or Retaliation. Defendants, their officers, agents, employees, transferees, successors, heirs, and assigns, and all others acting for or with them, are prohibited from directly or indirectly:

a. Refusing to sell or rent a dwelling, refusing to negotiate for the sale or rental of a dwelling, or otherwise making unavailable or denying a dwelling, to any person because of familial status or disability;

b. Discriminating against any person in the terms, conditions, or privileges of the sale or rental of a dwelling, or in the provision of services or facilities in connection with a dwelling, because of familial status or disability;

c. Making any statement, oral or written, in connection with the sale or rental of a dwelling that indicates any preference, limitation, or discrimination, or an intent to prefer, limit, or discriminate, on the basis of familial status or disability; and

d. Coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of, or because they have exercised or enjoyed—or aided or encouraged any other person in exercising or enjoying—any right granted or protected by the FHA.

10. Subject Properties. Every residential rental property owned, leased, managed, or controlled by any Defendant is deemed a "Subject Property" subject to this agreement. If Defendants sell or transfer any ownership or financial interest in a Subject Property other than via an arm's length, third-party transfer, i.e., to Defendants or an affiliated party or entity (including through marriage, cohabitation, or legal representation), such Subject Property shall remain a Subject Property bound by the terms of this Agreement. If a Defendant sells or transfers any management, ownership, financial, controlling, or other interest in a Subject Property or otherwise loses such an interest through a legal proceeding (for example, by foreclosure), such property will cease to be a Subject Property.

11. Advertising. Within fourteen (14) days of the Effective Date of this Agreement, Defendants will ensure that any new advertising for Subject Properties, including but limited to advertisements placed in newspapers, telephone directories, radio, television, on the internet, or in any other media, and any signs, pamphlets, brochures, or other promotional literature, includes these sentences: "We are an Equal Opportunity Housing Provider. We do not discriminate on the basis of race, color, national origin, religion, sex, familial status, or disability."

12. Non-Discrimination Policy. Within fourteen (14) days of the Effective Date of this Agreement, Defendants will provide to the United States, for review and non-objection, their proposed Nondiscrimination Policy.[2] The United States shall not unreasonably withhold its non-objection to the proposed Nondiscrimination Policy. Within fourteen (14) days of the United States' non-objection to the Nondiscrimination Policy, Defendants shall adopt and implement their Nondiscrimination Policy and ensure a copy is provided to all tenants, and to all employees, agents, and any other persons involved in the rental or management of the Subject Properties.

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[2] Unless otherwise instructed by the United States, Defendants should send all documents and communications under this Agreement by email to Assistant U.S. Attorneys Hillary Harnett and Gregory Dorchak at Hillary.harnett@usdoj.gov and Gregory.Dorchak@usdoj.gov, or by overnight courier to Hillary Harnett, U.S. Attorney's Office, John J. Moakley U.S. Courthouse, One Courthouse Way, Suite 9200, Boston, MA 02210.

Defendants shall notify counsel for the United States within fourteen (14) days of the date that their Nondiscrimination Policy has been distributed to all tenants in accordance with this Agreement. Thereafter, Defendants shall ensure that a copy of their Nondiscrimination Policy is attached to the lease of every new tenant of the Subject Properties.

13. Notice. Defendants will notify the United States in the event they learn that any officers, agents, employees or any other persons or entities in active concert or participation with them are in violation of any provision of the Agreement and/or if any complaint is received by Defendants of discrimination at the Subject Properties.

14. Education and Training. Within 60 days of the Effective Date of this Agreement, Vetrano and Hincman, as well as any Defendant's employees, agents, and any other persons involved in the rental or management of Subject Properties will attend in-person or virtual live training, with the opportunity to ask questions and receive answers, on the FHA (including familial status and disability discrimination). The training will be conducted consistent with the following requirements:

a. The trainer or training entity will be independent of Defendants, their employees, agents, or counsel, qualified to conduct such training, and approved by the United States at least 15 days before the training.

b. Defendants will submit to the United States the name and contact information of the person or organization proposed to provide the training, as well as an outline of the training and all materials to be distributed, at least 30 days before the training.

c. Defendants will distribute a copy of this Agreement and the Nondiscrimination Policy to attendees.

d. Each individual who receives the training will execute the Certificate of Training, included as Attachment B.

e. Defendants will bear any expenses associated with the training.

f. Each new employee, agent, or other person who becomes involved in the rental or management of units at the Subject Properties will receive training within 30 days of the date on which their involvement begins. Each individual who receives the training will also execute the Certificate of Training.

15. Records. Defendants will preserve all records related to their ownership and operation of residential real estate, including advertisements, rental applications, and communications with prospective or current tenants. Defendants will also preserve all records relating to their obligations under this Agreement. Representatives of the United States will be permitted, upon providing reasonable notice, to inspect and copy at reasonable times all records related to Defendants' obligations under this Agreement.

IV. DURATION AND ENFORCEMENT OF THE AGREEMENT

16. Effective Date. The Effective Date of this Agreement is the date of the final signature on this Agreement.

17. Compliance Period. The compliance period for the Agreement shall be for a period of three (3) years from the Effective Date.

18. The Parties shall endeavor in good faith to resolve informally any differences regarding the interpretation of, and compliance with, this Agreement prior to initiating court action. However, in the event the United States contends that there has been a breach by one or more Defendants, whether willful or otherwise, the United States may bring a civil action for breach of this Agreement, or any provision thereof, in the United States District Court for the District of Massachusetts. That Court shall serve as the exclusive jurisdiction and venue for any dispute concerning this Agreement. The Parties consent to and agree not to contest the jurisdiction of that Court. The Parties further acknowledge that venue in that Court is appropriate and agree not to raise any challenge on this basis.

19. In the event the United States files a civil action as contemplated by Paragraph 18 to remedy breach of this Agreement, the United States may seek the following: (1) an injunction mandating specific performance of any term or provision in this Agreement, without regard to whether monetary relief would be adequate; (2) an award of reasonable attorneys' fees and costs incurred in bringing an action to remedy breach of this Agreement; and (3) an additional relief that may be available under law or equity. If such a civil action is filed, Defendants expressly agree not to count the time during which this Agreement is in place, or use the terms or existence of this Agreement, to plead, argue, or otherwise raise any defense under theories of claim preclusion, issue preclusion, statute of limitations, estoppel, laches, or similar defenses.

20. Failure by the United States to enforce any provision of this Agreement shall not operate as a waiver of the United States' right or ability to enforce any other provision of this Agreement.

V. OTHER PROVISIONS

20. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties. No other statement or promise, written or oral, made by any Party or agents of any Party, that is not contained in this written Agreement shall be enforceable.

21. Parties to Bear Their Own Costs. The United States and Defendants will each bear their own costs and attorneys' fees associated with this litigation.

22. Termination of Litigation Hold. The Parties agree that, as of the Effective Date of this Settlement Agreement, litigation is not "reasonably foreseeable" concerning the matters described in this Settlement Agreement. To the extent that any Party has previously implemented a litigation hold to preserve documents, electronically-stored information ("ESI"),

or thing related to the matters described above, that Party is no longer required to maintain such litigation hold. Nothing in this paragraph relieves any Party of any other obligations under this Settlement Agreement.

23. Severability. If any term of this Agreement is determined by any court to be unenforceable, the other terms of this Agreement shall nonetheless remain in full force and effect, provided, however, that if the severance of any such provision materially alters the rights or obligations of the Parties, the Parties shall engage in good faith negotiations to adopt mutually agreeable amendments to this Agreement as may be necessary to restore the Parties as closely as possible to the initially agreed upon relative rights and obligations.

24. Authority. The individuals signing this Agreement represent that they are authorized to do so on behalf of the respective individual or entity for which they have signed.

25. Counterparts. This Agreement may be executed in several counterparts, with a separate signature page for each party. All such counterparts and signature pages, together, shall be considered one document.

27. Other Violations. This Agreement does not purport to remedy any violation(s) or potential violation(s) of the FHA, or any other federal or state law, other than the violations alleged in the Charge of Discrimination and described in this Agreement, nor does it affect Defendants' continuing responsibility to comply with all provisions of the FHA. This Agreement will have no impact upon the rights or claims of any individual not identified in this Agreement who has made, or may make, claims against Defendants. Nothing in this Agreement will preclude the United States from filing a separate action under the FHA, or any other law, for any alleged violation not covered by this Agreement.

For Plaintiff the United States:

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Dated: 8/14/2026

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For Lisa Hincman, Michael Vetrano, and LCM Realty Management, Inc:

Lisa Hincman

Lisa Hincman

Michael Vetrano

Lisa Hincman

For Defendant LCM Realty Management, Inc:
Lisa Hincman (TITLE)

Dated: 5.12.26

APPENDIX A

Release of Claims

For and in consideration of thirty-thousand dollars ($30,000.00) offered to me by Lisa Hincman, Michael Vetrano, and LCM Realty Management, Inc. ("LCM Realty"), under the Agreement between the United States of America and Hincman, Vetrano, and LCM Realty:

I, Virginia Cluett, hereby release and forever discharge Lisa Hincman, Michael Vetrano, LCM Realty, and their current, past, and future officers, employees, administrators, agents, successors, and assigns, of and from any Fair Housing Act related claims arising out of the facts identified in the Charge of Discrimination issued by the U.S. Department of Housing and Urban Development, Case No. FHEO 01-23-3210-8, or the allegations made in the Agreement.

This Release constitutes the entire agreement between Hincman, Vetrano, LCM Realty, and me, without exception or exclusion.

I acknowledge that a copy of the Agreement has been made available. By signing this Release, I acknowledge that I have been provided the opportunity to review the Agreement with an attorney of my choosing.

I have read this Release and understand the contents of it and I execute this Release of my own free act and deed.

Date: ________________________

Signature: ________________________

Mailing Address: ________________________

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APPENDIX B

Certification of Training and Receipt of Settlement Agreement

I certify that I have received a copy of the Settlement Agreement entered into by the United States and Lisa Hincman, Michael Vetrano, and LCM Realty Management, Inc. I further certify that I have read and understand my responsibilities as set forth in the Settlement Agreement.

On ______________________, 202__, I attended a training on the requirements of the Fair Housing Act. I understand my obligation not to discriminate against any person with respect to residential rental housing because of sex, race, color, religion, national origin, disability, or familial status. I also understand my obligation not to retaliate against any individual for exercising a right protected by the Fair Housing Act.

____
Signature

____
Printed Name

____
Title or role with respect to LCM Realty

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Date