

4. Breckenridge Plaza, Inc. is a Pennsylvania corporation with its principal place of business in Phoenixville, Pennsylvania.
5. Defendant Morris Zelikovsky manages and operates Breckenridge Plaza Apartments on behalf of Breckenridge Plaza, Inc.
6. Breckenridge Plaza, Inc. has the right to direct and control Morris Zelikovsky's actions as manager and operator of the Breckenridge Plaza Apartments.
7. Between October 1, 2009, and February 28, 2010, and while acting with the actual or apparent authority of Breckenridge Plaza, Inc., Morris Zelikovsky showed and offered for rent apartments located in the Breckenridge Plaza Apartments.
8. On or about February 1, 2010, and while acting with the actual or apparent authority of Breckenridge Plaza, Inc., Rental Agent No. 1, an unidentified rental agent for Breckenridge Plaza Inc., offered for rent apartments located in the Breckenridge Plaza Apartments.
9. On or about October 14, 2009, Morris Zelikovsky, acting on behalf of and as the agent of Breckenridge Plaza Inc., developed and posted the following advertisement on the internet website *craigslist.org*:

“\$740 / 2br -- Winter Special -- Downtown Close to Hospital
Reply to: breckplaza@verizon.net
For a Limited Time only for credit worthy (must have credit score over 650) for SPECIAL. This deal is for a maximum of two persons. The two-bedroom features: 1) walking distance to great taverns and restaurants or boutiques [sic] shops in downtown Phoenixville 2) off-street parking 3) w/w carpeting 4) central air/heating 5) f/t maintenance on premises 6) FIOS or Comcast Cable ready. No pets are allowed.”

10. Between October 19, 2009, and January 18, 2010, the Defendants posted eight more advertisements on the internet website *craigslist.org*, each of which offered a

discounted rental rate for a two-bedroom unit provided it would be occupied by no more than two persons.

11. On or about January 29, 2010, Morris Zelikovsky, acting on behalf of and as the agent of Breckenridge Plaza Inc., developed and posted the following advertisement on the internet website *craigslist.org*:

“\$740 / 2br – Downtown Close to Hospital (Phoenixville, PA)

Reply to: breckplaza@verizon.net

Winter Special Price for Two Adults with good credit score (over 660). Our two bedroom features nice size bedrooms with wall closets, off-street parking, central air/heat, w/w/ carpeting, FIOIS or Comcast availability, f/t maintenance on premises, laundry facility on site.”

(emphasis added).

12. Renters with children are more likely than renters without children to seek a rental unit to be occupied by more than two persons.
13. In response to the Defendants’ October 14, 2009 advertisement, the Fair Housing Council of Suburban Philadelphia (“FHCSF”), a non-for-profit organization that works to eliminate housing discrimination, conducted a series of tests between October 2009 and March 2011 to evaluate the Defendants’ compliance with the Fair Housing Act. That testing cost, among other things, time and financial resources. Testing is the simulation of a housing transaction that compares responses given by housing providers to different types of home-seekers to determine whether illegal discrimination is occurring. In response to the Defendants’ conduct, the FHCSF also paid for an advertising campaign to combat the effects of the Defendants’ conduct.
14. During one test conducted by the FHCSF, Rental Agent No. 1 made statements indicating that a dwelling unit at the Breckenridge Plaza Apartments was not available for rent to a

single parent with a child for the same monthly rent for which it would be available to a married couple.

15. On or about October 21, 2009, the FHCSP filed a complaint with the United States Department of Housing and Urban Development (HUD) alleging that the Defendants discriminated on the basis of familial status in violation of the Fair Housing Act.
16. As required by the Fair Housing Act, 42 U.S.C. §§ 3610(a) and (b), the Secretary of HUD conducted an investigation of the FHCSP's complaint, attempted conciliation without success, and prepared a final investigative report. Based on the information gathered in his investigation, the Secretary, pursuant to 42 U.S.C. § 3610(g), determined that reasonable cause exists to believe that illegal discriminatory housing practices had occurred. Therefore, on or about July 20, 2011, 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 on the basis of familial status.
17. On August 4, 2011, the Defendants 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).
18. On or about August 5, 2011, a HUD Administrative Law Judge issued a Notice of Election and terminated the administrative proceedings on the HUD complaint filed by the FHCSP.
19. 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).
20. By the conduct set forth in paragraphs 5 through 14, above, Defendants Morris Zelikovsky and Breckenridge Plaza, Inc.:

- a. Refused to negotiate for the rental of, or otherwise made unavailable or denied a dwelling to a person on the basis of familial status, in violation of Section 804(a) of the Fair Housing Act, 42 U.S.C. § 3604(a);
 - b. Discriminated in the terms, conditions, or privileges of rental of a dwelling because of familial status, in violation of Section 804(b) of the Fair Housing Act, 42 U.S.C. § 3604(b); and
 - c. Made statements with respect to the sale or rental of dwellings that indicate a preference, limitation, or discrimination based on familial status in violation of Section 804(c) of the Fair Housing Act, 42 U.S.C. § 3604(c).
21. The discriminatory actions of Defendants Breckenridge Plaza, Inc. and Morris Zellkovsky were intentional, willful, and taken in disregard of the requirements of the Fair Housing Act and the rights of the FHCSP and others.
 22. FHCSP is an aggrieved person within the meaning the meaning of 42 U.S.C. § 3602(i), and has suffered damages as a result of the Defendants' discriminatory conduct as described above, including frustration of mission and diversion of resources.

WHEREFORE, the United States prays that the court enter an ORDER that:

1. Declares that the conduct of the Defendants, as alleged herein, violates the Fair Housing Act;
2. Enjoins the Defendants and their officers, employees, agents, successors and all other persons in active concert or participation with them, from further:

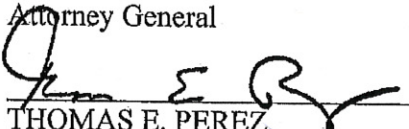
- a. Refusing to rent, after the making of a bona fide offer, or refusing to negotiate for the rental of, or otherwise make unavailable or deny, a dwelling to any person because of familial status;
 - b. Discriminating against any person in the terms, conditions, or privileges of rental of a dwelling because of familial status;
 - c. Further making statements with respect to the sale or rental of dwellings that indicate a preference, limitation, or discrimination based on familial status;
 - b. Discriminating on the basis of familial status against any person in any aspect of the rental of dwellings; and
 - d. Failing or refusing to take such steps that may be necessary to prevent the recurrence of any discriminatory conduct in the future and to eliminate, to the extent practicable, the effects of the Defendants' unlawful housing practices.
3. Awards monetary damages, pursuant to 42 U.S.C. § 3612(o)(3), to the Fair Housing Council of Suburban Philadelphia.

The United States further prays for such additional relief as the interests of justice may require.

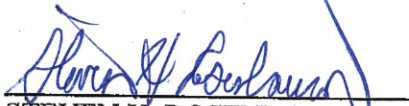
Dated: 9/28, 2011

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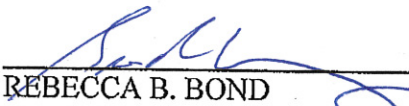
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