

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
NORTHEASTERN DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

**RANDY HAMES and HAMES
MARINA, d/b/a HAMES MARINA
AND MOBILE HOME PARK,**

Defendants.

CASE NO.: 5:18-cv-01055-CLS

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. This Settlement Agreement (“Agreement”) is made and entered into by and between the United States of America, through the U.S. Department of Justice (“United States”), and Defendants Randy Hames and Hames Marina, LLC, d/b/a Hames Marina and Mobile Home Park (collectively, “Defendants”), through their authorized representatives. Within this Agreement the United States and Hames are referred to, collectively, as “the Parties.”

II. RECITALS

2. This Agreement arises out of a Complaint filed by the United States on July 9, 2018, captioned *United States v. Hames, et al.*, Case No. 5:18-cv-01055-CLS, to enforce the Fair Housing Act, 42 U.S.C. §§ 3601-3631 (“FHA”).

3. The United States’ Complaint alleges that Defendant Randy Hames sexually harassed female tenants at Hames Marina, a mobile home park in Cullman County with at least 15 rental homes located at 850 County Road 248, Cullman, Alabama, 35057 (“Subject Property”). Specifically, the United States alleges that Defendant Randy Hames made unwelcome sexual advances and comments to female tenants, engaged in unwanted sexual touching, and took or threatened to take adverse actions, including eviction, against those women who would not comply with his sexual demands. Nothing in this Agreement or the decision to

compromise and settle this lawsuit is or should be construed as an admission of liability or wrongdoing on the part of any Defendant or Defendants, individually or collectively. There is no admission of liability by Randy Hames and/or Hames Marina, LLC.

4. By the actions described above, the United States alleges that Defendants engaged in a pattern or practice of resistance to the full enjoyment of rights granted by the FHA and denied to a group of persons rights granted by the FHA that raise an issue of general public importance, in violation of 42 U.S.C. § 3614(a).

5. On January 29, 2024, a jury was empaneled and trial began in the United States District Court for the Northern District of Alabama before the Honorable C. Lynwood Smith, Jr. During trial the jury heard testimony from the following twelve former and prospective female tenants aggrieved by Defendant Randy Hames: Shaela Gann (n/k/a Shaela Palomino), Karanda Gann, Ashley Bartlett, Michelle Christian, Crystal Bee (n/k/a Crystal Webber), Brittaney Lands, Jamie Rogers (n/k/a Jamie Russell), Tanya Ramos (n/k/a Tanya Sellers), Amberly Green (n/k/a Amberly Crawford), Doris Marie Watson, Tammy Wright (n/k/a Tammy Cook), and Julia Wylie.

6. Those twelve former and prospective female tenants are all aggrieved within the meaning of the FHA, 42 U.S.C. § 3602(i), and have suffered damages, including mental pain and anguish. Those twelve individuals included in Paragraph 5 are referred to together as “Aggrieved Persons” and individually as “Aggrieved Person” in this Agreement.

7. On July 17, 2018, Tomeka Bartlett and Kayla Carreker (“Private Plaintiffs”) filed a Complaint in the United States District Court for the Northern District of Alabama, captioned *Tomeka Bartlett, et al. v. Randy Hames, et al*, Case No. 2:18-cv-01096-CLS. Private Plaintiffs’ Complaint alleges that Defendant Randy Hames subjected former tenants Tomeka Bartlett and Kayla Carreker to unwanted harassment and discriminatory treatment on the basis of sex in violation of the FHA, among other claims against Randy Hames and other defendants.

8. Private Plaintiffs’ case is ongoing. Private Plaintiffs are not party to this Agreement.

9. Hames agrees that he no longer has any direct or indirect management, ownership, financial, credit, or controlling interest, including any

interest arising from a deed of trust or other debt security interest, in any residential property other than his primary residence and will not acquire any such interest in the future.

III. STATEMENT OF CONSIDERATION

10. The Parties have voluntarily agreed, as indicated by the signatures below, to resolve the United States' claims against Defendants without a finding by the jury. This Agreement constitutes full resolution of the claims in the United States' Complaint in this case against Defendants.

11. In consideration of, and consistent with, the terms of this Agreement, the Parties will move jointly for dismissal of this lawsuit, following the payment of all monies required herein. The Parties agree and acknowledge that this consideration is adequate and sufficient.

THEREFORE, the Parties, through their authorized representatives, agree to move jointly for joint dismissal of this Civil Action as follows:

IV. TERMS AND CONDITIONS

A. Prohibition against Discrimination and Retaliation under the FHA

12. Defendants, their officers, agents, employees, transferees, successors, heirs and assigns, and all other persons or entities in active concert or participation with them, are permanently enjoined, with respect to the rental of dwellings,¹ from:

- a. Refusing to rent a dwelling, refusing or failing to provide or offer information about a dwelling, refusing to negotiate for the rental or sale of a dwelling, or otherwise making unavailable or denying a dwelling to any person because of sex;
- b. Discriminating against any person in the terms, conditions, or privileges of the rental of a dwelling, or in the provision of services or facilities in connection therewith, because of sex;

¹ The term "dwellings" has the meaning set out in the FHA, 42 U.S.C. §3602(b).

- c. Making any statement, oral or written, in connection with the rental of a dwelling, that expresses or indicates any preference, limitation, or discrimination, or an intent to make any such preference, limitation, or discrimination, on the basis of sex; and
- d. Coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of, or on account of her or his having exercised or enjoyed, or on account of her or his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the FHA, including by retaliating against any person exercising her or his rights under this Agreement.

B. Prohibition Against Contact with “Aggrieved Persons” and Corroborating Witnesses and Against Management or Ownership Interest of Residential Properties

13. Defendant Randy Hames is permanently prohibited from purposefully or knowingly initiating contact or communications,² either directly or indirectly, with (a) any Aggrieved Person; (b) any Aggrieved Person’s relative, immediate family member, or close friend; (c) any person the United States has identified to Defendants through their initial and supplemental disclosures as a potential witness to the unlawful conduct alleged; and (d) any person included in the Court’s May 3, 2021 “No Contact” Order.

14. Defendant Randy Hames is permanently prohibited from engaging in or conducting any Property Management Responsibilities.³

² “Contact or communications,” as referred to herein includes, but is not limited to, physical contact, oral communications (either direct or by telephone), e-mails, faxes, written communications, text or instant messages, contacts through social media, including but not limited to Facebook, or other communications made through third parties.

³ “Property Management Responsibilities,” as referred to herein include, but are not limited to, showing or renting housing units; communicating with actual and prospective tenants; processing rental applications; selecting tenants or participating in the selection of tenants; performing or supervising repairs or maintenance; inspecting dwelling units; collecting rent and fees; entering rental units; overseeing any aspects of the rental process; or engaging in any other property-related activities that involve, or may involve, personal contact with tenants or prospective tenants.

15. Defendant Randy Hames agrees he does not currently have, and will not acquire in the future, any direct or indirect management, ownership, financial, or controlling interest in any residential rental property other than his primary residence for personal use.⁴

C. Monetary Damages, Civil Penalty, and Relief for Aggrieved Persons

16. No later than 30 days after the Effective Date of this Agreement, Defendants shall pay a total of **FOUR HUNDRED THOUSAND DOLLARS (\$400,000)** to the United States. This money is referred to in this Agreement as “the Settlement Amount.” All payments shall be made pursuant to written instructions to be provided by the United States.

17. Of this Settlement Amount, **TEN THOUSAND DOLLARS (\$10,000)** shall be allocated to the United States as a civil penalty under 42 U.S.C. §3614(d)(1)(C). This civil penalty payment obligation specified in this Paragraph is a debt for a fine, penalty, or forfeiture payable to and for the benefit of the United States within the meaning of 11 U.S.C. § 523(a)(7), and is not compensation for actual pecuniary loss. No Defendant shall seek to discharge any part of this debt in bankruptcy.

18. The remainder of the Settlement Amount, totaling **THREE HUNDRED AND NINETY THOUSAND DOLLARS (\$390,000)** shall be distributed to the Aggrieved Persons. A list of these Aggrieved Persons is included in Paragraph 5 of this Agreement. These Aggrieved Persons have been harmed by Defendants’ alleged discriminatory housing practices. The United States shall determine an appropriate amount of damages (plus accrued interest if appropriate) that should be paid to each Aggrieved Person identified in Paragraph 5 of this Agreement. The United States’ determinations shall be final and not subject to review or opposition by Defendants. Defendants agree as part of this Agreement that they will not seek to interfere with or oppose the United States’ determinations regarding the amount of money to be distributed to each Aggrieved Person. Defendants shall, within ten (10) days of the receipt of the United States’ determinations, deliver to counsel for the United States, by overnight delivery, a separate check payable to each aggrieved person in the amounts determined. The

⁴ The properties that were held to be fraudulently transferred in the case of *Tomeka Bartlett, et al. v. Randy Hames, et al*, Case No. 2:18-cv-01096-CLS, are subject to the terms of the Court’s order in that case. *See Bartlett v. Hames*, No. 5:18-CV-1096-CLS, 2023 WL 4038657, at *31 (N.D. Ala. June 15, 2023).

requirement to pay damages under this Section is a debt within the meaning of 11 U.S.C. § 523(a)(6). Accordingly, Defendants shall not seek to discharge any part of this debt in bankruptcy.

19. Within twenty-one (21) days of the Effective Date of this Agreement, Defendant will execute and file any and all necessary documents with the appropriate court(s) requesting that the court vacate any adverse judgments obtained by Defendant against any Aggrieved Person.

20. Within twenty-one (21) days of the Effective Date of this Agreement, Defendants will take any and all actions necessary to expunge from the Aggrieved Persons' credit histories any detrimental information they have reported to any of the three major credit bureaus.⁵

21. Defendants shall inform the United States within five (5) days after taking any of the actions described in Paragraphs 19 and 20.

22. Defendants shall maintain all records relating to the actions taken in accordance with Paragraphs 19 and 20, and shall, within sixty (60) days of taking such actions, send to the United States copies of the documents demonstrating compliance with the requirements of those Paragraphs.

D. No Right of Appeal

23. Defendants waive any and all rights to appeal any claims arising out of this lawsuit and waives all rights to appeal any claims arising out this Agreement.

E. Reporting and Record Keeping

24. Defendants shall preserve and maintain all records that are the source of, contain, or relate to any information pertinent to his obligations under this Agreement, consistent with Section II.C., above.

25. Within ninety (90) days of the Effective Date of this Agreement, and every six (6) months thereafter for the duration of this Agreement, Defendants shall deliver to counsel for the United States a report containing:

⁵ Those bureaus are Equifax, Experian, and TransUnion.

- a. Confirmation that in the preceding six (6) months, Defendants did not purposefully or knowingly initiate contact or communications, either directly or indirectly, with any of the individuals under Paragraph 13;
- b. Confirmation that in the preceding six (6) months, Defendants did not engage in or conduct any Property Management Responsibilities, under Paragraph 14;
- c. Confirmation that in the preceding six (6) months, Defendants did not have any direct or indirect management, ownership, financial, or controlling interest in any residential rental property, under Paragraph 15.

26. Defendants shall submit a final report to the United States no later than sixty (60) days before the expiration of this Agreement.

27. Defendants shall preserve all records that are the source of, contain, or relate in any way to his obligations under this Agreement. Upon reasonable notice to counsel for Defendants, representatives of the United States shall be permitted to inspect and copy all such records at any and all reasonable times or, upon request by the United States, Defendants shall provide copies of such documents.

V. IMPLEMENTATION, ENFORCEMENT, AND DISMISSAL OF THE UNDERLYING ACTION

28. After the Defendants have made the payments described in Paragraphs 16-18 and taken the other actions described in Paragraphs 19 & 20, the Parties agree to file the signed Agreement with the United States District Court for the Northern District of Alabama. The Parties' joint motion shall request that the Court enter an order under Federal Rule of Civil Procedure 41(a)(2), dismissing the complaint in this action with prejudice, while retaining jurisdiction to enforce the Agreement for a period of five years from the Effective Date, except as stated in Paragraphs 13-15. The joint motion shall further request that the Court's order state that the parties shall comply with the terms of the Agreement, a copy of which shall be attached to the motion.

29. The Parties stipulate that the Court has personal jurisdiction over Defendants for the purposes of this action, and subject matter jurisdiction over the United States' claims resolved by this Agreement under 28 U.S.C. § 1345, 42 U.S.C. § 3614(a), and 15 U.S.C. § 1691e(h).

30. The United States may review compliance with this Agreement at any time. Defendants agree to cooperate with the United States in any review of compliance with this Agreement. Upon reasonable notice, Defendants permit counsel for the United States to inspect and copy all non-privileged records pertinent to this Agreement.

31. The Parties shall endeavor in good faith to resolve informally any differences regarding interpretation of or compliance with this Agreement prior to initiating court action. If the United States believes that any Defendant has failed to perform in a timely manner any act required by this Agreement, or has otherwise not acted in conformance with any provision thereof, whether intentionally or not, the United States will notify that Defendant in writing of its concerns. That Defendant will have 30 days from the date of mailing to cure the breach.

32. If the Parties are unable to reach a resolution within 30 days, the United States may move the Court to enforce this Agreement. The United States may seek any or all of the following: (a) an order mandating specific performance of any term or provision in this Agreement, without regard to whether monetary relief would be adequate; (b) an award of reasonable attorneys' fees and costs incurred in bringing an action or proceeding to remedy breach of this Agreement; and (c) any additional relief that may be authorized by law or equity.

33. This Agreement is enforceable only by and against the Parties. The Parties further agree that this Agreement cannot be used in any other proceeding, except as set forth in Paragraph 32.

34. 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.

VI. DURATION, EXECUTION AND OTHER TERMS

35. The Effective Date of the Agreement is the date of the signature of the final signatory to the Agreement. The term of the Agreement is five years from the Effective Date.

36. The Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

37. This Agreement constitutes the complete agreement between the parties relating to the claims made in the Complaint. No prior or contemporaneous communications, oral or written, or prior drafts shall be relevant or admissible for purposes of determining the meaning of any provision herein or in any other proceeding.

38. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion. The Parties agree that each Party and its representatives have acted consistent with the duty of good faith and fair dealing.

39. The undersigned represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

40. The provisions of this Agreement shall apply to the Defendants and their officers, employees, agents, and all other persons or entities in active concert or participation with them.

41. This Agreement is governed by and shall be interpreted under the laws of the State of Alabama. For purposes of construing or interpreting this Agreement, it shall be deemed to have been drafted by all Parties and shall not be construed or interpreted against any Party for that reason in any subsequent dispute.

42. Except where this Agreement expressly conditions or predicates performance of a duty or obligation upon the performance of a duty or obligation by another Party, the performance of one Party's duties or obligations under this Agreement shall not be discharged or excused by the actual or alleged breach of the duties and obligations by another Party.

43. This Agreement may be modified only with the written, signed consent of the Parties.

44. The Defendants understand and recognize that the United States cannot enter into non-public agreements.

VII. COSTS OF LITIGATION

45. Except as otherwise provided in Paragraph 32, above, the United States and Defendants will bear their own costs and attorneys' fees associated with this litigation.

VIII. TERMINATION OF LITIGATION HOLD

46. The Parties agree that, as of the effective date of this Agreement, litigation is not "reasonably foreseeable" concerning the matters described in the United States' Complaint. To the extent that any of the parties previously implemented a litigation hold to preserve documents, electronically stored information, or things related to the matters described in the Complaint, they are no longer required to maintain such a litigation hold. Nothing in this paragraph relieves any of the Parties of any other obligations imposed by this Agreement.

FOR PLAINTIFF UNITED STATES OF AMERICA

Dated: February 2, 2024

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FOR DEFENDANTS RANDY HAMES AND HAMES MARINA, LLC

Randy Hames

Randy Hames

2/2/24

Date

Randy Hames

Randy Hames on behalf of Hames Marina LLC

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Date

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