



**UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**CONCILIATION AGREEMENT**

between

[REDACTED]

(Complainant)

and

David Gottlieb  
Brigantino Enterprises LP  
Benchmark Communities, LLC  
American Financial Network, Inc.

(Respondents)

Approved by the FHEO Regional Director on behalf of the United States Department of Housing and Urban Development

FHEO CASE NUMBER: 09-16-5484-8 (Title VIII)

FHEO CASE NAME: [REDACTED] *by Benchmark Communities, LLC, et al.*

HUD DATE FILED: October 3, 2016

Effective Date of Agreement: 3/28/2017

Expiration Date of Agreement: 3/28/2018

**A. PARTIES AND SUBJECT PROPERTY**

Complainant

[REDACTED]  
[REDACTED]  
Watsonville, CA 95076

Respondents

David Gottlieb  
7815 N Palm Ave Ste. 101  
Fresno, CA 93711

Brigantino Enterprise LP  
150 San Felipe Rd.  
Hollister, CA 95023

Benchmark Communities, LLC  
7815 N. Palm Ave. Ste 101  
Fresno, CA 93711

American Financial Network, Inc.  
10 Pointe Drive Ste. 330  
Brea, CA 92821

Subject Property

[REDACTED]  
Hollister, CA 95023

**B. STATEMENT OF FACTS**

A complaint was filed on October 3, 2016, with the United States Department of Housing and Urban Development (“the Department”) alleging that Complainant was injured by Respondents’ discriminatory acts. Complainant alleged that Respondents violated subsections 804(a) and 804(b) and Sections 805 and 818 of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 *et seq.* (“the Act”), when Respondents failed to prequalify Complainant as a pretext to prevent the sale on the basis of Complainant’s National Origin.

Respondents deny all allegations of discrimination against Complainant, but agree to settle the claims in the underlying action by entering into this Conciliation Agreement.

**C. TERM OF AGREEMENT**

1. This Conciliation Agreement ("Agreement") shall govern the conduct of the parties to it for a period of one (1) year from the effective date of the Agreement.

**D. EFFECTIVE DATE**

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a Conciliation Agreement pursuant to the Act, unless and until such time as it is approved by the Department, through the Office of Fair Housing and Equal Opportunity ("FHEO") Regional Director, or her designee.
3. This Agreement shall become effective on the date on which it is approved by the FHEO Regional Director or her designee.

**E. GENERAL PROVISIONS**

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.
5. It is understood that Respondents deny any violation of law and this agreement does not constitute an admission by Respondents or evidence of a determination by the Department of any violation of the Act or any other law.
6. Respondents acknowledge that they have an affirmative duty not to discriminate under the Act, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Act. Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement and a statutory violation of the Act.
7. This Agreement, after it has been approved by the FHEO Regional Director, or her designee, is binding upon Respondents, their employees, heirs, successors and assignees and all others in active concert with them in the ownership or operation of subject property.
8. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director, or her designee, it is a public document.
9. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.
10. It is understood that the signature of John R. Sherman, President, is made with the authority and on behalf of Respondent American Financial Network, Inc.

It is understood that the signature of W. Allen Bennett, General Counsel, is made with the authority and on behalf of Respondent Benchmark Communities, LLC.

It is understood this Agreement also fully and finally resolves the complaint against Respondent Brigantino Enterprises LP.

11. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the amendment, modification or waiver; (b) the amendment, modification or waiver is in writing; and (c) the amendment, modification, or waiver is approved and signed by the FHEO Regional Director or her designee.
12. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, the original executed signature pages to be attached to the body of the Agreement to constitute one document.
13. Complainant hereby forever waives, releases, and covenants not to sue the Department or Respondents, or their successors, heirs, executors, assignees, agents, officers, board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of or related to the subject matter of HUD Case Number 09-16-5484-8, or which could have been filed in any action or suit arising from said subject matter.
14. Respondents hereby forever waive, release, and covenant not to sue the Department or Complainant, or their successors, heirs, executors, assignees, agents, officers, board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of or related to subject matter of HUD Case Number 09-16-5484-8 or which could have been filed in any action or suit arising from said subject matter.

**F. RELIEF FOR THE COMPLAINANT**

15. Respondent American Financial Network, Inc. agrees to pay Complainant [REDACTED] the sum total of five thousand dollars (\$5,000) within fifteen (15) calendar days of the effective date of the Agreement. Payment will be in the form of a certified check made payable to [REDACTED] and mailed to [REDACTED] Salinas, CA 93905 via U.S. certified mail or other delivery service with tracking capability. Respondent American Financial Network, Inc. will provide a copy of the check and the tracking information to the Department within twenty (20) days of the effective date of this Agreement. The copies shall be sent to the Department at the address specified in paragraph I19 below.

## G. RELIEF IN THE PUBLIC INTEREST

16. Respondent Benchmark Communities agree that per their training policies, all employees who interact with homebuyers and/or potential homebuyers, such as sales agents, design coordinators, escrow managers, customer service managers and area sales managers including Benchmark Communities employee Respondent David Gottlieb, receive training on fair housing, including coverage of the Act ("fair housing training course"), on an annual basis and that any new hires participate in the fair housing training course within the first six months of hire or sooner, per the Respondents' training policies.
  - a. To show compliance with paragraph G16, Respondent Benchmark Communities agrees that within thirty (30) days of the effective date of this Agreement, it will send a copy of its fair housing training course curriculum and its training policy to the Department at the address specified in paragraph I20 below.
17. Respondent American Financial Network, Inc. agree that per their training policies, all of their employees receive training on fair housing, including coverage of the Act ("fair housing training course"), on an annual basis and that any new hires participate in the fair housing training course within the first six months of hire or sooner, per the Respondents' training policies.
  - a. It is understood that Respondent American Financial Network, Inc. has provided a copy of its training policy and fair housing/fair lending training course curriculum to the Department.
18. The Respondents agree to abide by all state and federal laws prohibiting discrimination on the basis of a membership in a protected class.

## H. MONITORING

19. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, the Department may review compliance with this Agreement. As part of such review, the Department may inspect the subject property, examine witnesses, and copy Respondents' pertinent records. Respondents agree to provide their full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

**I. REPORTING AND RECORDKEEPING**

20. All required certifications and documentation of compliance must be submitted to:

U.S. Department of Housing and Urban Development  
Office of Fair Housing and Equal Opportunity  
Attention: Conciliation Monitoring Unit  
One Sansome Street, Suite 1200  
San Francisco, CA 94104-4430

Or by email to: [sf\\_complianceunit@hud.gov](mailto:sf_complianceunit@hud.gov)

**J. CONSEQUENCES OF BREACH**

21. Whenever the Department has reasonable cause to believe that Respondents have breached this Agreement, the matter shall be referred to the Attorney General of the United States, to commence a civil action in the appropriate U. S. District Court, pursuant to subsections 810(c) and 814(b)(2) of the Act.

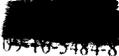
 Benchmark Communities LLC  
09-16-5484-8  
Conciliation Agreement

**SIGNATURES PAGE**

These signatures attest to the approval and acceptance of this Conciliation Agreement.

 \_\_\_\_\_  
Complainant

3/24/16  
Date

 Benchmark Communities LLC  
05-16-5484-8  
Conciliation Agreement

  
\_\_\_\_\_  
John R. Sherman, President  
Signatory on Behalf of American Financial Network, Inc.

03/24/2017  
\_\_\_\_\_  
Date

 v Benchmark Communities LLC  
09-16-54848  
Conciliation Agreement



W. Allen Bennett, General Counsel  
Signatory on Behalf of Benchmark Communities

9/21/17  
Date

FHEO SIGNATURE PAGE

This signature attests to the approval and acceptance of this Conciliation Agreement.

*Kenneth J. Canell*

*3/28/2017*

*for*

\_\_\_\_\_  
Anné Quesada  
Regional Director  
Office of Fair Housing and  
Equal Opportunity

\_\_\_\_\_  
Date