

HOUSING DISCRIMINATION COMPLAINT

CASE NUMBER:

1. Complainant(s)

National Fair Housing Alliance
1331 Pennsylvania Avenue NW, Suite 650
Washington, D.C. 20004
(202) 898-1661

Representing Complainant:

Morgan Williams, Esq.
Scott Chang, Esq.
National Fair Housing Alliance
1331 Pennsylvania Ave., Suite 650
Washington, D.C. 20004
(202) 898-1661

2. Other Aggrieved Persons:

To be determined

3. The following is alleged to have occurred or is about to occur:

Refusing to sell or rent after the making of a bona fide offer, or refusing to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling;

Discriminating in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith; and

Making, printing, or publishing, or causing to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination or an intention to make any such preference, limitation, or discrimination.

4. The alleged violation occurred because of:

Race.

5. Address and location of the property in question (or if no property is involved, the city and state where the discrimination occurred):

The Enclave Apartment Homes
2940 Hickory Hill Rd
Memphis, TN 38115
(731) 236-8010

Bartlett Crossing Apartments
5760 Silvercreek Drive S
Memphis, TN 38134
(731) 224-8458

Gardenwood Apartments
4787 Garden Grove Cove
Memphis, TN 38128
(901) 459-4063

Greenview Estates Apartments
4715 Hedges Drive
Memphis, TN 38128
(731) 224-8425

6. Respondent(s)

Alexander Forrest Investments, LLC
(Current Management company for The Enclave Apartment Homes,
Bartlett Crossing Apartments and Greenview Estates Apartments and
former management company for Gardenwood Apartment)
620 N Tradewinds Pkwy Ste A
Columbia, MO 65201-7239
(573) 449-7332

Capstone Enclave LLC (Current owner of the Enclave Apartment Homes)
1929 White Knoll Dr.
Toms River NJ 08755-1734

Andmark Enclave Apartments LLC (Owner of the Enclave Apartment
Homes until 12/1/22)
221 N Saltair Ave
Los Angeles, CA 90049

Capstone Bartlett LLC (Current Owner of Bartlett Estates Apartments)
1746 57th Street
New York, New York 11204

Andmark Bartlett Creek Apartments LLC (Owner of Bartlett Estates
Apartments until 12/1/22)
5760 Silvercreek Dr N
Memphis, TN 38134-8953

AndMark Garden Wood Apartments, LLC (Owner of Gardenwood
Apartments)
10990 Wilshire Blvd #420
Los Angeles, California 90024

Capstone Greenview LLC (Current owner of Greenview Estates
Apartments)
1746 57th Street
Brooklyn, NY 11204

Andmark Greenview Estates LLC (Owner of Greenview Estates
Apartments until 12/1/22)
17404 Ventura Blvd. Fl. 2
Encino CA 91316-3877

**7. The following is a brief and concise statement of the facts regarding the
alleged violation:**

The National Fair Housing Alliance (NFHA) is a private 501(c)(3) fair housing organization whose mission is to work to eliminate housing discrimination and ensure equitable housing opportunities for all people and communities thorough education and outreach, member services, public policy, advocacy, housing and community development, tech equity, enforcement, and consulting and compliance programs.

Alexander Forrest Investments (“AFI”) is the management company for the Enclave Apartment Homes, Bartlett Crossing Apartments and Greenview Estates Apartments. AFI was the management company for Gardenwood Apartments during the relevant time period. AFI operates in at least 15 metropolitan areas and manages 8,400 rental units.

Andmark Enclave Apartments LLC owned the Enclave Apartments Homes (“Enclave”) during the relevant time period until December 1, 2022. Capstone Enclave LLC is the current owner of Enclave. AndMark Bartlett Creek Apartments LLC owned Bartlett Estates Apartments during the

relevant time period until December 1, 2022. Capstone Bartlett LLC is the current owner of Bartlett Estates. AndMark Garden Wood Apartments LLC has owned Gardenwood Apartments during the relevant time period. AndMark Greenview Estates LLC owned Greenview Estates Apartments during the relevant time period until December 1, 2022. Capstone Greenview LLC is the current owner of Greenview Estates.

The Housing Choice Voucher Program Overview

The U.S. government and taxpayers provide wide-ranging support for the nation's housing markets including providing certain tax breaks to the Government Sponsored Enterprises which provide liquidity for multi- and single-family housing financing, issuing below-market or zero-interest debt to support financial services entities that, in turn, provide affordable credit for housing purposes, and providing mortgage interest deductions for mortgage-holders. One of the ways the U.S. supports our housing markets is through the Housing Choice Voucher program, formerly known as and commonly referred to as Section 8. This program helps provide assistance to low-income families and individuals to obtain affordable and safe housing.

The Department of Housing and Urban Development provides funding to local public housing authorities for the Housing Choice Voucher Program, which administers the program locally and issues vouchers to qualified families and individuals. The Memphis Housing Authority administers the Housing Choice Voucher program for residents of Memphis.

Under the Housing Choice Voucher Program, voucher holders can use vouchers to find their own housing including apartments. They can choose any housing that meets the program's requirements. Voucher holders pay to the landlord the difference between the actual rent and the amount subsidized by the housing authority. The housing authority pays a housing subsidy directly to the landlord. Memphis voucher holders pay approximately 30 percent of their household income in rent and the Memphis Housing Authority pays the rest of the rent.

Monetary assistance provided under the Housing Choice Voucher program is considered a source of income under the City of Memphis Fair Housing Ordinance, which makes it unlawful to refuse to rent based on source of income. Memphis, Tenn. Code § 10-36-1 *et seq.*

Housing Choice Voucher Recipients in Memphis Are Disproportionately Black

The City of Memphis had an estimated population of 147,692 renter households in 2021. Approximately 68.8% of Memphis renter households are Black or African American and an estimated 20.6% of Memphis renter households are white.

Approximately 7534 households participated in the Housing Choice Voucher Program in Memphis in 2021.

Black households are over-represented in the households participating in the Housing Choice Voucher Program. An estimated 7,233 households receiving vouchers in Memphis are African American. Approximately 75 households receiving vouchers are White. While 68.8% of renter households in Memphis are Black, 96% of households receiving vouchers are Black. By contrast, while White households comprise 20.6% of renter households in Memphis, White households comprise 1% of voucher households in Memphis. The disparity ratio between Black and White voucher holders in Memphis is 96.

Respondents Refuse to Accept Housing Choice Vouchers in Memphis

In the Summer 2021, NFHA identified the Enclave as an apartment community that may not accept individuals with Housing Choice Vouchers, also known as Section 8 vouchers. The Enclave is located in Memphis, Tennessee and contains 208 one-, two- and three-bedroom apartments.

In July 2021, NFHA conducted a fair housing test of the Enclave. The test involved a Black female tester posing as a housing voucher holder with two young boys looking for a two-bedroom apartment. When the tester asked whether the Enclave accepts Section 8, the agent told her that they did not. All tests conducted by NFHA were audio recorded.

In March 2022, NFHA conducted an additional single-part test of the Enclave. A Black female tester posing as a housing voucher holder with two young boys, aged 3 and 4, telephoned the Enclave to inquire about renting an apartment. The tester said she was looking for a two-bedroom apartment. When the tester asked whether the Enclave accepts Section 8 housing vouchers, the agent told her that it did not.

On April 28, 2022, NFHA conducted a review of the Enclave's website. Under the Frequently Asked Questions section of the website, a question

asks: "Do we accept Section 8 or any type of housing vouchers?" The answer states, "We do not accept any of the above."

Based on the results of the investigation of the Enclave, NFHA began investigating other properties managed by AFI in Memphis including Bartlett Crossing, Gardenwood and Greenview Estates to determine if barriers to equal opportunity also exist at those apartment complexes. Bartlett Crossing contains 152 one- and two-bedroom apartments. Gardenwood has 152 one-, two- and three-bedroom apartments. Greenview Estates contains 158 two- and three-bedroom apartments.

In late April and early May 2022, NFHA reviewed Bartlett Crossing, Gardenwood and Greenview Estate's websites. Similar to the Enclave, under the "Frequently Asked Questions" section of the websites, a question asks: "Do we accept Section 8 or any type of housing vouchers?" The answer states, "We do not accept any of the above." The same statements continue to appear on the websites for the Enclave, Bartlett Crossing and Greenview Estates.

On June 10, 2022, NFHA conducted one match paired test (two test parts) at Gardenwood Apartments. The Black female tester was told that Gardenwood Apartments does not accept Section 8 vouchers. In contrast, the white female tester spoke to a different agent and was told that Gardenwood does accept Section 8, but she must still make three times the monthly rent. After discussions with the white tester, the agent said that the tester's income would not qualify for Gardenwood.

On June 30, 2022, NFHA conducted one match paired test (two test parts) at Bartlett Crossing Apartments; both the Black and white female testers were told that Bartlett Crossing does not accept Section 8 housing vouchers.

NFHA engaged in several activities to counteract Respondents' discrimination including but not limited to designing and implementing a social media campaign in Memphis to educate people on discrimination against Housing Choice Voucher holders; hosting a webinar and issuing a report with the NAACP Legal Defense Fund on Housing Choice Voucher discrimination in Memphis on January 17, 2023; meeting with the Memphis Housing Authority to discuss Housing Choice Voucher discrimination; planning for a direct mailing campaign to voucher recipients in Memphis regarding their fair housing rights and planning for a community meeting in Memphis on Housing Choice Voucher discrimination.

Respondents' practices have injured NFHA by undermining its other programs designed to promote fair housing, requiring it to divert scarce resources from its usual and planned activities and instead devote substantial time and activities to identify and counteract Respondents' discrimination; frustrating its mission to increase fair and equal access to housing and eliminate segregation in the communities it serves and harming the communities it serves. For example, NFHA staff diverted resources from planned tester recruitment and tester training and planned investigations of the Memphis, TN, and Charlotte, NC, real estate sales market to the investigation of Respondents' practices.

8. The most recent date on which the alleged discrimination occurred:

January 17, 2023 and ongoing.

9. Types of Federal Funds identified:

None.

10. The acts alleged in this complaint, if proven, may constitute a violation of the following:

Sections 804(a), (b) and (c) of Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Act of 1988.

Please sign and date this form:

I declare under penalty of perjury that I have read this complaint (including any attachments) and that it is true and correct.

Lisa Rice
President and CEO,
National Fair Housing Alliance

January 17, 2023
Date

NOTE: HUD WILL FURNISH A COPY OF THIS COMPLAINT TO THE PERSON OR ORGANIZATION AGAINST WHOM IT IS FILED