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**Contact:** Joshua Busch, Public Counsel -- [jbusch@publiccounsel.org](mailto:jbusch@publiccounsel.org)

(m) 310.991.2503, (o) 213.637.3821

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## **FEDERAL DISCRIMINATION LAWSUIT FILED AGAINST MAJOR L.A. REAL ESTATE INVESTMENT FIRM**

### **Suit Charges Widespread Practice of Housing Discrimination in Koreatown Against Latinos, People with Mental Disabilities, and Families with Children**

**LOS ANGELES, CA** – A group of local tenants and community advocates filed a lawsuit yesterday in federal court against a local real estate investment firm, Optimus Properties LLC, and related entities, charging widespread housing discrimination that violates the Fair Housing Act (FHA), as well as state and local housing laws. The suit, brought by fifteen tenants living in five Koreatown buildings either currently or formerly owned by the defendants, and two non-profit service agencies, charges that the defendants target Spanish-speaking Latino tenants, tenants with mental disabilities, and tenant families with children, blanketing them with unmerited eviction notices, leaving their units in disrepair, and verbally attacking their disabilities and national origin in a concerted effort to remove them from the buildings. The lead defendant, Optimus Properties LLC, is a Los Angeles based real estate investment company with dozens of multifamily and commercial properties in its portfolio, including multiple properties in Koreatown.

“As alleged in the complaint, Optimus calls these tactics their ‘Koreatown Strategy,’” said Deepika Sharma, an attorney with the pro bono law firm Public Counsel. “The plaintiffs allege that Optimus purchases older buildings with rent control protections and then targets tenants with mental disabilities and Latino families with children in order to drive them out of their homes. The complaint asserts that the strategy of Optimus is to remove tenants they deem undesirable, then renovate the vacated units in order to rent to younger, English-speaking tenants – using tactics that include discriminatory policies and harassment. It alleges that Optimus’ goal is to ‘add-value’ for their investors, but their discriminatory tactics are illegal, and should concern all of us who care about families, equality and the future of Los Angeles.”

The plaintiffs include Spanish-speaking Latinos, families with children, adults with mental disabilities – many of whom were formerly homeless – and two non-profit agencies that work with the tenants to provide independent living support and tenants’ rights advocacy, support, and education.

“The landlord’s behavior was terrifying,” said plaintiff Carmen Castro, who lives with her husband and two sons in a property that, according to the complaint, was subject to defendants’ “Koreatown Strategy.” According to the complaint, agents for Optimus yelled at Castro’s children whenever they were in the hallway, failed to make necessary repairs to the unit, served her with multiple notices, made it more expensive and difficult for her to pay her rent, and when she and other tenants complained, defendants threatened them with eviction. As alleged in the complaint, in August, the resident manager threatened to call immigration, social services, and the police on the tenants.

Plaintiff Arthur Rivera was homeless for over thirty years. In 2011, with the assistance of a local social service agency, he moved into his first home. “I have a mental disability and I have lived on the streets for most of my life. But when I turned 60, I had surgery and I knew my body couldn’t handle being outdoors anymore,” said Rivera. According to the complaint, when Rivera first moved into his building, it was owned by other landlords, and he did not have any issues with them. But after defendants purchased his

building, they started harassing him and a number of other tenants with disabilities. As alleged in the complaint, Rivera feared the defendants were trying to make him homeless again.

Plaintiff Jamarcus Reynolds, Rivera's neighbor, is also a formerly homeless individual with mental disabilities. According to the complaint, the resident manager for the defendants told Reynolds that they were not going to be renting to disabled people anymore. As alleged in the complaint, Reynolds thought he was going to have to move out and it caused him stress and made the symptoms of his disability worsen.

"We got involved when tenants visited our clinic seeking help," said Cynthia Strathmann, executive director of Strategic Actions for a Just Economy (SAJE), a tenant organizing organization that is a plaintiff in the case. "The situation was so serious that, as is alleged in the complaint, SAJE diverted significant resources to investigate and combat the defendants' unlawful practices targeting Spanish-speaking Latino families with children. As alleged in the complaint, these practices cause real harm to such vulnerable families."

"Discrimination like this is not unique to Koreatown," said Anne Bellows, attorney and Equal Justice Works fellow with the nonprofit law firm, Public Advocates. "We've seen similar behavior by landlords elsewhere in the state, making this a critical moment for the courts to reaffirm that under the federal Fair Housing Act, all tenants have the right to equal treatment and to live free of discrimination and harassment."

In the complaint, the plaintiffs are asking the court to order the defendants to stop their discrimination, harassment, and other behavior which will displace or harm the plaintiffs. The plaintiffs also seek to recover damages incurred as a result of defendants' actions. The plaintiffs are represented by Public Counsel, the largest pro bono law firm in the nation; the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, which is working on the case pro bono; Public Advocates Inc., a non-profit law firm and advocacy organization; and Brancart & Brancart, a fair housing law firm, located in Pescadero, California.

**COMPLAINT AVAILABLE HERE:** <http://www.publiccounsel.org/tools/assets/files/0837.pdf>

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