



# Fair Housing Newsletter

*Keeping you current on fair housing news and issues*



 LAW OFFICE OF  
ANGELITA E. FISHER

Angelita Fisher is an attorney in the Nashville, TN area. She has over 20 years experience in representing companies in fair housing law and employment law matters. Angelita is licensed to practice law in Alabama, Texas, Mississippi and Tennessee.

6688 Nolensville Road

Suite 108-161

Brentwood, TN 37027

615-305-2803

[afisher@angelitafisherlaw.com](mailto:afisher@angelitafisherlaw.com)

## Direct Threat Defense Wins

The Fair Housing Act has a direct threat exemption. Under this exemption, the resident is not entitled to an accommodation if his/her residency would constitute a “direct threat to the health or safety of other individuals or . . . would result in substantial physical damage to the property of others.” The burden to prove a direct threat is very high.

This defense won in a recent South Carolina case where the judge held that a resident was not entitled to the accommodation of allowing the resident and her son to remain on the property, because the son was a direct threat. The son had mental health issues including ADHD and Explosive disorder. After the death of a family member it became worse. He jumped off a third-floor balcony during a suicide attempt, he attempted to set the building on fire on two occasions and he pointed a BB gun at people while moving in a tactical manner.



The property did not renew the resident’s lease because the son was loud, had attempted suicide and had made a direct threat to other residents. The resident asked that they both be allowed to remain in the unit as an accommodation because her son was disabled and had stopped taking his medications during the episodes.

The landlord denied the accommodation and the resident sued. The landlord asked the court to dismiss the complaint based on multiple reasons – including that the son created a direct threat to the health and safety of others. The court agreed and dismissed the complaint. A win for the landlord.

**Note From the Editor:** March is an exciting month! The first day of Spring, Easter and Daylight Savings Time! Don’t get so busy that you forget to register for the 2026 Fair Housing Three-Part Webinar Series. This year will be in April on three consecutive days. See page 4 for more information.



## HUD Formally Monitoring Kansas Housing Authority

The U.S. Department of Housing and Urban Development has placed a Kansas Housing Authority under HUD Monitorship after it formally declared the Housing Authority in Substantial Default for failing to comply with the terms of its federally-mandated Recovery Agreement.

HUD has determined that the Housing Authority repeatedly failed to correct identified deficiencies despite “clear notice, extensive technical assistance, and multiple opportunities to achieve compliance.” The Monitorship will require direct federal oversight of the Housing Authority’s operations.

This means that HUD-appointed “Cure Monitors” will oversee the Housing Authority’s operations including reviews of all procurement activities, financial controls, and program administration. According to the press release, failure to demonstrate timely and sustained progress may result in further enforcement actions, up to and including full HUD possession.

## DOJ and Texas Land Developer Settle Lawsuit

A Texas land developer and lender near Houston, have agreed to pay \$68 million to resolve a lawsuit alleging they targeted Hispanic borrowers with a predatory land sales and lending scheme. The lawsuit was filed by the U.S. Department of Justice alleging that the scheme led to a cycle of foreclosures and financial hardships in violation of the Equal Credit Opportunity Act and the Fair Housing Act.



The DOJ claimed they investigated the developer and lender and determined they had intentionally targeted Hispanic consumers with a deceptive bait-and-switch, predatory scheme that used misleading advertisements and sales tactics, including misrepresentations about flooding risks. They also used seller-financed loans without verifying a borrower’s ability to repay, which significantly increased the possibility of default and resulted in high foreclosure rates.

Under the settlement, among other things, the developer and lender have agreed to:

- Invest \$48 million in infrastructure improvements, with \$18 million specifically invested in drainage infrastructure to address severe and costly flooding damage to homes, and \$30 million towards other general infrastructure improvements;
- Invest \$20 million in increased law enforcement presence to ensure the safety of residents; and
- Stop development of new residential plats for direct-to-consumer sales for three years.

More information can be found at [justice.gov](https://www.justice.gov).

## Sexual Harassment Lawsuit Settles for \$850,000

The Justice Department and the owners and property managers of rental properties in Lexington, Kentucky have agreed to settle a 2024 sexual harassment lawsuit. The cost? \$850,000

The lawsuit alleges two property managers sexually harassed female tenants in violation of the Fair Housing Act. The allegations include: offering housing-related benefits in exchange for sexual contact; making unwelcome sexual comments and advances to female tenants; entering the homes of female tenants without their permission; subjecting female tenants to unwelcome touching and groping; and taking adverse housing-related actions against female tenants who refused their sexual advances. The DOJ lawsuit also names 17 owners as Defendants.

*Continued on Page 3: Harassment Settlement*

*Continued from Page 2: Harassment Settlement*

According to the settlement, the Defendants must pay \$845,000 to tenants who were harmed by the managers' conduct and a \$5,000 civil penalty to the United States. The settlement agreement permanently bars the managers from contacting the tenants they harassed, and from managing residential rental properties. It also requires fair housing training for the properties owned or managed by the defendants.

## HUD Launches Investigation into Planned Muslim-Only Community

The Department of Housing and Urban Development's has launched an investigation into a planned Muslim-Only housing development in Plano, Texas. According to HUD, the Development, known as "The Meadow," and formally known as EPIC or the East Plano Islamic Center, may have violated the Fair Housing Act by engaging in religious and national origin discrimination.

The allegations include:

- Marketing materials that promote the development as an exclusively "Muslim community" that would represent "the epicenter of Islam in America";
- Discriminatory financial terms that required lot owners to subsidize a mosque and Islamic educational centers; and
- A bias sales mechanism consisting of a two-tier lottery system for lot sales, which granted lot access to Tier One buyers.



If proven, the development would be discriminating against non-Muslims in violation of the Fair Housing Act.

## Federal Court Dismisses Modification Denial Claim

A federal district court in Florida has dismissed a resident's fair housing allegation against her homeowner association because she did not offer to pay for a requested modification.

The resident purchased a home in a Florida subdivision. During the process, she informed the HOA that she was visually impaired. Subsequently, she asked for multiple accommodations including that the gate lock for the pool be replaced with an accessible lock. The HOA did not respond to her request.

The resident sued the HOA alleging fair housing violations for failure to change the lock, and because they failed to accommodate her need for larger font documents and a different way to submit maintenance requests.

The HOA asked the court to dismiss the complaint. The court agreed to dismiss the allegation it had failed to modify the lock. In this case, the modification must be paid for by the resident and the resident failed to offer to personally pay for the new lock. No offer of payment meant no authentic request. The remaining allegations, however, were not dismissed.



## 2026 Three-Part Webinar Series



### Part One

Tuesday, April 14, 2026, 10:00 a.m. - 11:00 a.m. central  
**Fair Housing Fundamentals**

[Register for Part One Only - \\$24.99](#)

Knowing the basic fundamentals of fair housing laws will assist owners, managers and staff in making better decisions on what law may apply to their residents and what actions may violate fair housing laws. In this webinar, we will discuss the basics of fair housing laws and the process by which residents may make complaints. Our discussion will include: What Law Applies to Your Property; The Protected Classes; HUD Updates; Two Types of Discrimination; Two Types of Harassment; The Complaint Process; and Retaliation.



### Part Two

Wednesday, April 15, 2026, 10:00 a.m. - 11:00 a.m. central  
**Common Fair Housing Issues**

[Register for Part Two Only - \\$24.99](#)

Certain issues in fair housing arise time and again. It is important for managers and staff to know the answers before they face these common issues. In this webinar, we will discuss the current status of the law on common fair housing issues. Our discussion will include common issues for the protected classes of: Familial Status; Sex / Gender; Race / National Origin; and Religion.



### Part Three

Thursday, April 16, 2026, 10:00 a.m. - 11:00 a.m. central  
**Accommodations and Modifications**

[Register for Part Three Only - \\$24.99](#)

Residents who are disabled file more fair housing complaints than all other protected classes combined. Why? Maybe because the accommodation process is easy to mess up. In this webinar, we will talk about a landlord's requirement to reasonably accommodate as well as some of the most common accommodation requests.



[Register for All Three Webinars](#)  
**\$ 64.99**