

ATTORNEY GENERAL OF THE STATE OF NEW YORK
HOUSING PROTECTION UNIT

In the Matter of

Assurance No. 25-051

**Investigation by Letitia James,
Attorney General of the State of New York, of**

PARKCHESTER PRESERVATION MANAGEMENT LLC
PPC RESIDENTIAL LLC.

Respondents.

ASSURANCE OF DISCONTINUANCE

The Office of the Attorney General of the State of New York (“OAG”) commenced an investigation (the “OAG’s Investigation”), pursuant to NYS Executive Law §63(12) into whether Parkchester Preservation Management LLC, and PPC Residential LLC (collectively “Parkchester”)¹ had policies or practices that violated New York State Real Property Law (“RPL”) §227-f, which prohibits a landlord or its agent from refusing to rent or lease an apartment to a potential tenant on the basis of past or present landlord-tenant action or summary proceeding involvement.

This Assurance of Discontinuance (“Assurance”) contains the OAG findings, and the relief agreed to by the OAG and Respondents (collectively, the “Parties”) in settlement of the OAG’s Investigation.

¹ Respondents represent that the NYS registered corporate entities Parkchester Preservation Company LP and Parkchester Preservation Inc. are neither owners nor managers of the residential units for rent at issue in this agreement.

OAG FINDINGS

As set forth herein, the OAG finds that the Respondents violated New York State Real Property Law §227-f by, until on or about September 1, 2024, issuing form letters to all applicants whose applications were denied that stated that Respondents requested and received “housing court history” from a third-party as part of an assessment of the applicant’s eligibility for housing. The OAG finds that Parkchester improperly denied the housing applications of two applicants who had been involved in landlord-tenant proceedings. Respondents also issued denials to two additional housing applicants, who intended to use their Section 8 Housing Choice Vouchers to rent an apartment, based on “Poor Rent History” and an alleged review of their “housing court history,” as stated in the denial letters. The period relevant to the OAG Investigation is from July 15, 2019, through the present date. (“Relevant period”).

1. Until 2014, Parkchester Preservation Company LP was the owner of approximately 6,000 residential units within the boundaries of the Parkchester North and Parkchester South Condominium complexes located in the Bronx, New York – and in April 2014, those units were deeded to PPC Residential LLC, which is the current owner of those units (the “PPC Units”). The leases for the PPC Units were formally assigned to PPC Residential LLC in April 2020. Parkchester Preservation Management LLC, which has a principal place of business at 2000 East Tremont Avenue, Bronx, New York, manages and operates the renting and leasing of the PPC Units to the public.
2. Respondents are responsible for establishing, supervising and/or enforcing the policies and practices through which prospective tenants are informed about and shown available apartments for rental.

The Applicable Law

3. New York State Real Property Law §227-f (1) states in pertinent part that: “No landlord of a residential premises shall refuse to rent or offer a lease to a potential tenant on the basis that the potential tenant was involved in a past or pending landlord-tenant action or summary proceeding under article seven of the real property actions and proceedings law” (RPAPL).
4. Further, “[T]here shall be a rebuttable presumption that a person is in violation of this section if it is established that the person requested information from a tenant screening bureau relating to a potential tenant or otherwise inspected court records relating to a potential tenant and the person subsequently refuses to rent or offer a lease to the potential tenant.” NYS RPL §227-f (1).

Violations of New York State RPL§ 227-f

5. The OAG finds that, until on or about September 1, 2024, the Respondents’ issued form letters to all applicants whose applications were denied that stated that Respondents requested and received “housing court history” from a third-party. The OAG finds that the language of this form letter violates RPL §227-f.
6. Parkchester also asked “Have you ever been evicted?” on its rental application, which the OAG finds also violates RPL § 227-f.
7. A review by the OAG of Tenant Screening Reports obtained by Respondents in connection with applications of prospective tenants for rental housing during the Relevant period did not reveal that applicants’ “housing court history” and landlord and tenant court documents were affirmatively requested and obtained by Parkchester for

review, despite the language of Parkchester's denial letter. However, there were two instances where an applicant provided landlord and tenant court information or documents to Parkchester as part of their application, and their applications were ultimately denied.

Application of Daniel P.

8. The rental application of Daniel P. indicates that he submitted an application for housing to Parkchester on or about February 7, 2023. Parkchester's application file for Daniel P. included a screenshot of a Landlord and Tenant case detail from a 2022 case brought against him in Bronx County Housing Court. Parkchester requested a Tenant Screening Report, dated February 23, 2023, for Daniel P., which contained no information concerning any involvement in landlord-tenant actions. Parkchester denied Daniel P.'s application by form letter dated March 10, 2023, based on "Poor Rent/Mortgage Payment History". Under the circumstances, the OAG finds that Parkchester would be unable to defeat the rebuttable presumption of RPL§227-f in this situation and warrants a finding that Parkchester's decision to deny Mr. P. 's rental application was a violation of RPL §227-f.

Application of Freddy C. V.

9. On or about December 28, 2022, Freddy C.V. applied for a rental apartment at Parkchester and indicated in his application that he had a Section 8 Housing Choice Voucher. Mr. C.V.'s rental application file also contained a copy of a pending non-payment of rent petition, dated December 22, 2022, from Bronx Housing Court with a handwritten note indicating his legal services' attorney's phone number. A tenant screening report was run on or about December 29, 2022. Before receiving a formal

denial letter, Mr. C.V. learned that his application for housing at Parkchester was going to be denied based on his pending landlord and tenant non-payment case. He filed a tenant blacklisting complaint with the OAG through his attorney in January 2023 and again through the OAG's online tenant blacklisting complaint portal, on or about February 18, 2023. Three days later, on or about February 21, 2023, Respondents sent Mr. C.V. a form denial letter stating that his application was being denied due to "Poor Rent/Mortgage Payment History."

10. After Mr. C.V.'s application was denied, on or about March 3, 2023, his housing attorney from Bronx Legal Services emailed the Leasing Department at Parkchester to provide evidence to Parkchester that Mr. C.V.'s housing court case had been resolved. His counsel objected to the denial of his housing application, citing to the RPL §227-f prohibition on the use of Landlord and Tenant court records as a basis to deny an applicant housing. On March 6, 2023, Parkchester responded to Mr. C.V.'s attorney and confirmed its prior position, citing the Landlord and Tenant case as a basis for denial.
11. Despite the denial in February 2023, two years later, on or about April 3, 2025, Mr. C.V. and PPC Residential LLC executed a lease for Unit 0117-0MG at 1735 Purdy Street, Bronx, New York, for a one-year term commencing on June 1, 2025. Mr. C.V. took possession of the unit on or about July 8, 2025.

Application of Doris W.

12. In early May 2023, Doris W., who, based on a review of her application materials, also held a Section 8 Housing Choice Voucher, applied for an apartment at Parkchester. Pursuant to Parkchester's application requirement that she provide a recent rent ledger for the prior six months of consecutive rent payments, Ms. W. provided a tenant ledger

from her then landlord. Respondents also obtained a Tenant Screening Report. On June 16, 2023, her application for housing was denied based on “Poor Rent/Mortgage Payment History” seemingly because the rent ledger, dated June 15, 2023, showed a small balance at the end of May 2023 of \$196.00. However, a review of that ledger demonstrates that the \$196.00 was a balance forward prior to January 2023 (six months before her application), of unknown origin. Ms. W’s tenant share of the rent was paid every month in the six-month period of the rent ledger. Ms. W’s file contained no evidence that Respondents made any inquiry to determine whether the small rent balance was due to a default of Ms. W. or was a shortfall of Section 8 subsidy payment prior to sending Ms. W. the form denial letter.

Application of Charisse B.

13. In mid-October 2023, Charisse B. who, according to her application materials, held a Section 8 Housing Choice Voucher – applied for an apartment at Parkchester. Respondents obtained a Tenant Screening Report for Ms. B. However, on October 23, 2023, Parkchester sent Ms. B a form denial letter through which Parkchester denied Ms. B.’s application for housing. Ms. B.’s application file contained a rent ledger from her then landlord that showed a retroactive adjustment to Ms. B.’s tenant share of the rent made by Section 8 resulting in a rent balance totaling \$1,563.52 as of October 5th (for the months of August 2023-October 2023). Ms. B.’s file contains no evidence to indicate that the Respondents followed up to determine when Ms. B. was given notice of the adjustment and whether she had made timely payment. Ms. B. had paid her tenant share for the six-month period before the application.
14. Respondents admit the OAG’s above findings as to violations of RPL §227-f.

15. The OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, the OAG is willing to accept this Assurance pursuant to Executive Law §63(15), in lieu of commencing a civil action or proceeding to prosecute the above violations.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Parties:

RELIEF

Term and Scope of Assurance

16. The Effective Date of this Assurance shall be the date this Assurance is signed by the OAG. The term of this Assurance shall run for three years from the Effective date.
17. The provisions of this Assurance shall be binding on the Respondents and on any of their owners, members, principals, shareholders, officers, employees, agent, heirs, assigns and successors in interest who are involved in the application and rental process. This Assurance is not binding on any mortgage holders of Respondents or any of their owners, members, principals, shareholders, officers, employees, agent, heirs, assigns and successors in interest. If any of the PPC Units in which Respondents' hold an ownership interest are sold or transferred during the term of this Assurance to a bona fide unrelated purchaser, then this Assurance shall not apply to the new owners and managers of the transferred PPC Units.

General Injunctive Relief

18. Respondents shall not engage or attempt to engage in conduct in violation of any applicable laws, including but not limited to NYS RPL §227-f.
19. During the three years of this AOD, Respondents expressly agree and acknowledge that violation of any applicable law is a violation of this Assurance. Subject to the cure

provisions below at paragraph 34, the OAG thereafter may commence the civil action or proceeding contemplated in paragraph 15, supra, in addition to any other appropriate investigation, action or proceeding.

20. During the three years of this AOD and provided that the following relief remains consistent with governing law, Respondents and any entities in control of the policies and management of the units at issue in this agreement, shall be:

- Enjoined from obtaining landlord and tenant housing court records or histories through a tenant screening bureau and from obtaining and reviewing these court records, for the purpose of prospective tenant screening, by any other means.
- In the event that an applicant for housing provides past housing court history as part of their electronic application, Respondents shall not be in violation of this AOD or RPL § 227-f, if Respondents (i) send an email to the applicant, attaching the improperly submitted housing court records, with the following email text: ‘In compliance with RPL § 227-f, PPM is hereby returning the attached housing court documents which you submitted with your application. PPM did not review these materials, and they will form no basis of PPM’s decision on your application.’; (ii) detach the pdf of the improperly submitted housing court records from the applicant’s electronic application; and (iii) do not factor the housing court documents or information into the applicant’s eligibility determination.
- In the event an applicant separately emails past housing court history outside of Respondents’ application program, Respondents shall not be in violation of this AOD or RPL § 227-f, if Respondents (i) respond to the applicant’s email with the following email text: ‘In compliance with RPL § 227-f, PPM is hereby returning the attached housing court documents which you submitted with your application. PPM did not review these materials, and they will form no basis of PPM’s decision on your application.’; (ii) deletes the email sent by the applicant (but can maintain a record of Respondents’ reply email for purposes of showing compliance with this AOD); and (iii) do not factor the housing court documents or information into the applicant’s eligibility determination.
- Enjoined from asking prospective tenants either in a rental application or in an interview 1) if they have “ever been evicted” or been in court with a prior or current landlord and/or 2) if they have “ever willfully or intentionally refused to pay rent or broken a lease”.
- Enjoined from issuing housing application determination letters that indicate that a review of housing court history was made and factored into a decision to accept or deny a prospective tenant’s housing application.

Programmatic Relief:

21. During the three years of this AOD, Respondents shall ensure that all existing rental housing applications available in an online portal, through its website or any other portal that processes rental applications for Respondents (e.g. Yardi's "Rent Café") or in hard copy format, comply in all respects with RPL §227-f and this Assurance. Respondents separately represent that effective January 1, 2025, their rental application is also in compliance with the NYC Fair Chance for Housing Act and the NYS HRL §296(16).
22. Respondents shall provide notice in the form of a disclosure in leasing ads and on the face of tenant applications that Parkchester is in compliance with RPL § 227-f and that it does not seek or review housing court records or information about housing court histories as part of its application for rental housing.
23. Respondents will ensure that the topics of Tenant Blacklisting law and NYS Human Rights Law Anti-Discrimination provisions, is added to and/or included in the training being performed pursuant to the Conciliation Agreement in *New York City Commission on Human Rights v. PPC Residential, LLC, et al.* M-H-G-17-1037413.
24. If requested by Daniel P., Doris W., or Charisse B. during the term of this AOD, Respondents will process housing applications for them upon their submission of a new rental application without regard to housing court histories in which these records may appear. Respondents will reach out to these three applicants at their last known phone number and email address or at any contact information provided to Respondents by the OAG, to invite them to submit a new rental application using the new criteria.

Respondents shall provide proof of the contact and outcome with seven days of the contact attempt by email to the OAG pursuant to the notice provisions at paragraph 30.

25. Additionally, Respondents will evaluate all the above new housing applications using the evaluation criteria, if applicable to them, set out in the active Compliance settlement in: *New York City Commission on Human Rights v. PPC Residential, LLC, et al.* M-H-G-17-1037413, attached hereto as Exhibit A. Respondents agree to include in its public facing website and voicemail call system the following affirmative declaration (which is in addition to its other obligations under Conciliation settlement at *New York City Commission on Human Rights v. PPC Residential, LLC, et al.* M-H-G-17-1037413 at Exhibit B, Schedule 2):

“Parkchester complies with NYS’s Tenant Blacklisting law. We will not review landlord and tenant court records or housing court histories when considering your housing application.”

26. If during the term of this AOD, the foregoing relief – in part or in whole – becomes inconsistent with governing law, or any of the statutes upon which the relief is based are abrogated, superseded, or repealed, then Respondents’ obligation to comply with said relief shall be revised in accordance with any change in the law

MISCELLANEOUS

Subsequent Proceedings:

27. Respondents expressly agree and acknowledge that the OAG may initiate a subsequent investigation, civil action, or proceeding, subject to the cure period set forth in paragraph 34, to enforce this Assurance, for violations of the Assurance, or if the Assurance is voided pursuant to misrepresentation as described in paragraph 31 and can enforce the

specific performance of the relief in this Assurance as the parties would enforce a contract in the case of a breach, based on the conduct described herein. Respondents agree and acknowledge that in such event where OAG may initiate a subsequent investigation, civil action, or proceeding, subject to the cure period set forth in paragraph 34, to enforce this Assurance, for violations of the Assurance, or if the Assurance is voided pursuant to misrepresentation as described in paragraph 31:

- any statute of limitations or other time-related defenses are tolled from and after the Effective Date of this Assurance and that the tolling of said statute of limitations or time-related defenses ends five years after the Effective Date of this Assurance;
- the OAG may use statements, documents or other materials produced or provided by the Respondents prior to or after the Effective date of this Assurance;
- any civil action or proceeding to enforce the terms of this AOD will be adjudicated by the Courts of the State of New York in the County of the Bronx or New York.

Nothing contained herein shall be construed to limit the remedies available to the OAG in the event that Respondents violates the Assurance after its effective date.

Effects of Assurance:

28. All terms and conditions of this Assurance shall continue in full force and effect on any successors and assignees, of the Respondents. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the OAG, except the Respondents have the right to transfer the properties for sale to a bona fide unrelated purchaser. This AOD shall not bind those subsequent purchasers of any of the PPC Units – in whole or in part – and Respondents shall have no liability for the acts or conduct of any purchaser of any of Respondent's

units. This Assurance is not binding on any mortgage holders of Respondents or any of their owners, members, principals, shareholders, officers, employees, agent, heirs, assigns and successors in interest. This Assurance settles the OAG's claims against the Respondents as they relate to the subpoena served by the OAG, its subsequent investigation, and any legal claims through the date of Execution of this Assurance. In consideration of this AOD and effective as of the date of the AOD, the OAG releases and discharges Respondents and each of their past and present officers, employees, attorneys, affiliates, assigns, subsidiaries, successors in interest, insurers, and reinsurers for liability relating to the subpoena served by the OAG, its subsequent investigation, and any legal claims against Respondents relating thereto.

29. Any failure by the OAG to insist upon the strict performance by Respondents of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the OAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of all the provisions of this Assurance to be performed by Respondents.

Communications:

30. All notices, reports, requests, and other communications pursuant to this Assurance must reference Assurance No. 25-051, and shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

If to Respondents, to:

Carol Goodman, Esq. (cgoodman@herrick.com)
Jared D. Newman, Esq. (jnewman@herrick.com)

Herrick, Feinstein LLP
Two Park Avenue
New York, NY 10016

If to the OAG, to:

Jane Landry-Reyes
Assistant Attorney General
Housing Protection Unit
NYS Office of the Attorney General
28 Liberty Street
New York, NY 10005
jane.landry@ag.ny.gov
or in her absence, to the person holding the title of Unit Chief,
Housing Protection Unit.

Representations and Warranties

31. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG by counsel for Respondents and, documents and information submitted to the OAG by Respondents, all of which the OAG relied upon in entering this Assurance, and the OAG's own factual investigation as set forth in Findings, paragraphs 1-15 above. Respondents represent and warrant that neither it nor its counsel has made any material representations to the OAG that are inaccurate or misleading. If any material representations by Respondents or its counsel are later found to be inaccurate or misleading, this Assurance is voidable by the OAG in its sole discretion, subject to the applicable cure period set forth in paragraph 34.
32. No representation, inducement, promise, understanding, condition or warranty not set forth in this Assurance has been made to or relied upon by the Respondents in agreeing to this Assurance.

33. Respondents represent and warrant, through the signatures below, that the terms and conditions of this Assurance are duly approved, and execution of this Assurance is duly authorized.

General Principles:

34. The OAG shall provide Respondents an opportunity to cure alleged violations of the AOD prior to pursuing its statutory rights and remedies, as follows:

- a. In the event the OAG believes that Respondent has violated any provision of this AOD, the OAG will provide Respondents with notice of such violation pursuant to paragraph 30.
- b. Upon receiving such notice, Respondents shall then respond to such notice or cure such non-compliance within thirty (30) days, and if the non-compliance is of such a nature that it cannot be fully cured within 30 days, Respondents shall commence the process to cure the non-compliance within 30 days. If Respondents timely cure (or commence to cure) the alleged non-compliance, there shall be no further enforcement effort or other penalty.

35. Respondents' obligations under the terms of this Assurance shall expire three (3) years following the Effective Date, except that the obligations may be extended upon proof in a court action or proceeding that Respondents have not complied with this Assurance, which non-compliance the OAG shall discuss and attempt to resolve with Respondents in good faith before bringing any such lawsuit. Nothing in this Assurance shall relieve Respondents of other obligations imposed by any applicable local, state, or federal law or regulation or other applicable law.

36. Respondents agree not to take any action or to make any public statement denying, directly or indirectly, any finding in the Assurance or creating the impression that the Assurance is without legal or factual basis.
37. This Assurance is not intended for use by any third-party individual or group of individuals as an admission of liability in an action or proceeding separately commenced.
38. Nothing contained herein shall be construed to limit the remedies available to the OAG if Respondents violate the Assurance after its Effective Date.
39. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.
40. If any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.
41. Respondents acknowledge that they have entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.
42. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

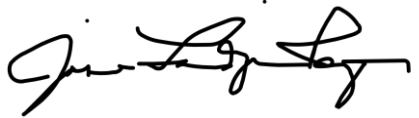
The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

This Assurance may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement, notwithstanding that all parties are not signatories to the original or the same

counterpart. For purposes of this Assurance, copies of signatures shall be treated the same as originals. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Assurance and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.


Dated: 09/22/25

LETITIA JAMES
Attorney General of the State of New York
28 Liberty Street
New York, NY 10001

A handwritten signature in black ink, appearing to read 'Jane Landry-Reyes', written over a horizontal line.

Jane Landry-Reyes, AAG
Housing Protection Unit

PPC Residential LLC

By: 
Name: Ricky Pizarro
Title: Authorized Representative

STATE OF NEW YORK)
)
COUNTY OF Bronx) ss.:


On this 22nd day of Sept, 2025 personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, appeared before the undersigned and acknowledged to me that he executed the within instrument by his signature on the instrument.

Sworn to before me this 22nd day of Sept, 2025


NOTARY PUBLIC

LILLIE MASCIA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MA4818399
Qualified in Bronx County
Certificate Filed in Westchester County
My Commission Expires 12-31-2026

Parkchester Preservation Management LLC

By: 
Name: Ricky Pizarro
Title: Chief Executive Officer

STATE OF NEW YORK)
)
COUNTY OF Bronx) ss.:

On this 22nd day of Sept., 2025 personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, appeared before the undersigned and acknowledged to me that he executed the within instrument by his signature on the instrument.

Sworn to before me this 22nd day of Sept., 2025


NOTARY PUBLIC

LILLIE MASCIA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MA4818399
Qualified in Bronx County
Certificate Filed in Westchester County
My Commission Expires 12-31-2026

CITY OF NEW YORK
OFFICE OF ADMINISTRATIVE TRIALS AND HEARINGS

In the Matter of the Complaint of:

NEW YORK CITY COMMISSION ON HUMAN
RIGHTS,

Petitioner,

- against -

PPC RESIDENTIAL, LLC, PARKCHESTER
PRESERVATION MANAGEMENT LLC,
PARKCHESTER PRESERVATION COMPANY,
LP, STEPHANIE SANTIAGO, CARLOS ORTIZ,
LIZ HART, and ARACELIS LADISA,

Respondents.

Complaint No.: M-H-G-17-1037413

OATH Index No.: 2245/19

OATH Index No.: 2246/19

CONCILIATION AGREEMENT

In the Matter of the Complaint of:

NEW YORK CITY COMMISSION ON HUMAN
RIGHTS,

Petitioner,

- against -

PPC RESIDENTIAL, LLC, PARKCHESTER
PRESERVATION MANAGEMENT LLC,
PARKCHESTER PRESERVATION COMPANY,
LP, "JANE" COLOGNE, "JANE DOE 1-2,"
STEPHANIE SANTIAGO, ILENE CRUZ, and
CARLOS ORTIZ,

Respondents.

Complaint No.: M-H-DGR-20-79678

Conciliation Agreement

New York City Commission on Human Rights v. PPC Residential, LLC, et al. (M-H-G-17-1037413)

Page 1 of 14

In the Matter of the Complaint of:

THE NEW YORK CITY COMMISSION ON
HUMAN RIGHTS,

Complaint No.: M-H-G-24-132284

Complainant,

- against -

PPC RESIDENTIAL, LLC, PARKCHESTER
PRESERVATION MANAGEMENT LLC,
PARKCHESTER PRESERVATION
COMPANY, LP, and CARLOS ORTIZ,

Respondents.

WHEREAS, the Law Enforcement Bureau of the New York City Commission on Human Rights (“Petitioner” or “Complainant”) joined a Fourth Amended Verified Complaint (“Complaint 1”) under Complaint Number M-H-G-17-1037413 on February 19, 2019, with the New York City Commission on Human Rights (“Commission”), charging PPC Residential, LLC, Parkchester Preservation Management LLC, Parkchester Preservation Company, LP, Stephanie Santiago, Carlos Ortiz, Liz Hart, and Aracelis Ladisa (collectively, “Respondents 1”) with unlawful discriminatory practices in violation of Title 8 of the Administrative Code of the City of New York, the New York City Human Rights Law (“NYCHRL”);

WHEREAS, Complainant joined a First Amended Complaint (“Complaint 2”) under Complaint Number M-H-DGR-20-79678, on October 22, 2020, with the Commission, charging PPC Residential, LLC, Parkchester Preservation Management LLC, Parkchester Preservation Company, LP, Stephanie Santiago, and Carlos Ortiz (“Respondents 2” and, collectively with Respondents 1, “Respondents”), “Jane” Cologne, “Jane Doe 1-2,” and Ilene Cruz with unlawful discriminatory practices in violation of the NYCHRL;

Conciliation Agreement

New York City Commission on Human Rights v. PPC Residential, LLC, et al. (M-H-G-17-1037413)

Page 2 of 14

WHEREAS, Complainant filed an Amended Verified Complainant (“Complaint 3”) under Complaint number M-H-G-25-132284 (collectively, with Complaints 1 and 2, “Complaints”) on June 24, 2024 charging Respondents with unlawful discriminatory practices in violation of NYCHRL;

WHEREAS, Complaint 1 is hereby dismissed as to Respondent Liz Hart pursuant to § 8-113(a)(5) of the NYCHRL;

WHEREAS, Complaint 2 is hereby dismissed as to Respondents “Jane” Cologne, “Jane Doe 1-2” and Ilene Cruz pursuant to § 8-113(a)(5) of the NYCHRL;

WHEREAS, Respondents 1 filed a Fifth Amended Verified Answer to Complaint 1 on March 18, 2019 and an additional Verified Amended Answer on September 8, 2022, denying that they engaged in the unlawful discriminatory practices alleged in the Complaint;

WHEREAS, Respondents 2 filed a Fifth Amended Verified Answer to Complaint 2 on July 20, 2021, denying that they engaged in the unlawful discriminatory practices alleged in the Complaint;

WHEREAS, the Commission’s Law Enforcement Bureau issued a Notice of Probable Cause Determination and Intention to Proceed to Public Hearing for Complaint 1 on April 23, 2019;

WHEREAS, Complainant and Respondents stipulate that PPC Property Services is an agent or affiliate of Respondents PPC Residential, LLC and Parkchester Preservation Management LLC and shall be bound by the terms of this Agreement;

WHEREAS, Complainant and Respondents (collectively, “Parties”) now desire to amicably, fully, and finally settle the issues arising out of the Complaints without further proceedings;

NOW, THEREFORE, PURSUANT TO THIS CONCILIATION AGREEMENT, IT IS HEREBY STIPULATED AND AGREED, by and among the Commission and the Parties, as follows:

SECTION 1

1. In and final full satisfaction of any and all claims the Commission has or may have had arising out of the allegations in the Complaints, including, but not limited to, claims for costs, expenses, and attorneys' fees, Respondents collectively agree to (i) pay one million dollars (\$1,000,000) as a civil penalty ("Civil Penalty") to the City of New York, as set forth in paragraphs 3 and 4 below, and (ii) comply with the terms of Exhibit A to this Agreement pursuant to the timelines set forth in this Agreement or the Exhibit A.
2. The Commission representative to whom correspondence regarding this Agreement, should be addressed is:

Daniela Adames
New York City Commission on Human Rights Phone: (212) 416-0154
22 Reade Street Email: dadames@cchr.nyc.gov
New York, NY 10007
3. **Payment.** The Civil Penalty shall be payable in two installments, as follows: (i) \$500,000 paid within thirty (30) days of the Effective Date of this Agreement; and (ii) \$500,000 paid no later than March 31, 2025. Respondents shall issue each of the two payments in the form of a bank, certified, or business check payable to "City of New York Department of Finance," and will be delivered to the individual identified in Paragraph 2, which the Parties agree shall be designated as a civil penalty.
4. **Exhibit A, incorporated and attached hereto.** Exhibit A to this Agreement reflects affirmative and non-monetary terms of the agreement between the parties. Exhibit A is incorporated as if set forth fully in this Agreement. Unless otherwise specifically

stated, the terms and conditions in Exhibit A shall govern and remain effective for so long as they reflect or do not conflict with applicable law.

SECTION 2

5. By signing this Agreement, Respondents acknowledge that non-compliance with this Agreement, beyond the applicable cure period as set forth in paragraph 5, will permit the Commission to pursue all of its statutory rights and remedies, including those pursuant to §§ 8-107(8) and 8-124 of the Administrative Code of the City of New York and the damages and penalties attendant thereto.

The Commission shall provide Respondents an opportunity to cure alleged violations prior to pursuing its statutory rights and remedies, as follows:

- a. In the event that the Commission believes that any Respondent has violated any provision of this Agreement, the Commission will provide Respondent with notice of such violation by email to Carol Goodman, Esq. (cgoodman@herrick.com) and Jared Newman, Esq. (jnewman@herrick.com), and compliance@ppmgt.nyc.
 - b. Upon receiving such notice, Respondents shall then respond to such notice or cure such non-compliance within thirty (30) days, and if the non-compliance is of such a nature that it cannot be fully cured within 30 days, Respondents shall commence the process to cure the non-compliance within thirty (30) days. If Respondents timely cure (or commence to cure) the alleged non-compliance, there shall be no further enforcement effort or other penalty.
6. In consideration of this settlement and effective as of the Effective Date, the Commission releases and discharges Respondents and each of their past and present officers, employees, attorneys, affiliates, assigns, subsidiaries, insurers, reinsurers,

and Parkchester (as defined in "Exhibit A") in their individual and representative capacities (the "Released Parties"), for liability under the New York City Human Rights Law for any and all claims the Commission has or may have had arising out of the allegations in the Commission-initiated Complaints to the date of the complete execution of this Agreement. This release is not a preclusion of enforcement and investigations of individual claims that may be filed with the Commission. To the extent that a complaint brought by an individual concerns a claim covered by this release, the Commission shall not become a named party in said proceeding.

7. This Agreement sets forth the entire agreement between the Parties, and fully supersedes any prior agreements or understandings between the Parties. The Parties acknowledge that they have not relied on any representations, promises, or agreements of any kind made in connection with their decision to accept this Agreement, except for those set forth herein. No provision of this Agreement may be modified, amended, or waived except by a written amendment executed by the Parties and so ordered by the Chair of the Commission.
8. This Agreement shall be governed by and construed in accordance with the laws of the City and State of New York. Each of the Parties to this Agreement hereby consents to the jurisdiction of the Courts of the State of New York, New York County, and/or the jurisdiction of the New York City Commission on Human Rights, for the purposes of commencing any action, lawsuit, motion, or proceeding to enforce or interpret any provision of this Agreement.
9. This Agreement shall be binding upon and inure to the benefit of the Parties and to the officers, directors, employees, successors, assigns and legal representatives of each party. The Parties each represent that they have not assigned any rights they have or could have in connection with the Complaints. No obligation provided for under this Agreement may be assigned, without the express written consent of the


party to whom such obligation is owed. This Agreement shall not bind subsequent purchasers except as expressly provided in Exhibit A and this Agreement as it relates to set-asides.

10. The Parties acknowledge that they have been afforded a reasonable time to review this Agreement and the opportunity to consult with counsel of their own choosing, that they have read this Agreement or had this Agreement read and/or translated to them in its entirety, and fully understand all of the terms and conditions herein, which represent a full and fair settlement, and that they have entered into this Agreement knowingly, voluntarily, and of their own free will, without fraud, duress, or undue influence.
11. This Agreement may be executed in counterparts. Facsimiles or scanned copies of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.
12. Upon receipt and deposit of the full Civil Penalty, Complaint Numbers M-H-G-17-1037413, M-H-DGR-20-79678, and M-H-G-24-132284, including all alleged violations, against Respondents shall be withdrawn with prejudice and administratively closed pursuant to Rule 1-52 of the Commission's Rules of Practice.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, the Parties hereto have set their hand as of the date and place so stated.

PPC Residential, LLC

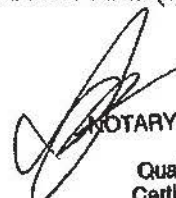

Name: Zachary Bornstein
Title: Authorized Signatory

Dated: 7/24/24

ACKNOWLEDGMENT BY LIMITED LIABILITY COMPANY

STATE OF New York)
COUNTY OF New York)

On the 24th day of July in the year 2024 before me, personally came Zachary Bornstein to me known, who, being by me duly sworn, did depose and say that he/~~she~~/they reside(s) in _____; that he/~~she~~/they is/~~are~~ the _____ (member or other officer duly appointed) of _____ (name of limited liability company), the limited liability company described in and which executed the above instrument, and that he/~~she~~/they signed his/~~her~~/their name(s) thereto by like authority.


STEVEN TING
NOTARY PUBLIC, State of New York
No. 01T18198864
Qualified in Queens County
Certified in New York County
Commission Expires Nov. 24, 2024

Parkchester Preservation Management, LLC

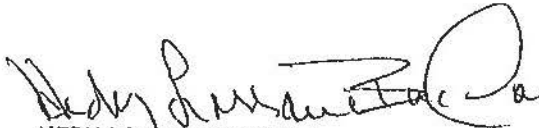

Name: Ricky Pizarro
Title: CEO

Dated: 7/24/24

ACKNOWLEDGMENT BY LIMITED LIABILITY COMPANY

STATE OF New York ,
COUNTY OF Bronx)

On the 24th day of July in the year 2024 before me, personally came Ricky Pizarro to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) in 11 Marie Lane Washingtonville, NY 10992; that he/she/they is/are the Chief Executive Officer (member or other officer duly appointed) of Parkchester Preservation Management-LLC (name of limited liability company), the limited liability company described in and which executed the above instrument, and that he/she/they signed his/her/their name(s) thereto by like authority.


HEDY LORRAINE BUCALA
NOTARY PUBLIC-STATE OF NEW YORK
No. 018U8317246
Qualified in Bronx County
My Commission Expires 12-29-2026

Parkchester Preservation Company, LP

Name: [Signature]
Title: Zachary Bernstein
Authorized Signatory

Dated: 7/24/24

ACKNOWLEDGMENT BY LIMITED PARTNERSHIP

STATE OF New York)
COUNTY OF New York)

On the 24th day of July in the year 2024 before me, personally came Zachary Bernstein to me known, who, being by me duly sworn, did depose and say that he/~~she~~/they reside(s) in _____; that he/~~she~~/they is/~~are~~ the _____ (board member or other officer duly appointed) of _____ (name of limited partnership), the partnership described in and which executed the above instrument, and that he/~~she~~/they signed his/~~her~~/their name(s) thereto by like authority.

[Signature]
NOTARY PUBLIC

STEVEN TING
NOTARY PUBLIC, State of New York
No. 01T18198864
Qualified in Queens County
Certified in New York County
Commission Expires Nov. 24, 2024

Respondent Stephanie Santiago

Stephanie Santiago
Stephanie Santiago

Dated: 7/24/24

ACKNOWLEDGMENT

STATE OF New York)
COUNTY OF Bronx)

On the 24th day of July in the year 2024 before me, the undersigned, a Notary Public in and for the State of New York, personally appeared Stephanie Santiago, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, executed the instrument.

Hedy Lorraine Bucala
NOTARY PUBLIC

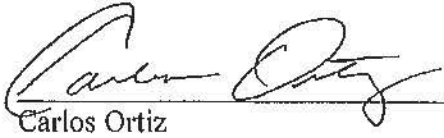
HEDY LORRAINE BUCALA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01BU6317246
Qualified in Bronx County
My Commission Expires 12-29-2026

Conciliation Agreement

New York City Commission on Human Rights v. PPC Residential, LLC, et al. (M-H-G-17-1037413)

Page 11 of 14

Respondent Carlos Ortiz


Carlos Ortiz

Dated: 7-27-24

ACKNOWLEDGMENT

STATE OF New York)
COUNTY OF Bronx)

On the 24th day of July in the year 2024 before me, the undersigned, a Notary Public in and for the State of New York, personally appeared Carlos Ortiz, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, executed the instrument.


NOTARY PUBLIC

HEDY LORRAINE BUCALA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01BU8317246
Qualified in Bronx County
My Commission Expires 12-29-2026

Conciliation Agreement

New York City Commission on Human Rights v. PPC Residential, LLC, et al. (M-H-G-17-1037413)

Page 12 of 14

Respondent Aracelis Ladisa

Aracelis Ladisa

Aracelis Ladisa

Dated: 7-24-24

ACKNOWLEDGMENT

STATE OF New York)
COUNTY OF Bronx)

On the 24th day of July in the year 2024 before me, the undersigned, a Notary Public in and for the State of New York, personally appeared Aracelis Ladisa, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, executed the instrument.

Hedy Lorraine Bucala
NOTARY PUBLIC

HEDY LORRAINE BUCALA
NOTARY PUBLIC-STATE OF NEW YORK

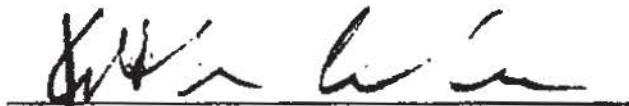
No. 01BU0317246

Qualified in Bronx County

My Commission Expires 12-29-2026

Law Enforcement Bureau
New York City Commission on Human Rights

By:



Katherine Carroll

Assistant Commissioner, Law Enforcement Bureau

Dated:

8/12/24

So Ordered:

Dated: _____

Guillermo Chacón

Commissioner

New York City Commission on Human Rights



Rockwell Chin

Commissioner

New York City Commission on Human Rights

Dated: _____

8/13/24

Dated: _____

Kapil Longani

Commissioner

New York City Commission on Human Rights

Prepared by: Katherine Carroll, Assistant Commissioner

Conciliation Agreement

New York City Commission on Human Rights v. PPC Residential, LLC, et al. (M-H-G-17-1037413)

Law Enforcement Bureau
New York City Commission on Human Rights

Katherine Chan-Hi
Assistant Commissioner, Law Enforcement Bureau

Dated 8/12/24


See Order in:

Guillermo Chacón
Commissioner
New York City Commission on Human Rights

Dated 8/12/24

$\frac{1}{2} \left(\frac{1}{2} \right) = \frac{1}{4}$

Dated: _____


Kapil Langani
Chairman
New India Char. Comm. for the Blind, Kargil

Dated 8/21/24

Prepared by: Katherine Case, L. Assistant Group Leader

EXHIBIT A
EQUITABLE AND AFFIRMATIVE RELIEF

As used in the Agreement and this Exhibit, the following terms shall have the meanings specified below. The singular includes the plural and vice versa.

I. DEFINITIONS

1. **"Agreement"** – the settlement agreement in which this document is referred to as Exhibit A.

2. **"Effective Date"** means the date the Agreement is so-ordered by Commissioners of the New York City Commission on Human Rights.

3. **"Rental Assistance"** means any government or public subsidy or voucher where the government agency or its delegated agent has determined the renter's individual portion of the rent, which may be zero, and the agency or delegated agent pays the remainder of the rent charged by the landlord directly to the landlord, including, but not limited to, Section 8 Vouchers, Housing Choice Vouchers, HASA, CityFHEPS, and Olmstead. In the event the term "rental subsidy" or "rental assistance" (without capitalization) is used in this Exhibit A, it shall have the same definition as that ascribed to Rental Assistance, as set forth in this paragraph.

4. **"Minimum Income Requirement"** means any threshold amount or type of income required to be eligible to rent an apartment.

5. **"Parkchester"** means PPC Residential, LLC, PPC Property Services LLC, and Parkchester Preservation Management LLC, and their subsidiaries or affiliates that control and have the authority to lease Sponsor Units within the boundaries of the Parkchester North and Parkchester South Condominium complexes located in Bronx, NY.

6. **“Rental Applicant”** means any person who applies to rent an apartment from Parkchester, including, but not limited to, external applicants and internal transfers.

7. **“Rental Application”** means any submission (in written, oral, paper, digital, or other form) by a Rental Applicant, required or used in any manner by Parkchester for the purpose of determining the Rental Applicant’s eligibility for renting an apartment.

8. **“Sponsor Unit”** means any apartment that is owned by PPC Residential, LLC within the bounds of the Parkchester North and Parkchester South Condominium complexes. “Sponsor Unit” does not include any apartment that is owned by an individual or person other than Parkchester.

9. **“Credit History or Credit Background”** means Parkchester’s review and evaluation of the credit-worthiness of a Rental Applicant, which may include Parkchester’s review of a credit report issued by a third-party credit screening agency.

II. GENERAL PROVISIONS

10. Unless stated otherwise, Parkchester shall implement the provisions of Exhibit A within 30 days of the Effective Date. If any provision of Exhibit A has already been implemented by Parkchester prior to the Effective Date, Parkchester shall not pause or interrupt the implementation of such provision.

11. The obligations of Paragraph 34 of Section V “Set-Asides” in this Exhibit A shall be the only term contained here that shall survive any intervening sale of Parkchester Sponsor Units, in whole or in part, and to the extent that Parkchester has not already satisfied Section V “Set-Asides”, these obligations will be communicated by Respondents to any potential buyer and

included in any contract for the sale of the Parkchester complex, in whole or in part. In addition, to the extent that Parkchester has not already satisfied Paragraph 34 of Section V “Set-Asides”, any such contract will include an obligation for the buyer to maintain sufficient records, including applications and leases, to show compliance with Section V, and to provide such records to the Commission for a period of five (5) years from the Effective Date. No other terms or obligations of this Exhibit A shall survive any sale or otherwise bind any purchaser of any Sponsor Units, and Parkchester shall have no liability for the acts or conduct of any purchaser of any Sponsor Units.

12. Parkchester shall consider all types of Rental Assistance when evaluating whether to approve or deny a Rental Application for a Sponsor Unit.

13. Parkchester shall accept all types of Rental Assistance towards the payment of rent for a Sponsor Unit.

14. Parkchester shall not give a preference or priority for one type of Rental Assistance over another when evaluating Rental Applications or renting Sponsor Units.

15. As applicable, Parkchester shall comply with the New York State Housing Stability and Tenant Protection Act of 2019 with respect to Sponsor Units, as amended, for so long as the statute remains in effect.

16. As applicable, Parkchester shall comply with New York General Obligations Law § 7-108, as amended, for so long as it is in effect with respect to Sponsor Units. Parkchester shall not charge or require upfront payments, “good faith” deposits, and similar forms of payment to “hold” apartments from Rental Applicants with Rental Assistance, even if ordinarily

permissible under NY GOL § 7-108 with respect to Sponsor Units. The limitations of this paragraph shall not apply to any incentive payment or retroactive payment for rent while a Sponsor Unit was held open that Parkchester may be eligible for pursuant to the terms and guidelines of a particular form of Rental Assistance.

17. As applicable, Parkchester shall comply with New York Real Property Law § 238-a, as amended, for so long it is in effect with respect to Sponsor Units.

18. Parkchester shall not impose or require any Minimum Income Requirement for any Rental Applicant paying rent with Rental Assistance with respect to Sponsor Units. This provision – as well as the advertisement obligations under Section IV of this Exhibit A – shall, however, be rendered null and void if (a) the City Human Rights Law are amended to expressly permit such Minimum Income Requirement for those with Rental Assistance, (b) the City Human Rights Law are otherwise abrogated or superseded by other legislation which permits such Minimum Income Requirement for those with Rental Assistance, or (c) a final New York State or federal appellate court decision is issued expressly permitting such Minimum Income Requirements for those with Rental Assistance.

19. Parkchester shall not impose or require any minimum credit score for any Rental Applicant paying any portion of their rent with Rental Assistance with respect to Sponsor Units.

20. Parkchester shall not require Rental Applicants paying any portion of their rent with Rental Assistance to have verifiable housing and shall not require Rental Applicants paying all of their rent with Rental Assistance to have employment history of any length with respect to Sponsor Units.

21. Parkchester shall not have occupancy limits for any Sponsor Unit more restrictive than the occupancy limits permitted by the New York City Housing Maintenance Code or other applicable federal, state or local laws.

22. Parkchester shall permit Rental Applicants to provide either their social security number or an ITIN number for the purposes of obtaining reports through Yardi or similar evaluation platform provided said platforms accept ITIN in lieu of social security numbers.

23. Parkchester shall not consider a Rental Applicant with Rental Assistance's history of payment of student loans or medical bills, when evaluating Credit History or Credit Background with respect to Sponsor Units.

24. Parkchester shall not deny a Rental Application from a Rental Applicant with Rental Assistance that pays 100% of the rent directly to Parkchester based on Credit History or Credit Background with respect to Sponsor Units.

25. Parkchester shall comply with the New York City Fair Chance Housing Act, New York City Local Law 2024/024 if and when it takes effect on January 1, 2025 and for so long as it remains in effect with respect to Sponsor Units. Until that time, Parkchester will continue to perform individualized assessments of a Rental Applicant's criminal history consistent with law.

III. RENTAL APPLICATIONS

26. Parkchester shall be permitted to require that all Rental Applications be submitted in a digital format through Parkchester' online portal.

27. Any Rental Applicant who requests a reasonable accommodation due to a disability or who requests assistance because they do not have access to or cannot use a computer to access the online application portal or whatever application system may be in place at the time of said application, shall be provided reasonable accommodation assistance by Parkchester's staff.

28. Any interview of a Rental Applicant performed by Parkchester with respect to Sponsor Units shall comply with federal, state, and local laws, and will be solely for the purpose of confirming information provided in their Rental Application.

29. Parkchester's application and tenant screening materials with respect to Sponsor Units will comply with federal, state, and local law, including by removing therefrom references to or questions concerning disability, grooming, appearance, a Rental Applicant's demeanor, children's schooling, grades, or report cards, uniformed service status, or history of being a victim of domestic violence.

30. If Parkchester denies a Rental Application from a Rental Applicant with Rental Assistance with respect to Sponsor Units, Parkchester will provide such Rental Applicant with the opportunity for a second review of their application pursuant to the process and procedure outlined in the sample letter attached as Schedule 1. The opportunity for a second review shall include denials where the Rental Applicant with Rental Assistance is denied (i) because the payment standard for a particular voucher program is below a Sponsor Unit's rental amount – whereupon the applicant will be permitted to provide evidence that the voucher program would nevertheless accept the Unit and pay the rent – and (ii) due to poor Credit History or Credit Background.

IV. ADVERTISEMENTS

31. This paragraph applies to all advertisements placed by Parkchester or their agents for the rental of Sponsor Units on third-party publications and websites. Parkchester shall direct third-parties to include the phrase “Equal Housing Opportunity” on all advertisements for Sponsor Units. Parkchester shall direct third-party publishers and websites to include a statement in advertisements that states: “Households with rental assistance that pay all or a portion of your rent directly to Parkchester are welcome to apply and will not be subject to a minimum income requirement.” Provided Parkchester complies with its obligations as set forth in this paragraph, a third-party’s failure to comply with Parkchester’s directive will not be deemed a breach by Parkchester of this Exhibit A or underlying settlement agreement. This paragraph applies for a period of 5 years from the Effective Date.

32. Parkchester will modify its website to include the following statements with respect to Sponsor Units:

“Households with rental assistance are welcome to apply.”

“If you are an applicant using rental assistance to pay part or all of your rent directly to Parkchester, Parkchester does not use a minimum income threshold to evaluate your application.”

“If you are an applicant using rental assistance to pay all of your rent directly to Parkchester, Parkchester does not evaluate your credit.”

“Equal Housing Opportunity” or the federal Fair Housing Logo.

“If you think you have been the subject of discrimination, you may contact the New York City Commission on Human Rights, call 212-416-0197, or visit NYC.gov/VouchersPayNYC”

This paragraph 32 applies for a period of 5 years from the Effective Date.

33. To the extent that Parkchester uses voice or audio recordings that can be accessed by Rental Applicants to describe Parkchester’s rental criteria, those voice or audio recordings will contain the text – or text consistent therewith – as set forth in Schedule 2. This paragraph applies for a period of 5 years from the Effective Date.

V. SET-ASIDES

34. As of the date of execution of the Agreement, there are a total of 257 Rental Applicants with Rental Assistance who have moved into Sponsor Units at Parkchester since August 1, 2022. Until there are a total of 593 additional Rental Applicants with Rental Assistance who have moved into Sponsor Units since August 1, 2022, Parkchester agrees that two out of every three Sponsor Units that become available for rent will be selected by Rental Applicants with Rental Assistance while the third apartment will be selected by a Rental Application without Rental Assistance. Once the additional 593 is met, this paragraph 34 shall be rendered a nullity and Parkchester will otherwise continue to comply with the law. For the avoidance of doubt, the foregoing obligation is not a requirement that at least 850 Rental Applicants with Rental Assistance must be living at Parkchester at any one time; it is a requirement that a total of 850 Rental Applicants with Rental Assistance have moved into Sponsor Units since August 1, 2022, whether or not those households move out of or vacate the Sponsor Unit before the 850 threshold is met, as such are still counted towards the 850 threshold.

Further, in the event that for a reason outside of Parkchester's control, a Sponsor Unit cannot be rented to a Rental Applicant with Rental Assistance – for instance, the Sponsor Unit does not pass Housing Quality Standards or similar government inspection, whether due to a violation in that specific Sponsor Unit or elsewhere in the building that contains the Sponsor Unit offered for lease and Parkchester is unable to make required repairs after using best efforts to do so – Parkchester is permitted to rent that Sponsor Unit to an applicant who does not have Rental Assistance without being in violation of this paragraph provided that (i) the same number of Rental Applicants with Rental Assistance who are skipped are then consecutively rented to (i.e., a true-up), and (ii) Parkchester produces documentation reflecting that the Sponsor Unit could not be rented to a Rental Applicant with Rental Assistance, on a quarterly basis pursuant to the production obligation in this paragraph below. Best efforts means Parkchester, in a timely manner, (i) where the violation that caused the Sponsor Unit to fail inspection exists within that specific Sponsor Unit, curing the violation to the extent financially feasible, or (ii) where the violation that caused the Sponsor Unit to fail inspection relates to a violation that exists outside the Sponsor Unit, submitting a written request to the applicable condominium board and/or board's managing agent, to cure the violation at issue – however, best efforts does not require that any efforts be taken by the board and/or managing agent to cure said violation. On October 1, 2024 – and continuing thereafter on a quarterly basis – Parkchester will produce to the Commission the HAP Contracts or rental ledgers for each household with Rental Assistance that moved into a Sponsor Unit within the preceding 3-month period until the 850 threshold is met. This obligation is cumulative of any obligations under Sections VIII and IX of this Exhibit. The first production on October 1, 2024 may include any tenants with Rental Assistance who moved into a Sponsor Unit between August 2022 and execution of this Agreement but who Parkchester

did not already receive credit due to incomplete proof or documentation of that tenant's receipt of Rental Assistance (e.g., HAP contracts signed by the PHA), and upon Parkchester's production of complete documentation, those tenants will count towards the 850 threshold. Within a reasonable time of each of Parkchester's quarterly productions, the Commission and FHJC will send written confirmation to Parkchester as to (i) the number of tenants with Rental Assistance that are to be counted towards the 850 threshold for that quarter, and (ii) the total number of tenants with Rental Assistance who moved into a Sponsor Unit from August 2022 to date. Within a reasonable time of Parkchester meeting the total 850 threshold, the Commission and FHJC will send written confirmation that Parkchester has reached the 850 threshold and that this paragraph 34 is satisfied.

35. Parkchester shall post the Commission's "Fair Housing, It's the Law," or equivalent, poster and the Fair Housing Act poster in Parkchester's main rental office and all offices where applicants have access.

VI. FIRST YEAR FAIR HOUSING TRAINING

36. Within ninety (90) days of the Effective Date, Parkchester's asset manager, employees and agents who are involved in the application process, apartment inspection process for voucher purposes, or recertification process and/or conducting open houses and/or showing apartments to prospective tenants ("Trainees") must attend two trainings, (i) a virtual "Know Your Obligations Training" on the NYCHRL, and (ii) a virtual OR in-person training on the Source of Income ("SOI") provisions of the NYCHRL, provided by the Commission, as follows:

- a. No later than thirty (30) calendar days after the Effective Date, Parkchester will advise the Commission when and where Trainees are doing the trainings.

- b. Trainees must be present for attendance at the start and conclusion of the trainings.
- c. Trainees who arrive later than ten (10) minutes to the training will not be allowed to attend the training and must attend another training approved by the Commission within the period set forth in this section.
- d. Trainees leaving before the end of the trainings will not be counted for purposes of compliance with this section.
- e. Parkchester acknowledges that attending an NYCHRL training provided by the Commission does not protect Parkchester from liability for violations of the NYCHRL separate and apart from those at issue in this matter.
- f. All of Parkchester's newly hired Trainees must complete a Know Your Obligations training and a training on the SOI provisions of the NYCHRL, within thirty (30) days of hire.
- g. In the event that Parkchester elects to have a virtual SOI training conducted by the Commission just for Parkchester, then no later than thirty (30) calendar days after the Effective Date, Parkchester must arrange with the Commission a date and time for the virtual training.

VII. SECOND THROUGH FIFTH YEAR FAIR HOUSING TRAINING

37. Within ninety (90) days of the Effective Date, Parkchester shall provide to the Commission the proposed name and contact information for a trainer and the proposed training materials including an agenda, PowerPoint slides, handout materials, and/or any other materials

to be used by the trainer(s) and/or provided to the Trainees for in-person fair housing training for all Trainees listed in the preceding section.

38. After the Commission approves the trainer and the training materials, Parkchester will provide this training to Trainees on an annual basis, beginning on the first anniversary of the Effective Date and ending on the fifth anniversary of the Effective Date (the “Mandatory Training Period”).

39. Each training shall include information about compliance with the NYCHRL, the New York State Human Rights law and the federal Fair Housing Act, and shall be updated to continue to reflect accurate, contemporary information on these laws.

40. Parkchester will maintain a sign in and sign out sheet for each training, whereby the Trainees will sign in and out for attendance. The sheet will include the date and location of each training, the time each Trainee signed in and out, and each Trainee’s job title.

41. If Parkchester decides to propose an alternative trainer or new materials during the Mandatory Training Period, they shall follow the same process described in this section for approval of the trainer and training program by the Commission.

VIII. RECORD KEEPING

42. Parkchester shall maintain an electronic copy of all advertisements placed by Parkchester or their agents for Sponsor Units for a 12-month period after the date the unit was first listed. This paragraph does not require Parkchester to generate screen-grabs or other copy of third-party website advertisements of Sponsor Units.

43. Parkchester's current document retention policy is to retain application and tenant materials for a period of 6 years ("Record Retention Policy"). Parkchester will continue this Record Retention Policy during the operative period of this Exhibit A.

44. Subject to the Record Retention Policy above, Parkchester shall maintain an electronic system that can generate the following reports for any specified period of time:

- a. Number of Rental Applications, broken down into number of approved and number of denied applications, with the reason for denial and whether the Rental Applicant had Rental Assistance;
- b. Number of Rental Applicants with Rental Assistance on Parkchester's waiting list, at any given time; and
- c. Number of Rental Applicants with Rental Assistance who signed a lease and the date the lease was executed.

45. To the extent they exist, Parkchester shall continue to maintain any digital spreadsheet (such as a Microsoft Excel worksheet) they use to evaluate a Rental Application. The worksheet shall be saved as a printable PDF file and stamped with the time and date it was created.

IX. MONITORING

46. Every six months, for one-year following the Effective Date, Parkchester shall produce to the Commission all applications denied in the previous six-months from Rental Applicants with Rental Assistance. During the first year following the Effective Date,

Parkchester also agrees to produce, within forty-five (45) days of a written request by the Commission, all applications, whether accepted or denied, from Rental Applicants with Rental Assistance, and all of the other information maintained pursuant to Paragraph of Exhibit A.

47. For years two through five following the Effective Date, Parkchester, within forty-five (45) days of a written request by the Commission, will produce to the Commission a report stating whether applicants during the relevant time-period (which will not predate the Effective Date) were accepted or denied, and whether the Rental Applicant executed a lease for an apartment. For denials, Parkchester shall provide the date and reasons for each denial. If the Commission has a concern regarding the information contained in the reports sent by Parkchester, the Commission shall consult with Parkchester, and the parties will work in good faith to achieve a resolution and mutual agreement concerning any additional follow-up documentation requested by the Commission. Upon said agreement, Parkchester shall have forty-five (45) days to produce said documents.

48. For five years following the Effective Date of the Agreement, Parkchester, within forty-five (45) days of a written request by the Commission, will produce to the Commission any and all records and documents maintained pursuant to each section of Exhibit A that are not otherwise covered by paragraphs 45 and 46, above.

49. Parkchester shall notify the Commission no later than thirty (30) days after which they alter any public facing documents that concern criteria used to evaluate Rental Applicants.

[DATE]

[Name of Applicant]

[Address of Applicant]

[Email of Applicant (if available)]

Thank you for submitting an application to lease an apartment at Parkchester.

After a review of your application, we regret to inform you that your application has been denied for the following reason:

[DENIAL REASON]

If you disagree with this determination, you may request a second review of your application.

The process and procedure for the second review is as follows:

1. Within 5 days of receipt of this letter, please contact Stephanie Santiago (ssantiago@ppmgt.nyc)¹ and request a second review of your application.
2. Within 10 business days, Parkchester will respond and identify additional documents or information that you can submit to Parkchester to aid its second review of your application.
3. Within 30 days of our request for more information, you can submit the information to us via email to ssantiago@ppmgt.nyc² or by hard-copy. You may include any other documents or information that may aid Parkchester in its second review of your application. At this time, you may also submit a written explanation of why you believe the denial of your application was originally incorrect. Please note that, as set forth below, if your application was denied due to credit history or credit background, you have the right to request your screening report from the screening company listed below. You may identify items on your credit and background screening report that are either incorrect and/or would benefit from explanation.
4. No later than 10 business days, after we received you additional information, we will advise you of the outcome and determination of the second review of your application.

¹ The relevant contact person is subject to change.

² This contact is subject to change.

Please be advised that we are solely responsible for the decision to decline your application. If this letter says that our final determination was based upon a report furnished by a screening company that company did not make the decision to deny your application.

[INSERT SCREENING COMPANY, ADDRESS, AND TELEPHONE]

This letter is sent to you in compliance with the Fair Credit Reporting Act. You have the right to inspect and receive a copy of your screening report. There is no charge for a copy of your report. In addition to the foregoing second review process, you have the right to dispute the accuracy or completeness of any information contained in any report provided to us. A copy of "A Summary of Your Rights Under the Fair Credit Reporting Act" is included with this letter for your review.

We sincerely thank you for your time and consideration.

Very truly yours,

Schedule 2

Thank you for contacting Parkchester. Please listen to the following choices carefully.

If you are interested in renting an apartment at Parkchester and you have rental assistance that will pay some or all of your rent directly to Parkchester, please press 1.

If you do not have rental assistance, please press 2.

Press 9 to return to the main menu.

Pressed 1

If you have rental assistance that will pay part or all of your rent directly to Parkchester, the following applies to you.

Thank you for considering Parkchester as your future home.

Parkchester does not apply a minimum income requirement if you have rental assistance that pays part or all of your rent directly to Parkchester.

If your rental assistance pays 100% of your rent to Parkchester and you are not individually responsible for any rent, Parkchester does not evaluate your credit history or credit worthiness. Otherwise, you are subject to an evaluation of your credit history and credit worthiness.

Parkchester does perform a criminal background check for all applicants.

To streamline the application process, we exclusively use our online application portal. You can initiate your application by visiting our website at www.parkchesternyc.com and clicking on the Apply Now link.

If you wish to attend our open house or speak with a Renting Associate, please press 1 now.

If you need any additional information or need assistance, please press 1 to speak with one of our Renting Associates.

Please press 9 to return to the main menu.

Pressed 2

Please note that at any time during the following announcement, you may press nine to repeat the information.

Thank you for considering Parkchester as your future home.

Our apartments rent at an extremely affordable rate.

Our minimum annual income requirement for any size apartment is the offered monthly rent times 37.5. Please be advised that rents vary and you can verify the annual minimum income required with one of our Renting Associates.

Our one-bedroom apartments start at an affordable rate of \$1,650 per month.
Our minimum income requirement for a one-bedroom apartment is \$61,875 per year.

To be eligible, all applicants must have a strong credit history and pass a criminal background check.

Additionally, there are other requirements for qualification as we also offer guarantor options. Qualified guarantors annual income must meet two times the minimum income requirements for the size apartment you're interested in applying for.

Qualified guarantors must also have good credit and good rent payment history.

Additional requirements do apply for guarantors. Please ask our Renting Associate for details.

To streamline the application process, we exclusively use our online application portal. You can initiate your application by visiting our website at www.parkchesternyc.com and clicking on the Apply Now link.

If you wish to attend our open house or speak with a Renting Associate, please press 1 now.