Fair Housing Center of Southeast & Mid Michigan

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FOR IMMEDIATE RELEASE

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HUD Complaint Resolved for \$45,000 + Policy Changes Against Multi-State Property Management Company

The Fair Housing Center of Southeast & Mid Michigan (FHC) announces the resolution of a complaint based on familial status discrimination, in violation of the Fair Housing Act, filed against Management Resources Development, Inc. (MRD).

MRD is a property management and construction company with its headquarters in East Lansing, Michigan. MRD owns and/or manages over 9,000 properties, including apartments, in 10 states.

The complaint filed with the U.S. Department of Housing and Urban Development (HUD) alleged that MRD engaged in systemic discrimination against families with children across properties in Michigan and Indiana by enforcing an overly-restrictive occupancy policy of no more than two people per bedroom regardless of a unit's square footage.

Between August 2016 and December 2017, the FHC conducted an investigation of MRD properties in five separate locations throughout Michigan. Through the use of testing, the FHC determined that all five units tested were large enough under state and local law to accommodate more occupants than the "two person per bedroom" rule enforced by MRD agents. In fact, at one of the properties, the master bedroom was 250 square feet, which would itself be legally large enough to house five people, yet MRD enforced the same restrictions. The Fair Housing Center of Central Indiana (FHCCI) also investigated properties and testing evidence revealed the same conclusion: MRD was enforcing overly-restrictive occupancy standards.

In February 2018, a HUD complaint was filed on behalf of the FHC and FHCCI by FHC Counsel Jia Cobb of Relman, Dane & Colfax.

In June 2019, the parties entered into a conciliation agreement in which MRD agreed to pay \$45,000 for both Fair Housing Centers' costs and damages, change their occupancy policy so that it is no more restrictive than the applicable local occupancy code, and train their employees and agents on fair housing laws and responsibilities, along with other terms to ensure compliance with fair housing laws. HUD did not make a determination on the merits of the allegations.

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The Fair Housing Center of Southeast & Mid Michigan, founded in 1992, actively protects the civil rights of those who are discriminated against in the rental, sale, or financing of housing through investigation, education, advocacy, and legal action. The FHC takes an average of 180 complaints each year from its eight-county service area – Clinton, Eaton, Ingham, Jackson, Lenawee, Livingston, Monroe, and Washtenaw.

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