NEW YORK, NY (November 10) – Today, Legal Services NYC announces a new lawsuit filed on behalf of eight tenants against Chestnut Holdings of New York, Inc. and its brokers alleging discrimination on the basis of the tenants’ source of income.

The complaint details how Chestnut Holdings, primarily through the use of its brokers, denied housing to New Yorkers who held housing vouchers, including FHEPS, CityFHEPS, and HRA subsidies, in violation of city and state laws. Brokers told tenants directly that Chestnut Holdings does not take housing vouchers or that they could not view the apartment or that the broker would get back to them. As a result, tenants were refused housing at a time when they needed it the most, suffering humiliation and embarrassment, prolonged stays in the shelter system, continued homelessness or housing insecurity, and emotional distress and other harms. Tenants are seeking an end to the discriminatory practices, monetary damages, and other remedies under the law, including changes to Chestnut Holdings’ policies and training for all agents and brokers.

Read the filed complaint [here](#).

“Mallery Morrison, a plaintiff in the case, said that she was devastated and humiliated by this discrimination. "I couldn’t understand why they wouldn’t take this voucher. People fall on hard times. My husband just lost his job because of a work accident and I had been recently diagnosed with thyroid cancer. We never thought we would be in that position, but a lot of people are. That’s what vouchers are there for. As a mother, there is no greater fear than worrying that you can’t put a roof over your children’s heads. I hope this management company never does this to another family again."

“Harvey Lindo, another plaintiff in the case, said that he wants Chestnut Holdings to pay for what they did to me. "It’s not fair and it’s not right and they shouldn’t be able to get away with it. We shouldn’t be made to feel like second class citizens just because we have housing vouchers. People like me are just trying to find a decent place to live and shouldn’t have to jump through hoops or be ignored because we don’t have the kind of income landlords want. I hope Chestnut learns a lesson here and stops discriminating against people once and for all."

It is illegal under the NYC and NYS Human Rights Laws for landlords, owners, and real estate brokers to refuse to rent to current or prospective tenants seeking to pay for housing with housing assistance vouchers, subsidies, or other forms of public assistance, including Section 8 vouchers, Supplemental Security Income (SSI), HIV/AIDS Services Administration (HASA), CityFHEPS, G.I. Bill Housing Allowances, and Advantage program vouchers, among others.

Plaintiffs in the lawsuit experienced a range of discrimination from brokers and agents from 2018 to present. One broker told a plaintiff with a CityFHEPS voucher, “You wasted my time. I would have told you that this company does not take voucher holders. I have been working with them for thirty (30) years and they do not take voucher holders.” Another broker told a plaintiff with a CityFHEPS voucher that “Honestly, CityFHEPS applications never get through with this building or management company. Too many people without programs applying [and] they choose them always.”

After another client living in a shelter revealed he had a CityFHEPS voucher, the broker told him she would get a call back the same day but never did. The next day, a tester from the NYC Human Rights Commission called the broker inquiring about the same apartments. When the tester said she would be paying with employment-based income, the broker said she would text the necessary documents to bring to a forthcoming appointment and promptly texted her the list. The plaintiff was forced to remain in the shelter for seven more months until he received help from Breaking Ground, a permanent supportive housing provider.

Plaintiffs in the case, some with children, experienced stress and humiliation, economic loss, and fear and worry that they would have nowhere to live. They were forced to stay in shelters, unsafe and hazardous living conditions, or in overcrowded apartments with friends and family. Plaintiffs are represented by Legal Services NYC and are seeking injunctive relief, monetary damages, and other relief available under the NYC and NYS Human Rights Laws, including trainings and policy changes.

“Source of income discrimination is not only unfair, it is illegal in New York,” said Eliza Schafler, an attorney at Legal Services NYC. “This form of discrimination is especially cruel because it targets individuals and families who are already struggling and may be facing homelessness. More often than not, they don’t complain, because they are too desperate for a place to live and must continue their housing search. Fortunately, our clients are able to fight back, and we will not stop fighting for them to hold Chestnut Holdings accountable. We also hope to set an example so that other landlords, management companies, and brokers know they cannot illegally turn people with vouchers away and get away with it.”

###

About Legal Services NYC
Legal Services NYC, the nation’s largest provider of free civil legal services, fights poverty and seeks racial, social, and economic justice for low-income New Yorkers. For over 50 years, LSNYC has challenged systemic injustices that trap people in poverty and helped clients meet basic needs for housing, income and economic security, family and immigration stability, education, and health care. LSNYC has deep roots in all of the communities we serve. Our staff of more than 600 people serve more than 112,000 New Yorkers annually and we continue to provide top-notch free legal help during the COVID-19 pandemic to ensure New Yorkers and their families have access to the services, resources, and protections they need to survive.