

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

FAIR HOUSING JUSTICE CENTER AND [REDACTED]

Index No: _____

Plaintiffs,

-against-

SKYWARD STEEL, LLC,

Defendant.

COMPLAINT

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*Attorneys for Plaintiffs Fair Housing Justice
Center and [REDACTED] [REDACTED]*

Plaintiffs Fair Housing Justice Center (“FHJC”) and [REDACTED] [REDACTED] allege against Defendant Skyward Steel, LLC (“Skyward”) as follows:

INTRODUCTION

1. Plaintiff [REDACTED] [REDACTED] is a New York City resident living in a CHiPS homeless shelter for single mothers taking care of their young children. She formerly resided in a shelter when a number of medical issues forced her from her home. Housing subsidies and vouchers¹ are a critical part of how New York City combats its unprecedented housing crisis and helps city residents like Ms. [REDACTED] afford a place to live and to take care of her baby on the private market.

2. Defendant Skyward Steel LLC (“Skyward”) is the brokerage firm for numerous rental properties across New York City but is systemically refusing to offer housing to voucher recipients. As a result of this unlawful practice, Ms. [REDACTED] was not able to rent an apartment from Skyward even though Skyward had apartments available where Ms. [REDACTED] housing subsidy would have paid 100% of her rent. Many others eligible for affordable housing have also likely been turned away because of Skyward’s unlawful practices.

3. Plaintiff FHJC is a public interest, civil rights organization dedicated to fair housing. In late 2023 and early 2024, FHJC used undercover testers to determine whether Skyward was accepting vouchers. One tester would inquire about the availability of an apartment, posing as a person using vouchers. Then another person would inquire about the same apartment afterward, posing as a housing applicant who did not use vouchers. Over the course of five separate tests on five separate apartments, Skyward consistently discriminated against tester

¹ While some rental assistance programs are styled as vouchers and others are styled as subsidies, the term “voucher” will be used throughout the complaint to encompass all government-sponsored rental assistance programs.

posing as persons using a voucher. Every single time across these tests in different Skyward buildings, Skyward did not return the calls of the voucher recipients, even though the apartments remained unrented. This intentional discrimination mirrored what Plaintiff [REDACTED] experienced when she sought housing from Skyward.

4. Skyward's conduct blatantly violates City and State anti-discrimination laws.

5. Accordingly, Plaintiffs file this action seeking injunctive relief to stop Defendant's illegal housing practices, as well as compensatory and punitive damages, attorneys' fees, and costs.

THE PARTIES

6. Plaintiff [REDACTED] [REDACTED] is a New York City resident currently residing in a homeless shelter provided through the ChiPS program. At all relevant times to this complaint, Ms. [REDACTED] was a resident of Queens County and received a housing voucher through the CityFHEPS rental assistance program that would pay 100% of her rent within the voucher limit.

7. Plaintiff FHJC is a non-profit organization with an office located in Long Island City, New York. FHJC is dedicated to ensuring that all people have equal access to housing opportunities in the New York City region by eliminating housing discrimination and creating open, accessible, and inclusive communities.

8. Among other things, FHJC (a) provides information to the public and other nonprofit organizations in the New York City regional area about fair housing laws including on its website, via presentations, and through housing reports and fact sheets; (b) provides intake counseling to individuals and organizations with allegations of housing discrimination; (c) conducts testing and other investigations of allegations of housing discrimination; (d) makes

legal referrals to cooperating attorneys; and (e) provides post-referral litigation support services.

FHJC provides these services free of charge and without regard to income.

9. FHJC also conducts testing investigations for government law enforcement agencies, provides technical assistance to nonprofit organizations engaging in fair housing enforcement activities, and engages in policy initiatives that further FHJC's mission, including the publication and dissemination of reports and educational materials.

10. FHJC employs individuals as "testers," persons who pose as renters or homebuyers for the purpose of obtaining information about the unvarnished business practices of housing providers, including landlords, real estate companies, agents, and others, to determine whether housing discrimination is taking place.

11. FHJC assigns testers various characteristics and instructs them to inquire about the availability of housing for rent or sale. For example, if FHJC is testing for source of income discrimination, some testers will represent that they receive rental assistance from a voucher or subsidy, while other testers will represent that they draw their income solely from employment. The matched testers are functionally equivalent in all other pertinent respects.

12. Based on its particularized experience and knowledge, FHJC knows that in New York City it is common for landlords to refuse to rent to persons with housing vouchers. This pervasive discriminatory practice against persons with public sources of income makes it extremely difficult for renters with a government housing voucher to find affordable housing, even though the very purpose of the voucher programs is to allow these persons to find housing in the private market.

13. FHJC staff creates and disseminates consumer fact sheets and other information on its website and through social media about source of income laws and protections against

source of income housing discrimination. FHJC staff also make in-person and virtual presentations to educate the public and social service organizations that serve people with housing vouchers about housing discrimination that they or their clients may encounter.

14. If real estate firms, including Defendant Skyward, complied with the requirements of the New York State and City Human Rights Laws that prohibit discrimination against voucher holders, the need for FHJC's education and counseling services would be reduced and FHJC's ability to accomplish its mission of creating open, accessible and inclusive communities would not be thwarted. In other words, Defendant Skyward would not cause FHJC any injury if they followed the law.

15. FHJC has expended staff time and other resources to investigate and remove Skyward's discriminatory rental practices, which has repeatedly diverted resources away from other FHJC activities, including its education and counseling services. FHJC expects to incur future economic costs in the form of staff time and other resources to ensure that Skyward does not continue to violate fair housing laws and to repair the harm caused by Skyward to the community that the FHJC serves.

16. Furthermore, Skyward's discriminatory rental practices frustrate FHJC's mission to ensure that all people have equal access to housing opportunities in the New York City region by, among other things, making apartments unavailable to certain individuals because of their source of income.

17. Defendant Skyward Steel, LLC is a New York City real estate firm with its principal place of business in this County at 136 Madison Avenue, 6th Floor,.

JURISDICTION AND VENUE

18. This Court has jurisdiction over Defendant. Defendant is a resident of the State of New York, transacts businesses in the State of New York, and has committed torts in the State of New York under CPLR §§ 301 & 302.

19. Venue is appropriate in New York County because Defendant is a resident of this County.

FACTS

I. SOURCE OF INCOME DISCRIMINATION IN NEW YORK CITY

20. Housing vouchers and subsidies are a critical tool for low-income New Yorkers to be able to rent on the private market. These programs help to prevent homelessness and to ensure that people with limited income can find housing that is safe and affordable for them and their families to live in one of the most expensive cities in the world.

21. These voucher programs have low-income limits and are granted only to those who would likely be unable to rent on the private market without significant assistance.

22. To ensure that this essential resource is effective, the New York City Council banned source-of-income discrimination in 2008, making it unlawful for a landlord to treat an applicant for housing differently because they would pay their rent with a voucher rather than income solely from employment.

23. As then-City Council Member Bill De Blasio explained, “the real point here was to ensure that we ended any possibility of discrimination against folks who had Section 8 or SSI, Social Security, any type of government income, both because it’s right to stop that discrimination and stop any other discrimination guised in the form of that type of discrimination, and also, most importantly, to make sure that we do everything to help struggling

low-income folks get affordable housing in this very difficult environment.” Hearing on 61-A Before the Comm. on Gen. Welfare, Jan. 30, 2008, at 3:13-3:23.

24. As then Council Member Gale Brewer added, “it’s so hard to find an apartment that is satisfactory income-wise and rent-wise” and the City’s ban on source-of-income discrimination would ensure that persons using vouchers would “have a level playing field in which to try to find housing.” *Id.* at 4:15-19.

25. In 2019, New York State adopted a similar law banning source-of-income discrimination state-wide.

26. In response to the laudable efforts of New York State and City to prohibit discrimination against applicants with housing vouchers, some housing providers like Skyward have resorted to refusing to respond to inquiries from applicants who are using vouchers, and to lying to voucher holders to deter them from applying, in blatant violation of the City and State source-of-income laws.

II. DEFENDANT DISCRIMINATES AGAINST PLAINTIFF [REDACTED]

27. Ms. [REDACTED] lived in a shelter after a number of medical issues, including issues that required consecutive surgeries in April and September of 2023. She received a CityFHEPS housing subsidy in November 2022 to seek housing while she attended to her medical needs.

A. January 23-25, 2023 Discrimination

28. On January 23, 2023, Ms. [REDACTED] sent an inquiry through StreetEasy about an available Skyward apartment located at 618 West 136th Street, New York, NY, 10031, renting for \$2,000. She received an apparently automated response from Lewis Tse, a broker for Defendant Skyward, thanking her for her inquiry and stating, “This landlord is looking for good credit (680+) and roughly 40x the monthly rent in combined yearly income (~\$80k/year) - will this work for you? We also accept guarantors.”

29. That same day, Ms. [REDACTED] responded to Mr. Tse that she had a CityFHEPS subsidy which “would cover her rent in its entirety, and the brokers fee too.” She asked to view the apartment and attached documents regarding her CityFHEPS subsidy.

30. On January 24, 2023, Mr. Tse responded, “What did you think of the apartment? Happy to hear your feedback!” Ms. [REDACTED] responded that no one had shown her the apartment, and asking for the earliest appointment to see the apartment.

31. Not having heard back from Mr. Tse, on January 25, 2023, Ms. [REDACTED] emailed Ms. Tse again stating, “Please be aware that saying you ‘require a minimum credit score for you to qualify,’ even though your voucher would cover 100% of the rent,[’] is income source discrimination & refusing to []show you an apartment because you use government assistance to pay rent, is source of income discrimination and it is against the law.”

32. Neither Mr. Tse nor anyone else from Skyward responded to Ms. [REDACTED] email regarding this apartment.

B. March 26, 2023, Discrimination

33. On March 26, 2023, Ms. [REDACTED] contacted Defendant Skyward through StreetEasy about an apartment listing located at 206 Audubon Avenue, New York, NY 10033.

34. Ms. [REDACTED] received no response to her inquiry.

35. On March 28, 2023, she received an email from Mr. Tse, a salesperson regarding the apartment listing asking, “What did you think of the apartment? Happy to hear your feedback!”

36. On March 28, 2023, Ms. [REDACTED] responded that she could not offer an opinion on the apartment as no one had shown her the apartment, and noted “However, I look forward to seeing how the NYC lawsuits turn out against firms discriminating based on legal source of income.”

37. Neither Mr. Tse nor anyone else from Skyward responded to Ms. [REDACTED] email regarding this apartment.

III. FHJC DOCUMENTS DEFENDANT SKYWARD'S DISCRIMINATORY POLICIES AND PRACTICES

38. Despite clear City and State law barring housing providers, brokers, and agents from discriminating against people who use housing vouchers to pay their rent, such illegal discrimination by housing providers like Defendant remains a widespread problem in New York City.

39. The pervasiveness of this type of discrimination requires FHJC to investigate this discrimination to provide counseling to people who believe their rights have been violated, as well as public-facing training sessions to teach renters, architects, and other groups about their rights and obligations under local fair housing laws.

40. Ongoing source of income discrimination by housing providers and agents like Defendant means that FHJC spends time and resources counseling people, providing information about source of income anti-discrimination laws, receiving discrimination complaints, investigating complaint allegations, including testing, and referring people to cooperating attorneys.

41. Here, FHJC received numerous complaints of possible source-of-income discrimination by Skyward, including from Ms. [REDACTED] and diverted time and resources that FHJC would otherwise have spent on its other activities and work, including counseling renters, conducting community outreach, educating the public about fair housing, in order to investigate.

42. As part of its testing investigation, FHJC staff researched Defendant's licenses and ownership structures; searched for ads posted by Defendant for apartments within Section 8

and CityFHEPS rent program caps; and identified other rental buildings owned by related companies to investigate whether they had similar rental policies and practices.

43. FHJC conducted extensive testing over the course of four months in which a tester posing as a person with income solely from employment and a tester posing as a person with a voucher would contact Defendant Skyward regarding the same apartment. Skyward consistently responded promptly to testers with income solely from employment and ignored testers with vouchers as soon as their use of a voucher was disclosed.

44. FHJC conducted this testing across five different apartments in four different buildings brokered by Defendant in the Harlem neighborhood of Manhattan. Defendant's policy of refusing to verify availability or show apartments to applicants with vouchers was universal across these buildings.

45. Defendant's discriminatory rental practices frustrate FHJC's mission to ensure that all New Yorkers have equal access to housing opportunities, regardless of their source of income and to create open, accessible and inclusive communities.

46. When landlords and real estate agents like Defendant withhold apartments for rent from people with rental assistance, they reduce the supply of affordable housing for low-income individuals and families like Ms. [REDACTED] who are homeless or at risk of homelessness. These types of practices prevent low-income renters from moving to the neighborhoods of their choice and steer them to less desirable rental units.

A. October 30-November 6, 2023 Testing at 558 West 151st Street, Apt. 1S

47. On October 30, 2023, a tester employed by FHJC and posing as an applicant with income solely from employment contacted Skyward via StreetEasy regarding a listing for an available two-bedroom apartment at 558 West 151st Street, New York, NY 10031, renting for \$2,495 per month.

48. Josiah Hyatt, the Principal of Skyward and a broker for Skyward, responded that same day in what appears to be an automated message describing the apartment and stating, “The owner generally looks for income 40x the rent and credit above 680 (the owner will waive their income amount guidelines for prospective tenants with sources of income, including but not limited to, Section 8 vouchers or other government subsidies).”

49. The tester with income solely from employment responded that same day that she would like to view the apartment that week, and Mr. Hyatt’s assistant responded that same day, asking the tester if, among other things, she had read the requirements from management. The tester responded that she had read the requirements.

50. On October 31, 2023, the tester sent a follow up email to Mr. Hyatt’s assistant asking to schedule a viewing of the apartment.

51. Also on October 31, 2023, a tester employed by FHJC and posing as an applicant with a Section 8 voucher contacted Skyward via StreetEasy regarding the same apartment. That same day, the tester received what appears to be the same automated message received by the tester with income solely from employment describing the apartment and stating, “The owner generally looks for income 40x the rent and credit above 680 (the owner will waive their income amount guidelines for prospective tenants with sources of income, including but not limited to, Section 8 vouchers or other government subsidies).” The tester promptly responded that she and her husband would be using a Section 8 voucher for a two-bedroom in the amount of \$2,696 per month, higher than the listed rent of \$2,495 per month. The tester asked to view the apartment.

52. On November 2, 2023, Mr. Hyatt’s assistant responded to the tester with income solely from employment asking whether she was able to see the apartment the following day, November 3, 2023. The tester responded that her husband was available.

53. On November 3, 2023, a male tester acting as the spouse of the tester with income solely from employment toured the apartment. The tester with income solely from employment followed up with Mr. Hyatt's assistant that her husband had viewed the apartment, that they still had a few more apartments they were looking at that weekend, but that they would like an application to apply to rent the apartment.

54. Also on November 3, 2023, the tester with a Section 8 voucher, not having heard back from Mr. Hyatt, emailed him noting that the apartment was still listed on StreetEasy as being available and asking to set up an appointment to view the apartment. Mr. Hyatt never responded to that email.

55. On November 4, 2023, Mr. Hyatt's assistant emailed application instructions to the tester with income solely from employment noting that "In order to qualify, tenants should make a combined income of 40x the rent with credit above 675. If not[,] renters are able to bring on guarantors making 80x the rent with good credit."

56. On November 6, 2023, Mr. Hyatt's assistant emailed the tester with income solely from employment asking if the tester was still interested in the apartment.

57. On November 7, 2023, the tester with income solely from employment emailed Mr. Hyatt's assistant stating that she was no longer interested in the apartment and did not submit an application for the apartment.

58. Mr. Hyatt *never responded* to the tester with a Section 8 voucher, apart from the initial, apparently automated, email.

B. November 28-December 1, 2023 testing at 558 West 151st Street, Apt. 3E

59. On November 28, 2023, a tester employed by FHJC and posing as an applicant with income solely from employment contacted Skyward via StreetEasy regarding a listing for

an available three-bedroom apartment at 558 West 151st Street, New York, NY 10031, renting for \$2,900 per month.

60. Mr. Hyatt, responded that same day in what appears to be an automated message describing the apartment and stating, “The owner generally looks for income 40x the rent and credit above 680 (the owner will waive their income amount guidelines for prospective tenants with sources of income, including but not limited to, Section 8 vouchers or other government subsidies).” The tester responded that her family met the income and credit score requirements and asked to view the apartment on November 30, 2023.

61. That same day, Mr. Hyatt’s assistant responded by email asking whether the tenant with income solely from employment was able to view the walkthrough video of the apartment and whether she met the requirements from management. The tester responded that she met management’s requirements and that while she was able to watch the walkthrough video, she would like to visit the apartment in person on November 30, 2023. Mr. Hyatt’s assistant responded that the tester could view the apartment on the day requested.

62. Also on November 29, 2023, a tester employed by FHJC and posing as an applicant with a CityFHEPS subsidy contacted Skyward via StreetEasy regarding the same apartment. That same day, the tester received what appears to be the same automated message received by the other tester describing the apartment and stating, “The owner generally looks for income 40x the rent and credit above 680 (the owner will waive their income amount guidelines for prospective tenants with sources of income, including but not limited to, Section 8 vouchers or other government subsidies).” The tester responded that she and her husband had an “income of around \$31,000 and our credit is around 624 which I see does not meet your income

requirements, but we do have a CityFHEPS subsidy that would cover up to \$3,385, and will cover 100% of the rent.” The tester asked to view the apartment on December 1, 2023.

63. Having received no response from Mr. Hyatt, the tester emailed again later that afternoon, again asking if she could view the apartment on December 1, 2023.

64. On November 30, 2023, Mr. Hyatt’s assistant emailed the tester with income solely from employment to confirm her appointment to view the apartment later that day, and the tester confirmed the appointment and viewed the apartment at the scheduled time.

65. Also on November 30, 2023, the tester with the CityFHEPS subsidy, having still not heard from Mr. Hyatt, emailed Mr. Hyatt again asking to view the apartment on December 1, 2023. Mr. Hyatt once again did not respond.

66. On December 1, 2023, Mr. Hyatt’s assistant emailed the tester with income solely from employment to inquire whether she was still interested in the apartment, and the tester promptly responded that she was not interested in the apartment.

67. Nevertheless, Mr. Hyatt *never responded* to the tester with a CityFHEPS subsidy, apart from the initial, apparently automated, email.

C. January 23-26, 2024 Testing at 536 West 143rd Street

68. On January 23, 2024, a tester employed by FHJC and posing as an applicant with income solely from employment contacted Skyward via StreetEasy regarding a listing for an available two-bedroom apartment at 536 West 143rd Street, New York, NY 10031, renting for \$2,350 per month.

69. Lewis Tse, a licensed broker for Defendant Skyward, responded that same day in what appears to be an automated message indicating that “There is a one month broker commission in this apartment,” and sending a link to a questionnaire. The questionnaire noted that in order to rent the apartment, the applicant must pay the first month’s rent, a broker’s

commission equal to one month's rent, a security deposit of one month's rent, and a \$20 application fee, and asked, in pertinent part, whether the applicant's income is greater or less than \$94,000 and whether the applicant's credit score is greater or less than 700.

70. That same day, January 23, 2024, the tester with income solely from employment filled out the questionnaire, noting that they made greater than \$94,000 and had a credit score greater than 700. The tester also emailed Mr. Tse that the broker's commission was fine and that she would like to view the apartment on January 26, 2024.

71. On January 24, 2024, Mr. Tse responded to the tester with income solely from employment via email with a link to the same questionnaire that the tester had filled out the day before. The tester responded that they filled out the questionnaire already, asked if Mr. Tse had received it, and asked again for an appointment to see the apartment on January 26, 2024. The tester resubmitted the questionnaire.

72. That same day, Mr. Tse emailed a link for the tester with income solely from employment to make an appointment, and confirmed the appointment with an email via the Calendly system, which also indicated that in order to rent the apartment, the applicant must pay the first month's rent, a broker's commission equal to one month's rent, a security deposit of one month's rent, and a \$20 application fee. Mr. Tse also sent an email that invited the tester to reach out with any questions along with his direct phone number, provided details regarding documentation required for a rental application, and included a link labeled "APPLY HERE."

73. That same day, January 24, 2024, a tester employed by FHJC and posing as an applicant with a Section 8 voucher contacted Skyward via StreetEasy regarding the same apartment, requesting to see the apartment on January 25, 2024. The tester received the same apparently automated message from Mr. Tse, indicating that "There is a one month broker

commission in this apartment,” and sending a link to the same questionnaire that indicated that in order to rent the apartment, the applicant must pay the first month’s rent, a broker’s commission equal to one month’s rent, a security deposit of one month’s rent, and a \$20 application fee, and asked, in pertinent part, whether the applicant’s income is greater or less than \$94,000 and whether the applicant’s credit score is greater or less than 700.

74. That same day, the tester with a Section 8 voucher filled out and submitted the questionnaire, indicating that their income was less than \$94,000, and that their credit score was greater than 700. In the “why are you moving” section, the tester noted, “I just qualified for a 2 bedroom Section 8 voucher up to \$3,027.” That same day, the tester emailed Mr. Tse that she wanted “to let [him] know that even though I make less than \$94,000, I do have a Section 8 voucher that will help subsidize the rent,” and asked for a time to view the apartment. Mr. Tse did not respond. Not having heard from Mr. Tse, the tester emailed again later that day to ask to schedule an appointment for January 25, 2024. Mr. Tse did not respond to that email either.

75. Meanwhile, on January 25, 2024, Mr. Tse emailed the tester with income solely from employment to “follow[] up on your application” and stating that he was “Happy to answer any questions or concerns.”

76. That same day, the tester with a Section 8 voucher emailed Mr. Tse again to ask that if she could not view the apartment that day, could she schedule for another time, noting that “I want to get the process started as soon as possible as I am using a voucher.” Mr. Tse did not respond to her email.

77. On January 26, 2024, the tester with income solely from employment received a Calendly reminder from Mr. Tse reminding her of her appointment to view the apartment. The

tester viewed the apartment later that day but then emailed Mr. Tse by 11:12 a.m. stating that she was not going to apply for the apartment.

78. Also on January 26, 2024, at 11:49 a.m. (i.e. just 37 minutes after the tester with income solely from employment turned down the opportunity to apply for the apartment), the tester with a Section 8 voucher emailed Mr. Tse yet again asking whether the apartment was still available and stating that she would like to see the apartment. As with every other email from the tester with a voucher, Mr. Tse *never responded* to this email.

D. February 21-23, 2024 Testing at 210 West 133rd Street

79. On February 21, 2024, a tester employed by FHJC and posing as an applicant with income solely from employment contacted Skyward via StreetEasy regarding a listing for an available two-bedroom apartment at 210 West 133rd Street, New York, NY 10030, renting for \$2,350 per month.

80. Mr. Tse responded that same day in what appears to be an automated message indicating that “There is a one month broker commission in this apartment,” and sending a link to a questionnaire. The questionnaire noted that in order to rent the apartment, the applicant must pay the first month’s rent, a broker’s commission equal to one month’s rent, a security deposit of one month’s rent, and a \$20 application fee, and asked, in pertinent part, whether the applicant’s income is greater or less than \$94,000 and whether the applicant’s credit score is greater or less than 700.

81. That same day, February 21, 2024, the tester with income solely from employment filled out the questionnaire, noting that they made greater than \$94,000 and had a credit score greater than 700. The tester soon received a Calendly email invitation to view the apartment on February 22, 2024. Minutes thereafter, Mr. Tse sent an email that invited the tester to reach out with any questions or concerns along with his direct phone number, provided details

regarding documentation required for a rental application, and included a link labeled “APPLY HERE.”

82. That same day, Feb. 21, 2024, a tester employed by FHJC and posing as an applicant with a CityFHEPS subsidy contacted Skyward via StreetEasy regarding the same apartment, requesting to see the apartment on February 22, 2024. The tester received the same apparently automated message from Mr. Tse indicating that “There is a one month broker commission in this apartment,” and sending a link to the same questionnaire that notes that in order to rent the apartment, the applicant must pay the first month’s rent, a broker’s commission equal to one month’s rent, a security deposit of one month’s rent, and a \$20 application fee, and asks, in pertinent part, whether the applicant’s income is greater or less than \$94,000 and whether the applicant’s credit score is greater or less than 700.

83. That same day, the tester with a CityFHEPS subsidy filled out and submitted the questionnaire, indicating that their income was less than \$94,000, but that their credit score was greater than 700. In the “why are you moving” section, the tester noted that she was currently in a shelter but had a CityFHEPS that will cover the rent.

84. That same day, the tester with a CityFHEPS subsidy emailed Mr. Tse noting that she had filled out the questionnaire, but that she “responded ‘No’ to the guarantor question because I didn’t know if my CityFHEPS was a guarantor. I will be using a CityFHeps subsidy that will cover 100% of the rent up to \$3027 per month.” The tester with a CityFHEPS subsidy inquired whether she could schedule an appointment to view the apartment.

85. On the night of February 21, 2024, the tester with income solely from employment received an email from Mr. Tse via Calendly that there was an approved application for the apartment, and asking the tester to “Please email what you’re looking for, your move-in

date, max budget, and areas of interest to lewis@moveskyward.com and I will send you other listings.” Two minutes later, the tester received an email from Mr. Tse’s email address stating that he had followed up with management and found out that the apartment had an approved application, and again asking the tester to “Please email what you’re looking for, your move-in date, max budget, and areas of interest to lewis@moveskyward.com and I will send you other listings.”

86. On February 22, 2024, the tester with income solely from employment responded to Mr. Tse’s email offering to find a suitable apartment still on the market, asking about an apartment located at 150 West 140th Street and asking if it would be possible to view the apartment that evening. Within twenty minutes, Mr. Tse sent the tester a Calendly invite to schedule an appointment to view that apartment.

87. Also on February 22, 2024, not having heard from Mr. Tse about the apartment, and after noticing herself that the apartment was no longer listed, the tester with a CityFHEPS subsidy emailed Mr. Tse that she “saw this unit was taken off the market. I am in need of housing. Do you have other listings within my voucher limits of \$3027 per month?”

88. Mr. Tse once again *never responded* to the tester with a CityFHEPS voucher.

E. February 22-23, 2024 Testing at 150 West 140th Street

89. On February 22, 2024, the same tester employed by FHJC and posing as an applicant with income solely from employment described in ¶¶ 79-88 scheduled an appointment via a Calendly invitation sent to her by salesperson Mr. Tse to view an available two-bedroom apartment at 150 West 140th Street, New York, NY 10030, renting for \$2,350 per month. As set forth above, this tester had been scheduled to view a different apartment in a building brokered by Skyward and that was listed by Mr. Tse (210 West 133rd Street, New York, NY 10030), but that apartment was taken off the market. ¶ 85. As also described above, Mr. Tse proactively

reached out to the tester with income solely from employment to see if there were other apartments in Skyward's inventory that would meet her needs. ¶¶ 85-86. The tester with income solely from employment scheduled this appointment for February 22, 2024.

90. Within four minutes of scheduling an appointment with Mr. Tse through Calendly to view the apartment, the tester received an email confirmation of her appointment to view the apartment later that day. Shortly thereafter, the tester also received a Calendly email invitation to view the apartment at the requested time. The Calendly email also indicated that in order to rent the apartment, the applicant must pay the first month's rent, a broker's commission equal to one month's rent, a security deposit of one month's rent, and a \$20 application fee. Mr. Tse also sent an email that invited the tester to reach out with any questions or concerns, included his direct phone number, provided details regarding the documentation required for a rental application, and included a link labeled "APPLY HERE."

91. That same day, the tester received an email reminder from Mr. Tse through Calendly regarding her appointment to view the apartment the same day. After viewing the apartment, the tester received an email via Calendly thanking her for viewing the apartment.

92. Also on February 22, 2024, a tester employed by FHJC and posing as an applicant with a Section 8 voucher contacted Skyward via StreetEasy regarding the same apartment, requesting to see the apartment on February 23, 2024. The tester received the apparently automated message from Mr. Tse, indicating that "There is a one month broker commission in this apartment," and sending a link to the same questionnaire that notes that in order to rent the apartment, the applicant must pay the first month's rent, a broker's commission equal to one month's rent, a security deposit of one month's rent, and a \$20 application fee, and asks, in

pertinent part, whether the applicant's income is greater or less than \$94,000 and whether the applicant's credit score is greater or less than 700.

93. That same day, the tester with a Section 8 voucher filled out and submitted the questionnaire, indicating that their income was less than \$94,000, but that their credit score was greater than 700. In the "why are you moving" section, the tester noted that she "just qualified for a 2 bedroom using a Section 8 voucher."

94. That same day, the tester with a Section 8 voucher emailed Mr. Tse noting that she had filled out the questionnaire, would like to see the apartment, and asked to schedule an appointment to see the apartment. She stated that she "will be using a Section 8 voucher for the guarantor and wanted to make sure I filled out Calendly correctly."

95. On February 23, 2024, Mr. Tse emailed the tester with income solely from employment "following up on your application" and stating, "Happy to answer any questions or concerns." The tester replied shortly thereafter that she would not be applying for the apartment. At 9:19 a.m., Mr. Tse responded to the tester thanking her for letting him know she was not interested in the apartment.

96. Mr. Tse *never responded* to the tester with a Section 8 voucher.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

New York City Human Rights Law, N.Y.C. Admin. Code § 8-107(5)(a) Source of Income Discrimination

97. Plaintiffs restate and incorporate by reference the preceding paragraphs above as if fully set forth herein.

98. Defendant Skyward is the agent of the owners of housing accommodations and/or has the right to approve the rental of housing accommodations located in New York City

as defined by Section 8-102(10) of the New York City Administrative Code to include “any building . . . which is used or occupied . . . as the home, residence or sleeping place of one or more human beings.”

99. Section 8-107(5)(a) of the New York City Administrative Code provides that it shall be “an unlawful discriminatory practice for the owner, lessor, lessee, sublessee, assignees, or managing agent of, or other person having the right to sell, rent or lease or approve the sale, rental or lease of a housing accommodation . . . (1) To refuse to sell, rent, lease, approve the sale, rental or lease or otherwise deny to or withhold from any such person or group of persons such a housing accommodation or interest therein . . . because of . . . source of income of such person or persons.”

100. Defendant violated Section 8-1705(5)(a) by discriminating against Plaintiffs in the rental of housing accommodations in the manner set forth above, by denying apartments to a group of persons based on source of income.

101. Defendant’s conduct was willful, intentional, and in reckless disregard for the Plaintiff’s rights.

102. All Plaintiffs are “aggrieved persons,” as defined in the New York City Administrative Code, § 8-502(a), and have suffered damages as a direct and proximate result of Defendant’s discriminatory conduct.

103. Accordingly, under New York City Administrative Code §§ 8-502(a) and (g), Plaintiffs are entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys’ fees and costs.

SECOND CAUSE OF ACTION
New York City Human Rights Law, N.Y.C. Admin. Code § 8-107(5)(c)
Source of Income Discrimination

104. Plaintiffs restate and incorporate by reference the preceding paragraphs above as if fully set forth herein.

105. All the real estate brokers set forth above—Mr. Hyatt and Mr. Tse—are “Real Estate Brokers” within the meaning of the New York City Human Rights Law.

106. At all relevant times, these Real Estate Brokers were acting as employees and agents of Defendant Skyward.

107. Section 8-107(5)(c)(1) of the New York City Administrative Code provides that it shall be an “unlawful discriminatory practice for any real estate broker, real estate salesperson or employee or agent thereof . . . To refuse to sell, rent or lease any housing accommodation, land or commercial space or an interest therein to any person or group of persons or to refuse to negotiate for the sale, rental or lease, of any housing accommodation, land, or commercial space or an interest therein to any person . . . because of any lawful source of income of such person or persons.”

108. Defendant Skyward violated Section 8-107(5)(c)(1) by discriminating against Plaintiffs in the rental of housing accommodations in the manner set forth above, by denying and withholding apartments to a group of persons based on source of income.

109. Defendant Skyward’s conduct was willful, intentional, and in reckless disregard for the Plaintiffs’ rights.

110. All Plaintiffs are “aggrieved persons,” as defined in the New York City Administrative Code, § 8-502(h), and have suffered damages as a direct and proximate result of Defendant’s discriminatory conduct.

111. Accordingly, under New York City Administrative Code §§ 8-502(a) and (g), Plaintiffs are entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

THIRD CAUSE OF ACTION
New York State Human Rights Law, N.Y. Exec. Law § 296(5)
Source of Income Discrimination

112. Plaintiffs restate and incorporate by reference the preceding paragraphs above as if fully set forth herein.

113. Defendant Skyward is an agent of the owners of housing accommodations and/or has the right to approve the rental of housing accommodations located in New York State as defined by Section 292(10) of the New York Executive Law, Article 15 include "any building ... to be used or occupied, as the home, residence or sleeping place of one or more human beings."

114. Section 296(5) of the New York Executive Law, Article 15 provides that it shall be "an unlawful discriminatory practice for the owner, lessee, sub-lessee, assignee, or managing agent of, or other person having the right to sell, rent or lease a housing accommodation, constructed or to be constructed, or any agent or employee thereof (1) To refuse to sell, rent, lease or otherwise to deny to or withhold from any person or group of persons such a housing accommodation because of the . . . lawful source of income . . . of such person or persons, or to represent that any housing accommodation or land is not available for inspection, sale, rental or lease when in fact it is so available."

115. Defendant Skyward violated Section 296(5) of the Executive Law, Article 15 by discriminating against Plaintiffs in the rental of housing accommodations in the manner set forth above, by denying and withholding apartments to a group of persons based on source of income.

116. Defendant Skyward's conduct was willful, intentional, and in reckless disregard for the Plaintiffs' rights.

117. All Plaintiffs are "persons," as defined in the New York State Executive Law, Article 15, Section 292(1), and have suffered damages as a direct and proximate result of Defendant's discriminatory conduct.

118. Accordingly, under New York State Executive Law, Article 15, Section 297 Plaintiffs are entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

FOURTH CAUSE OF ACTION
New York State Human Rights Law, N.Y. Exec. Law § 296(5)
Source of Income Discrimination

119. Plaintiffs restate and incorporate by reference the preceding paragraphs above as if fully set forth herein.

120. All the real estate brokers set forth above—Mr. Hyatt and Mr. Tse, are "Real Estate Brokers" under Section 292(14) of the New York Executive Law, Article 15.

121. At all relevant times, these Real Estate Brokers were acting as employees and agents of Defendant Skyward.

122. Section 296(5)(c) of the New York Executive Law, Article 15 provides that "It shall be an unlawful discriminatory practice for any real estate broker, real estate salesperson or employee or agent thereof: (1) To refuse to sell, rent or lease any housing accommodation, land or commercial space to any person or group of persons or to refuse to negotiate for the sale, rental or lease, of any housing accommodation, land or commercial space to any person or group of persons because of the . . . lawful source of income . . . of such person or persons."

123. Defendant Skyward violated Section 296(5)(c) by discriminating against Plaintiffs in the rental of housing accommodations in the manner set forth above, by refusing to rent to a group of persons based on source of income.

124. Defendant Skyward's conduct was willful, intentional, and in reckless disregard for the Plaintiffs' rights.

125. All Plaintiffs are "persons," as defined in the New York State Executive Law, Article 15, Section 292(1), and have suffered damages as a direct and proximate result of Defendant's discriminatory conduct.

126. Accordingly, under New York State Executive Law, Article 15, Section 297 Plaintiffs are entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

127. Plaintiff has caused to be served a copy of this complaint upon the City Commission on Human Rights and Corporation Counsel, pursuant to Administrative Code § 8-502(c).

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that the Court issue the following relief:

- (a) Declare that Defendant's discriminatory practices violate the New York City and State Human Rights Laws;
- (b) Enjoin Defendant and its agents, employees, and successors, and all other persons in active concert or participation from denying or withholding housing, or otherwise making housing unavailable on the basis of lawful source of income or discriminating any person in the terms, conditions, or privileges of rental of a dwelling because of their lawful source of income.

(c) Enjoin Defendant and its agents, employees, successors, and all other persons in active concert or participation to:

- i. Make all necessary modifications to their policies, practices, and procedures to comply with the New York State and City Human Rights Laws;
- ii. Develop written procedures on rental process and fair housing policy to be distributed to all staff, tenants, and rental applicants;
- iii. Train all current and future management, agents, and employees on fair housing laws;
- iv. Display an Equal Opportunity logo (or statement to that effect) on all rental advertisements and display U.S. Department of Housing and Urban Development, state, and local fair housing posters in all rental offices;
- v. Notify New York City organizations assisting renters utilizing housing vouchers and subsidies to find housing, that Defendant Skyward has adopted non-discriminatory rental policies;
- vi. Allow monitoring by FHJC of their advertising, listings, showing of apartments, application process, and rental decisions for multiple years;
- vii. Retain records to allow for appropriate monitoring; and
- viii. Establish a system so that their employees and agents can be tested for unlawful discriminatory practices for multiple years;

(d) Award such damages to Plaintiff [REDACTED] as will fully compensate her for any loss of rights as well as for the humiliation, embarrassment, emotional distress, and lost housing opportunities suffered due to Defendant's discriminatory conduct.

(e) Award such damages to Plaintiff FHJC as will fully compensate it for injuries caused

by Defendant's unlawful practices, including diversion of resources and frustration of mission;

(f) Award punitive damages to Plaintiffs;

(g) Award Plaintiffs reasonable attorneys' fees, costs, and expenses incurred in prosecuting this action; and

(h) Grant Plaintiffs such other and further relief as may be just and proper.

Dated: November 24, 2025

Respectfully Submitted,

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* Pro Hac Vice forthcoming

*Attorneys for Plaintiffs Fair Housing Justice
Center and [REDACTED] [REDACTED]*