

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF NEW YORK
CIVIL ACTION NO. 73 C 1529

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UNITED STATES OF AMERICA

Plaintiff,

v.

FRED C. TRUMP, DONALD TRUMP
and TRUMP MANAGEMENT INC.,

Defendants.

MEMORANDUM OF THE UNITED STATES IN RESPONSE
TO THE AFFIDAVITS OF DONALD TRUMP AND ROY COHN

HENRY A. BRACHTL
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Ostensibly in support of their pending motions, defendants have filed the affidavits of Donald Trump, a named defendant, and Roy Cohn, their attorney. The only matters before the Court, based on the pleadings hereinbefore filed, are defendants' motions to dismiss the action and for a more definite statement and plaintiff's motion to dismiss the counterclaim. Since such motions are all

addressed exclusively to the pleadings, and require no factual elaboration, and since there is no suggestion in defendants' papers that they seek summary judgment, the affidavits serve no purpose germane to any issue before the Court. The counterclaim seeks the nice round sum of \$100,000,000 in damages, and since defendants announced its filing at a press conference at a major hotel, the inference is reasonable if not compelling that the purpose of the filing of the affidavits was extrajudicial. Since these affidavits accuse the United States and its counsel of misconduct, we think it appropriate, in spite of their irrelevancy to the issues directly before the Court, to file at least a brief response. */

I. Alleged Baselessness of the Complaint

In an affidavit characterized by what must be remarkable powers of extrasensory perception, which enable the affiant to read the mind both of the Court and of opposing counsel, Mr. Cohn has stated under oath, among other things, that:

*/ There being no specific matter before the Court for which affidavits would be appropriate, we have not responded by affidavit. Most of the facts discussed herein are based on the pleadings and associated papers previously on file. The remaining facts - primarily those dealing with the press release and with notice of the suit to defendants - are true to the best of the knowledge of the undersigned counsel for the United States, and, so far as we know, undisputed.

1. "It appears certain that [the Government] will be entitled to no relief."

2. "The Government has no facts to support the charges. If they [sic] did, they would be stated in the complaint. This action was brought to coerce the defendants into making a settlement and nothing more."

3. The United States is "merely fishing for facts upon which it can base its case. These facts do not exist and the Government knows they do not exist." (emphasis added)

Mr. Cohn has thus sworn not only that the complaint is baseless, but that he is personally familiar with opposing counsel's malicious state of mind. He claims to know with sufficient certainty to swear to it that counsel for the United States deliberately violated the provisions of Rule 11 of the Federal Rules of Procedure, which forbids counsel from signing a pleading which he knows to be false.

The sole stated basis for Mr. Cohn's certitude that the allegations in the complaint were fabricated by counsel for the United States is that plaintiff did not plead evidence in the complaint, and subsequently propounded interrogatories to defendants. Even the most superficial inquiry would have disclosed to the affiant that evidentiary facts need not and should not be pleaded in a complaint of this nature */, and that all parties - including plaintiffs - may

*/ See the unanimous line of decisions collected at pages 5-6 and 12-13 of our brief in opposition to the motions to dismiss and for a more definite statement.

conduct discovery after filing an action of this kind. Any responsible litigant conducts discovery, and there is no basis in reason or authority to suggest that a party's propounding of interrogatories to his adversary implies that its case is in any respect infirm. */ Simple interrogatories addressed to plaintiff, which defendants still have not propounded, would have disclosed to the affiant that the United States has evidence of recent acts of discrimination at a substantial number **/ of different Trump complexes together with substantial additional evidence of discrimination provided by the Commission on Human Rights of the City of New York and by other persons and organizations with knowledge of pertinent facts. Accordingly, it is apparent that facts directly contrary to counsel's affidavit were readily ascertainable by the affiant but not ascertained by him prior to filing the affidavit. ***/

*/ See, e.g. United States v. Procter & Gamble, 356 U.S. 677, 682-83 (1958), in which the Supreme Court described how discovery makes a trial "less of a game of blind man's buff and more a fair contest."

**/ This number has since been increased by further investigation and may well rise further as discovery proceeds.

***/ The very newspaper clippings which counsel attached to his affidavit disclose that the City Commission and the Urban League provided information to the United States, but counsel's affidavits disclose no inquiry with these organizations. There has likewise been no suggestion of an exchange of informal discovery, which would then have been forthcoming, and could have provided defendants with information contrary to the content of Mr. Cohn's affidavit.

II. Alleged Coercion of Defendants to Settle

Mr. Cohn's affidavit accuses the Government of attempting to bring "unlawful and undue pressure upon the defendants to settle this case" by "immediately approaching the defendants to quickly terminate the litigation by entering into a Consent Decree dictated by the Civil Rights Division." The allegation of pressure, due or undue, lawful or unlawful, is completely false.

A copy of a letter from counsel to plaintiff responding to an inquiry by counsel for defendants regarding a possible consent decree is attached hereto.^{*/} The letter, to which defendants never responded, recites that it was sent following a communication by counsel for defendants to Mr. James D. Porter, Jr., Chief of the Civil Division of the United States Attorney's office. On its face, the letter proposed relief customary in suits under 42 U.S.C. 3613, and makes it unmistakably clear that no ultimatum was intended. It relates that "alternative steps" to accomplish the same result [equal housing opportunity] may be given appropriate consideration. It states that counsel for plaintiff is ready to meet and negotiate with counsel for defendants. It explicitly invites counterproposals. The letter also makes it clear that plaintiff does not want negotiations

^{*/} See Ex. 1.

to delay the litigation, */ but seeks to achieve equal housing opportunity promptly one way or the other. This is still plaintiff's position, and it is consistent with the Attorney General's responsibilities under 42 U.S.C. 3613.

III. "Capitulation to the Welfare Department"

At page 3 of his affidavit Mr. Cohn swears that the real purpose of this suit is a press release "announcing the capitulation of the defendants and the substitution of the Welfare Department for the management corporation." In the New York Post of December 12, 1973, Mr. Donald Trump is quoted as claiming that plaintiff is trying to force defendants to rent to welfare recipients ". . . who do not otherwise qualify for our apartments in our buildings." These statements suggest that it has been the policy of the United States to seek to require landlords, including the Trumps, to waive their general rental criteria for persons who are on welfare. This is not true, and the falsity of the allegation is apparent from the face of pertinent documents, especially the amended consent decree in United States v. Life Realty Inc., Civil Action No. 70 C 964, copy attached hereto.**/

*/ Or, for that matter, dilatory motions addressed to pleadings, where the facts sought to be elicited by such motions can so easily be secured through interrogatories.

**/ See Ex. 2.

No proposal has ever been communicated by plaintiff to defendants at all about welfare recipients. The only possible basis for defendants' accusations about this is the consent decree negotiated with Life Realty Co., which was given to defendants at the request of Mr. Abraham Lindenbaum, who was then acting as their counsel and asked the United States Attorney's office to provide him with a copy. In fact, the letter from counsel to plaintiff to present counsel for defendants' dated November 7, 1973 responding to defendants' expressed interest in a consent decree, contains no mention of welfare recipients at all. */

The consent decree in Life Realty Co.--even if it had been proposed to defendants as a model for this case, which it was not - does not require the Life Realty Co. to rent to persons on welfare who fail to meet the landlord's standard rental qualifications. On the contrary, the decree requires defendants to rent to all applicants

*/ A copy of this letter is attached hereto. Mr. Cohn is therefore in the curious position of having sworn , in effect,

1. that the United States has brought this suit to put unqualified welfare recipients into Trump buildings; and yet
2. that it has sought to bludgeon the defendants into signing a consent decree which makes no mention of welfare recipients.

equally, regardless of the source of an applicant's funds, */ on the basis of the rental standards previously negotiated by the parties and approved by the Court. In fact, a black woman who is also a welfare recipient brought suit against the United States and its officers, as well as against Life Realty Co., et al., alleging that the consent decree discriminated against persons on welfare. The Court found no basis for the suit against the United States. Boyd v. United States, 345 F. Supp. 790 (E.D. N.Y. 1972). Accordingly, the attribution of this malign purpose to the United States is not only inconsistent with the other evil deeds which Mr. Cohn has ascribed to us, but also lacks any support whatever in the record of this case or of any other case.

*/ If they were unable or unwilling to read the Life Realty decree before filing their affidavits, Mr. Trump and Mr. Cohn could have contacted the voluble Mr. Samuel Lefrak of Life Realty. Mr. Lefrak is quoted in the New York Times of December 13, 1973 as expressly denying that the consent decree in Life Realty requires him to rent to persons on welfare who do not meet the other objective rental standards. Mr. Lefrak's explanation in the New York Times conforms to the provisions of the consent decree.

IV. Notice to Defendants

The affidavit of Donald Trump alleges that he was "shocked" to hear that this suit had been brought, because he had not received any "formal communication whatever" about the subject matter of this action, and because "the first I head about it was on my car radio the morning of the 15th," the date the complaint was filed. Mr. Trump's words are carefully chosen to make it appear that the suit was a complete surprise based on no investigation, and that news of it was released to the press without defendants being notified. That is quite different from what in fact occurred.

First, we note that, unlike defendants, the United States held no press conference in which the "real motivations" of their adversaries were discussed, intuitively or otherwise. A simple press release, a copy of which is attached^{*/}, and which states no facts about the Trumps which are not in the Complaint, was released to the press shortly after the Complaint was filed and had become a matter of public record. The case was certainly one of general public interest, and it is both the right and the responsibility of the Public Information Office of the Department of Justice to disclose matters of public record to the press. Equal housing opportunity would provide little practical benefit to anybody if steps to assure it were taken secretly, so that prospective beneficiaries could never learn of them.

^{*/} See Ex. 3.

Even if defendants' allegations that news of the suit was released to the media before the defendants were notified were true, this would not have been unlawful. Unlike some other civil rights statutes, */ 42 U.S.C. 3613 does not require pre-suit notice to or negotiations with prospective defendants. See United States v. Luebke 345 F. Supp. 179 (D. Colo. 1972). Even though no such notice is required, however, it is the general practice of the Civil Rights Division to notify defendants of suits, as a matter of courtesy, before the media report them, and this procedure was followed in the present case. The defendants have seriously distorted the events which occurred when suit was filed by omitting critical facts from their affidavits.

This suit was filed shortly after 10:00 A.M. on October 15, 1973. Shortly thereafter, Departmental Attorney Judith Wolf telephoned both Mr. Durban of Durban and Tosti, attorneys and statutory agents for the defendants, and defendant Donald Trump and advised each that the suit had been filed. This was accomplished no later than 10:30 A.M., well in advance of any dissemination of the news by the media, for the press release was not issued until after the case was filed. Mr. Trump expressed no awareness of the suit when Ms. Wolf spoke to him.

*/E.g. 42 U.S.C. 2000c-(6) (school desegregation); 42 U.S.C. 2000e-5(a) (employment discrimination suits by private parties).

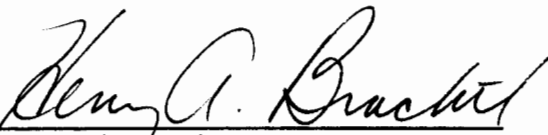
Mr. Trump's affidavit fails to mention Ms. Wolf's telephone call at all, except by the artful use of the phrase "no formal communication" in denying notice of the suit. By claiming that no "formal" communication was received, Mr. Trump implicitly admits - as he must - that he received what he chooses to characterize as "informal" notice by means of Ms. Wolf telephone call. We submit that the presentation of this incident by affidavit without any mention of an event which completely changed the character of the transaction has the foreseeable effect of misleading anyone who reads it.

CONCLUSION

Were it not for the extraordinary intimations of impropriety in the affidavits submitted by defendants, we would not have burdened the Court with material which is so remote from the merits of the motions now before the Court. We believe, however, that the foregoing discussion conclusively establishes the propriety of the conduct of counsel for the United States and the baselessness of the sworn changes submitted on behalf of defendants. The existence of substantial basis for the suit will be demonstrated beyond peradventure if defendants ever get around to a serious effort to elicit the facts by discovery.

If the entire controversy has any relevance to the issues in this case, it is to establish that defendants and their counsel made serious but baseless allegations, the insubstantiality of which could easily have been discovered by them.

Respectfully submitted,


HENRY A. BRACHTEL

Assistant United States
Attorney
Brooklyn, New York


FRANK E. SCHWELB

Chief, Housing Section
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ELYSE S. GOLDWEBER

Attorney, Housing Section
Civil Rights Division
Department of Justice
Washington, D.C. 20530

EXHIBIT 1

T. 11-7-73

NOV 7 1973

JSP:FES:ESG:cmk
DJ 175-52-28

Mr. Michael Rosen
Saxe, Bacon, Bollan and Manley
39 East 68th Street
New York City, New York 10021

Re: United States v. Fred C. Trump, Donald Trump
and Trump Management Inc. C.A. No. 73 C 1529

Dear Mr. Rosen:

I am writing to you in response to information that Jim Porter has conveyed to me indicating that your clients might be interested in negotiating a Consent Decree with the United States in the above-mentioned lawsuit. This Department, while certainly not desiring to delay the litigative process is at the same time amenable to affording the defendants the opportunity to enter into a Consent Decree. If a Consent Decree could be negotiated, the question whether there have been violations in the past need not be resolved, and any such decree would ordinarily be entered without adjudication of the merits.

The specifics of a Consent Decree, of course, depend on the specifics of each case, and if your clients are interested in negotiating a Decree, it will be necessary for us to obtain further information in order to formulate the details of appropriate relief. However, on the basis of the information we have as a result of our investigation

prior to the filing of the complaint in this action, we believe the Decree should prohibit all discriminatory practices and should include, at a minimum, provisions such as those described below. Let me stress that these provisions are not necessarily exhaustive, and that alternative steps to accomplish the same result may be given appropriate consideration:

1. Instructing all employees in detail as to their responsibilities under the civil rights laws and under the Consent Decree;
2. Including in all advertising, leases, brochures and other materials relating to renting of apartments, an appropriate fair housing statement, such as the slogan and logotype approved by HUD;
3. Taking appropriate steps to acquaint blacks and Puerto Ricans with their opportunity to live at Trump buildings. This might be accomplished by advertising on a periodic basis in media which primarily serve the non-white community the availability of apartments in all geographical areas, and by sending vacancy reports on a periodic basis to local groups which assist black and Puerto Rican persons in obtaining housing;
4. Devising and implementing an affirmative action program for the recruitment and hiring of black and Puerto Rican superintendents and renting agents;
5. Devising and implementing objective and uniform rental standards, and procedures;
6. Placing victims of unlawful discriminatory practices, as far as possible, in their rightful place including financial compensation as appropriate;
7. Periodically sending to the court and to this Department reports on the implementation of the Consent Decree, so that the effectiveness of the steps taken may be evaluated. Maintenance of appropriate records with

racial identification would be necessary to enable us to make an appropriate evaluation of the adequacy the affirmative action program.

It would also be necessary, during the discussion of a Consent Decree, for our representatives to inspect appropriate company records and obtain certain information pertinent to relief.

We will, of course, be happy to meet with you and your clients to discuss the terms of a Consent Decree consistent with the principles set forth herein, as well as any counterproposals which you may have. Please feel free to contact me at (202) 739-4132 if you have any questions concerning the matters set forth in this letter.

Sincerely,

J. STANLEY POTTINGER
Assistant Attorney General
Civil Rights Division

By:
ELYSE S. GOLDWEBER
Attorney
Housing Section

cc: Mr. Jim Porter
Assistant United States Attorney

EXHIBIT 2

RAM:pro
F. 700827

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- X

UNITED STATES OF AMERICA

Plaintiff

-against-

LIFE REALTY, INC., et al.

Defendants

CONSENT ORDER

Civil Action
No. 70 C 964

----- X

I. The Apartment Leasing Corporation of America (Leasing), which manages all the buildings which are listed on Attachment "A" hereto, submits to the jurisdiction of this Court, and warrants to the Court that it has the power and authority to carry out the provisions of those paragraphs of this Order directed to it, subject to liability for contempt for failure to carry out such provisions. Said Leasing consents to be a party-defendant to this action, without amendment of the complaint. Accordingly, IT IS SO ORDERED.

II. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the complaint against the following individuals: Samuel J. Lefrak, Anthony Cuccia and Rheba Gelman, is dismissed against them in their personal capacities, with prejudice as to the allegations with respect to the buildings set forth in Attachment "A" hereto, predating this Order.

III. IT IS FURTHER ORDERED, that Life Realty, Inc., Leasing, their agents, employees, successors^{1/}, and all

1/ For the purpose of this order the term "successors" shall be defined as follows: The successors of Life Realty, Inc. include any person or group of persons who in the future may act as rental agent for any of the buildings in Brooklyn rented by Life Realty, Inc. at the time this decree is entered, unless the ownership of any such building shall be changed in a bona fide arms' length transaction.

Further, for the purpose of this Order the successors of Apartment Leasing Corporation of America shall include any person or group of persons who in the future may act as managing agent for the buildings in Brooklyn listed on Attachment "A" hereto, unless both the ownership and management of any such building in Attachment "A" shall be changed in a bona fide arms' length transaction. The defendants will notify the plaintiff at least thirty (30) days prior to any projected transfer of title.

those in active concert or participation with any of them^{2/}, are permanently enjoined with regard to the buildings in Brooklyn named on Attachment "A", from:

A. Representing to any person, because of race, color, religion or national origin, that any dwelling is unavailable for inspection or rental, when such dwelling is in fact available; and

B. Making unavailable or denying any dwelling to any person on account of race, color, religion or national origin.

IV. In order to assure nondiscriminatory assignment of tenants, and to encourage integration of the buildings listed on Attachment "A" hereto, Life Realty, Inc. will

A. Maintain a date and time-punch clock in its rental office in Brooklyn, and stamp every application which is submitted together with a \$25.00 deposit, with the date and time of filing;

B. On Wednesday of each week, compile a list of apartments for which Life Realty, Inc. is rental agent, believed to be available for rent, including the size, rent, (specifying whether utilities are included), the address of the building, and the probable date when a new tenant may take occupancy;

C. Display such list of available apartments at all times after it is compiled in a prominent place in its Brooklyn office, and include on the current weekly list all apartments available for rent;

D. Eliminate from said list apartments for which incumbent tenants have reserved orally or in writing since its listing, or for which application with a \$25.00 deposit has been received, by striking such apartment from the list. Whenever application is made for any apartment appearing upon the list, the application shall be recorded with the name and race of the applicant as provided for in paragraph E. below, and date and time of filing in a daily log, as more fully set forth below.

E. Maintain for two years from the entry of this decree, as a daily log, all applications filed (retaining the original applications), with the following information:

2/ As used in the remainder of this Order, the terms "Defendant" or "Defendants", or the named defendants, include employees, agents, successors, assigns, and all those acting in concert or participation with any of them.

1. The name of the applicant and his or her race (Black, White or Other) as perceived by the defendants' agents, unless race has been voluntarily furnished by the applicant on a form such as the one attached hereto as Attachment "B";

2. The building, the apartment applied for, the date and time of filing, whether the applicant was accepted or rejected and, if the applicant was rejected, the reason therefor.

F. Accept applications only for specific available units in the Brooklyn buildings appearing on Attachment "A" hereto, and will not take applications which fail to specify a particular unit;

G. Within thirty (30) days of the entry of this Order, mail to every tenant in the buildings listed on Attachment "A" hereto the first list of available apartments to be published pursuant to paragraph B. above, together with a statement that such apartments are available on a first-come, first-served basis (provided that the applicant meets the qualifications set forth in Part 7. of this Order), and that similar lists may thereafter be viewed at Life Realty, Inc. offices at 1790 Flatbush Avenue, Brooklyn, New York.

V. The defendants will:

A. Post and maintain in the Life Realty, Inc. offices in Brooklyn, in a prominent place, where it is clearly visible to all applicants, a sign reading as follows:

"UNDER THE FEDERAL FAIR HOUSING ACT OF 1968, ALL APARTMENTS RENTED THROUGH THIS OFFICE SHALL BE AVAILABLE WITHOUT REGARD TO RACE, COLOR, RELIGION OR NATIONAL ORIGIN"

B. Through a joint press release with the plaintiff, or otherwise, communicate to the general public, including members of minority groups, their policy favoring integration in housing;

C. Adopt and implement the following standard procedure for approval of all applicants for apartments:

1. All applicants will indicate upon their applications:

(a) Home address, age, sex, marital status and name of spouse, relative or other person who will live in the apartment;

(b) Employment, address of employer, gross salary, net salary after withholding tax, other income and obligations on installment contracts, conditional sales, bank loans, finance company loans, mortgage loans, payments required to be made on judgments, garnishments, and all other information showing, on a monthly basis, the obligations (in amounts) of the applicant; and the same information, together with the age for any working spouse or other person who will live in the apartment;

(c) The name of any bank in which any or all adult applicants maintain either a checking account or savings account;

(d) Former residence and landlord of all prospective occupants;

2. The information furnished pursuant to paragraphs (a) through (d) above, will be verified by defendants and if it proves accurate, an appropriate indication will be made on the application or on an accompanying form as to whether verification has been made;

3. If the applicant is rejected, the reasons for the rejection shall be entered upon the application and the applicant will be informed within five days thereafter of the fact of his rejection;

4. If the information furnished by the applicant has been verified by defendants, and if he has been a satisfactory tenant at his prior residence, and if his net income per week, after deduction of the obligations listed in V. C. 1. (b) of this Order on a weekly basis, proves to be equal to at least 90% of the monthly rental of the apartment for which he has applied, no further investigation shall be conducted, and the applicant shall be accepted or rejected on the basis of information already available. No applicant shall be rejected for failure to have a checking or savings account at a commercial bank, if said failure was truthfully stated by the applicant in his application;

5. If any item furnished by the applicant cannot be verified, or if he has proved to be an unsatisfactory tenant at his prior residence, or if his net weekly income

as defined above is less than 90% of the monthly rental, such further and additional investigation may be conducted as may be judged necessary to determine the applicant's acceptability as a tenant, provided only that the extent of such additional investigation may not be determined or affected by the applicant's race, color, religion or national origin.

VI. A. Within thirty (30) days of the entry of this Order, Life Realty, Inc. will mail to each tenant in the buildings known as the West Point, Cornell, Princeton, Purdue, Syracuse, Northwestern and Clarkson Terrace, a notice in the form attached hereto as Attachment "C", and the defendants shall carry out the obligations described in said Attachment "C", which is made a part of this Order by reference.

B. Beginning no more than thirty (30) days from the entry of this Order, Life Realty, Inc. will maintain in its Brooklyn office a weekly "Special List" to be posted on Wednesday morning of each week, showing all those apartments known to be available in any building on Attachment "A" (other than those named in paragraph A. hereof), which will be available for occupancy no less than four weeks from the posting date. This special list will specify the price, size, rental, and whether utilities are included in the rent, and the date on which the apartment will be available for occupancy.

C. The special list described in paragraph B. above shall be available by written application with a \$25.00 deposit until 5:00 P.M. of each Friday, exclusively to tenants of the seven buildings named in paragraph A. above, whose occupancy, as determined by lease date, shall have commenced after January 1, 1969 and prior to August 1, 1970. After 5:00 P.M. on each Friday the apartments on the special list shall be incorporated into the general list described in Part IV., paragraphs B. and C. of this Order.

D. Tenants in the aforementioned seven buildings who apply for any apartment on either the special or regular list at least four weeks prior to projected occupancy, and who qualify for said apartment under Part V. C. of this Order, will be released from their lease obligation and permitted to take occupancy of the new apartment without any penalty or sacrifice of security deposit, except in relation to liability for damage to the apartment vacated.

E. The provisions of Part VI. hereof shall terminate after one year from the first posting pursuant hereto, or after fifty (50) families of the named buildings shall have transferred to other buildings pursuant hereto, whichever is sooner.

VII. A. The defendants will, beginning ten (10) days after the entry of this Order, maintain the following records:

1. The log of applications described in Part IV. above, such log to designate tenants transferring pursuant to Part VI. hereof;

2. All applications, whether accepted or rejected, with accompanying credit checks and leases. Defendants will keep these records available for periodic inspection by the plaintiff's representatives for two years from the entry of this Order.

B. No less than three months and ten days from the entry of this Order, and thereafter at three-months intervals for two years, the defendants will prepare and send to counsel for plaintiff, reports including the following data: The total number of applications received, indicating the buildings for which applications were made; the name, address and race of the applicant; whether or not the applicant was accepted or rejected and, if rejected, the reason for the rejection. Defendants may fulfill their obligations under this paragraph by

forwarding to the plaintiff at the prescribed intervals copies of the log which they have kept pursuant to Part IV. of this Order. In addition to the foregoing, the defendants shall mail to counsel for plaintiff, as part of each report, a copy of each special list as defined in Part VI. B. of this Order. All notices and reports shall be addressed to Chief, Housing Section, Civil Rights Division, United States Department of Justice, Washington, D. C. - 20530.

VIII. IT IS FURTHER ORDERED, that whenever any future complaint arises under the provisions of this Order, except where the Government determines that there exists a need for emergency relief threatening the effectiveness of this decree, the Government shall furnish the defendants the name of the person who made such complaint and a brief description of the nature and substance of the complaint, including the date of the alleged incident and the building with respect to which the complaint was made. Thereafter, the defendant shall have fifteen (15) days from the date notice is received of such complaint and the nature thereof, to investigate such complaint, and if the complaint is determined by defendants to be valid, to advise the Government what steps, if any, have been taken to correct the conditions leading to the complaint; or, if the complaint is determined by defendants to be invalid, to advise the Government of the basis for determining the complaint to be invalid, before the Government shall apply to this Court with any motion for an Order to Show Cause or any other motion to compel compliance with this Order. If the Government determines that a situation has arisen threatening the effectiveness of this decree, and that there is a need for emergency relief, notice to the defendants shall be by telephone without the filing of any papers; and the Court, after consulting orally with both

parties by telephone, shall decide whether an emergency exists. If the Court determines that an emergency in fact exists, plaintiff may proceed to move for immediate relief without necessity for the fifteen (15) days' notice provided herein.

IX. Two years from the date this decree is entered, or thereafter, the defendants may move to dissolve this Order. If the United States fails to interpose any objection within thirty (30) days of the Notice of Motion, the injunction shall be dissolved and the complaint dismissed without a hearing or further Order of the Court.

X. No costs incurred prior to the date of this Order shall be assessed against the defendants in light of their agreement to take the affirmative steps described in this Order and in the simultaneous extrinsic agreement between the parties to this Order.

XI. The Court shall retain jurisdiction of this action for all purposes.

Dated: Brooklyn, New York,
January 28, 1971.

/s/ Jack B Weinstein
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK

Without any adjudication of the merits, and without any admission by any party as to the existence or ab-

sence of liability, the undersigned apply for and consent to the entry of the above Order.

FOR THE PLAINTIFF

Jerris Leonard
JERRIS LEONARD
Assistant Attorney General
Civil Rights Division
U. S. Department of Justice

Edward R. Neaher
EDWARD R. NEAHER
United States Attorney
Eastern District of New York

Robert A. Morse
ROBERT A. MORSE
Chief Assistant U. S. Attorney
Eastern District of New York

Frank E. Schwelb
FRANK E. SCHWELB
Chief, Housing Section
Civil Rights Division
Department of Justice

Miriam R. Eisenstein
MIRIAM R. EISENSTEIN
Attorney, Department of Justice

Richard L. Master
RICHARD L. MASTER
Attorney, Department of Justice

FOR THE DEFENDANTS

Anderson & Allegaert
ANDERSON & ALLEGAERT
Attorneys for Life Realty, Inc.

Goldstein, Gurfein, Shames & Hyde
GOLDSTEIN, GURFEIN, SHAMES & HYDE
Attorneys for Apartment Leasing Corporation of America

Leonard Schoffman
LEONARD SCHOFFMAN
President, Life Realty, Inc.

Irwin Schoffman
IRWIN SCHOFFMAN
President, Apartment Leasing Corporation of America

ATTACHMENT "A"

<u>OWNER</u>	<u>ADDRESSES IN BROOKLYN, NEW YORK</u>
Amherst Leasing Corp.	845 - 43rd Street
Annapolis Leasing Corp.	2815 Coyle Street
Arcadia Leasing Corp.	3232 Shore Parkway
Atlantis Leasing Corp.	3235 Emmons Avenue
Bel Air Leasing Corp.	2775 East 12th Street
Belt Parkway Constr. Corp.	2625 East 15th Street
Buick Leasing Corp.	2626 Homecrest Avenue
Citadel Leasing Corp.	1 Prospect Park Southwest
Colgate Leasing Corp.	4411 Church Avenue
Cornell Leasing Corp.	665 New York Avenue
Dakota Leasing Company	2425 Nostrand Avenue
Danbury Leasing Company	388 Avenue X
Dartmouth Leasing Corp.	4114 Ninth Avenue
Delaware Leasing Company	7705 Bay Parkway
District Leasing Corp.	250 East 38th Street
Dodge Leasing Corp.	950 Rutland Road
Dover Leasing Corp.	2375 East 3rd Street
Georgetown Leasing Corp.	170 East 4th Street
Hampton Leasing Corp.	3205 Emmons Avenue
Harvard Leasing Corp.	4190 Bedford Avenue
Hollywood Leasing Corp.	2750 Homecrest Avenue
Iowa Leasing Company	2401 Nostrand Avenue
Kings Highway Property Corp.	3900 Kings Highway
Life Management Corp.	2021 East 41st Street
Minnesota Leasing Corp.	1145 East 35th Street
Montauk Leasing Corp.	3191 Emmons Avenue
National Realty Co.	1640 Ocean Parkway
National Realty Co.	8301 Bay Parkway
National Realty Co.	35 Pierrepont Street
Nautilus Leasing Corp.	2790 Bragg Street
Newport Leasing Company	444 Avenue X
North Carolina Leasing Co.	2501 Nostrand Avenue
Northwestern Leasing Corp.	452 East 96th Street
Oxford Leasing Corp.	288 Bay 38th Street
Plymouth Leasing Corp.	410 Avenue X
Pontiac Leasing Corp.	2611 East 13th Street
Portland Leasing Corp.	2411 East 3rd Street
Purdue Leasing Corp.	450 Rockaway Parkway
Rakfel Realty Corp.	2047 Nostrand Avenue
Rakfel Realty Corp.	2054 Nostrand Avenue
Rakfel Realty Corp.	2064 Nostrand Avenue
Regent Leasing Co.	1035 Clarkson Avenue
Stanford Leasing Corp.	1625 Rockaway Parkway
Syracuse Leasing Corp.	1115 Willmohr Street
Tri Buildings	7410 Ridge Boulevard
Tri Buildings	7420 Ridge Boulevard
Virginia Gardens, Inc.	3502 Kings Highway
West Point Leasing Corp.	333 East 92nd Street
Westport Leasing Corp.	2800 Coyle Street
Wetherole Holding Corp.	295 Clinton Avenue
Wisconsin Leasing Co.	1201 Ocean Parkway

ATTACHMENT "B"

TO ALL APPLICANTS:

In order to promote nondiscrimination in housing in accordance with the Fair Housing Act of 1968, please check one of the following as to your race or national origin, IF YOU CHOOSE TO DO SO.

_____ White

_____ Black

_____ Other

Failure to answer will not adversely affect your chance of getting an apartment.

(Please Print) NAME

ATTACHMENT "C"

TO TENANTS WHOSE OCCUPANCY COMMENCED AFTER
JANUARY 1, 1969 AND BEFORE AUGUST 1, 1970:

Dear Tenant:

We would like to offer you on a limited basis the following opportunity. If you desire to move to other of our buildings in Brooklyn, we will allow you to move without any penalty except for property damage to your present apartment. In addition, if you are accepted for another apartment, we will credit you towards the first month's rent of the new apartment to the extent of one month's rent of your present apartment. In other words, you will not have to pay the first month's rent on the new apartment, except to the extent that the new rent is higher than your present rent. However, if the new apartment rental is less than the rent you are now paying, you will receive the difference between the old monthly rent and the new rent for the first month, in cash, as well as your first month's rent free.

This offer applies only to those apartments appearing on lists available at Life Realty Corp., 1790 Flatbush Avenue, Brooklyn, New York, for occupancy not less than four (4) weeks from the date of application. This offer will expire when the first fifty (50) tenants have transferred under its terms, and in any event will expire one year from the date of this letter.

If you have any questions regarding this special offer, call Mr. Howard Jacobs at LL 9-9021, or Mrs. Rheba Gelman at Life Realty Corp., 1790 Flatbush Avenue, Brooklyn, New York, telephone CL 8-9090.

Very truly yours,

APARTMENT LEASING CORPORATION OF
AMERICA.

EXHIBIT A

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
UNITED STATES OF AMERICA,

Plaintiff,

CIVIL ACTION NO. 70 C 954

-against-

LIFE REALTY, INC., et al.,

AMENDMENT TO CONSENT
ORDER OF JANUARY 28, 1971

Defendants.
-----X

Upon the report of the parties dated December 6, 1971, a copy of which is annexed hereto, the Consent Decree, entered on January 28, 1971, in this case is hereby amended so that paragraph V, c, 4 shall be:

4. If the information furnished by the applicant has been verified by defendants, and if he has been a satisfactory tenant at his prior residence, and if his net income per week, after deduction of the obligations listed in V, c, 1 (b) of this Order on a weekly basis, proves to be equal to at least 90% of the monthly rental of the apartment for which he has applied or his payment of rent shall be guaranteed by a legally enforceable contract by a duly authorized government agency, no further investigation shall be conducted, and the applicant shall be accepted or rejected on the basis of information already available.

EXHIBIT A, continued

No applicant shall be rejected for failure to have a checking or savings account at a commercial bank, if said failure was truthfully stated by the applicant in his application;

Dated: Brooklyn, New York
December 22, 1971.

Jack Weinstein
United States District Judge

The parties, by their attorneys, consent to the entry of this amendment to the Consent Order.

For the Plaintiff:

For the Defendants:

ROBERT A. MORSE
United States Attorney
Eastern District of New York

GOLDSTEIN, SHAMES & HYDE
Attorneys for Defendants

By: EDWARD BRODSKY
A Member of the Firm

FRANK E. SCHWELB
Chief, Housing Section
Civil Rights Division
Department of Justice

HENRY A. BRACHTL
Assistant United States Attorney
Eastern District of New York

RICHARD L. MASTER
Attorney, Civil Rights Division
Department of Justice

EXHIBIT B

Section 604-4.0 -- Administrative Code of the City
of New York provides:

(1) The Commissioner of Social Services shall have the power to and may, within the amount appropriated therefore, enter into a contract to make to the owner, landlord, lessee, managing agent of, or other person entitled to rent and receive rental payments for, housing accommodations whenever (a) a recipient of public assistance and care has neglected or failed to make rental payment and payment has not otherwise been made, or (b) a housing accommodation is vacant and the owner, landlord, lessee, managing agent or such other person agrees in such contract to hold such housing accommodation vacant and to accept as a new tenant a recipient of public assistance and care designated by the commissioner, and until such housing accommodation is occupied by and rental payments are made by such new tenant; provided, however, that no rental payment shall be made in accordance with this provision if such housing accommodation remains vacant for more than 60 days.

(2) The commissioner shall not be deemed to have assumed the duties of a tenant under lease because he has entered into a contract to make rental payments.

EXHIBIT C

NOTICE TO WELFARE RECIPIENTS

Before you fill out an application for an apartment in a Lefrak building, please consider the following:

The Lefrak organization treats all applicants for apartments equally, regardless of race, color, religion or national origin, and regardless of whether or not the applicant receives public assistance.

The Lefrak organization will take an application from a welfare recipient, just as from anyone else. The rental standards which it uses apply to all applications regardless of the source of an individual applicant's money. The rental standards include economic standards which are as follows:

NO APPLICANT WILL BE ACCEPTED AS A TENANT BY LEFRAK UNLESS HIS NET WEEKLY INCOME IS EQUAL TO OR GREATER THAN 90% OF THE MONTHLY RENTAL FOR THE APARTMENT FOR WHICH HE APPLIES,

OR

THE APPLICANT SECURES A PRIVATE GUARANTOR ACCEPTABLE TO LEFRAK

OR

THE APPLICANT'S PAYMENT OF RENT SHALL BE GUARANTEED BY A LEGALLY ENFORCEABLE CONTRACT BY A DULY AUTHORIZED GOVERNMENT AGENCY.

This means, for example, that if you apply for an apartment which rents for \$175 per month, your application cannot be seriously considered unless you receive at least \$155 per week in benefits. If an apartment rents for \$200 per month, you must receive at least \$180 per week in benefits in order to be seriously considered.



Department of Justice

EXHIBIT 3

FOR IMMEDIATE RELEASE
MONDAY, OCTOBER 15, 1973

CR

The Department of Justice filed a civil suit today charging an apartment management firm that controls more than 14,000 units in the New York City metropolitan area with discriminating against black persons in the operation of their buildings.

Attorney General Elliot L. Richardson said the housing discrimination suit was filed in U.S. District Court in Brooklyn, New York.

Named as defendants were Trump Management, Inc., its principal stockholder and board chairman, Fred C. Trump, and its president, Donald Trump.

The defendants own and manage some 39 apartment buildings, principally in Brooklyn and Queens.

The suit said the defendants have violated the Fair Housing Act of 1968 by refusing to rent and negotiate rentals with blacks, requiring different rental terms and conditions because of race, and misrepresenting that apartments are not available.

The suit asked for a court order enjoining the defendants from practising racial discrimination in the operation of their apartment buildings and requiring them to correct the effects of their alleged discriminatory conduct.

(OVER)

Assistant Attorney General J. Stanley Pottinger, head of the Civil Rights Division, said the suit is the Justice Department's second major rental discrimination case in the New York metropolitan area.

The first suit, involving about 10,000 rental units controlled by Life Realty Company, was resolved by a consent decree under which black and Puerto Rican occupancy at previously all-white buildings rose substantially, Mr. Pottinger said.

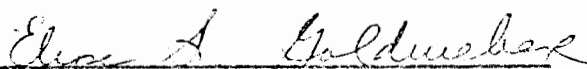
He also said the Trump case was referred to the Justice Department by the New York City Commission on Human Rights and was based in part on allegations made by Operation Open City, which is affiliated with the Urban League.

CERTIFICATE OF SERVICE

I, Elyse S. Goldweber, an attorney for the plaintiff, hereby certify that I have served a copy of the attached Notice of Motion of the United States to dismiss defendants' counterclaim, a copy of the attached Memorandum of the United States in Opposition to Defendants' Motion to Dismiss, Motion for More Definite Statement and in Support of Plaintiff's Motion to Dismiss the Counterclaim and a copy of the attached Memorandum of the United States in Response to the Affidavits of Donald Trump and Roy Cohn on the defendants by mailing a copy, postage prepaid, to their attorney at the following address:

Roy M. Cohn, Esq.
Saxe, Bacon, Bolan & Manley
39 East 68th Street
New York, New York 10021

This, the 4th day of January, 1974.


ELYSE S. GOLDWEBER
Attorney, Housing Section
Civil Rights Division
Department of Justice
Washington, D. C. 20530