

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

FILED

Dec 12, 2024

2:43 pm

U.S. EPA REGION 5
HEARING CLERK

In the Matter of:)	Docket No. TSCA-05-2025-0010
)	
Liberty Apt. Properties LLC)	Proceeding to Assess a Civil
Carmel, Indiana,)	Penalty Under Section 16(a) of the
)	Toxic Substances Control Act,
Respondent.)	15 U.S.C. § 2615(a)
_____)	

Consent Agreement and Final Order

Preliminary Statement

1. This is an administrative action commenced and concluded under Section 16(a) of the Toxic Substances Control Act (TSCA), 15 U.S.C. § 2615(a), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules) as codified at 40 C.F.R. Part 22.
2. The Complainant is the Director of the Enforcement and Compliance Assurance Division, United States Environmental Protection Agency (EPA), Region 5.
3. Respondent is Liberty Apt. Properties LLC, a corporation, with a place of business located at 5748 Fairbourne Court, Carmel, Indiana 46033.
4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO). 40 C.F.R. § 22.13(b).
5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.
6. Respondent consents to the assessment of the civil penalty specified in this CAFO, and to the terms of this CAFO.

Jurisdiction and Waiver of Right to Hearing

7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO and its right to appeal this CAFO. Respondent waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the consent agreement.

Statutory and Regulatory Background

9. Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (the Lead Act), 42 U.S.C. § 4852d, requires the Administrator of EPA to promulgate regulations for the disclosure of lead-based paint hazards in target housing that is offered for sale or lease.

10. On March 6, 1996, EPA promulgated regulations at 40 C.F.R. Part 745, Subpart F, Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property (Disclosure Rule) pursuant to 42 U.S.C. § 4852d.

11. 40 C.F.R. § 745.103 defines “target housing” as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

12. 40 C.F.R. § 745.103 defines “lessor” as any entity that offers target housing for lease, rent, or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes and nonprofit organizations.

13. 40 C.F.R. § 745.103 defines “lessee” as any entity that enters into an agreement to lease, rent or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes and nonprofit organizations.

14. 40 C.F.R. § 745.103 defines “seller” as any entity that transfers legal title to target housing,

in whole or in part, in return for consideration, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

15. 40 C.F.R. § 745.103 defines “purchaser” as any entity that enters into an agreement to purchase an interest in target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes and nonprofit organizations.

16. 40 C.F.R. § 745.113(a) requires that each contract to sell target housing include an attachment containing the following elements: a lead warning statement; a statement by the seller disclosing the presence of any known lead-based paint and/or lead-based paint hazards or lack of knowledge of such presence; a list of any records or reports available to the seller that have been provided to the purchaser regarding lead-based paints and/or lead-based paint hazards in target housing or a statement that no such records are available; a statement by the purchaser affirming receipt of the information set out in 40 C.F.R. § 745.113(a)(2) and (3) and the Lead Hazard Information Pamphlet; a statement by the purchaser that he or she has received or waived the opportunity to conduct the risk assessment or inspection required by 40 C.F.R. § 745.110(a); and, the signatures and dates of signatures of the seller and purchaser certifying the accuracy of their statements.

17. 40 C.F.R. § 745.113(b) requires that each contract to lease target housing include, as an attachment or within the contract, the following elements: a lead warning statement; a statement by the lessor disclosing the presence of any known lead-based paint and/or lead-based paint hazards or the lack of knowledge of such presence; a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist; a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (3) and the Lead Hazard Information Pamphlet; and, the signatures and dates of signature of the lessor and lessee certifying the accuracy of their statements.

18. Under 42 U.S.C. § 4852d(b)(5) and 40 C.F.R. § 745.118(e), failure to comply with the Disclosure Rule violates Section 409 of TSCA, 15 U.S.C. § 2689, which may subject the violator to

administrative civil penalties under Section 16(a) of TSCA, 15 U.S.C. § 2615(a), 42 U.S.C. § 4852d(b)(5), and 40 C.F.R. § 745.118(f).

19. Under 42 U.S.C. § 4852d(b)(5), 15 U.S.C. § 2615(a), and 40 C.F.R. Part 19, the Administrator of EPA may assess a civil administrative penalty of up to \$21,699 for each violation of 42 U.S.C. § 4852d and Section 409 of TSCA, 15 U.S.C. § 2689, that occurred after November 2, 2015, where penalties are assessed on or after December 27, 2023.

Factual Allegations and Alleged Violations

20. Between March 4, 2021, and September 27, 2022, Respondent owned residential single and multi-family dwelling homes in Indiana as listed in Tables 1 and 2, below.

21. Respondent's properties are "target housing" as defined in 40 C.F.R. § 745.103.

22. On the following dates, Respondent either directly or through Respondent's authorized agent entered into the following two lease agreements (contracts) with individuals for the lease of apartment units within Respondent's properties:

Table 1: Leased Properties

Address	Apartment No.	Date of Lease
1808 East Washington Street Indianapolis, Indiana 46201	Apartment A	March 8, 2021 – December 8, 2022
1808 East Washington Street Indianapolis, Indiana 46201	Apartment B	July 2021 – April 2022

23. Each of the two (2) contracts referred to in paragraph 22, above, covered a term of occupancy greater than 100 days.

24. Respondent is a "lessor," as defined in 40 C.F.R. § 745.103, because it offered the target housing referred to in paragraph 22, above, for lease.

25. Each individual who signed a lease to pay rent in exchange for occupancy of the target housing referred to in paragraph 22, above, became a "lessee" as defined in 40 C.F.R. § 745.103.

26. Respondent failed to include a lead warning statement, either within the contracts or as an attachment to the contract for the lease of both of the Respondent's properties referred to in paragraph

22, in violation of 40 C.F.R. § 745.113(b)(1), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

27. Respondent failed to include a statement disclosing either the presence of any known lead-based paint and/or lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contracts or as an attachment to the contracts for the lease of both of the Respondent's properties referred to in paragraph 22, in violation of 40 C.F.R. § 745.113(b)(2), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

28. Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paint and/or lead-based paint hazards in the target housing that have been provided to the lessee or a statement that no such records are available, either within the contracts or as an attachment to the contracts for the lease of both of Respondent's properties referred to in paragraph 22, in violation of 40 C.F.R. § 745.113(b)(3), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

29. Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2686, either within the contracts or as an attachment to the contracts for the lease of both of Respondent's properties referred to in paragraph 22, in violation of 40 C.F.R. § 745.113(b)(4), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

30. Respondent failed to include the signatures of the lessor and the lessees certifying to the accuracy of their statements and the dates of such signatures, either within the contracts or as an attachment to the contracts for the lease of both of Respondent's properties referred to in paragraph 22, in violation of 40 C.F.R. § 745.113(b)(6), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

31. On the following dates, Respondent, directly entered into the following five (5) written sales agreements (contracts) with individuals for the sale of target housing:

Table 2: Sold Properties

Line No.	Address	Date of Sale
1	209 Eastern Avenue Indianapolis, Indiana 46201	March 4, 2021

2	1802 East Washington Street Indianapolis, Indiana 46201	September 27, 2022
3	1808 East Washington Street Indianapolis, Indiana 46201	September 2, 2022
4	2343 Adams Street Indianapolis, Indiana 46218	October 29, 2021
5	3121 East New York Street Indianapolis, Indiana 46201	June 21, 2022

32. Respondent is a “seller,” as defined in 40 C.F.R. § 745.103, because it transferred legal title of the target housing referred to in paragraph 31, above, in return for consideration.

33. The individuals who signed the contracts to purchase the target housing referred to in paragraph 31, above, became a “purchaser,” as defined in 40 C.F.R. § 745.103, because they entered into an agreement to purchase an interest in target housing.

34. Respondent failed to include a lead warning statement, either within the contracts or as an attachment to the contracts, for the sale of two (2) of Respondent’s properties referenced in paragraph 31, Line Nos. two (2) and four (4), in violation of 40 C.F.R. § 745.113(a)(1), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

35. Respondent failed to include a statement disclosing either the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being sold or a lack of knowledge of such presence, either within the contracts or as an attachment to the contracts for the sale of Respondent’s properties for the sale of two (2) of Respondent’s properties referenced in paragraph 31, Line Nos. two (2) and four (4), in violation of 40 C.F.R. § 745.113(a)(2), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

36. Respondent failed to include a list of records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in the target housing that have been provided to the purchaser or a statement that no such records or reports are available, either within the contracts or as an attachment to the contracts for the sale of three (3) of Respondent’s properties referenced in paragraph 31, Line Nos. two (2), three (3), and four (4), in violation of 40 C.F.R. § 745.113(a)(3), 15 U.S.C.

§ 2689, and 42 U.S.C. § 4852d(b)(5).

37. Respondent failed to include a statement by the purchaser affirming receipt of the information set out in 40 C.F.R. § 745.113(a)(2) and (3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2686, either within the contracts or as an attachment to the contracts for the sale of four (4) of Respondent's properties referenced in paragraph 31, Line Nos. one (1) through four (4), in violation of 40 C.F.R. § 745.113(a)(4), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

38. Respondent failed to include a statement by the purchaser that he or she has either received the opportunity to conduct the risk assessment or inspection required by 40 C.F.R. § 745.110(a) or waived the opportunity, either within the contracts or as an attachment to the contracts for the sale of two (2) of Respondent's properties referenced in paragraph 31, Line Nos. two (2) and four (4), in violation of 40 C.F.R. § 745.113(a)(5), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

39. Respondent failed to include the signatures of the seller and purchasers certifying to the accuracy of their statements to the best of their knowledge, along with the dates of signature, either within the contracts or as an attachment to the contracts for the sale of two (2) of Respondent's properties referenced in paragraph 31, Line Nos. two (2) and four (4), in violation of 40 C.F.R. § 745.113(a)(7), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

Civil Penalty

40. Pursuant to Section 16(a) of TSCA, 15 U.S.C. § 2615(a), Complainant determined that an appropriate civil penalty to settle this action is \$1,000. In determining the penalty amount, Complainant considered the nature, circumstances, extent and gravity of the violations, and, with respect to Respondent, ability to pay, effect on ability to continue to do business, any history of such prior violations, the degree of culpability. Complainant also considered EPA's Section 1018 – Disclosure Rule Enforcement Response and Penalty Policy, dated December 2007.

41. Respondent agrees to pay a civil penalty in the amount of \$1,000 ("Assessed Penalty") within thirty (30) days after the date the Final Order ratifying this Agreement is filed

with the Regional Hearing Clerk (“Filing Date”). EPA conducted an analysis of Respondent’s financial information and determined Respondent has a limited ability to pay. Consequently, in accordance with applicable law, EPA determined that the Assessed Penalty is an appropriate amount to settle this action.

42. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website:

<https://www.epa.gov/financial/makepayment>. For additional instructions see:

<https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

43. When making a payment, Respondent shall:

- a. Identify every payment with Respondent’s name and the docket number of this Agreement, TSCA-05-2025-0010,
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s):

Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 5
r5hearingclerk@epa.gov

Craig Meredith
Pesticides and Toxics Compliance Section
U.S. Environmental Protection Agency, Region 5
meredith.craig@epa.gov
and
R5LE CAB@epa.gov

Olivia Bauer
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
bauer.olivia@epa.gov

U.S. Environmental Protection Agency
Cincinnati Finance Center
CINWD_AcctsReceivable@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated

clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent's name.

44. Interest, Charges, and Penalties on Late Payments. Pursuant to 15 U.S.C. § 2615, 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay any portion of the Assessed Penalty per this Agreement, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately due and owing, and EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. To protect the interests of the United States the rate of interest is set at the IRS standard underpayment rate, any lower rate would fail to provide Respondent adequate incentive for timely payment.
- b. Handling Charges. Respondent will be assessed monthly a charge to cover EPA's costs of processing and handling overdue debts. If Respondent fails to pay the Assessed Penalty in accordance with this Agreement, EPA will assess a charge to cover the costs of handling any unpaid amounts for the first thirty (30) day period after the Filing Date. Additional handling charges will be assessed each subsequent thirty (30) days, or any portion thereof, until the unpaid portion of the Assessed Penalty, as well as any accrued interest, penalties, and other charges are paid in full.
- c. Late Payment Penalty. A late payment penalty of six percent (6%) per annum, will be assessed monthly on all debts, including any unpaid portion of the Assessed Penalty, interest, and other charges, that remain delinquent more than

ninety (90) days.

45. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this Agreement, EPA may take additional actions. Such actions may include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, 40 C.F.R. § 13.17.
- d. Per 15 U.S.C. § 2615(a), the Attorney General will bring a civil action in the appropriate district court to recover the full remaining balance of the debt plus interest. In such an action, the validity, amount, and appropriateness of the Assessed Penalty shall not be subject to review.

General Provisions

46. The parties consent to service of this CAFO by e-mail at the following valid e-mail addresses: bauer.olivia@epa.gov (for Complainant), and [REDACTED] and [REDACTED] (for Respondent). Respondent understands that the CAFO will become publicly available upon filing.

47. This CAFO resolves only Respondent's liability for federal civil penalties for the

violations alleged in the CAFO.

48. This CAFO does not affect the rights of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.

49. This CAFO does not affect Respondent's responsibility to comply with the Lead Act and the Disclosure Rule and other applicable federal, state and local laws.

50. Respondent certifies that it is complying with the Lead Act and the Disclosure Rule.

51. The terms of this CAFO bind Respondent, and their successors and assigns.


52. Each person signing this agreement certifies that he or she has the authority to sign for the party whom they represent and to bind that party to its terms.

53. Each party agrees to bear its own costs and attorneys fees in this action.

54. This CAFO constitutes the entire agreement between the parties.

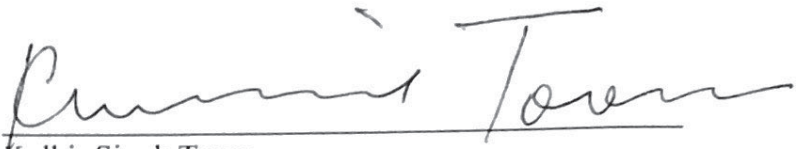
Consent Agreement and Final Order
In the Matter of Liberty Apt. Properties, LLC, Respondent
Docket No.: TSCA-05-2025-0010

DEC 02, 2024
Date



Ravinder Chaudhary
Partner
Liberty Apt. Properties, LLC

12/02/2024
Date



Kulbir Singh Toora
Partner
Liberty Apt. Properties, LLC

Consent Agreement and Final Order
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United States Environmental Protection Agency, Complainant

MICHAEL HARRIS Digitally signed by MICHAEL
HARRIS
Date: 2024.12.10 11:44:04 -06'00'

Michael D. Harris
Director
Enforcement and Compliance Assurance Division

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Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

ANN COYLE  Digitally signed by ANN COYLE
Date: 2024.12.10 15:30:46
-06'00'

Ann L. Coyle
Regional Judicial Officer
United States Environmental Protection Agency
Region 5