

**UNITED STATES DEPARTMENT OF HOUSING AND URBAN  
DEVELOPMENT**

**TITLE VIII**

**CONCILIATION AGREEMENT**

**between**

**U.S. Department of Housing and Urban Development  
Assistant Secretary for the Office of Fair Housing and Equal Opportunity  
(Complainant)**

**and**

**TriTex Real Estate Advisors, Inc.  
Greystar Management Services, LP  
(Respondents)**

**Approved by the FHEO Regional Director on behalf of the United States Department of  
Housing and Urban Development**

**FHEO CASE NUMBER: 04-12-0360-8**

**A. PARTIES AND SUBJECT PROPERTY**

Complainant

Assistant Secretary  
Office of Fair Housing and Equal Opportunity  
U.S. Department of Housing and Urban Development  
451 Seventh Street, S.W., Room 5241  
Washington, DC 20410

Respondents

TriTex Real Estate Advisors, Inc.  
3424 Peachtree Road NE  
Suite 2200  
Atlanta, GA 30326

Greystar Management Services, LP  
600 E. Las Colinas Boulevard  
Suite 2100  
Irving, Texas 75039

Subject Property

Clairmont Apartments (233 unit apartment complex)  
1019 Patricia Drive  
Nashville, TN 37217

**B. STATEMENT OF FACTS**

A Secretary Initiated Complaint was filed by the United States Department of Housing and Urban Development (hereinafter, "HUD" or "the Department") on February 10, 2012, alleging that the Respondents engaged in discriminatory acts in violation of the Fair Housing Act of 1968 (hereinafter, "the Act"). Specifically, the complaint alleged that Respondents subjected Hispanic residents of the subject property to different terms and conditions, engaged in targeted acts of intimidation and harassment towards Hispanic tenants, and otherwise made housing unavailable, on the basis of national origin, in violation of Sections 804(a), 804(b), and 818 of the Act.

Respondents collectively deny having discriminated against Hispanic residents and there has been no factual finding or adjudication with respect to any matter alleged in the complaint. Respondents have entered into this Agreement to avoid the risks, expenses, and burdens of litigation and to resolve voluntarily the claims in the underlying action

(the "Claims") regarding alleged violations of the Fair Housing Act. By settling this matter, Respondents are not admitting to any fault, guilt or liability with respect to the Claims.

### **C. TERM OF AGREEMENT**

1. This Conciliation Agreement (hereinafter "Agreement") shall govern the conduct of the parties to it for a period of one (1) year from the effective date of the Agreement.

### **D. EFFECTIVE DATE**

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a Conciliation Agreement pursuant to the Act, unless and until such time as it is approved by the U.S. Department of Housing and Urban Development, through the FHEO Regional Director, or his or her designee.
3. This Agreement shall become effective on the date on which it is approved by the Director, Fair Housing and Equal Opportunity (FHEO), Atlanta Regional Office of the United States Department of Housing and Urban Development (HUD).

### **E. GENERAL PROVISIONS**

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.
5. The Respondents acknowledge that they have an affirmative duty not to discriminate under the Act, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Act. Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement, and a statutory violation of the Act.
6. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director, or his or her designee, it is a public document.

7. Subject to Paragraph 10, this Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving a Respondent made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.
8. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the amendment, modification or waiver; (b) the amendment, modification or waiver is in writing; and (c) the amendment, modification, or waiver is approved and signed by the FHEO Regional Director.
9. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, the original executed signature pages to be attached to the body of the Agreement to constitute one document.
10. The Department and Assistant Secretary and their respective successors, assigns, agents, officers, board members, employees and attorneys, hereby forever waive, release, and covenant not to sue Respondents jointly or severally, or their respective affiliates, heirs, executors, assigns, agents, directors, officers, employees, partners and attorneys, or pursue any administrative action or civil action, with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD Case Number 04-12-0360-8, or which could have been filed in any action or suit arising from said subject matter, including, without limitation, relating to the ownership or management of the subject property.
11. Each Respondent hereby forever waives, releases, and covenants not to sue the Department or Assistant Secretary and its successors, assigns, agents, officers, board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD Case Number 04-12-0360-8 or which could have been filed in any action or suit arising from said subject matter.

**F. RELIEF FOR COMPLAINANT**

12. Respondents shall deposit in an interest-bearing escrow account by wire transfer the total sum of \$150,000.00 which will be available to pay damages to any residents who have been injured by the alleged violations of the Act as described in the complaint ("Compensation Fund"). Respondents shall provide written verification of the wire(s) within thirty (30) days of approval of the Agreement addressed to the Assistant Secretary, or his or her designee. Any interest that accrues shall become part of the Compensation Fund and be utilized and disposed of as set forth herein.

- a. Respondents agree to provide the sum described above in Paragraph 12, in the form of a wire transfer(s), to the Compensation Fund to be administered by Collins and Company, Inc. (the "Administrator"). The Administrator shall provide wiring instructions to Respondents within five (5) days after the execution of the agreement. Costs associated with the administration of the Compensation Fund up to \$9,000.00 shall be borne by Respondents and all costs in excess of said amount shall be fully and completely borne by the Compensation Fund. Within seventy-five (75) days of mailing the notices of approved Claims, the Administrator shall make a payment from the Fund of \$6,000.00 to each Claimant whose Claim was approved and who timely returned a signed Release. In the event that the Compensation Fund is insufficient to pay \$6,000.00 for each claim approved by the Administrator, or excess funds remain, the remaining funds available in the Compensation Fund shall be equally divided among the Claimants.
- b. The Administrator agrees to make monetary payments to all known injured parties as identified by the Department, subject to the total sum available in the Compensation Fund. For the purpose of this Agreement, "injured parties" shall be defined as any current or former adult tenants of Clairmont Apartments of Hispanic descent who resided at any time at the apartment community between September 1 and October 31, 2010 (the "Residency Period"), and/or the adult spouses, domestic partners, or other cohabitants of said Hispanic tenants who resided at the property during the same applicable time period.
- c. The Administrator agrees to draft a legal notice in English and Spanish to notify potential Claimants about the Compensation Fund. The Administrator shall submit a copy of the legal notice to Respondents for review and to HUD for approval within thirty (30) days of the execution date of this Agreement. Upon receiving written approval of the notice from HUD, the Administrator, at the expense of the Compensation Fund, shall publish the notice in the La Campana newspaper in English and Spanish within fifteen (15) days of the date of HUD approval. The total size of the notice shall be no less than ten (10) column inches. The Administrator will run the legal notice in the aforementioned newspaper in two consecutive bi-weekly editions. Respondents agree to bear cost of publication of the legal notice up to \$2000.00.
- d. Within thirty (30) days of the Administrator publishing the last notice described in Paragraph 12(c) in La Campana (the "Claims Date"), the Administrator shall provide to the Assistant Secretary, or his or her designee, a list of all Claims the Administrator has received and specify those Claims that the Administrator has tentatively approved in accordance with the requirements of Paragraph 12. The Administrator shall not consider Claims received after the Claims Date. The Assistant Secretary, or his or her designee, shall have thirty (30) days in which to

review the Claims that the Administrator tentatively approved and provide to the Administrator any written objections to the Administrator's tentative approval of a Claim. If the Assistant Secretary, or his or her designee, disputes, in writing, the Administrator's tentative approval of a Claim, the Administrator shall, within ten (10) days provide any other factual information to the Assistant Secretary that the Administrator believes should be considered by the Assistant Secretary.

- e. In the event that the Respondents dispute any claim submitted to the Administrator, the Administrator will work cooperatively with the Tennessee Fair Housing Council and the Tennessee Immigrant and Refugee Rights Coalition (TIRCC) to resolve any disputed Claims based on the information provided by the Administrator and any other available information. In the event that the parties are unable to reach agreement as to whether a Claim(s) should be approved, the Administrator will make the final determination.
- f. Within seventy-five (75) days of mailing the notices of approved Claims, the Administrator shall make a payment from the Compensation Fund in accordance with Paragraph 12 to each Claimant whose Claim was approved and who timely returned a signed release ("Release") in the form approved by the Respondents and attached as Attachment 1 to this Conciliation Agreement. The Administrator shall provide Respondents and the Assistant Secretary, or his or her designee, a full accounting, including copies of all Releases received, awards sent, and letters to which no response was received or that were returned as undeliverable.
- g. For each Claim, the Administrator shall make an initial determination as to whether the Claimant is entitled to a payment from the Compensation Fund. To authorize such a payment, the Administrator must document in writing the following:
  - i. That the Claimant was bona fide resident of Clairmont Apartments during the Residency Period; AND
  - ii. That the Claimant reasonably alleges to have been subjected to discriminatory terms and conditions of rental based on national origin or Hispanic descent; or
  - iii. That the Claimant reasonably alleges to have been subjected to harassment and/or intimidation based on national origin or Hispanic descent.
- h. Each Claimant must verify that they were a resident of a unit at the Clairmont Apartments during the applicable time period. Documents used to verify residency may include, but are not limited to, an executed lease

agreement, utility bill, driver's license, pay stubs, money orders, bank statements, or any other similar documentation, or a signed, sworn affidavit from a non-family member who was a lessee at the Clairmont Apartments during the Residency Period that Claimant was a bona fide resident of Clairmont Apartments during the Residency Period. In no event will more than four claims be allowed for Claimants who simultaneously occupied the same apartment unit during the Residency Period.

- i. Notwithstanding any other provision contained in this Conciliation Agreement to the contrary, no person shall be permitted to make a Claim against the Compensation Fund as an injured person unless such person as well all adult persons who occupied the same apartment unit as the Claimant shall (1) stipulate in writing to HUD, the Respondents, and the Administrator that such person shall not pursue any claim or action of any kind under the Fair Housing Act against the Respondents or any of their respective successors, assigns, agents, employees, affiliates, officers, board members, directors, officers, and/or partners, or (2) dismiss with prejudice any pending action or lawsuit against any of the Respondents or any of their respective successors, assigns, agents, employees, affiliates, officers, board members, directors, officers, and/or partners which arises under the Fair Housing Act.
13. Respondents agree to make payments of \$10,000.00 each to the Tennessee Fair Housing Council and the Tennessee Immigrant and Refugee Rights Coalition (TIRCC) to aid and assist each organization in locating and identifying potential Claimants. Respondents agree to make the payments by wire transfer pursuant to written instructions provided by HUD. Said payments shall be made within two business days of the execution of this Agreement by the parties. Respondents shall provide written confirmation of the wire transfer within ten (10) days of execution of this agreement to Natasha Watson, Enforcement Director, at the following address:

U.S. Department of Housing and Urban Development  
Attn: Natasha Watson, Enforcement Director  
Louisville FHEO Center  
601 West Broadway, Louisville, KY 40202

#### **G. RELIEF IN THE PUBLIC INTEREST**

14. Within ten (10) days of the effective date of this Agreement, each Respondent shall submit a copy of their internal, written fair housing compliance policies and procedures to HUD for approval. If Respondents do not have written fair

housing compliance policies and procedures, they must draft and develop policies and procedures and submit them for HUD approval within thirty (30) days of the effective date of this agreement.

15. Within thirty (30) days of the effective date of this Agreement, Respondents shall inform all of their employees responsible for compliance with this Agreement, including officers and board members, of the terms of this Agreement, and shall provide each such person with a copy of this Agreement.
16. Within forty five (45) days of the effective date of this Agreement, Respondents shall provide all employees and affiliate employees directly engaged in the property management or asset management of multifamily housing with a copy of the HUD approved non-discrimination policies and procedures indicated in Paragraph 14, provided that if HUD has not approved such policies and procedures within forty-five (45) days of the effective date of this Agreement, Respondents shall provide all employees and affiliate employees directly engaged in the ownership or asset management of multifamily housing with a copy of the HUD approved non-discrimination policies and procedures indicated in Paragraph 14 within fifteen (15) days following such approval.
17. For the term of the Agreement, Respondents shall provide each new employee directly engaged in the property management or asset management of multifamily housing with a copy of its HUD approved non-discrimination policy within thirty (30) days of each new employee's entry date of service.
18. Each Respondent shall post copies of its non-discrimination policies, in every location where it provides property management services to the public, in both English and Spanish. These postings shall be prominently displayed, readily apparent to all persons seeking to engage in residential real estate-related transactions, and shall include the fair housing logo.
19. Within one hundred and eighty (180) days of the effective date of this Agreement, each Respondent will provide training to all employees directly engaged in the property management or asset management of multifamily housing on the Federal Fair Housing Act at Respondents' own expense. The training will not exceed four (4) hours. The trainings will be provided by an external source suggested by each Respondent and reasonably approved by HUD. Each Respondent will provide HUD with a copy of the training agenda and biography of each individual providing the training and a sign in sheet which identifies the names and positions of each employee trained within twenty days (20) following the date of the training.
20. Respondents shall not retaliate against or interfere with any other person on account of their exercise of any right under the Act or on account of their having aided or encouraged any other person in the exercise or enjoyment of their rights under the Act.

## **H. MONITORING**

21. The Department has the authority to determine compliance with the terms of this Agreement. The Department may conduct reviews of Respondents' operations and facilities to ensure compliance with this Agreement. The Respondents agree to provide their full cooperation in any monitoring review undertaken by HUD to ensure compliance with this Agreement.
22. Respondents shall not be impaired in any way in their ability to perform future work for and with HUD or for apartment owners who utilize HUD guaranteed financing or HUD assistance as a result of Respondents' agreement to execute this Conciliation Agreement.

## **I. REPORTING AND RECORDKEEPING**

23. Each Respondent shall forward to the Department objective evidence of its successful completion of training, in the form of a certificate or a letter from the entity conducting the training, together with a list of participants, within ten (10) days of the completion of the training, as evidence of compliance with Paragraph 19 of this Agreement.
24. Within forty-five (45) days of the effective date of this Agreement, each Respondent shall certify to the FHEO Regional Director, in writing, that it has complied with Paragraphs 15, 16, 18, and 19 of this Agreement.
25. All required certifications and documentation of compliance must be submitted to:

U.S. Department of Housing & Urban Development  
Natasha J. Watson, Enforcement Director  
Louisville FHEO Center  
601 West Broadway, Louisville, KY 40202

## **J. CONSEQUENCES OF BREACH**

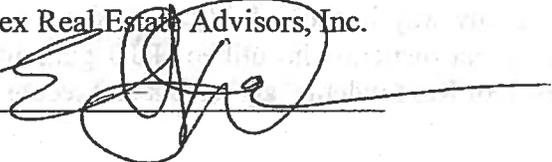
26. Whenever the Department has reasonable cause to believe that a Respondent has breached this Agreement, the matter shall be referred to the Attorney General of the United States, to commence a civil action in the appropriate U. S. District Court, pursuant to §§ 810(c) and 814(b)(2) of the Act.
27. This Agreement represents the entire agreement and understanding between and among the parties with respect to the subject matter hereof, and it supersedes any and all prior or contemporaneous discussions and/or settlement offers relating thereto.

**WHEREFORE**, the parties hereto have duly executed this Agreement:

Assistant Secretary for Fair Housing  
and Equal Opportunity

By: John D. Trasviña Date \_\_\_\_\_

TriTex Real Estate Advisors, Inc.

By:  Date 9/16/13

Greystar Management Services, L.P.

By: \_\_\_\_\_ Date \_\_\_\_\_

**L. APPROVAL**

\_\_\_\_\_  
Carlos Osegueda Date \_\_\_\_\_  
FHEO Region IV Director

**WHEREFORE**, the parties hereto have duly executed this Agreement:

Assistant Secretary for Fair Housing  
and Equal Opportunity

By: John D. Trasviña  
John D. Trasviña

5-7-13  
Date

TriTex Real Estate Advisors, Inc.

By: \_\_\_\_\_

\_\_\_\_\_  
Date

Greystar Management Services, L.P.

By: [Signature]

5/6/2013  
Date

**L. APPROVAL**

\_\_\_\_\_  
Carlos Osegueda  
FHEO Region IV Director

\_\_\_\_\_  
Date

81-7-2

Alvin Karpis