

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE VIII

CONCILIATION AGREEMENT

between

Stacey O. Ellis

Complainant)

and

Vanderbilt Mortgage Company  
Respondent

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

FHEO CASE NUMBER: 04-09-0534-8

A. PARTIES AND SUBJECT PROPERTY

This Conciliation Agreement is entered into by and between the United States Department of Housing and Urban Development (hereinafter, the Department) on behalf of Stacey Ellis, a male (hereinafter, the Complainant); and Vanderbilt Mortgage (hereinafter, the Respondent(s)).

The Complainant, Stacey Ellis, resides at 118-C Firstcreek Road in Gaston, South Carolina 29053.

The Respondent, Vanderbilt Mortgage is located on 500 Alcoa Trail in Maryville, Tennessee 37804.

B. STATEMENT OF FACTS

A complaint was filed on December 15, 2008 with the United States Department of Housing and Urban Development (the Department) alleging that the Complainant was injured by a discriminatory act of the Respondent. Complainant alleges that the Respondent, Vanderbilt Mortgage violated [§3604] of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 et seq. (the Act), on the basis of [race, African American] by failing to pay the property taxes on his property as required by escrow at the loan closing. As a result, the Complainant's property was placed in foreclosure and the Complainant was subsequently removed.

Respondent denies having discriminated against Complainant, and the Department has not made any findings of discrimination. The Respondent agrees to settle the claims in the underlying action by entering into this Conciliation Agreement.

C. TERM OF AGREEMENT

1. This Conciliation Agreement (hereinafter "Agreement") shall govern the conduct of the parties to it for a period of one 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) Region IV in Atlanta, Georgia 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 Respondent acknowledges that he or she has 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. Respondent further acknowledges that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement, and a statutory violation of the Act.

6. This Agreement, after it has been approved by the FHEO Regional Director, or his or her designee, is binding upon Vanderbilt Mortgage Company, its employees, heirs, successors and assigns and all others in active concert with the lending institution in the ownership or operation of Vanderbilt Mortgage Company, located in Maryville, Tennessee.

7. 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.

8. This Agreement does not in any way limit or restricts the Department's authority to investigate any other complaints involving Respondent made pursuant to the Fair Housing Act, or any other complaints within the Department's jurisdiction.

9. 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.

10. 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.

11. Stacey Ellis, Complainant, hereby forever waives, releases, and covenants not to sue the Department or Vanderbilt Mortgage Company of Maryville, Tennessee, its heirs, executors, assigns, agents, 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 04-09-0534-8 or which could have been filed in any action or suit arising from said subject matter.

12. The Vanderbilt Mortgage Company of the City of Maryville, Tennessee hereby forever waives, releases, and covenants not to sue the Department or Stacey Ellis, Complainant 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 04-09-0534-8 or which could have been filed in any action or suit arising from said subject matter.

#### F. RELIEF FOR COMPLAINANT

13. The Vanderbilt Mortgage Company of the City of Maryville, Tennessee agrees to take the following actions, and, as set forth in this Agreement, will provide the Department with written certification that these requirements have been met:

- a. The Vanderbilt Mortgage Company agrees to pay the current value of the Complainant's home. This value of the home is now appraised at \$30,000 (land not included). A certified check in the amount of \$30,000 will be sent to Pat W. Green at 1835 Assembly Street in Columbia, South Carolina 29201 in the name of Stacey Ellis, the Complainant together with a signed copy of the conciliation agreement.

#### G. RELIEF IN THE PUBLIC INTEREST

14. Within thirty (30) days of the effective date of this Agreement, Respondent shall inform all of its agents and employees responsible for compliance with this Agreement, including any officers and board members, of the terms of this Agreement.

#### H. MONITORING

15. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, HUD may review compliance with this Agreement. As part of such review, HUD may inspect Respondent's property identified in Section A of this Agreement, examine witnesses, and copy pertinent records of Respondent. Respondent agrees to provide their full cooperation in any monitoring review undertaken by HUD to ensure compliance with this Agreement.

#### I. REPORTING AND RECORDKEEPING

16. Within forty-five (45) days of the effective date of this Agreement, Respondent shall certify to the FHEO Regional Director, in writing, that it has complied with paragraphs 13 and 14 of this Agreement.

17. All required certifications and documentation of compliance must be submitted to:

Mr. James N. Sutton  
Regional Director  
Office of Fair Housing and Equal Opportunity  
40 Marietta Street  
Atlanta, Georgia 30303-2806

#### CONSEQUENCES OF BREACH

18. Whenever the Department has reasonable cause to believe that the Respondent has breached this Agreement, the matter may 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.

SIGNATURES

\_\_\_\_\_  
Stacey Ellis, Complainant

Date

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\_\_\_\_\_  
Wally Tyser, Respondent  
Vanderbilt Mortgage Company

Date

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J. APPROVAL

\_\_\_\_\_  
James N. Sutton  
FHEO Region IV Director

Date

\_\_\_\_\_  
Date