


UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE VIII

CONCILIATION AGREEMENT

between


(Complainant)

and


Nancy Doody and Mortgage One, Inc.
(Respondents)

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

FHEO CASE NUMBERS: 05-15-1096-8

A. PARTIES AND SUBJECT PROPERTY

Complainants


Grosse Pointe Woods, Michigan 48236

Respondents


Nancy Doody, Processor
Mortgage One, Inc.
43456 Mound Road
Sterling Heights, Michigan 48314

Mortgage One, Inc.
c/o Mark Workens, Registered Agent
43546 Mound Road
Sterling Heights, Michigan 48314

Representing Respondents:

Michael S. Thomas
Matecun, Thomas & Olson, PLC
43570 Garfield, Suite 101
Clinton Township, Michigan 48038

Subject Properties


Grosse Pointe Woods, Michigan 48236

B. STATEMENT OF FACTS

The complaint was filed on July 10, 2015 with the Department of Housing and Urban Development (the "Department" or "HUD") alleging that Complainant was injured by a discriminatory act of Respondents that discriminates on the basis of his disability. The complaint was then transferred to the Michigan Department of Civil Rights, and it was waived back to HUD on July 31, 2015. Complainant alleges that Respondents violated Section 805 of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 *et seq.* (the "Act").

Respondents deny all the allegations and admit no wrongdoing but agree to settle the claims in the underlying action and the related federal lawsuit by entering into this Conciliation Agreement.

C. TERM OF AGREEMENT

1. Except as otherwise provided herein, this Conciliation Agreement (hereinafter "Agreement") shall govern the conduct of the parties to it for a period of two (2) years 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 ("HUD"), through the Fair Housing and Equal Opportunity ("FHEO") Regional Director, or his designee.
3. This Agreement shall become effective on the date on which it is approved by the Regional Director, FHEO Chicago Regional Office of the United States Department of Housing and Urban Development, or his designee.

E. GENERAL PROVISIONS

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties also acknowledge that they were given an opportunity to consult with and retain counsel of their own choosing prior to signing this Agreement. 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. 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 proven subsequent retaliation or discrimination against Complainants may constitute 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 Complainant, his heirs, successors and assigns, and Respondents, their employees, heirs, successors and assigns and all others in active concert with them in the operation of Mortgage One, Inc.
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 impact any authority the Department may have to investigate any other complaint involving Respondents made pursuant to the Fair Housing Act, or any other complaint 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. Complainant hereby forever waives, releases and covenants not to sue the Department or Respondents, as well as their respective heirs, executors, assigns, agents, employees, owners, officers, directors and attorneys ("Respondent Released Parties") with regard to any and all claims, complaints, damages, grievances and injuries Complainant may have of whatever nature, whether presently known or unknown, accrued or not accrued, and whether legal, equitable or administrative, arising out of, or derivative of, the subject matter of HUD Case Number 05-15-1096-8 or the subject matter of the United States District Court for the Eastern District of Michigan, Case No 2:15-cv-12554.
12. Within ten (10) days of the effective date this Agreement, Complainant shall enter a dismissal, with prejudice and without costs, fees or interest to any party, of the lawsuit filed by Complainant against Respondents in the United States District Court for the Eastern District of Michigan, Case no 2:15-cv-12554 arising, in part, out of the subject matter of HUD Case Number 05-15-1096-8.
13. Respondents hereby forever waive, release and covenant not to sue the Department or Complainant, as well as their respective heirs, executors, assigns, agents, employees, owners, officers, directors and attorneys with regard to any and all claims, complaints, damages, grievances and injuries Respondents may have of whatever nature, whether presently known or unknown, accrued or not accrued, and whether legal, equitable or administrative, arising out of the subject matter of HUD Case Number 05-15-1096-8, or which could have been filed in any action or suit arising from said subject matter.
14. Complainant agrees that he will not make any statement, answer any question, or say anything that would disparage the Respondent Released Parties or contain any negative statement, reference, or comment about them.

F. RELIEF FOR COMPLAINANT

15. Within seven (7) days of the date on which Complainant secures entry of the dismissal required in paragraph 12 above, Respondents will tender to Complainant a payment of \$10,000 (ten thousand dollars). Respondents shall make said payment in the form of a check payable to [REDACTED]. Respondents shall mail the check to [REDACTED] Road, Grosse Pointe Woods, Michigan 48236. Respondents shall meet the deadline in this paragraph so long as the payment is mailed within the seven (7) day period.

G. RELIEF IN THE PUBLIC INTEREST

16. Within one hundred and twenty days (120) from the effective date of this Agreement, Respondent Doody will attend a two hour Fair Housing Act compliance course concerning their obligations under federal, state, and local fair housing laws, including the disability status provisions of the Fair Housing Act. Upon completion of the training, Respondent Doody shall provide certification of attendance to the Department via email to: vana.karnaukhov@hud.gov.
17. Within 30 (thirty) days from the effective date of this Agreement, Respondent shall circulate the following notice to all of its loan officers, underwriters and processors:

The Fair Housing Act provides specific guidelines applicable to information a home mortgage lender may seek regarding an applicant who derives income from a public assistance program such as Social Security Disability Insurance. We take this issue very seriously, and those guidelines are to be followed. Based on those guidelines and our policies, it is unacceptable to ask an applicant for personal medical information.

H. MONITORING

18. 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 Respondents' underwriting policies, examine witnesses, and copy pertinent records of Respondents, as permitted by law. Respondents agree to provide their full cooperation in any monitoring review undertaken by HUD to ensure compliance with this Agreement.

I. REPORTING AND RECORDKEEPING

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

U.S. Department of Housing & Urban Development
Maurice McGough, Director
Region V, Office of Fair Housing and Equal Opportunity
77 W. Jackson Blvd. Rm 2101
Chicago, IL 60604

J. CONSEQUENCES OF BREACH

20. If ever the Department has reasonable cause to believe that the Respondents have 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.

Case Name: [REDACTED] v. Mortgage One, Inc.
Case Number: 05-15-1096-8

K. SIGNATURE PAGE

[COMPLAINANT [REDACTED]]

Date

Nancy Doody

[RESPONDENT Nancy Doody]

10/14/2015

Date

[RESPONDENT Mortgage One, Inc.]

Date

L. APPROVAL

[FHEO REGIONAL DIRECTOR]

Date

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K. SIGNATURE PAGE

[COMPLAINANT [REDACTED]]

Date

[RESPONDENT Nancy Doody]

Date

[Handwritten Signature]

10-16-15

[RESPONDENT Mortgage One, Inc.]

Date

Rick Holcomb, President

L. APPROVAL

[FHEO REGIONAL DIRECTOR]

Date

20. If ever the Department has reasonable cause to believe that the Respondents have 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(e) and 814(b)(2) of the Act.

Case Name: [REDACTED] v. Mortgage One, Inc.
Case Number: 05-15-1096-8

K. SIGNATURE PAGE

[REDACTED]
[COMPLAINANT] [REDACTED] _____ Date 10/13/2015

[RESPONDENT Nancy Doody] _____ Date

[RESPONDENT Mortgage One, Inc.] _____ Date

L. APPROVAL

[THEO REGIONAL DIRECTOR] _____ Date