



CONCILIATION AGREEMENT

**The United States
Department of Housing and Urban Development**

and



Complainant

and

**Wachovia Bank, a Division of Wells Fargo Bank, N.A.
One Wachovia Center
301 S. College Street
Charlotte, NC 28288**

Respondent

HUD Case No.: 09-10-0667-8 (Title VIII)

HUD Date Filed: April 2, 2010

Effective Date of Agreement: 10/15/2010

Expiration Date of Agreement: 10/15/2011

A. Parties and Subject Property

Complainant: [REDACTED]

Respondent: Wachovia Mortgage, a division of Wells Fargo, N.A.

Subject Property: [REDACTED]

B. Statement of Facts: The Complainant [REDACTED] is an African American woman. Beginning in November 2008 the Complainant contacted Wachovia Mortgage in an attempt to get a modification to her home mortgage. In November 16, 2009 the respondent opened negotiations with the Complainant for a HAMP modification. On or about 3/12/10, the Respondent filed a Notice of Default against the complainant's home. The Complainant alleged that the respondent failed to provide a loan modification because of the Complainant's race and gender.

C. Term of Agreement: This Conciliation Agreement ("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

1. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law, nor an Agreement pursuant to the Fair Housing Act, unless and until such time as it is approved by the Department, through the FHEO Regional Director or his designee.
2. The Agreement shall become effective on the date on which it is approved by the U.S. Department of Housing and Urban Development FHEO Regional Director, San Francisco Region.

E. General Provisions

3. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaints. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement. The parties have read and fully understand the significance of the terms set forth herein.
4. It is understood that the Respondent denies any violation of law, and that this Agreement does not constitute an admission by the Respondent or evidence of a determination by the Department of any violation of the Fair Housing Act or any other law.
5. The parties agree that, in the interest of speedily concluding this matter, this

Agreement may be executed by the parties' signatures on separate pages. The separate signed pages will be attached to the body of the Agreement to constitute one document. To avoid delay, the parties agree that signature pages received via facsimile will be considered official provided that the original copy of the signature page is forwarded to the Department immediately upon signing of the Agreement or within 10 days from the date of the Agreement. Both the original and faxed signature pages will be retained in the official case file.

6. It is understood that the signature of Holly J. Bragg, Esquire is made with the authority and on behalf of the Respondent.
7. This Agreement, once effective, is binding upon the U.S. Department of Housing and Urban Development, the Complainant and his successors and assigns, and the Respondent, its employees, heirs, successors and assigns.
8. Pursuant to Section 810(b) (4) of the Act, this Agreement shall become a public document. The Department, however, will hold confidential all information of a personal or financial nature concerning parties to this Agreement that is not contained in the body of the Agreement.
9. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondent made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.
10. No amendment to, modification of, or waiver of any provision of this Agreement shall be effective unless all the following conditions are met: (a) all signatories to the Agreement are notified in advance of the proposed 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, Fair Housing Enforcement Center. Any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

F. Mutual Release

11. In consideration of the execution of this Agreement, Complainant hereby forever waives, releases, and covenants not to sue the Department or Respondent or 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 09-10-0667-8 (Title VIII) or which could have been filed in any action or suit arising from said subject matter.
12. In exchange for the compliance with the provisions of the Agreement, Respondent hereby forever waives, releases, and covenants not to sue the Department or

Complainant, their heirs, executors, assigns, agents, employees, or 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 09-10-0667-8 (Title VIII), or which could have been filed in any action or suit arising from said subject matter.

13. This release does not apply to any rights arising from any party's failure to comply with the terms of this Agreement or to other complaints or matters of compliance which may be pending with the Department.

G. Non-Retaliation: Respondent acknowledges that it has an affirmative duty not to discriminate under the Fair Housing Act and other authorities, 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 Fair Housing Act or other authorities. Respondent further acknowledges that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement, and a statutory violation of the Fair Housing Act.

H. Relief for Complainant

14. Respondent agrees to offer the Complainant a modification of her mortgage loan, containing the following terms:

Interest: the interest rate shall be 2% until 11/1/2013, when the rate will become 3%. On 11/1/2014, the interest rate will become 4%. On 11/1/2015, the interest rate will become 5%. On 11/1/2016, the interest rate will become 5.375%, where it will remain for the remainder of the term of the loan

Term: the term of the loan will be 40 years, with the final payment due on 10/1/2050.

Principal reduction: the principal balance will be reduced by an amount such that the new principal balance will be \$199,469.95.

Forbearance: the modified loan will include a forbearance or "deferred principal balance" in the amount of \$44,503.22. This deferred principal balance will accrue no interest, and will be due and payable at either maturity, or upon earlier pay off of the loan.

Payments: complainant's initial payment will be \$829.22. This amount includes principal and interest in the amount of \$469.28, plus an escrow amount to cover taxes and insurance in the amount of \$359.94. After the initial payment, the escrow amount may vary to reflect changes in taxes and insurance.

15. Complainant's first payment of \$829.22 will be due on 11/1/2010.

16. Respondent agrees to waive any outstanding late charges and returned check fees.
17. Respondent agrees that no additional sums will be added to the principal balance.
18. Respondent agrees to forgive accrued, outstanding, and not capitalized interest through 9/30/10.
19. Respondent agrees that Complainant may accept the foregoing offer on or before 10/15/10. A facsimile or emailed signature will constitute acceptance. This supersedes the provision in return date specified in the modification agreement.
20. Respondent agrees that loan payments need not be made by automatic deduction.

I. Relief in the Public Interest

21. Respondent agrees to comply with all of the provisions of the Fair Housing Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

J. Monitoring

22. Complainant and Respondent agree that the Department shall monitor compliance with the terms and conditions specified in this Agreement. As part of such monitoring, the Department may inspect Respondent' property identified in Section A of this Agreement, interview witnesses, and copy pertinent records of Respondent.
23. Respondent agree to provide full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

K. Recording and Record Keeping

24. This Agreement contains specific actions that are required of the Complainant and Respondent. These actions must be completed within the specified timeframes and the Department must verify satisfactory completion. It is understood that this Agreement may serve as the parties' sole notice of the required contents and deadlines. It is also understood that the terms set forth in this Agreement are contractual and not merely recital.

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25. All required certifications and documentations of compliance with the terms of this Agreement shall be submitted to:

U.S. Department of Housing and Urban Development
Fair Housing Enforcement Center
ATTENTION: CONCILIATION REVIEW
600 Harrison Street, Third Floor
San Francisco, CA 94107

L. Consequences of Breach

26. The parties understand that if the Department has reasonable cause to believe that the Respondent have breached this Agreement, the Department shall refer the matter to the Attorney General of the United States, to commence a civil action in the appropriate U.S. District Court, pursuant to 42 U.S. C. §3610(c).

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SIGNATURES

These signatures attest to the approval and acceptance of this Agreement.

  10/14/10
 Complainant _____ Date

 Holly J. Bragg, Esquire _____ Date
 On Behalf of Wachovia Mortgage,
 a division of Wells Fargo Bank, N.A.
 (Respondent)

Catherine Ross-Perry 10-14-10
 Catherine Ross-Perry _____ Date
 Equal Opportunity Specialist
 Office of Fair Housing and
 Equal Opportunity

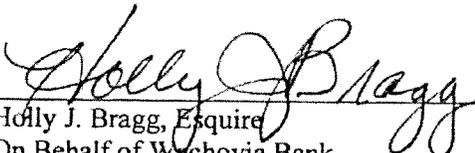
Jesse Webster 10/15/10
 Jesse Webster _____ Date
 Enforcement Branch Chief
 Office of Fair Housing and
 Equal Opportunity

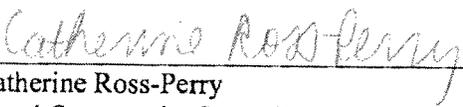
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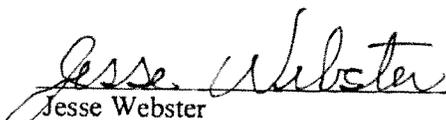
SIGNATURES

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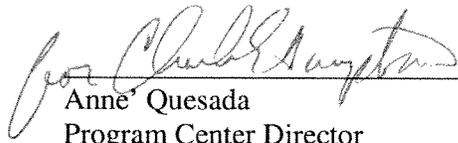
 _____ Date
Complainant

 _____ 10/13/10
Date
Holly J. Bragg, Esquire
On Behalf of Wachovia Bank,
a division of Wells Fargo Bank, N.A.
(Respondent)

 _____ 10-14-10
Date
Catherine Ross-Perry
Equal Opportunity Specialist
Office of Fair Housing and
Equal Opportunity

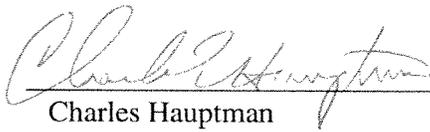
 _____ 10/15/10
Date
Jesse Webster
Enforcement Branch Chief
Office of Fair Housing and
Equal Opportunity

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Anne Quesada
Program Center Director
Office of Fair Housing and
Equal Opportunity

10/15/2010
Date



Charles Hauptman
Regional Center Director
Office of Fair Housing and
Equal Opportunity

10/15/2010
Date