

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF INDIANA
 INDIANAPOLIS DIVISION

FAIR HOUSING CENTER OF CENTRAL)
 INDIANA, INC., et al.)
)
 Plaintiffs,)
)
 v.)
)
 MARSHALL WELTON, et al.,)
)
 Defendants.)
 _____)
)
 MARSHALL WELTON, et al.,)
)
 Counterclaimants,)
)
 v.)
)
 FAIR HOUSING CENTER OF CENTRAL)
 INDIANA, INC., et al.,)
)
 Counterclaim-Defendants.)

Case No.: 1:18-cv-01098-JMS-DLP

CONSENT DECREE

Plaintiffs, Fair Housing Center of Central Indiana (“FHCCI”), Cristina Arellano, Lizeth Azcarraga, Jorge Caceres, Romary Vasquez, Nicole Anaya, Paula Almanza, Saturnino Garcia, Xochitl Palmeros, Sarahi Guadarrama, Audrin Castro, and Maria Margarita Cruz (“Individual Plaintiffs, and together with FHCCI, the “Plaintiffs”) filed this action against defendants Asset & Equity Strategies, LLC (incorrectly named herein as Asset and Equity Strategies LLC); Burger Property Assurance, LLC; Hoosier Collins Commercial Strategies, LLC; SLB Acquisitions, LLC; SLB Assets II, LLC; SLB Assets III, LLC; SLB Investments, LLC; Wong Ventures, LLC; Natalia Villanueva and Marshall Welton (the “Defendants”) alleging violations of the Fair Housing Act, Equal Credit Opportunity Act, Civil Rights Acts of 1866 and 1871, Truth in

Lending Act, and several Indiana state statutes. Defendants answered, denying all material allegations in the complaint and first amended complaint, and counterclaimed against Plaintiffs. Subsequently, Defendants moved to dismiss their counterclaim against the Fair Housing Center of Central Indiana and Plaintiffs moved for permission to file a proposed second amended complaint adding additional Defendants; both motions are pending before the Court.

To avoid further protracted litigation, the parties have agreed to resolve this matter without an adjudication on the merits by entry of this Consent Decree ("Decree") and a separate Settlement Agreement and General Release ("Settlement Agreement"). By consenting to entry of this Decree or by entering into the Settlement Agreement, neither Plaintiffs nor Defendants admit liability and each side denies the material allegations of the other.

Accordingly, it is hereby ORDERED and DECREED as follows:

I. Monetary Terms

1. Defendants shall pay Plaintiffs the sum specified in the Settlement Agreement in full satisfaction of any and all claims for damages.
2. Subject to the terms of the Settlement Agreement, Defendants will pay Plaintiffs' attorneys' fees and costs as determined by the Court, unless resolved through agreement of the parties. In the event the parties are unable to reach an agreement on the amount of the attorneys' fees and costs, Plaintiffs shall file a motion with the Court to fix the amount of Plaintiffs' attorneys' fees and costs within 42 days of entry of this Decree. Solely for purposes of that motion, Plaintiffs shall be deemed prevailing parties under the fee-shifting provisions of the federal and states statutes invoked in the first amended complaint. Payment will be remitted as specified in the Settlement Agreement.

II. Release and Dismissal

3. The parties have executed the Settlement Agreement, which contains mutual releases that releases each other, including the putative Defendants named in the proposed second amended complaint. The provisions of this Decree are not subject to that mutual release.
4. Upon resolution of Plaintiffs' claim for attorneys' fees and costs, the parties will file a stipulation of dismissal without prejudice with a reservation of jurisdiction solely for purposes of enforcement of the terms of this Decree and the Settlement Agreement. This action will be deemed dismissed with prejudice upon expiration of this Decree without the need for any further action by the Court or the parties.

III. Equitable Terms regarding Individual Plaintiffs' Dwellings

5. The equitable terms related to each Individual Plaintiff's dwelling and the terms of each Individual Plaintiff's housing transaction with Defendants are specified in Exhibit B of the Settlement Agreement.

IV. Equitable Terms regarding Defendants Housing Transactions

6. Each Defendant, its successors or assigns, including any partner, manager, employee, or agent acting within the course and scope of his or authority of any Defendant, its successors or assigns, will comply with the following terms regarding the sale or rental of dwellings:
 - a. Within 60 days of entry of this Decree, modify their housing transactions to comply with the requirements of Sections 3604(a), 3604(b), 3604(c), 3604(d), 3605, 3606, and 3617 of the Fair Housing Act, 42 U.S.C. § 3601, *et seq.*, Section 1691 of the Equal Credit Opportunity Act, 15 U.S.C. § 1691, *et seq.*, and Sections 1639c(a), 1639(u), 1639(a), and 1639h of the Truth in Lending Act, 15 U.S.C. § 1601, *et seq.*;

- b. Within 60 days of entry of this Decree, modify their housing transactions related to dwellings located in Indiana to comply with the requirements of the Residential Real Estate Sales Disclosure Statute, Ind. Code §32-21-5-1; Landlord - Tenant Relations Statute, Ind. Code §32-31; First Lien Mortgage Lending Act, Ind. Code §24-4.4; Consumer Credit Disclosures Act, Ind. Code §24-2.5; Consumer Sales Act, Ind. Code §24-5-11-05; and Indiana Home Loan Practices Act, Ind. Code §24-9-3-7;
- c. Within 60 days of entry of this Decree and applicable only to each land contract or purchase option agreement executed by a consumer¹ after the entry of this Decree, establish a procedure and requirement to (1) record any land contract within 14 days of the execution of the land contract by the purchaser, (2) record any purchase option agreement within 14 days of the optionee's payment of more than 10% of the purchase price, (3) provide the purchaser or optionee with proof of that recording, and (3) provide a warranty in each land contract that clear title will be transferred to the purchaser upon the purchaser's satisfaction of the terms of the land contract with the exception of easements and restrictions of record and current real estate taxes not yet delinquent;
- d. Within 90 days of entry of this Decree and applicable only to land contracts or purchase option agreement executed by a consumer before the entry of this Decree, make best efforts to (1) cause each land contract executed prior to the entry of this Decree and still in effect to be recorded, (2) cause each purchase option agreement executed prior to entry of this Decree and still in effect to be recorded if and when the optionee has paid more than 10% of the purchase price, (3) provide purchasers or

¹ As used in this decree, "consumer" mean a person who contracts for the rental, purchase or option to purchase a dwelling for occupancy by that consumer or the consumer's family.

- optionees with proof of that recording, and (4) provide a warranty in connection with each land contract that clear title will be transferred to the purchaser upon the purchaser's satisfaction of the terms of the land contract with the exception of easements and restrictions of record and current real estate taxes not yet delinquent;
- e. Within 60 days of entry of this Decree, distribute to each current and prospective consumer a copy of HUD's fair housing brochure (HUD-1686-1-FHEO or its successor forms) in each language used by Defendants to advertise their housing transactions;
 - f. Within 60 days of entry of this Decree, to the extent applicable, execute housing transaction documents with each consumer in duplicate, consisting of one in English and the other in the principal language in which the transaction was or is conducted;
 - g. Within 120 days of entry of this Decree, provide each current consumer who executed housing transaction documents before entry of this Decree with a copy of those housing transaction documents in the principal language in which the transaction was conducted;
 - h. Within 60 days of entry of this Decree, install and maintain in each rental or sales office an HUD fair housing poster (from HUD 928) in a conspicuous location where it may be seen by members of the public;
 - i. Within 60 days of entry of this Decree, conform their advertisement regarding the rental or sale of dwellings by consumers with HUD's Fair Housing Advertisement Guidelines, 24 C.F.R. Part 109, pursuant to 24 C.F.R. § 100.75(d);
 - j. To require the attendance and pay for the attendance at two fair housing trainings of each Defendants' employees, managers, and agents whose duties involve marketing,

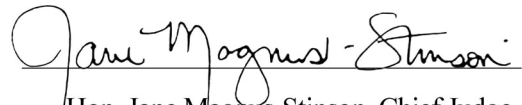
implementation, execution or enforcement of housing transactions for the rental or purchase of dwellings by consumers . The first training shall occur within 120 days of entry of this Decree. A second fair housing training shall occur between 12 and 20 months after the first training. Each training shall be conducted by a trainer mutually acceptable to the Defendants and FHCCI. FHCCI agrees it will not unreasonably withhold its consent to Defendants' choice of a fair housing trainer.

V. Compliance and Enforcement

7. Defendants shall maintain records reflecting their compliance with the terms of this Decree and make those records available for inspection by FHCCI upon reasonable notice and no more than once per quarter
8. Defendants or their attorneys shall notify FHCCI in writing on an annual basis of the Defendants' compliance with the terms of this Decree. This notification shall include a certification that each Defendant is in compliance with the terms of this Decree, a copy of the modified housing transaction documents currently in use by Defendants, and proof of attendance at the fair housing trainings (attendance roster or certificates). The compliance notices shall be delivered within 180 days of entry of this Decree and then on an annual basis on the anniversary of that first notice for the duration of this Decree.
9. The terms of this Consent Order shall remain in effect for three (3) years after the date of its entry. This action will be deemed dismissed with prejudice upon expiration of this Decree without the need for any further action by the Court or the parties.
10. During the term of this Decree, the Court shall retain jurisdiction solely for purposes of enforcement. Before any motion to compel compliance is filed, the parties must confer in good faith in an effort to resolve the dispute.

IT IS SO ORDERED AND DECREED.

Date: 11/8/2019



Hon. Jane Magnus-Stinson, Chief Judge
United States District Court
Southern District of Indiana

* * *

Approved as to form and content:

Counsel for Plaintiffs

/s/ Christopher E. Clark
Christopher E. Clark, #18577-29
GOODIN ABERNATHY, LLP
301 East 38th Street
Indianapolis, IN 46205
T. 317-843-2606
Email: cclark@goodinabernathy.com

/s/ Christopher Brancart
Christopher Brancart, CA #128475
BRANCART & BRANCART
P.O. Box 686
Pescadero, CA 94060
T. 650-879-0141
Email: cbrancart@brancart.com

/s/ Chase Haller
Chase Haller, #29944-49
NEIGHBORHOOD CHRISTIAN LEGAL
CLINIC, INC.
3333 North Meridian Street, Suite 201
Indianapolis, IN 46208
T. 317-429-4131
Email: challer@nclegalclinic.org

Counsel for Defendants

/s/ Steven E. Runyan
Steven E. Runyan
Amanda D. Stafford
James A. Knauer
Jason T. Mizzell
KROGER, GARDIS & REGAS, LLP
111 Monument Circle, Suite 900
Indianapolis, IN 46204
T. 317-692-9000
Email: srunyan@kgrlaw.com
Email: astafford@kgrlaw.com
Email: jknauer@kgrlaw.com
Email: jmizzell@kgrlaw.com