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**HUD ANNOUNCES AGREEMENT WITH FIDELITY BANK TO
RESOLVE ALLEGATIONS OF UNFAIR LENDING PRACTICES**
Lender will invest \$1 million in predominately minority neighborhoods

WASHINGTON – The U.S. Department of Housing and Urban Development (HUD) announced today a \$1 million agreement between the Fair Housing Project of North Carolina Legal Aid and North Carolina-based Fidelity Bank to resolve allegations the mortgage lender engaged in unfair lending practices against minority applicants. [Read the agreement.](#)

The *Fair Housing Act* makes it unlawful to make housing unavailable or to discriminate in the terms, conditions, or privileges of the sale of a dwelling because of race. The Fair Housing Act also makes it unlawful for any person or entity whose business includes residential real estate-related transactions to discriminate in these transactions, or terms or conditions, because of race. Banks and other lenders are prohibited from discriminating with respect to home mortgage loans.

“Whether intentional or not, stark disparities exist in lending patterns and access to credit along racial and ethnic lines,” said HUD Assistant Secretary for Fair Housing and Equal Opportunity Gustavo Velasquez. “HUD remains committed to not only enforcing the law, but also facilitating productive relationships between lenders and advocacy groups that help make lenders more aware of their obligations under the Fair Housing Act.”

The Conciliation Agreement stems from a complaint that was filed by the Fair Housing Project, Legal Aid of North Carolina, Inc., a HUD Fair Housing Initiatives Program agency based in Raleigh, alleging that the bank denied or made housing and home mortgage loans unavailable because of race.

Under the agreement, Fidelity will make investments and community development loans in predominantly minority census tracts where at least 40 percent of these loans will specifically promote affordable housing. For this purpose, the Bank has committed to earmarking at least \$500,000 each year for two years, for a total of \$1 million.

In addition, The Fidelity Bank will display a HUD Fair Housing poster at its Oberlin Road branch in Raleigh. The bank will also prominently display its non-discrimination policies at that branch in English and Spanish, and provide fair lending training to staff, including loan originators and employees engaged in loan processing and underwriting.

Last year, about one quarter, or 28 percent, of all fair housing complaints filed with HUD and Fair Housing Assistance Program agencies (HUD partners,) cited race as the basis for the complaints.

People who believe they have experienced discrimination may file a complaint by contacting HUD's Office of Fair Housing and Equal Opportunity at (800) 669-9777 (voice) or (800) 927-9275 (TTY). Housing discrimination complaints may also be filed at www.hud.gov/fairhousing or by downloading HUD's free housing discrimination mobile application, which can be accessed through Apple and Android devices.

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