

UNITED STATES OF AMERICA  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
OFFICE OF ADMINISTRATIVE LAW JUDGES

The Secretary, United States	)	
Department of Housing and Urban	)	
Development, on behalf of	)	
Virginia Jaimes,	)	
Porfirio Alcantara,	)	
Celestino Medrano, and	)	
Martha Elena Puerto,	)	
	)	
Charging Party,	)	
	)	
	)	FHEO No. 06-04-0532-8
v.	)	FHEO No. 06-05-0049-8
	)	FHEO No. 06-05-0050-8
	)	FHEO No. 06-04-0352-8
Anibal and Janet Silva,	)	
Respondents.	)	
	)	
	)	
	)	

CHARGE OF DISCRIMINATION

**I. JURISDICTION**

Complaints of housing discrimination were filed with the United States Department of Housing and Urban Development (HUD) against Anibal and Janet Silva as follows: Martha Elena Puerto filed a complaint against Anibal Silva on February 9, 2004, Virginia Jaimes filed on March 31, 2004, Porfirio Alcantara filed on October 14, 2004, and Celestino Medrano filed on October 14, 2004 against Anibal and Janet Silva. They allege that the Respondents violated the Fair Housing Act, as amended in 1988, 42 U.S.C. § 3601 *et seq.* (the Act), by discriminating based on national origin, in violation of 42 U.S.C. §§ 3604 (a) and (b), 3605 and 3617.

The Act authorizes the issuance of a Charge of Discrimination (Charge) on behalf of an aggrieved person following an investigation and a determination that reasonable cause exists to believe that a discriminatory housing practice has occurred,

42 U.S.C. § 3610(g)(1) and (2). The Secretary has delegated to the General Counsel (54 Fed.Reg. 13121), who has redelegated to the Regional Counsel (67 Fed.Reg. 44234) the authority to issue such a Charge, following a determination of reasonable cause by HUD.

By determination of reasonable cause on July 12, 2005, the Director of the Office of Fair Housing and Equal Opportunity for the Fort Worth Regional Fair Housing and Equal Opportunity Office on behalf of the Assistant Secretary for Fair Housing and Equal Opportunity, has determined that reasonable cause exists to believe that a discriminatory housing practice has occurred in this case based on national origin, and has authorized and directed the issuance of this Charge of Discrimination.

## **II. SUMMARY OF ALLEGATIONS IN SUPPORT OF THIS CHARGE**

Based on HUD's investigation of the allegations contained in the aforementioned complaints as set forth in the attached Determination of Reasonable Cause, Respondents Anibal and Janet Silva are charged with discriminating against Complainants Virginia Jaimes and Porfirio Alcantara, aggrieved persons, based on national origin in violation of 42 U.S.C. §§ 3604(a) and (b), 3605(b), and 3617 of the Act as listed below. Respondents Anibal and Janet Silva are charged with discriminating against Complainant Celestino Medrano, an aggrieved person, based on national origin in violation of 42 U.S.C. §§ 3604(a) and (b) and 3605(b) of the Act as listed below. Respondent Anibal Silva is charged with discriminating against Complainant Martha Elena Puerto, an aggrieved person, based on national origin in violation of 42 U.S.C. §§ 3604(a) and (b) and 3605(b) of the Act as listed below.

### **A. Statutory and Regulatory Provisions**

1. It is unlawful to refuse to rent after the making of a bona fide offer, or to refuse to negotiate for the rental or sale of, or otherwise make unavailable or deny, a dwelling to any person because of national origin. 42 U.S.C. § 3604 (a).
2. It is unlawful to discriminate against any person in the terms, conditions, or privileges of sale of a dwelling because of national origin. 42 U.S.C. § 3604(b).
3. It is unlawful for any person whose business includes engaging in residential real-estate related transactions to discriminate against any person in making available such a transaction, or in the terms and conditions of such a transaction because of national origin. 42 U.S.C. § 3605(b).
4. It is unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of having exercised or enjoyed, or on account of having aided or encouraged any other person in the

exercise or enjoyment of, any right granted or protected by the Act because of national origin. 42 U.S.C. § 3617.<sup>1</sup>

## B. Factual Allegations

### Complainants

5. Virginia Jaimes (Complainant Jaimes) is a Hispanic female, place of national origin being Mexico, and a single mother of four children, who entered into what she believed to be a purchase agreement for a house located at 8014 Briarton Drive in Austin, Texas, with Anibal and Janet Silva, on or about August 16, 2002. About a month later, Respondent Anibal Silva moved Complainant Jaimes to 4607 Candletree Lane, Austin, Texas.
6. Porfirio Alcantara (Complainant Alcantara) is a Hispanic male, place of national origin being Mexico, who entered into what he and his wife believed to be a purchase agreement for a house located at 802 Norwell Lane, Pflugerville, Texas, with Anibal and Janet Silva on or about February 7, 2003.
7. Celestino Medrano (Complainant Medrano) is a Hispanic male, place of national origin being Mexico, who entered into what he and his wife believed to be a purchase agreement for a house located at 802 Norwell Lane, Pflugerville, Texas, with Anibal and Janet Silva on or about August 1, 2003. This was the same property offered to Complainant Alcantara.
8. Martha Elena Puerto (Complainant Puerto) is a Hispanic female, place of national origin being Mexico, who entered into what she and her husband believed to be a purchase agreement for a house located at 1825 Parkway Drive, Pflugerville, Texas, with Anibal and Janet Silva on or about June 25, 2003.

### Respondents

9. Respondent Janet Silva owns the subject properties. Janet and Anibal Silva own a total of nine properties, all located in the Austin and San Antonio areas. The subject properties are single-family homes located at 8014 Briarton, Austin, Texas, 4607 Candletree Lane, Austin, Texas, 802 Norwell Lane, Pflugerville, Texas, and 1825 Parkway Drive, Pflugerville, Texas.
10. Respondent Anibal Silva was engaged in the business of selling, renting and managing homes that he owned, or that were owned by his spouse, Respondent Janet Silva, or owned by other family members.

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<sup>1</sup> There is no allegation for a violation of 42 U.S.C. § 3617 in regard to Complainants Celestino Medrano and Martha Elena Puerto.

11. Respondent Anibal Silva owned and operated a real estate business known as Capital Funding Group.

Witness: Liliana Ramirez

12. Respondent Anibal Silva's former employee was Liliana Ramirez who worked as a realtor.
13. Ms. Ramirez disclosed that Respondents Anibal Silva and Janet Silva targeted Hispanics in their real estate business. She stated that they did business with Hispanics because it was easy to get them to sign documents since they do not read them, or because they are unable to read them due to their limited English proficiency.
14. Ms. Ramirez stated that Respondents Anibal Silva and Janet Silva targeted Hispanics through advertising, and that Respondents Anibal Silva and Janet Silva always asked for their money up front.
15. Ms. Ramirez did not like the fact that Respondent Anibal Silva targeted Hispanics. Ms. Ramirez confronted Respondent Anibal Silva about his behavior in targeting Hispanics. Mr. Silva became angry and fired her.
16. Respondents Anibal Silva and Janet Silva also targeted Hispanics by advertising in Spanish-language newspapers. One example is an advertisement placed July, 2004 in "El Mundo", a Spanish-language newspaper located in Austin, Texas. The advertisement read that a person could buy a home with easy qualifications and no credit check.

Virginia Jaimes

17. On or about August 16, 2002, Virginia Jaimes attempted to purchase a home located at 8014 Briarton, Austin, Texas from Respondent Janet Silva. Respondent Anibal Silva acted as the agent for Respondent Janet Silva. At all relevant times, Respondent Janet Silva owned the property.
18. Complainant Jaimes believed she was purchasing a home, but the agreement was drawn up on a Texas Association of Realtors Lease Agreement form. The agreement stated that she was to pay \$1500 a month to Respondent Janet Silva.
19. On or about August 16, 2002, Complainant Jaimes paid a down payment of \$6,000 towards the property.
20. On or about August 23, 2002, Complainant Jaimes moved into the house located on 8014 Briarton.

21. On or about January 29, 2003, Respondent Anibal Silva evicted Complainant Jaimes from 8014 Briarton, and obtained a default judgment against her. Despite having a default judgment against her, Respondent Anibal Silva did not request the issuance of a writ of possession. Instead, about a month later, Respondent Anibal Silva moved Complainant Jaimes to 4607 Candletree Lane, Austin, Texas. Meanwhile, Respondent Anibal Silva had already leased the property on Briarton to Violete Paredes.
22. Once Complainant Jaimes moved to the 4607 Candletree Lane home, Respondent Anibal Silva told her that she was now buying the 4607 Candletree house and any money she had paid on the previous home was lost.
23. Complainant Jaimes' payment was to be \$868 per month. After requesting a copy of the new agreement, Respondent Anibal Silva informed her that she would have to pay \$500 before he would release the agreement to her.
24. On or about August 3, 2003, Respondent Anibal Silva attempted to evict Complainant Jaimes from 4607 Candletree Lane. The parties agreed to drop their complaints.
25. Complainant Jaimes moved from the Candletree Lane property to her current residence at 6101 Ada Court, No. A in Austin, Texas, which she is leasing from someone other than Respondent Anibal Silva.
26. Respondent Anibal Silva would show up at Complainant's house and demand entry. If Complainant Jaimes did not open the door for him, he would continue to knock or return to his car and sit and watch the house. Complainant Jaimes stated that Respondent Anibal Silva also asked her to go out on dates with him.
27. Respondent Anibal Silva would appear at Complainant Jaimes' home late at night around 10 and 11pm to discuss business. He would often sit outside Complainant Jaimes' home until 2 am. Respondent Anibal Silva would often demand payment in cash and would often not provide receipts.

Porfirio Alcantara

28. Complainant Porfirio Alcantara is a Hispanic male who purchased a home through a contract for deed from the Respondent Anibal Silva on or about February 7, 2003. Complainant Porfirio Alcantara lived in the subject property located at 802 Norwell Lane, Pflugerville, TX 78660, until August 2003.

29. On or about January 13, 2003, after paying a downpayment of \$5,000, Complainant Alcantara was not allowed to move into the home for 45 to 60 days. Respondent Anibal Silva kept making various excuses for Complainant Alcantara not being able to move into the property.
30. According to documents reviewed from the bankruptcy filings, Complainant Alcantara was sold a home valued at about \$100,000 for \$60,000. The house was sold to Complainant Alcantara for \$7,000 down, and then payments for two years at \$850.00 per month. The total of the payments would be \$20,400. This was not the full amount, and there was no explanation regarding how Complainant Alcantara would pay the outstanding balance. The contract also did not show that this was a lease with an option to purchase, or any similar type arrangement.
31. After moving into the home, Complainant Alcantara discovered that he had not purchased the home, but was just leasing the property. He was informed of this information when he was approached by other Hispanics, who had also transacted business with Respondents Anibal Silva and Janet Silva.
32. On or about July 25, 2003, Complainant Alcantara contacted attorney Mac Ray Hernandez. On or about July 29, 2003, Attorney Hernandez met with Complainant Alcantara, and several of the other persons who had done business with Respondents Anibal Silva and Janet Silva. Mr. Hernandez advised Complainant Alcantara to arrange a refund from Respondents Anibal Silva and Janet Silva. While negotiating the refund, Complainant Alcantara was informed by Respondents Anibal Silva and Janet Silva that he was actually leasing the house for two years. Additionally, Complainant Alcantara was informed by Respondent Anibal Silva the reason he was not sold the house was because he did not have a social security card, and it would take two years to obtain one.
33. On or about August 1, 2003, Complainant Alcantara negotiated a written agreement with Respondent Anibal Silva. Respondent Anibal Silva agreed to refund Complainant Alcantara the sum of \$2,550 in two payments. Complainant Alcantara moved out of the home and received a check for \$1,550 on August 1, 2003, but was never paid the balance of \$1,000.
34. On or about September 15, 2004, Complainant Alcantara was sued by Respondents Anibal Silva and Janet Silva for breach of contract in Small Claims Court, Precinct Two, in Travis County, Texas. This suit is still pending.
35. Respondent Anibal Silva would show up at his place of residence unannounced during the evening hours. Respondent Anibal Silva was often spotted driving around the neighborhood or sitting outside the home at night.
36. Respondent Anibal Silva would often demand to be paid in cash and often would not provide receipts.

Celestino Medrano

37. On or about August 1, 2003, Celestino Medrano believed he purchased a home through a contract for deed from Respondent Anibal and Janet Silva after paying \$3,500 as a down payment. The house was located at 802 Norwell Lane, Pflugerville, Texas, and had recently been vacated by Mr. Porfirio Alcantara.
38. Complainant Medrano later met Complainant Alcantara through work, and Complainant Alcantara told Complainant Medrano that his purchase was potentially a sham. Complainant Medrano demanded a refund from Respondent Anibal Silva, but he was refused. Complainant Medrano then demanded a copy of his contract but he was told that it would have to be sent from California. After deciding not to lose more money, Complainant Medrano moved out of the house.
39. On or about September 29, 2004, Complainant Medrano was sued by Respondents Anibal Silva and Janet Silva for breach of contract in Small Claims Court, Precinct Two, in Travis County, Texas. This suit is still pending, and no dates have been set.
40. On or about September 24, 2004, Respondents Anibal Silva and Janet Silva sued Complainant Medrano for approximately \$2,600 in damages. Complainant Medrano was being sold a home that was valued close to \$100,000 for approximately \$25,000. Complainant Medrano lost the money he had paid as a down payment.

Martha Elena Puerto

41. Martha Elena Puerto and her husband, who are both Hispanic, sought to purchase a home located at 1825 Parkway Drive, Pflugerville, Texas, through their Realtor, Liliana Ramirez. Ms. Ramirez was employed by Respondent Anibal Silva.
42. Respondent Anibal Silva owned and operated a real estate business known as Capital Funding Group.
43. Respondent Anibal Silva informed Complainant Puerto that the interest rate would be approximately 9.0 %, collected \$1,030 from her for title work, taxes, and other undetermined purposes, and stated that the down payment would be \$5,000. Complainant Puerto put down \$500 as an earnest money deposit.
44. On or about June 25, 2003, a day or two before the closing, Respondent Anibal Silva contacted Complainant Puerto to schedule a meeting. At this

meeting, Ms. Ramirez was fired. Respondent Anibal Silva told Complainant Puerto that her interest rate would increase to approximately 10%, and she needed to give Respondent Anibal Silva \$12,000 down instead of the \$5,000 originally quoted. In response to this information, Complainant Puerto terminated the transaction and demanded a refund.

45. Complainant Puerto and her husband eventually bought a different home, located at 612-A St. John's Ave, Austin, Texas, with an interest rate of 6%, through a different realtor and broker.

#### Violations

46. By refusing to sell the subject properties to the Complainants after making of a bona fide offer, due to national origin, Respondents violated 42 U.S.C. § 3604 (a).
47. By discriminating against the Complainants in the terms, conditions, and privileges of the sale of a dwelling, and in the provision of services and facilities in connection therewith, because of national origin of the Complainants, Respondents violated 42 U.S.C. § 3604 (b).
48. By discrimination against the Complainants in the terms and conditions of home loans, because of the Complainants national origin Respondents violated 42 U.S.C. § 3605.
49. By intimidating, threatening, and coercing the Complainants, due to their national origin, Respondents violated 42 U.S.C. § 3617.
50. Because of Respondents' discriminatory conduct, Complainants have suffered damages including emotional distress, inconvenience, loss of housing opportunities and economic losses.



### **III. CONCLUSION**

WHEREFORE, the Secretary of the United States Department of Housing and Urban Development, through the Office of the General Counsel, and pursuant to 42 U.S.C. § 3610(g)(2)(A) of the Act, hereby charges Respondents with engaging in discriminatory housing practices in violation of 42 U.S.C. §§ 3604 (a) and (b), 3605 and 3617 of the Act, and prays that an Order be issued that:

1. Declares that the discriminatory housing practices, as set forth above violate the Fair Housing Act, as amended, 42 U.S.C. § 3601 *et seq.*; by discriminating on the basis of national origin, in violation of 42 U.S.C. §§ 3604(a) and (b), 3605, and 3617.
2. Enjoins Respondents, their agents, employees, and successors, and all other persons in active concert or participation with any of them from discriminating because of national origin against any person in any aspect of the purchase or rental of a dwelling;
3. Awards such damages as will fully compensate Virginia Jaimes, aggrieved person, for her damages in the amount of \$14,200 for lost security deposit and rent paid, \$1,200 for moving expenses, and \$2,700 to secure alternative housing; including compensation for emotional distress, and loss of the enjoyment of a housing opportunity caused by Respondents' discriminatory conduct pursuant to 42 U.S.C. §§ 3604(a) and (b), 3605 and 3617;
4. Awards such damages as will fully compensate Complainant Porfirio Alcantara, aggrieved person, for his damages in the amount of \$3,450 for the balance of his deposit to purchase the dwelling, and \$2,560 for repairs made to the house that he thought he owned, including compensation for emotional distress, and loss of the enjoyment of a housing opportunity caused by Respondents' discriminatory conduct pursuant to 42 U.S.C. §§ 3604(a) and (b), 3605 and 3617;
5. Awards such damages as will fully compensate Celestino Medrano, aggrieved person, for his damages, in the amount of \$4,000 for lost deposit and utilities, and \$8,480 to secure alternative housing including compensation for emotional distress, and loss of the enjoyment of a housing opportunity caused by Respondents' discriminatory conduct pursuant to 42 U.S.C. §§ 3604(a) and (b), 3605 and 3617;
6. Awards such damages as will fully compensate Martha Elena Puerto, aggrieved person, for her damages in the amount of \$1,200 for lost security deposit and utilities, \$200 for lost wages, including compensation for emotional distress, and loss of the enjoyment of a housing opportunity

caused by Respondents' discriminatory conduct pursuant to 42 U.S.C. §§ 3604(a) and (b), 3605 and 3617;

7. Awards the maximum civil penalty in the amount of \$44,000 against Respondents Anibal and Janet Silva for each violation of the Act committed, pursuant to 42 U.S.C. § 3612(g)(3).

The Secretary of HUD further prays for additional relief as may be appropriate under 42 U.S.C. § 3612(g)(3).

Respectfully submitted,

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Bill Daley  
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