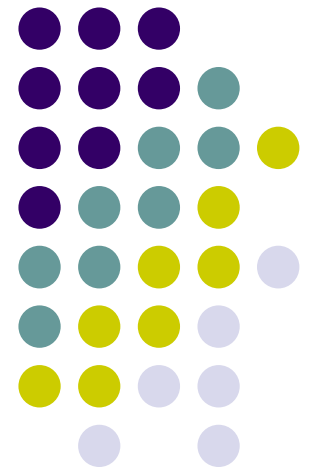


A Tale of Two Recoveries

**How Deutsche Bank, Ocwen Financial,
and Altisource Failed to Maintain the Bank-
Owned Homes in African American and Latino
Neighborhoods in Metropolitan Milwaukee, WI**



Overview: Maintenance Investigation of Bank-Owned Homes



- This Power Point reflects the investigation by the **Metropolitan Milwaukee Fair Housing Center** from 2013-2016. These investigations are part of a larger, nationwide investigation involving the National Fair Housing Alliance (NFHA) and 19 fair housing center partners.
- Banks claim to preserve and maintain their foreclosures to the same standard of maintenance in the neighborhood. NFHA and partners took photos of the bank-owned homes and neighboring homes to put into context how Deutsche Bank, Ocwen, and Altisource failed to maintain their foreclosures in African American and Latino neighborhoods across the country.
- These investigations are about routine maintenance on the outside of the bank-owned homes. Banks are paid to mow lawns, remove trash/debris, and secure doors and windows to thwart vandalism and squatters.
- Boarded doors and windows, overgrown grass, invasive plants, and trash and debris on the property detract from the home's curb appeal to owner-occupant buyers.

Methodology for Investigation



- For every bank-owned home, there were 39 maintenance or marketing factors evaluated on a checklist.
- The investigator simply marked “yes” or “no” as to whether the deficiency was present on the home.
 - For example, 1 broken window would count as 1 deficiency; likewise, 3 broken windows would count as 1 deficiency.
- Photos were taken of the bank-owned home and neighbors on both sides and across the street.

Methodology for Investigation



Curb Appeal

- Trash, Leaves, Overgrown Grass, Overgrown Shrubs, Invasive Plants, Dead Grass



Structure

- Broken Windows, Broken Doors, Damaged Fences, Damaged Roof, Holes, Wood Rot



Signage

- Trespassing/warning signs, "Bank owned", "Auction", or "Foreclosure" signs, "For Sale" signs missing or broken/discarded



Methodology for Investigation



Paint/Siding

- Graffiti, excessive peeling/chipped paint, damaged siding



Gutters

- Missing, out of place, broken, hanging, obstructed



Water Damage

- Mold, discoloration, excessive rust, erosion



Utilities

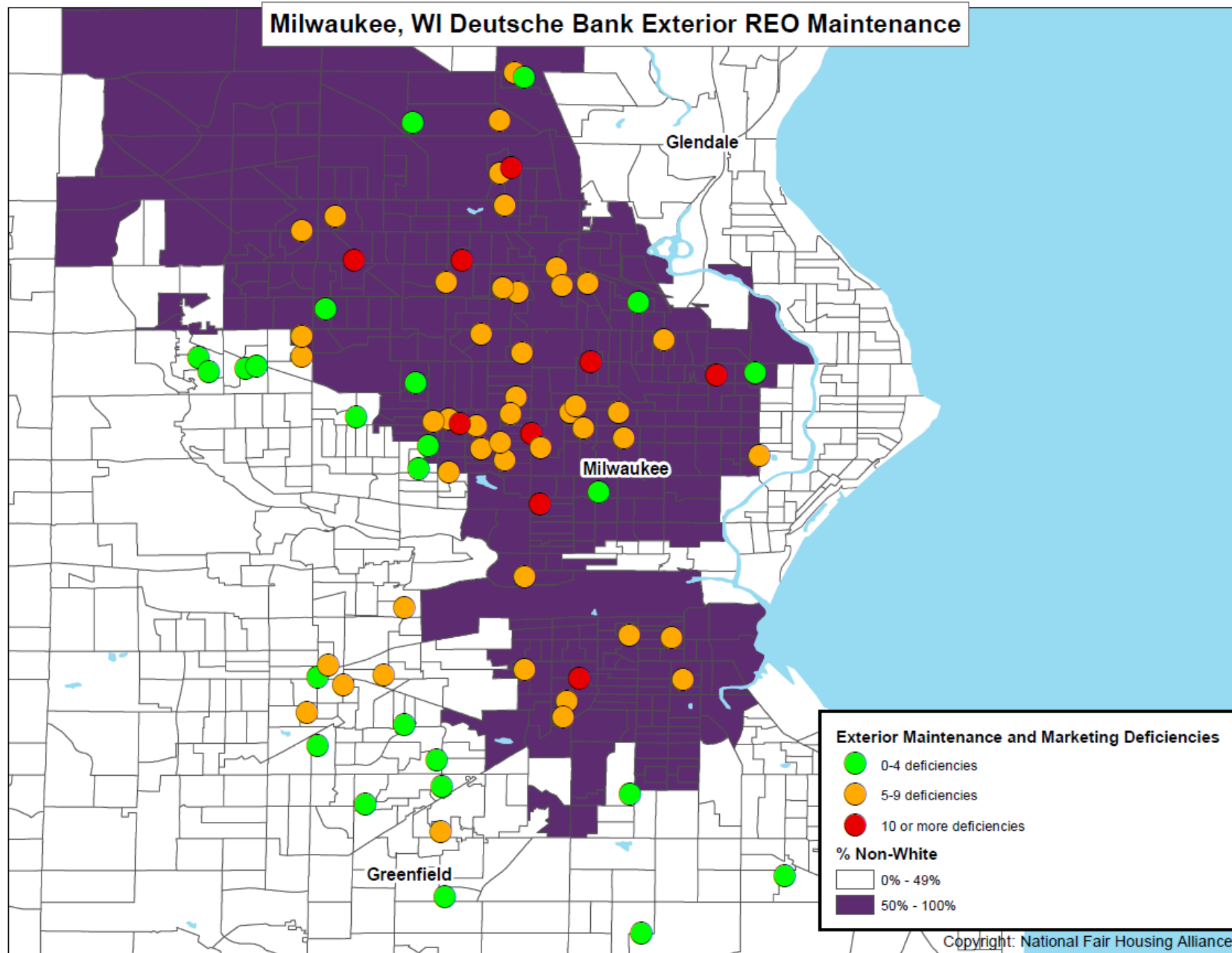
- Tampered with or exposed

Racial Disparities



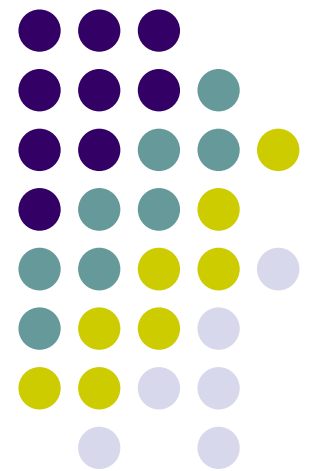
- The Metropolitan Milwaukee fair Housing Council investigated 80 Deutsche Bank-owned homes in White, African American, and Latino neighborhoods.
 - 46 located in African-American neighborhoods
 - 7 located in Latino neighborhoods
 - 4 located in non-White neighborhoods
 - 23 located in predominantly White neighborhoods
- 42.1% of the Deutsche homes in neighborhoods of color had **unsecured or broken doors**, while only 13.0% in predominantly White neighborhoods did.
- 59.6% of the Deutsche Bank-owned homes in neighborhoods of color had **substantial amounts of trash or debris**, while only 21.7 % in predominantly White neighborhoods did.
- 42.1% of the Deutsche Bank-owned homes in neighborhoods of color had **overgrown grass and leaves**, while only 8.7% in predominantly White neighborhoods did.
- 61.4% of the Deutsche Bank-owned homes in neighborhoods of color had **broken or boarded windows**, while only 13.0% of the REO properties in predominantly White neighborhoods

Milwaukee, WI Deutsche Bank Exterior REO Maintenance



Deutsche Bank fails to maintain its homes in 2016-2017

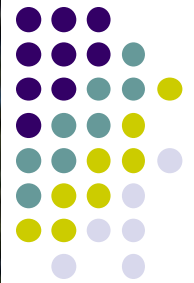
Examples of Deutsche Bank's maintenance of homes in African American neighborhoods investigated by the MMFHC.



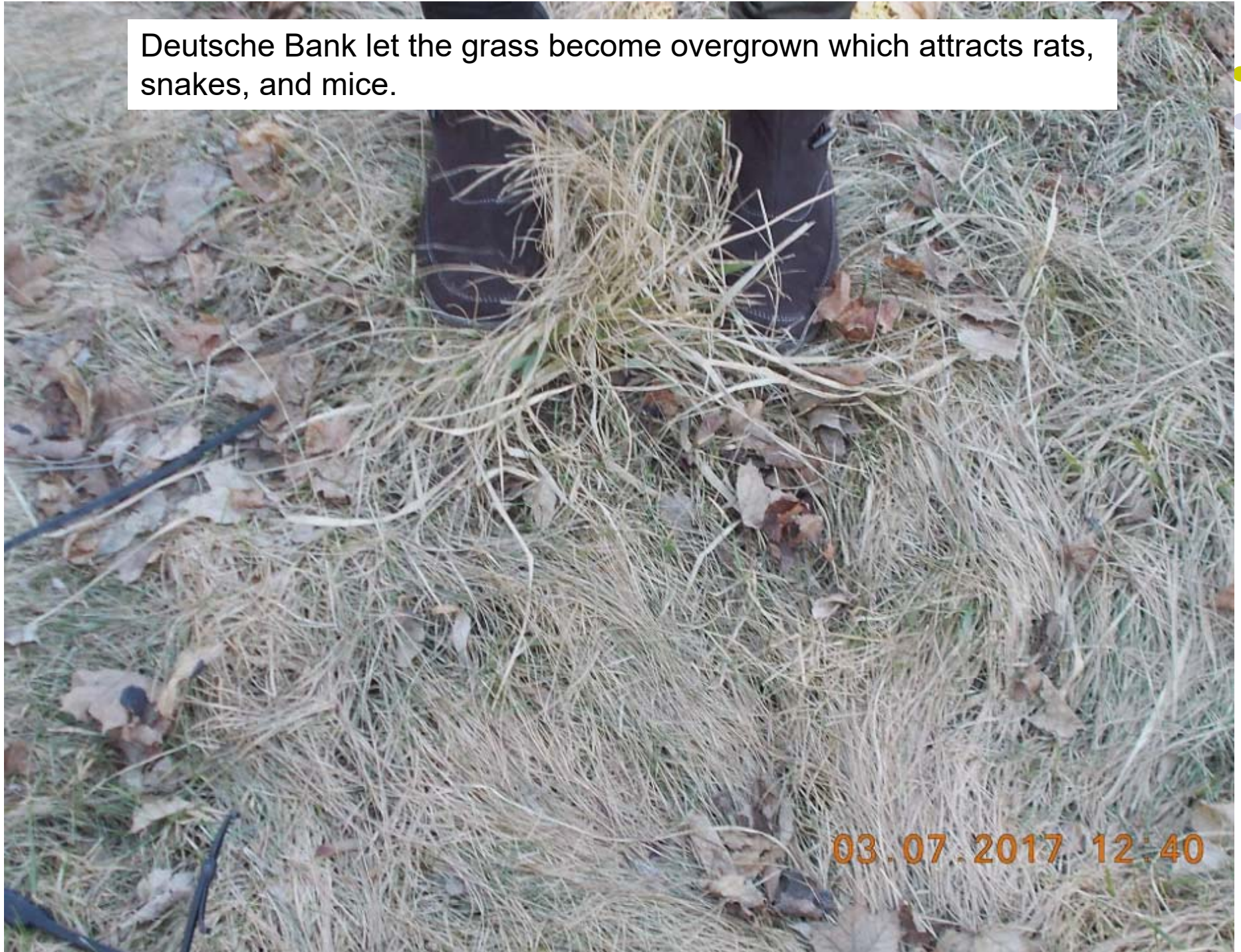
Deutsche Bank's home in this African American neighborhood has overgrown grass, boarded windows, and trash left on the property.



Deutsche Bank boarded the windows but rarely boards windows in white neighborhoods.



Deutsche Bank let the grass become overgrown which attracts rats, snakes, and mice.



03.07.2017 12:40



Deutsche Bank allowed trash to remain at its home in this African American neighborhood.



The neighbors, next to the poorly maintained Deutsche Bank home, take good care of their homes. Deutsche ought to do the same.

Deutsche Bank decided to board a door and window at its home in this middle class African American neighborhood.



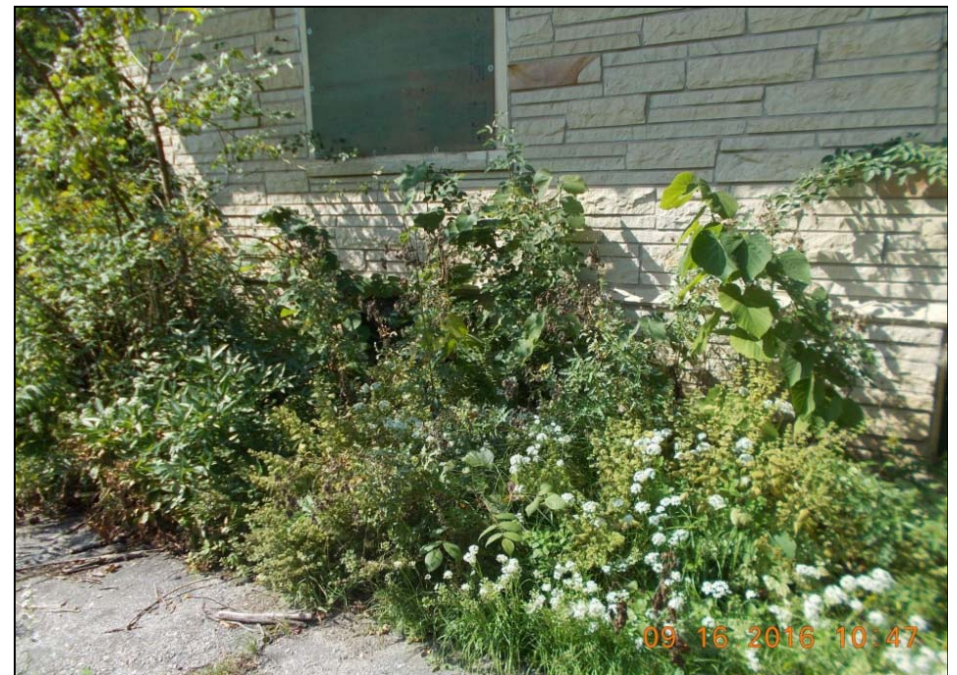


Boarded doors and windows send a negative message about the home and neighborhood to buyers.

Deutsche bank's home in this African American neighborhood is overgrown and boarded with trash left in the yard.



Deutsche Bank let the grass and shrubs grow wild in the yard creating a great nesting environment for rats, mice, fleas, and snakes.



Why would Deutsche Bank let this kind of trash remain in the yard of its home for sale? It doesn't allow this in white neighborhoods.

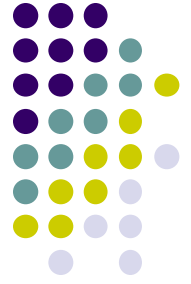


**Deutsche Bank left more trash in its home's backyard.
You can see how overgrown the lawn is.**



The gutter at Deutsche Bank's home has trees growing in it! Blocked gutters allow water and ice damage to the walls and roof of the property.





Another Deutsche Bank home in an African American neighborhood is boarded. A buyer can't even go in the front door to see the home.

Deutsche Bank boards the back windows, basement windows, and back door so no one can enter it. Why?

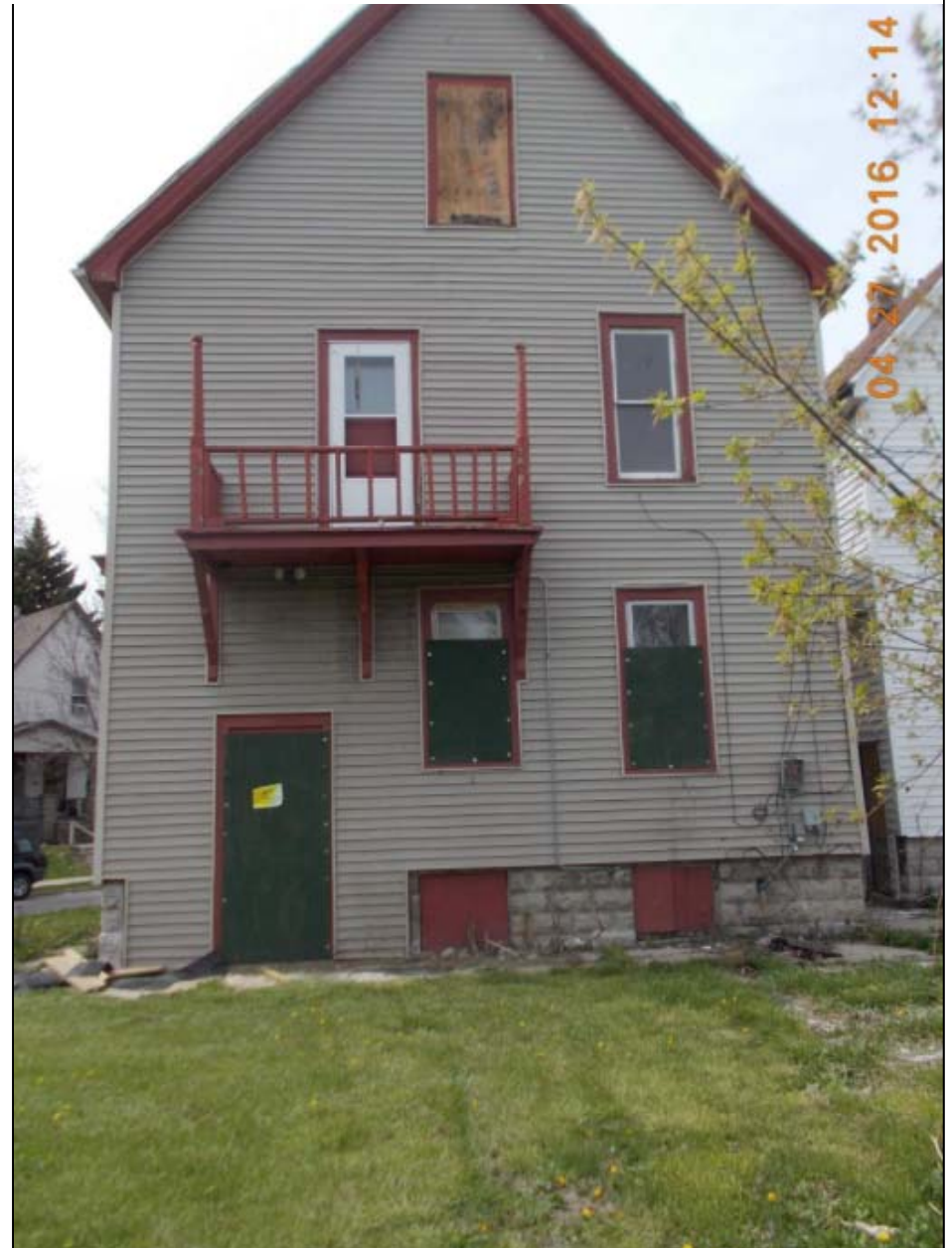




Deutsche Bank failed to clean away trash and let weeds take over the yard.



Another Deutsche Bank home in an African American neighborhood is boarded and the Bank failed to clean up the yard, again.



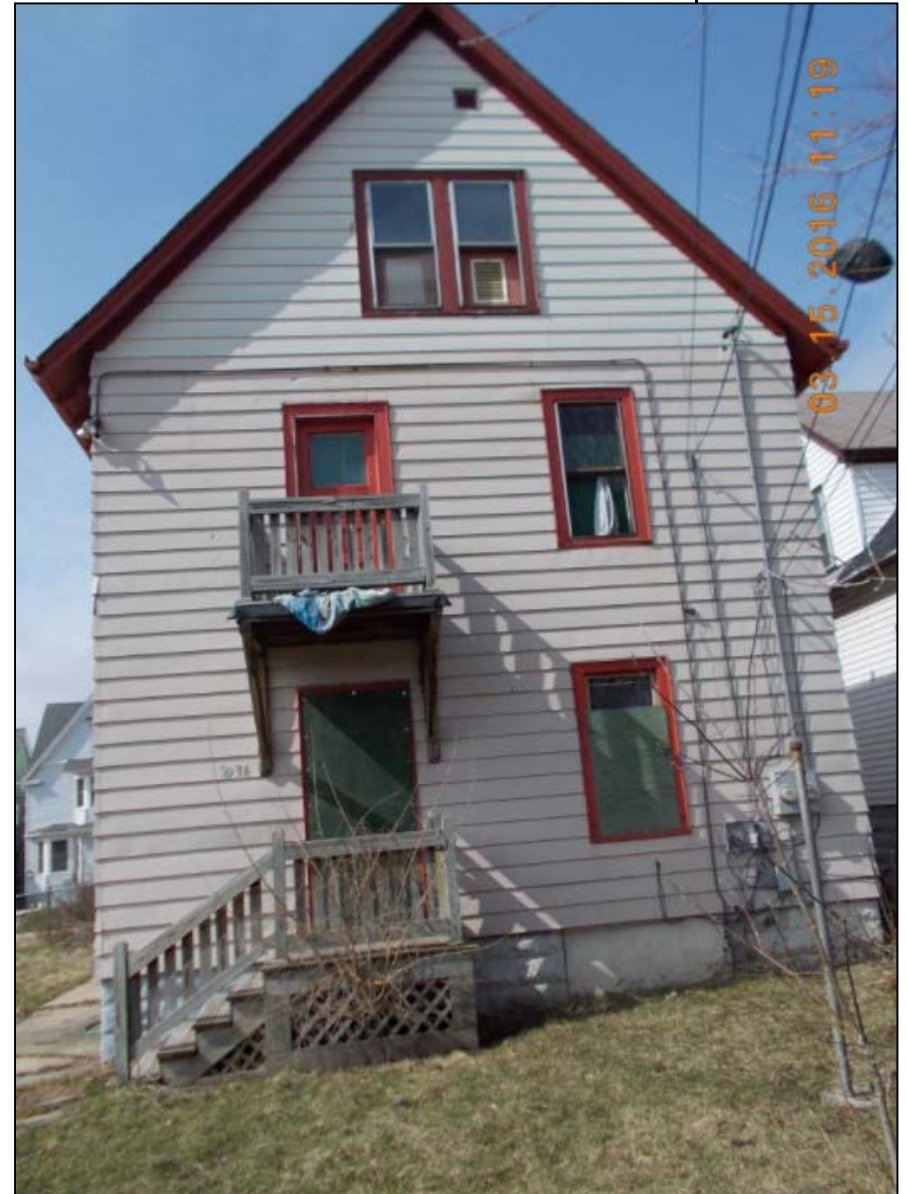
Why doesn't Deutsche simply remove debris when it completes the clean out of homes in African American neighborhoods?





This neighbor has a well-maintained home, but has to live next to Deutsche Bank's boarded and poorly maintained property.

Again Deutsche Bank boards the front and back doors of its home in an African American neighborhood so buyers cannot view the property.



And once again, the neighbors take good care of their homes only to be burdened by a poorly maintained and boarded up Deutsche Bank home.



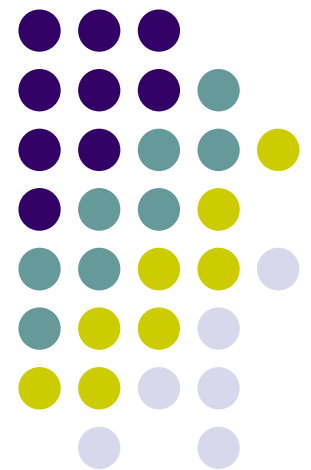
Deutsche Bank boards another home in an African American neighborhood where the neighbors maintain their homes.

| ●●●



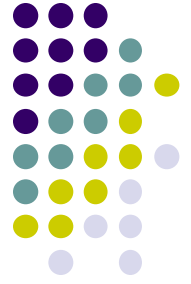
Deutsche Bank's failure to maintain homes in African American neighborhoods in 2015

The MMFHC investigated 12 Deutsche Bank homes in 2015. Four were located in white neighborhoods and were well-maintained in comparison to its homes in communities of color.



**Deutsche Bank mowed the lawn and removed trash
at its home in this African American neighborhood,
but...**





**Deutsche Bank left the
back door open and
unsecured.**

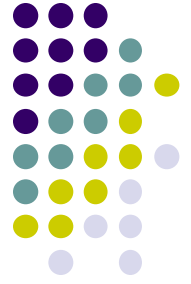


Deutsche Bank left leaves and trash at its home in this African American neighborhood as well as boarded the back door.



Deutsche Bank left trash and leaves from the fall in the backyard.





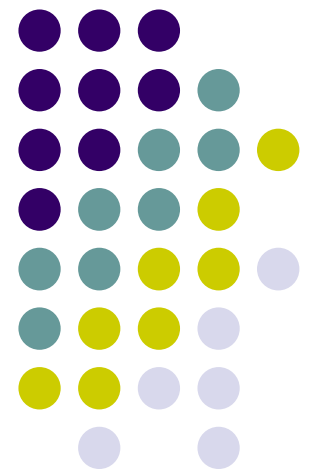
This neighbor clearly maintains his or her home and yard in this African American neighborhood.

Too bad Deutsche doesn't respect their effort to keep their home value high by providing good maintenance to its own home.

Continuing the pattern of Deutsche Bank's failure to maintain homes in African American neighborhoods in 2014

MMFHC investigated 24 Deutsche Bank homes in 2014.

Deutsche had 16 homes in African American and Latino neighborhoods.



**Another boarded Deutsche
Bank home in an African
American neighborhood.**



Deutsche boards the windows, but leaves access to the bottom windows. Why? If you are allegedly protecting the home from having its windows broken, then protect the windows.





Deutsche allowed this tacky sign to be placed on the property—marketing it as a distressed home in this African American neighborhood.

Deutsche Bank boards the lower part of the front detracting from its curb appeal in the African American neighborhood.





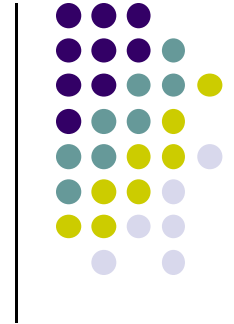
Deutsche Bank allowed the back yard to become wildly overgrown.



05.14.2014

While Deutsche Bank has kept this home in an African American neighborhood relatively clean, it allowed a dangerous situation to remain...





Deutsche Bank failed to properly cap these electrical wires on the outside of its home.

**This Deutsche Bank-owned home was listed for sale
on its Hubzu.com sales site in this condition!**



Deutsche Bank and Hubzu.com allowed this property to be marketed in this condition in an African American neighborhood. The garbage will attract rats, mice, and people looking for a place to dump trash.

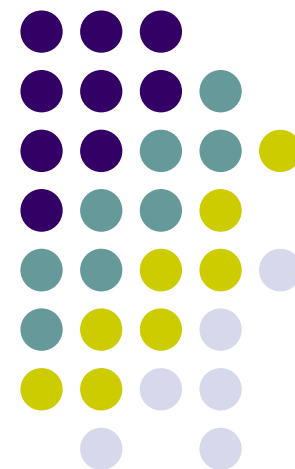


This is the home of the African American next-door neighbor who has to live next to Deutsche Bank's mess of a home.

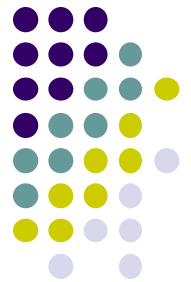
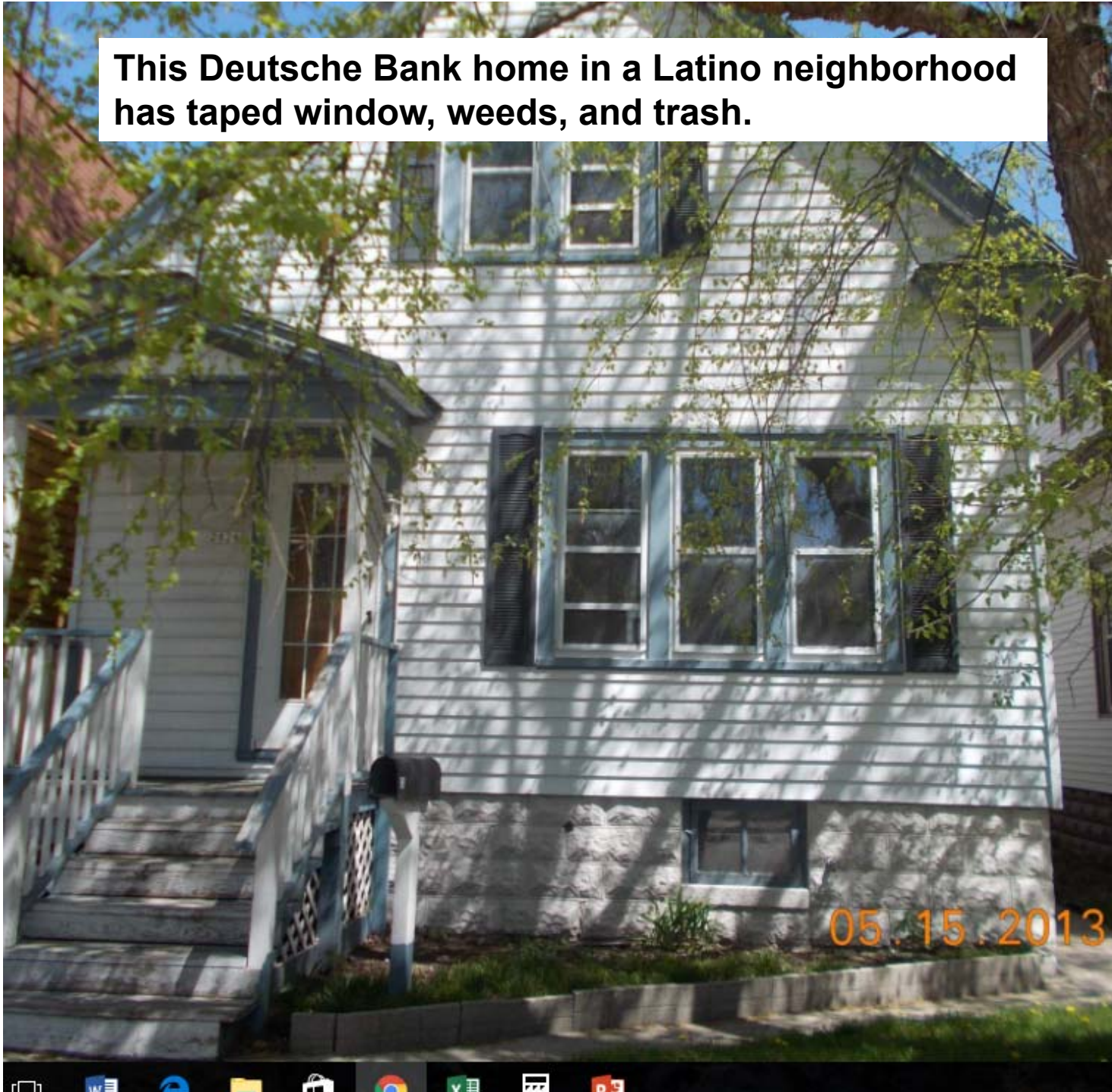


Deutsche Bank's pattern to fail conduct routine maintenance in Communities of color in 2013.

MMFHC investigated 16
Deutsche Bank-owned homes in
2013.



This Deutsche Bank home in a Latino neighborhood has taped window, weeds, and trash.



Why didn't Deutsche Bank just replace the window pane and remove this debris from the yard in this Latino neighborhood and mow the weeds in the backyard?





Deutsche Bank's overgrown weed-filled backyard.

05.15.2013 11:05

Deutsche Bank's home in this African American neighborhood looks good from the front, but when you look close and go to the back of the home you find...



You find a broken window pane...



07.31.2013

And a wildly overgrown backyard...



**Deutsche Bank's wild weeds and overgrown shrubs
are encroaching on the neighbor's property.**



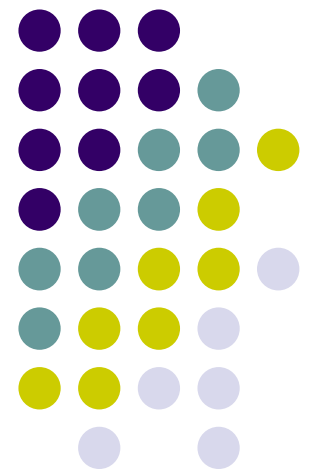
07.31.2013 10:31

Deutsche Bank has another home with a boarded window and unlocked door in an African American neighborhood.

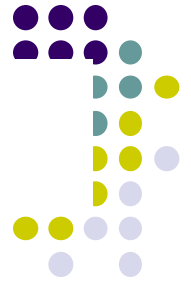


Deutsche Bank has a pattern of providing good routine maintenance in white neighborhoods.

MMFHC's investigation shows that few homes in white neighborhoods ever have a boarded window; the lawns are mowed; no clean out trash is left on the property and the doors are secured.



Deutsche Bank's well maintained home in front and back in a white neighborhood.







Deutsche Bank's well maintained home in front and back in a white neighborhood.



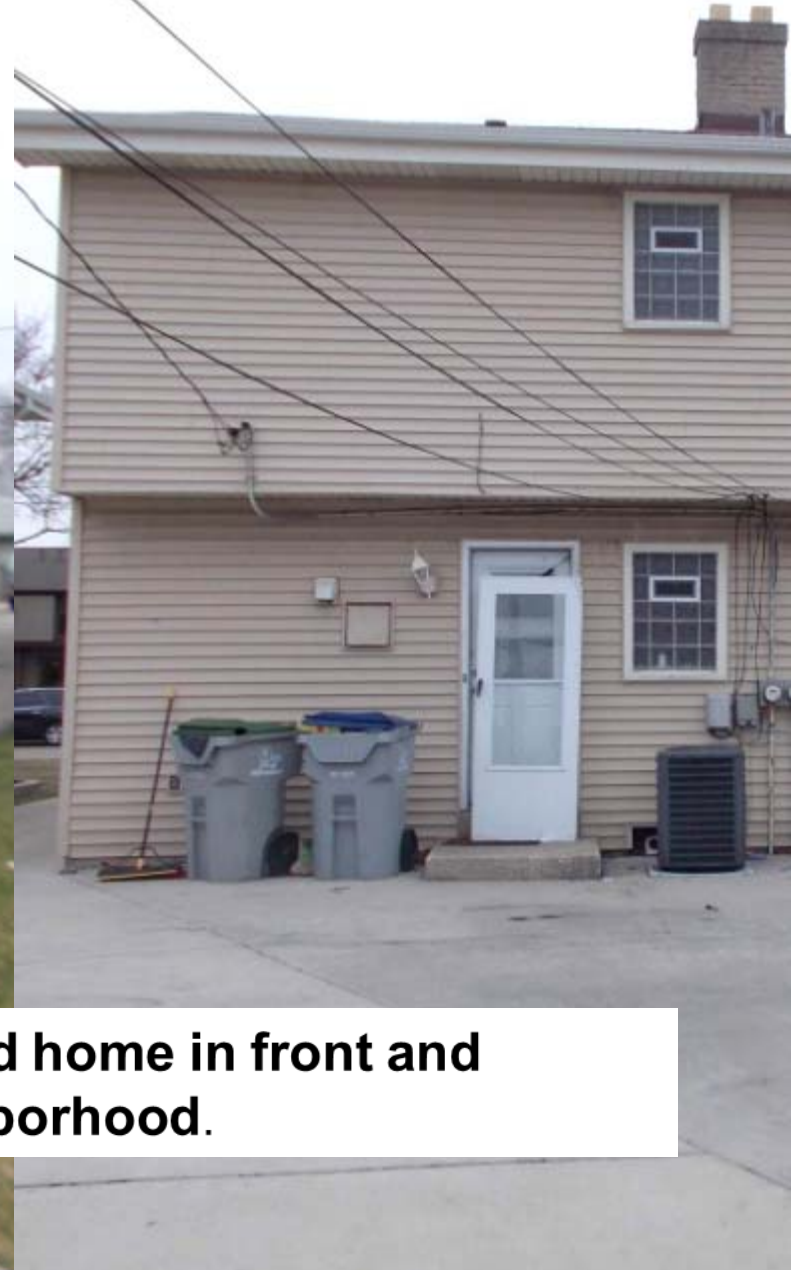


Deutsche Bank's well maintained home in front and back in a white neighborhood.









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