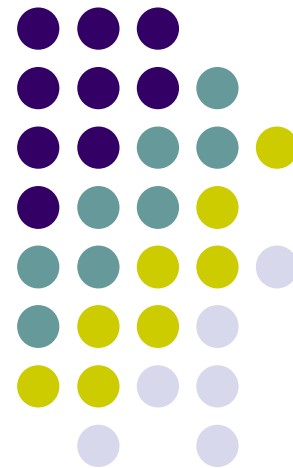


A Tale of Two Recoveries

**How Deutsche Bank, Ocwen Financial,
and Altisource Failed to Maintain Its
Bank-Owned Homes in African
American neighborhoods in
metropolitan Baltimore, MD**



Overview: Maintenance Investigation of Bank-Owned Homes



- This Power Point reflects the investigation by the National Fair Housing Alliance from 2011-2013 and 2016-2017. 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 these bank-owned homes 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 foreclosure, 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 foreclosure.
 - For example, 1 broken window would count as 1 deficiency; likewise, 3 broken windows would count as 1 deficiency.
- Photos were taken of the REO 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

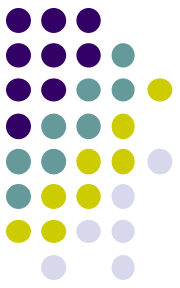


Signage

- 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

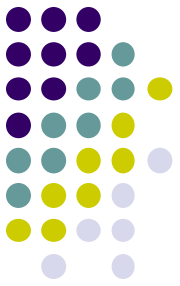
- Mold, discoloration, excessive rust, erosion



Utilities

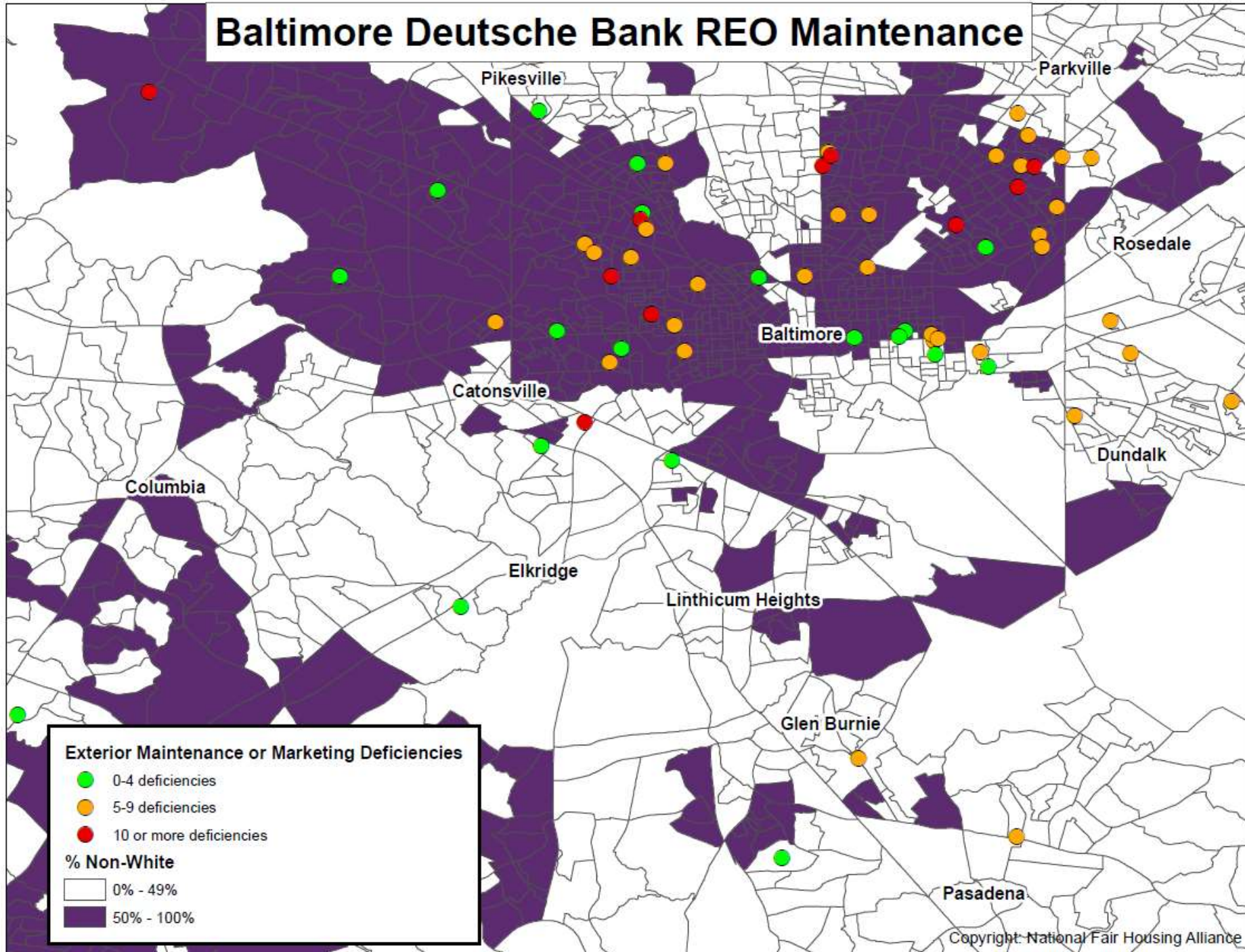
- Tampered with or exposed

Racial Disparities

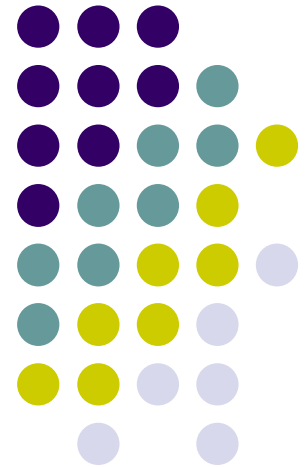


- The National Fair Housing Alliance investigated 63 Deutsche Bank homes in the Baltimore, MD metropolitan area.
 - 39 were located in predominantly African-American neighborhoods
 - 3 were located in predominantly non-White neighborhoods
 - 21 were located in predominantly White neighborhoods.
- **73.8%** of Deutsche Bank homes in neighborhoods of color had **substantial amounts of trash**, while only 52.4% of the Bank's homes in predominantly White neighborhoods had this problem.
- **54.8%** of Deutsche Bank homes in neighborhoods of color had **overgrown grass or accumulated leaves**, while only 14.3% of the Bank's homes in White neighborhoods did.
- **31.0%** of Deutsche Bank homes in neighborhoods of color had **unsecured or broken doors**, while only 23.8% of the Bank's in white neighborhoods did.
- **42.9%** of Deutsche Bank's homes in neighborhoods of color had at least **10% to 50% of the property covered in invasive plants**, while only 19.0% of the Bank's homes in White neighborhoods did.

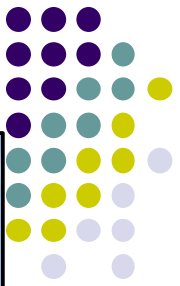
Baltimore Deutsche Bank REO Maintenance



How did Deutsche and Ocwen conduct routine maintenance in African American neighborhoods?



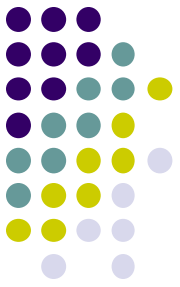
This Deutsche/Ocwen home in an African American neighborhood doesn't look too bad from the front, but let's look closer...



This front window is broken and needs to be replaced.



The mailbox is full of mail, signaling that Deutsche Bank has not been here recently. This is even more evident when we take a look at the backyard...

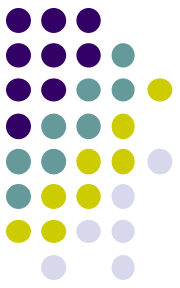


The backyard is covered in dead leaves, overgrown shrubbery, and invasive plants.

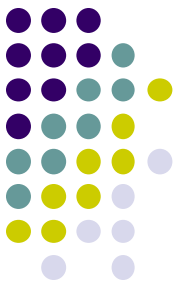


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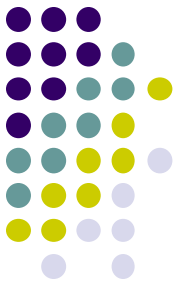
This Deutsche/Ocwen home in an African American neighborhood has terrible curb appeal, with almost every window boarded.



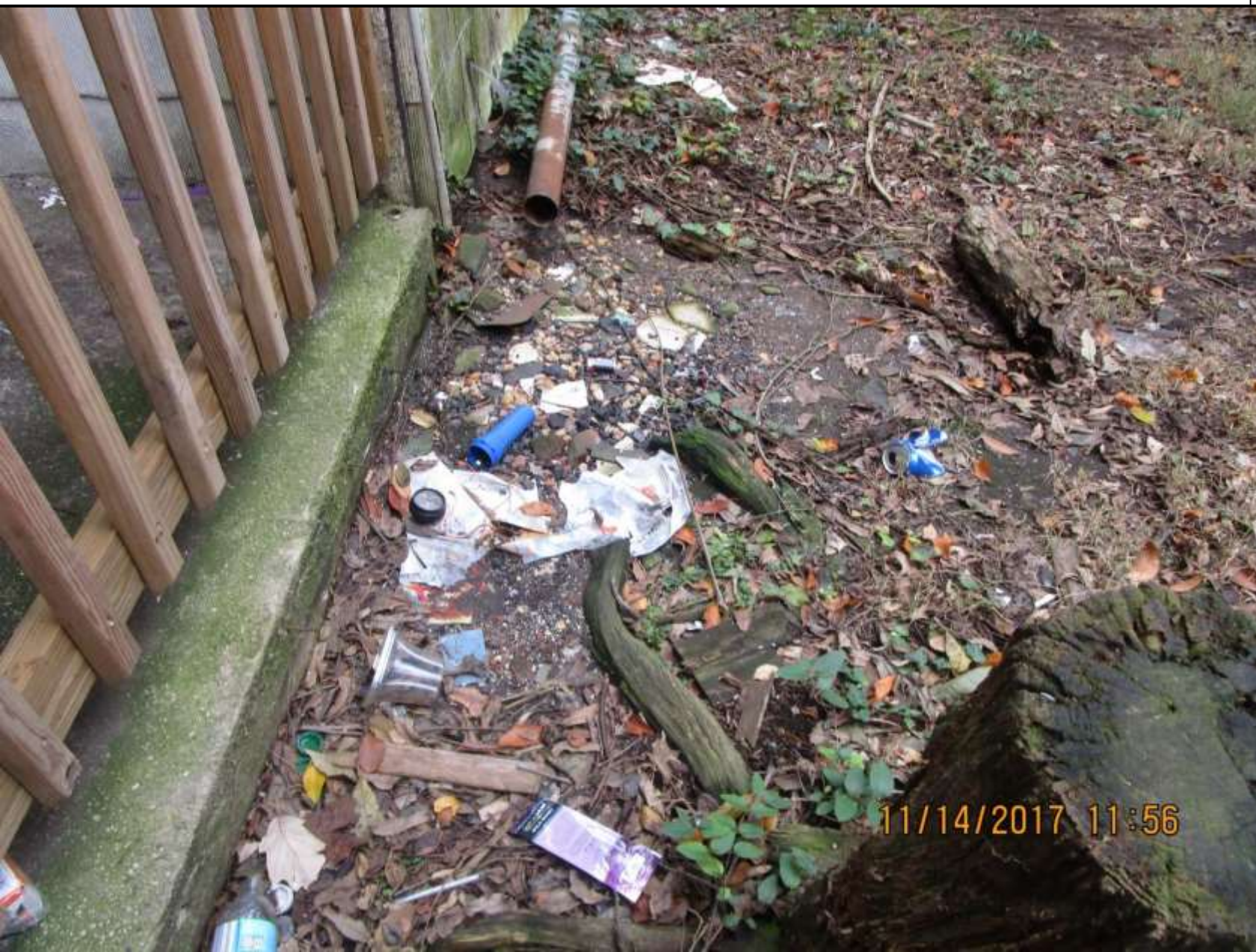
This front window is boarded from the inside and broken on the outside, with sharp glass still present.



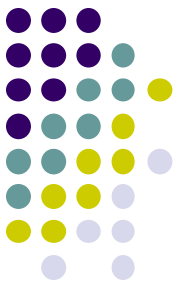
Additional boarded windows, broken glass shutters, and a boarded door that Deutsche Bank has neglected to fix.



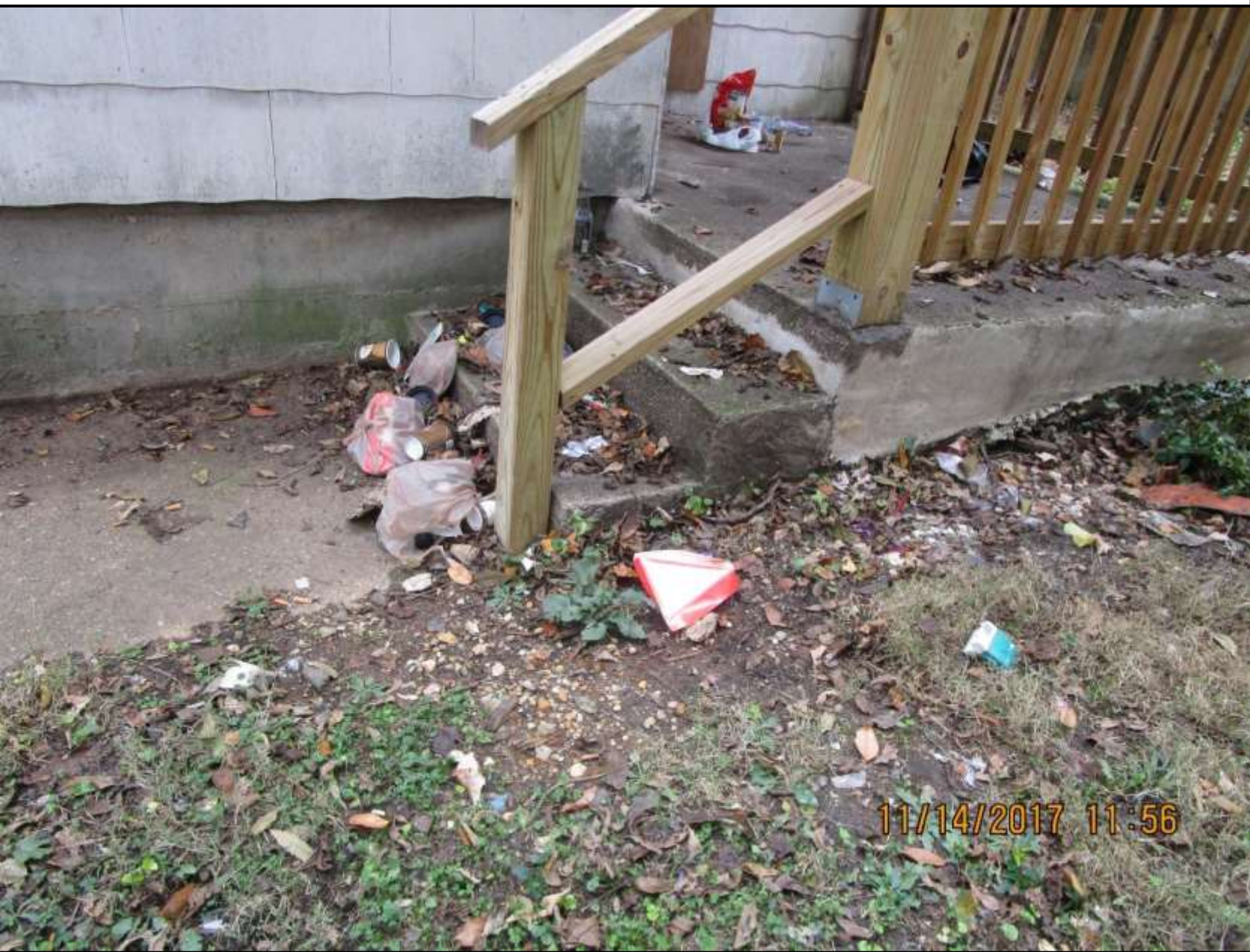
Deutsche Bank has also left trash and debris all around the property. This attracts rats, insects, and other vermin.

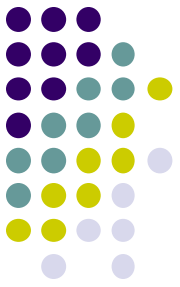


More trash left by Deutsche Bank...



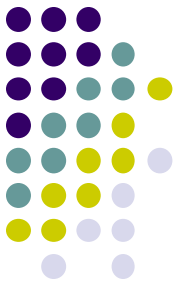
Even more trash.





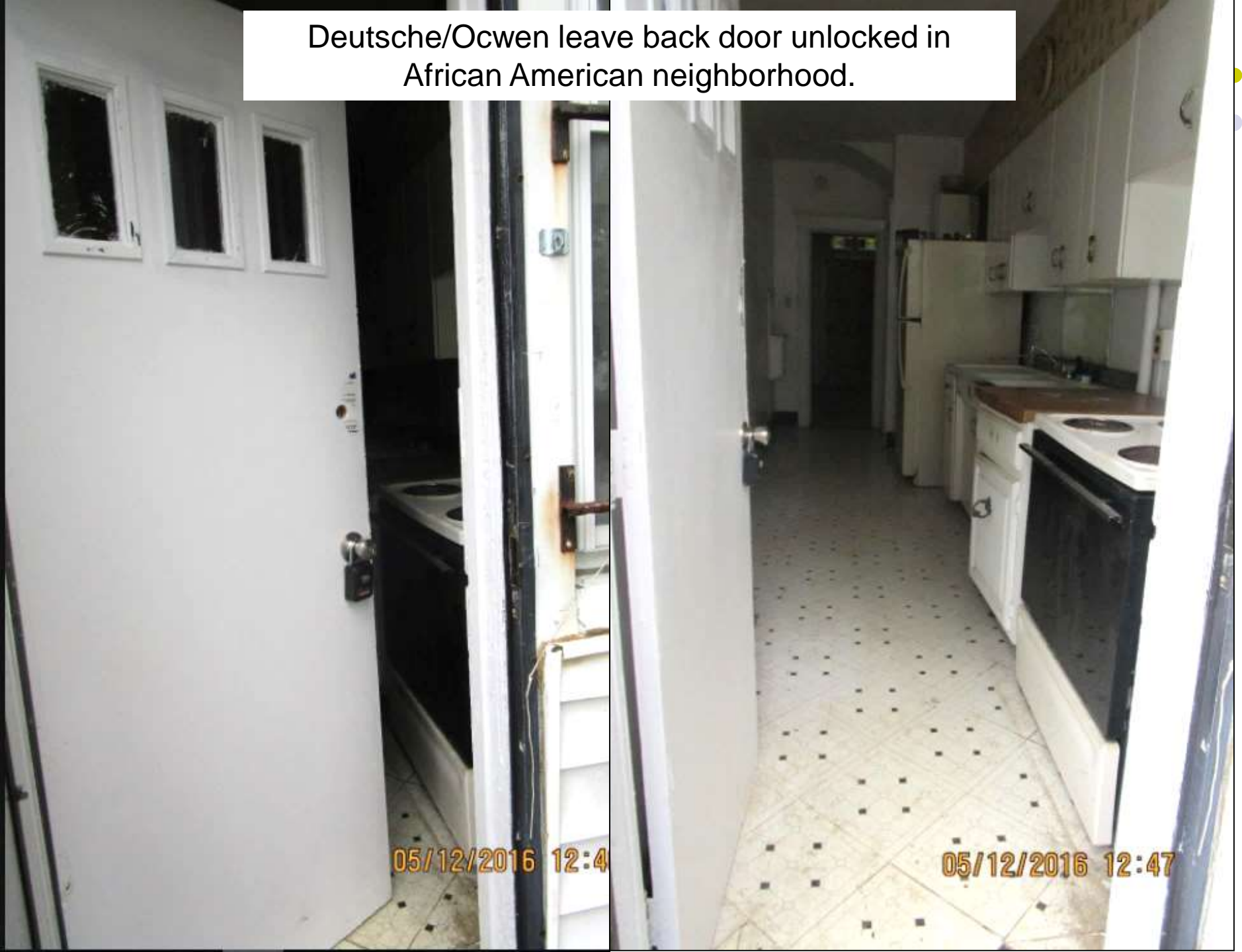
This state of disrepair is not indicative of the neighborhood as a whole. These neighbors have freshly mowed and trash-free lawns, and no boarded doors or windows can be seen. Deutsche Bank is negatively affecting the entire neighborhood with its poor maintenance.





Deutsche/Ocwen boarded this front door of its home in an African American neighborhood in Baltimore, but left the basement and back doors unsecured. Unsecured properties put the asset at risk, but also the neighbors and their homes.

Deutsche/Ocwen leave back door unlocked in African American neighborhood.



05/12/2016 12:47

05/12/2016 12:47



05/12/2016 12:45

Deutsche/Ocwen failed to secure the cover for the basement door as well as leaving the basement door open.



05/12/2016 12:46

Deutsche/Ocwen should have clean up this area and secured the garage door.



Deutsche Bank left this home unsecured—leaving the door unlocked in an African American neighborhood.



Deutsche Bank boards its home in this African American neighborhood and leave trash and leaves on the property.



Neighbors' well-maintained homes next to Deutsche's boarded home.





**Deutsche Bank
leaves another
home unsecured
in an African
American
neighborhood.**



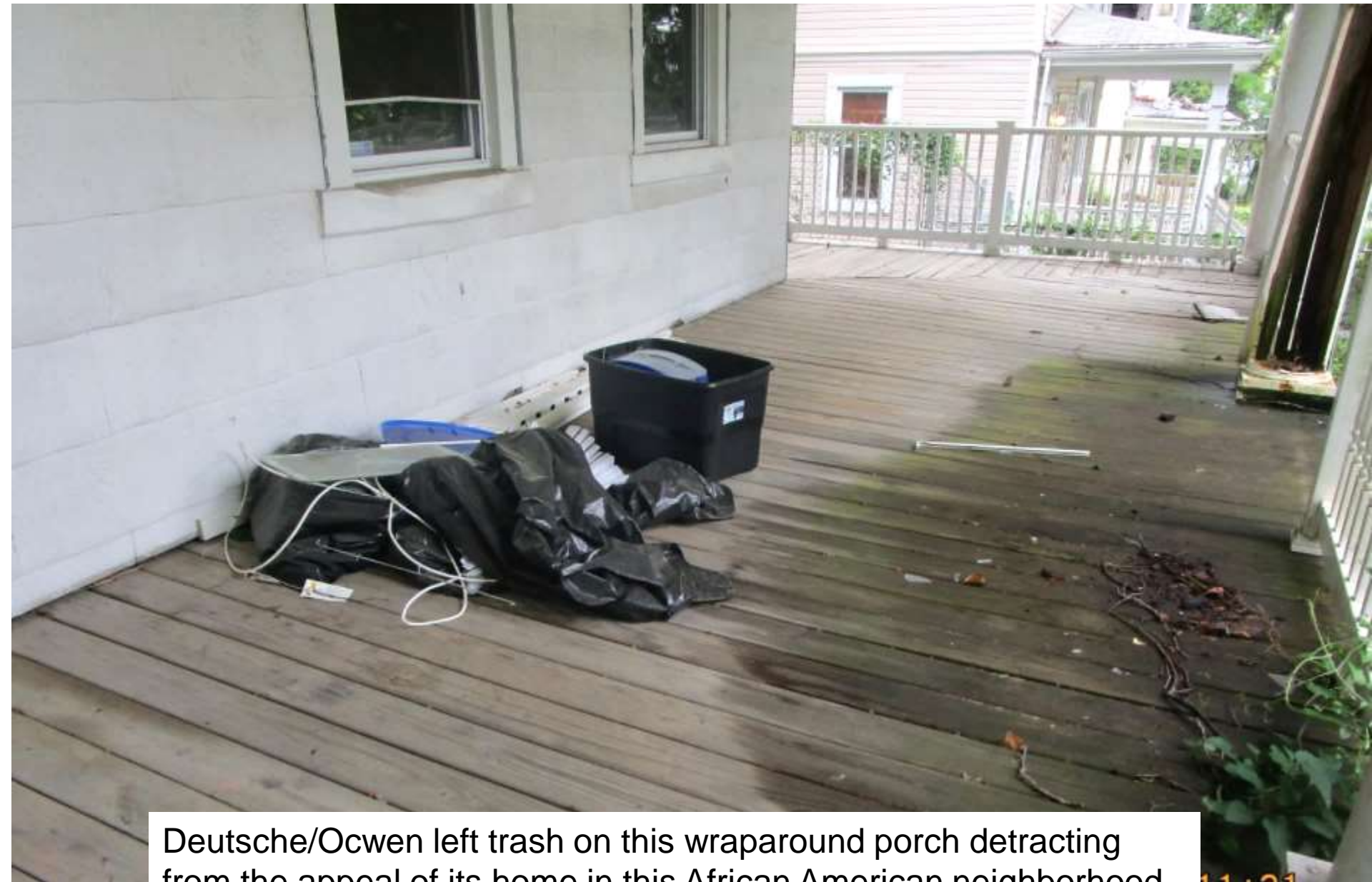
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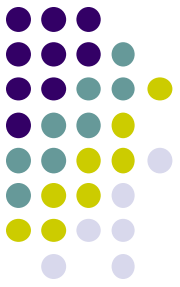
Deutsche/Ocwen didn't provide routine maintenance at this home in an African American neighborhood.

The front and back yards are overgrown, the steps have weeds and trash on them, and the front porch has trash as well.

05/12/2016



Deutsche/Ocwen left trash on this wraparound porch detracting from the appeal of its home in this African American neighborhood.



Deutsche/Ocwen left this trash on the steps and at the home for a long time. The pile on the front steps was soaked all the way to the bottom.



Deutsche/Ocwen failed to remove a dead branch or mow the weeds.

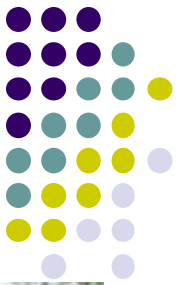


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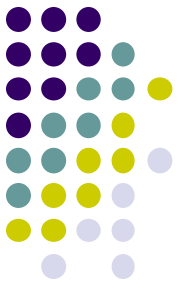


05/12/2016 11:35

Deutsche/Ocwen allowed the yard to be completely overgrown in this African American neighborhood. You can see the nice home and apartment building behind this poorly maintained Deutsche home.



Here are the neighbors' well maintained home next door and across the street from the poorly maintained Deutsche/Ocwen home.



Deutsche/Ocwen board the window at its home in this African American neighborhood and totally fail to clean up the back yard.



Deutsche/Ocwen have no excuse for leaving these leaves from last fall in the yard in an African American neighborhood. This photo was taken in May.



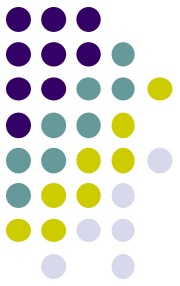
Deutsche/Ocwen never removed trash and litter from the yard and let trash, gutter pieces, and leaves cover the side of the home. All of this detracts from the homes appeal and hurts the neighbors next door in this African American neighborhood.

Deutsche/Ocwen fail to rake the leaves at its home in this African American neighborhood. The photo was taken in January and the neighbors raked their yards..



Deutsche/Ocwen left these leaves that can result in flooding the basement because they are blocking the drain.





Deutsche/Ocwen left more leaves and trash on the property



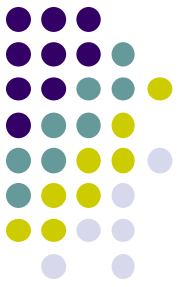
You can see the neighbors raked and cleaned their yards.

The rowhouse in the middle belongs to Deutsche Bank. You can tell because Deutsche left trash on the steps and dead leaves in the yard and a black refrigerator on the porch at its home in this African American neighborhood.





Deutsche/Ocwen left a refrigerator on the porch and mail and books laying on the porch. All of this debris detracts from the appeal of this home in an African American neighborhood.



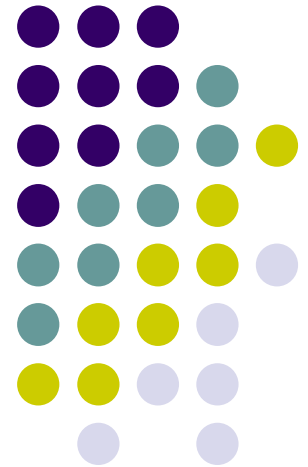
Deutsche/Ocwen threw a mattress and box springs down the stairwell to the basement!



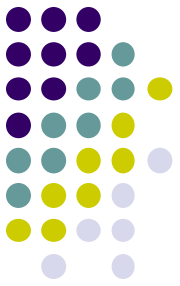
Deutsche/Ocwen left even more trash in the backyard.



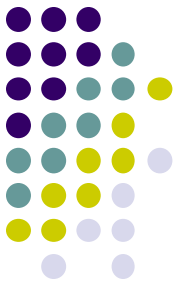
How does Deutsche Bank and Ocwen provide routine maintenance in white neighborhoods.



Deutsche Bank / Ocwen have taken great care of this home in a white neighborhood. The front of the home has excellent curb appeal.



This home has no trash and no broken or boarded doors and windows.



Deutsche/Ocwen keep this home in a white neighborhood in Baltimore in clean condition. Nothing is left on the porch or in the back yard.



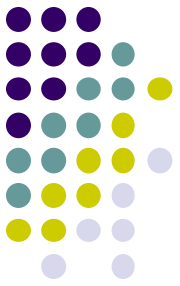
Deutsche/Ocwen keep its home in this white neighborhood in good condition.



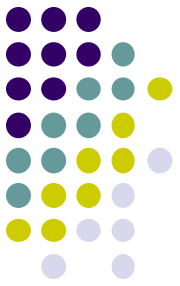
Deutsche/Ocwen cut up a fallen tree at it home in a whit neighborhood, but fails to cut up and remove dead branches in African Amrriican neighborhoods.



05/12/2016



Deutsche/Ocwen take good care of its row house in Baltimore in a white neighborhood. The front and back of the property are clean.



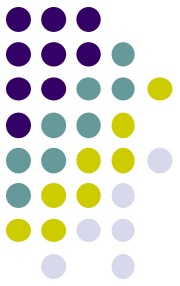
The back yard of this Deutsche home in a white neighborhood in Baltimore is cleaned and the leaves were raked.

Another well-maintained Deutsche Bank home in a white neighborhood.



Deutsche Bank mowed the lawn and raked leaves from its home in this white neighborhood.





Another Deutsche/Ocwen rowhouse in a white neighborhood in Baltimore with a clean yard enhancing its curb appeal.



Another well-maintained Deutsche Bank home in a white neighborhood.