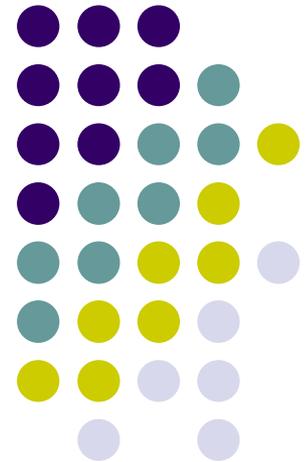


A Tale of Two Recoveries

**How Deutsche Bank, Ocwen Financial, and
Altisource Failed to Maintain Foreclosures
in African American and Latino
Neighborhoods in Hampton Roads, VA.**



Overview: Maintenance Investigation of Foreclosed Homes



- This PowerPoint reflects the investigation by **Housing Opportunities Made Equal of Virginia** from 2013-2014 and in 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 properties 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 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 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

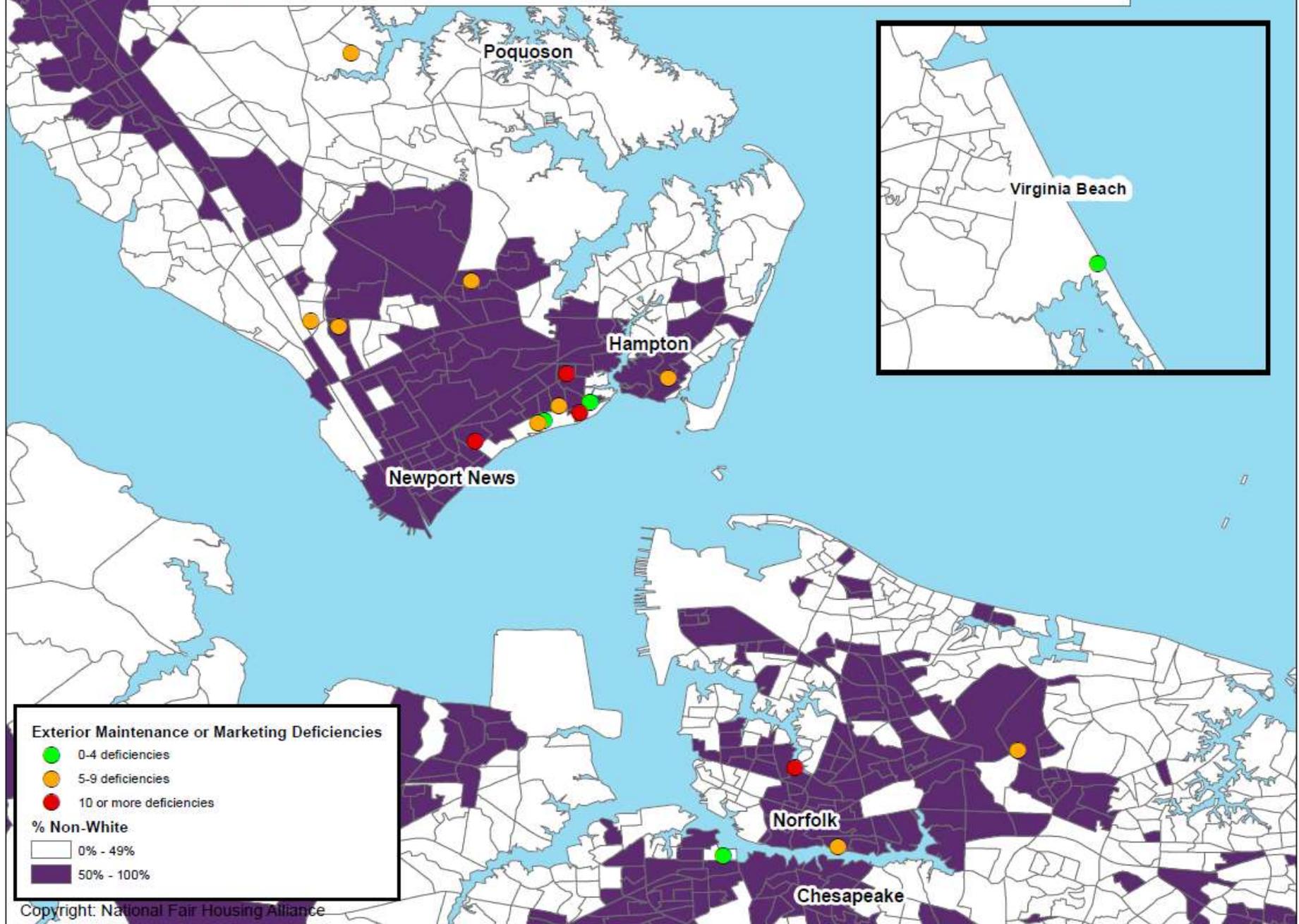
- Mold, discoloration, excessive rust, erosion



Utilities

- Tampered with or exposed

Hampton Roads Deutsche Bank REO Maintenance





Racial Disparities

- HOME investigated 17 Deutsche Bank-owned homes.
 - 10 in predominantly African-American neighborhoods
 - 7 in predominantly White neighborhoods
- 50.0% of Deutsche Bank's homes in predominantly African American neighborhoods had trash or debris on the premises, while only 14.3% of properties in predominantly White neighborhoods did.
- 60.0% of Deutsche Bank's homes in predominantly African American neighborhoods had overgrown or dead shrubbery, while only 14.3% of properties in predominantly White neighborhoods did.
- 50.0% of Deutsche Bank's homes in predominantly African American communities had holes in the structure of the home, while **none** of the properties in predominantly White neighborhoods had holes.



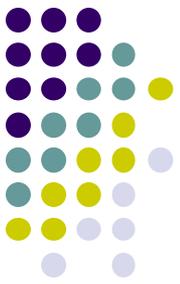
Hampton Roads Deutsche Bank Properties

2017

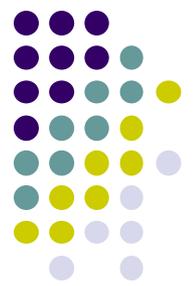
Here is a Deutsche Bank REO in an African American Neighborhood in Hampton in 2017.



This Deutsche home has mail in the mailbox, a sign that no one has been out recently to visit the home.



Deutsche Bank has left this window broken and unsecured, inviting insects and other vermin into the home.



This home's backyard is covered in dead leaves.

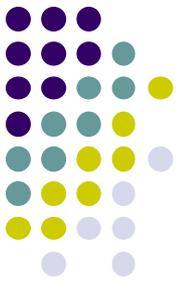


Another Deutsche Bank REO in an African American Neighborhood in Hampton in 2017.

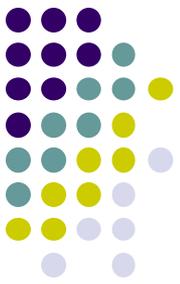


This home has no “for sale” sign posted.

Deutsche Bank has left trash near the front door – not a very welcoming sight to a potential homebuyer.



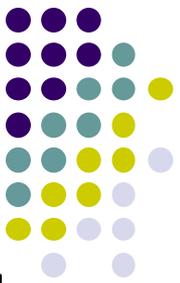
This home's shrubs are also overgrown, detracting further from its curb appeal.



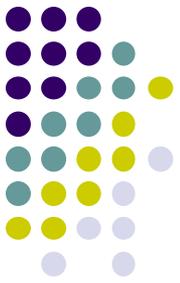
Deutsche Bank REO in an African American Neighborhood in Hampton in 2017.



Deutsche Bank has failed to close the hole this damaged siding created by haphazardly taping it shut.



In the backyard Deutsche Bank has also left this shed unsecured.

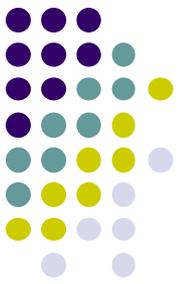




Hampton Roads Deutsche Bank Properties

2013 - 2014

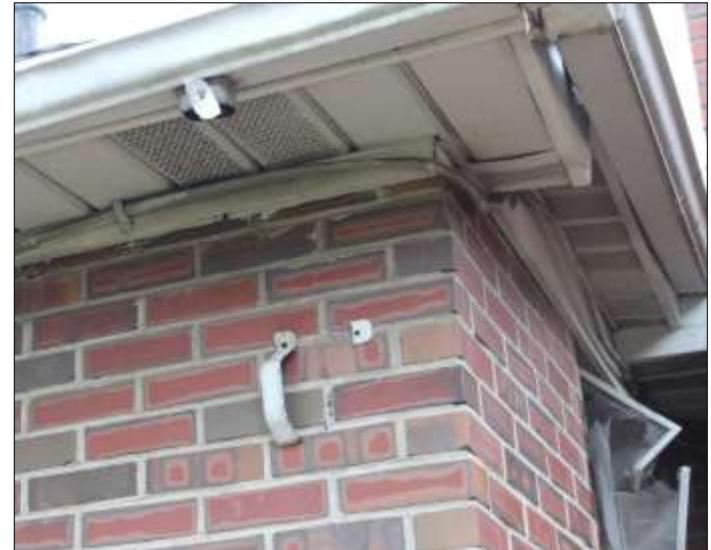
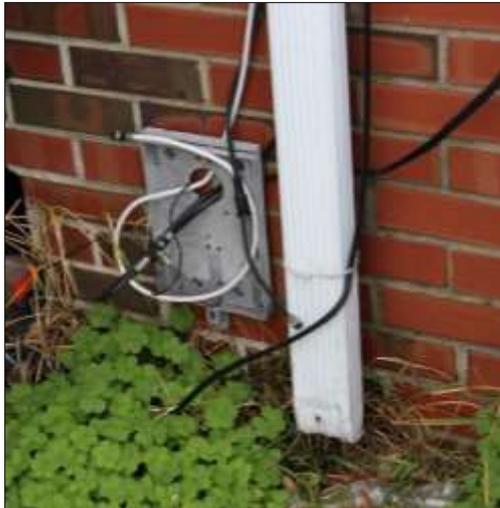
A closer look at a Deutsche Bank REO in African American Neighborhood in Hampton Roads. It had 13 deficits.



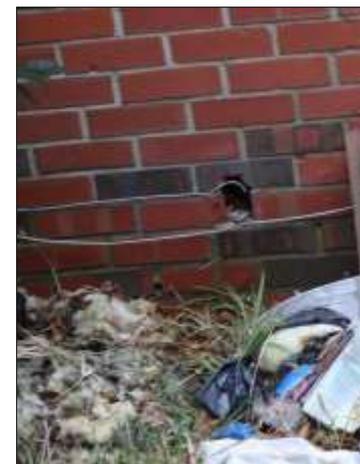
Trash around home.



Missing downspouts, no splash blocks to move water away from the foundation.



Crawl space open and holes uncovered. This counts as only one deficit even though there are multiple holes uncovered.



Obviously, these holes are openings for rats, mice, cats or squirrels to get into the home. Yet, Deutsche Bank chooses to market this home in this condition.

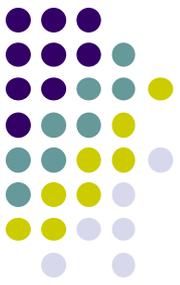
Back of the REO with overgrown weeds and trash.



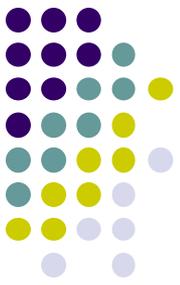
Failure to secure the storage shed at this REO creates serious safety risks for children in the neighborhood.



Finally, we documented overgrown shrubs and a yard covered in overgrown wild onions and clover.



First, let's look at the neighbors' homes in this African American neighborhood in Hampton Roads.



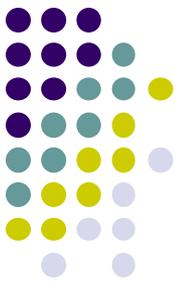
The neighbors mow their lawns and rake the leaves. Now let's see if Deutsche Bank is a good neighbor.



Deutsche Bank's REO had a tree fall on the roof and the bank did not remove the debris and stopped taking care of the home, but is still marketing it.



HOME visited this Deutsche Bank REO in Dec 2013 and leaves were not raked.



On June 21, 2013, the City of Hampton ordered the property razed and posted a notice “Unfit for Human Occupancy.”



June 19, 2013

DEUTSCHE BANK NATIONAL TRUST CO
1661 WORTHINGTON RD STE 100
WEST PALM BEACH FL 33409

RE 606 NEWPORT NEWS AVE PID: 2001407
Zoning: R-11

Dear Sir/Madam:

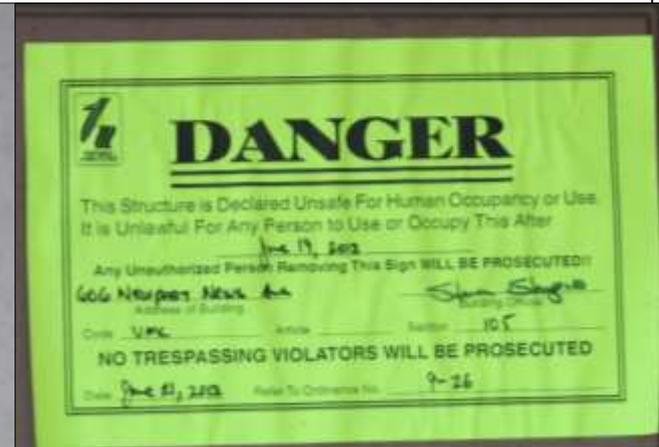
As owner or person having interest in the property referenced above, pursuant to Section 105.4 the Virginia Maintenance Code 2009 as adopted by Section 9-26 of the City Code of Hampton, I am declaring the structure at **606 NEWPORT NEWS AVE** to be Unsafe and Unfit for Human Occupancy. This structure has failed to comply with the Building Maintenance Code through deterioration, improper maintenance is vacant and presumed abandoned or for other reasons and thereby constitutes an unsafe structure. This property must be kept in a secure manner at all times to prevent against public entry.

The following items have caused this structure to be deemed unsafe:

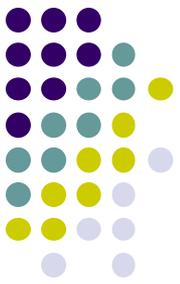
VMC Chapter (s) 1, Section (s) 105.1

- Structure unfit for human occupancy.

You, therefore have thirty (30) days from receipt of this notice to abate, raze or remove this



Deutsche took no action to raze the property and instead continues to try to sell it while the neighbors have to put up with the unkempt property.



Deutsche Bank's well-maintained REOs in White neighborhoods.

