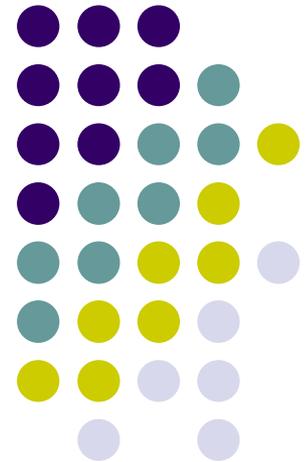


# **A Tale of Two Recoveries**

**How Deutsche Bank, Ocwen  
Financial, and Altisource Failed  
to Maintain Its Bank-Owned  
Homes in African American and  
Latino Neighborhoods in the  
Chicago, IL Metro Area**



# Overview: Maintenance Investigation of Bank-Owned Homes



- This PowerPoint reflects the investigations by HOPE Fair Housing Center, South Suburban Housing Center, and Open Communities over 6 years from 2012-2017.
- Banks claim to preserve and maintain their properties to the same standard of maintenance as is found 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 properties 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 left by the previous owner or litterer, 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 at the property.
  - 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

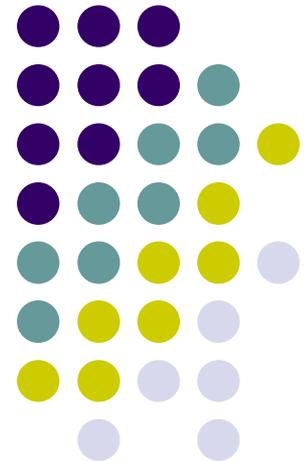
# Chicago Metro Area

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**Anne Houghtaling**  
HOPE Fair Housing Center

**John Petruszak**  
South Suburban Housing Center

**David Luna**  
Open Communities



# Investigation



- All three Fair Housing agencies evaluated a total of **106** Deutsche Bank properties in the Metro Chicago Area
  - 42 Deutsche Bank properties were located in African-American communities
  - 25 Deutsche Bank properties were located in predominantly Latino communities
  - 11 Deutsche Bank properties were located in a community with a majority of non-White residents
  - 28 Deutsche Bank properties were located in predominantly White communities.

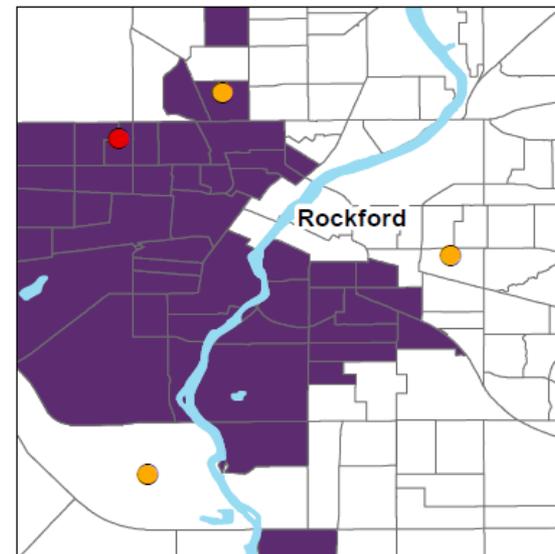
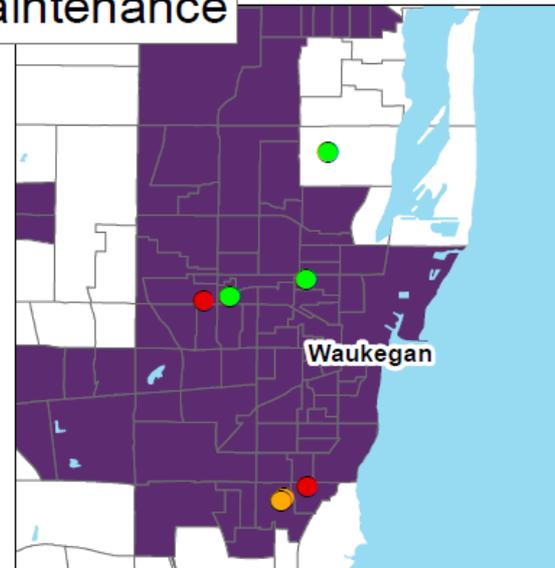
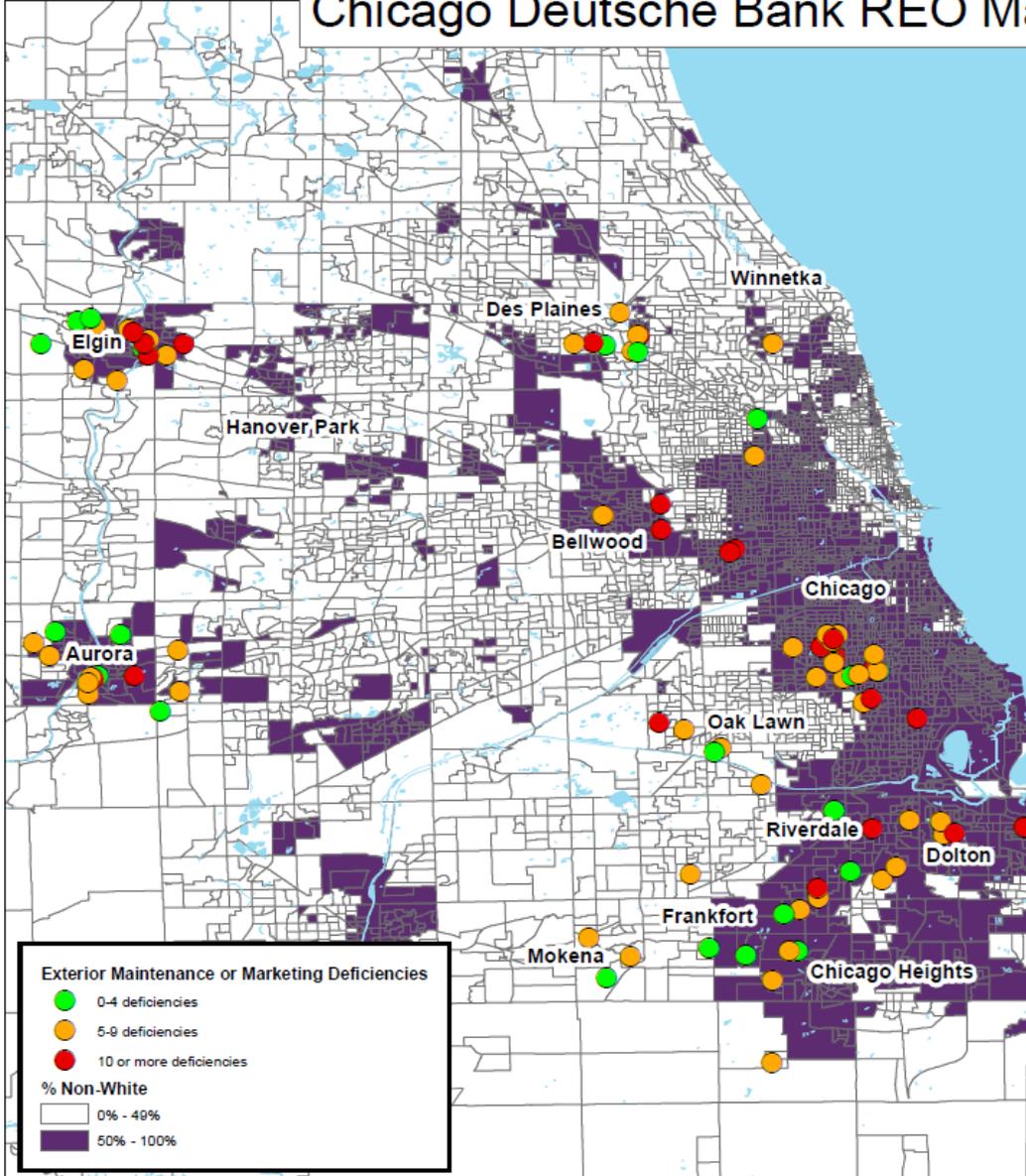
# Metro Chicago, IL

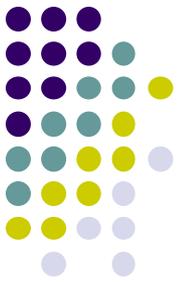
## Racial Disparities



- **64.1%** of Deutsche Bank properties in communities of color had **trash or debris** on the premises, while only 28.6% of properties in White communities had the same problem.
- **46.2%** of Deutsche Bank properties in communities of color had **broken or boarded windows**, while only 10.7% of properties in White communities had the same problem.
- **42.3%** of Deutsche Bank properties in communities of color had **overgrown or dead shrubbery**, while only 25.0% of properties in White communities had the same problem.
- **28.2%** of Deutsche Bank properties in communities of color had **unsecured or boarded doors**, while only 17.9% of properties in White communities had the same problem.

# Chicago Deutsche Bank REO Maintenance





# **Examples of Deutsche Bank Homes in the Metro Chicago Area in Communities of Color**

**2012 - 2017**

# Deutsche Bank/Ocwen/Altisource Home in an African American Community in Maywood, IL in 2017



11/08/2017 13:49

There is no "for sale" sign marketing this Deutsche Bank home to potential buyers.

Upon closer review we see that the front window is broken.

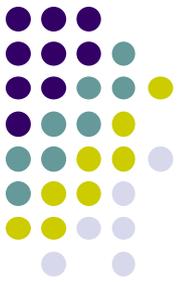


11/08/2017 13:51

**Deutsche Bank has not trimmed this home's shrubbery in a long time, evident from this shrub covering the side of the home.**



**Deutsche Bank has also left trash and invasive plants on the side of this property.**



The backyard of this Deutsche home is also overgrown, and this damaged fence has been left to deteriorate instead of being fixed or replaced.



# Deutsche Bank/Ocwen/Altisource Home in an African American Community in Chicago, IL in 2016

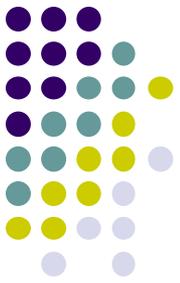


From the curb we can see a tarped roof and accumulated dead leaves...

**Deutsche Bank has left the water run at this home, creating a dangerously icy walkway on the side of the house.**



The side of the home is covered in trash and debris.

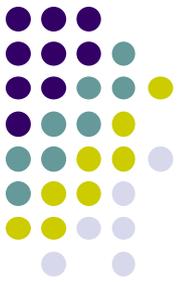


# More trash and dead leaves are found in the back of the house.



**Deutsche Bank has boarded almost every window and door on this home, creating an eyesore for the neighborhood.**

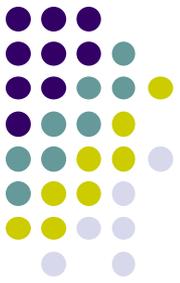




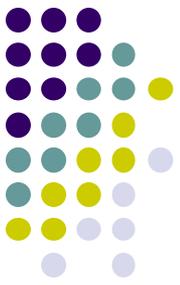
**The next door neighbors  
are taking great care of  
their homes and lawns  
and must live next to this  
poorly maintained  
Deutsche Bank property.**



# Deutsche Bank Home in an African American Community in Chicago, IL in 2016



**Piles of discarded newspapers show that Deutsche Bank has not been by this home recently. This alerts people passing by the home that it is vacant and abandoned.**



**Deutsche Bank has failed to secure this home's garage.**



**Inside the garage Deutsche Bank has left trash and debris instead of disposing of it properly.**



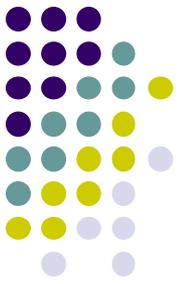
Back outside we see more trash and debris left around the property.



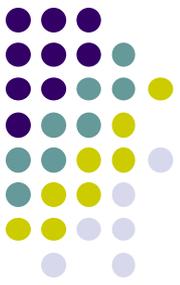
**Deutsche Bank has failed to replace missing gutters...**



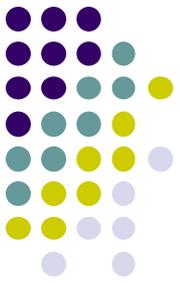
**Which is an easy fix, since the gutters are still laying in the yard.**



**Again, the neighbors are taking great care of their homes and yards and should not have to live next to this poorly maintained Deutsche Bank home.**



# Deutsche Bank Home in an African American Community in Harvey, IL in 2015



From the curb, this house looks to be in OK shape. However...



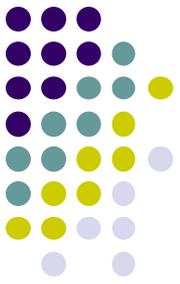
**The backyard is covered in dead leaves and trash.**



**More dead leaves all over the backyard.**



More trash and some overgrown grass can be seen from the curb.



# Deutsche Bank/Ocwen/Altisource Home in a Latino Community in Elgin, IL in 2015



The home's mailbox is overflowing, signaling that Deutsche Bank has not been by recently to check on the property.

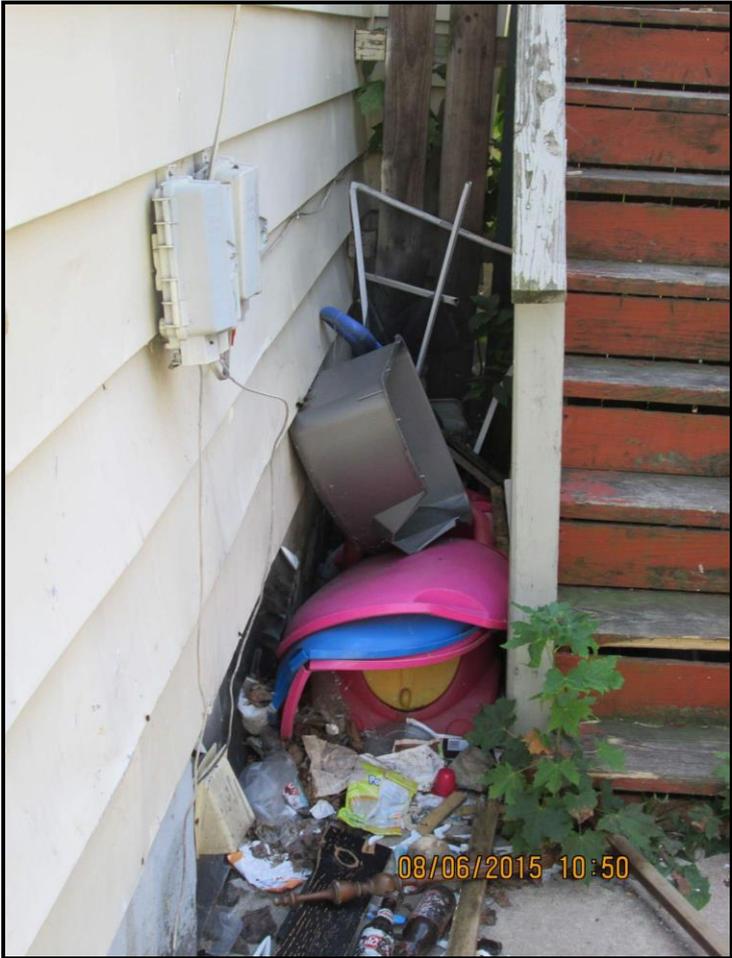


One of the home's windows is left completely open.

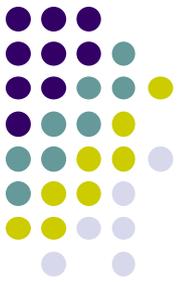


08/06/2015 10:54

**How does Deutsche Bank expect to properly market this home with trash and overgrown grass throughout the property?**



# Deutsche Bank has failed to properly mow the backyard and clear it of trash and debris.



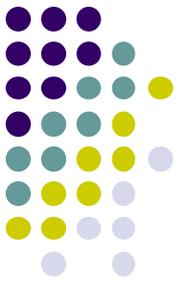
# More overgrowth and invasive plants neglected by Deutsche Bank.



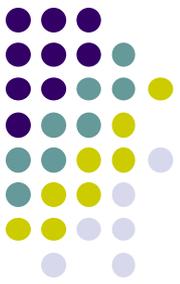
# Deutsche Bank/Ocwen/Altisource Home in an African American Community in Calumet City, IL in 2015



# This Deutsche Bank home has zero curb appeal starting right at the front sidewalk.



**More overgrowth and trash can be found by the home's front steps.**



The side of the home is covered in invasive plants, and...



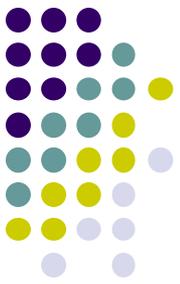
The backyard is covered in dead leaves from the early fall.



**Deutsche Bank has piled trash and debris in the corner of the backyard instead of properly disposing of it all.**

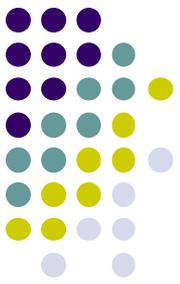


# Deutsche Bank Home in a African American and Latino community in North Chicago, IL in 2013

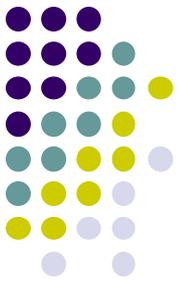


**We can see from the front steps already that Deutsche Bank is not properly maintaining this home.**

**There are dead leaves and overgrown grass leading up to the home's front steps. Not a welcome sight to see when you are looking for a new home...**

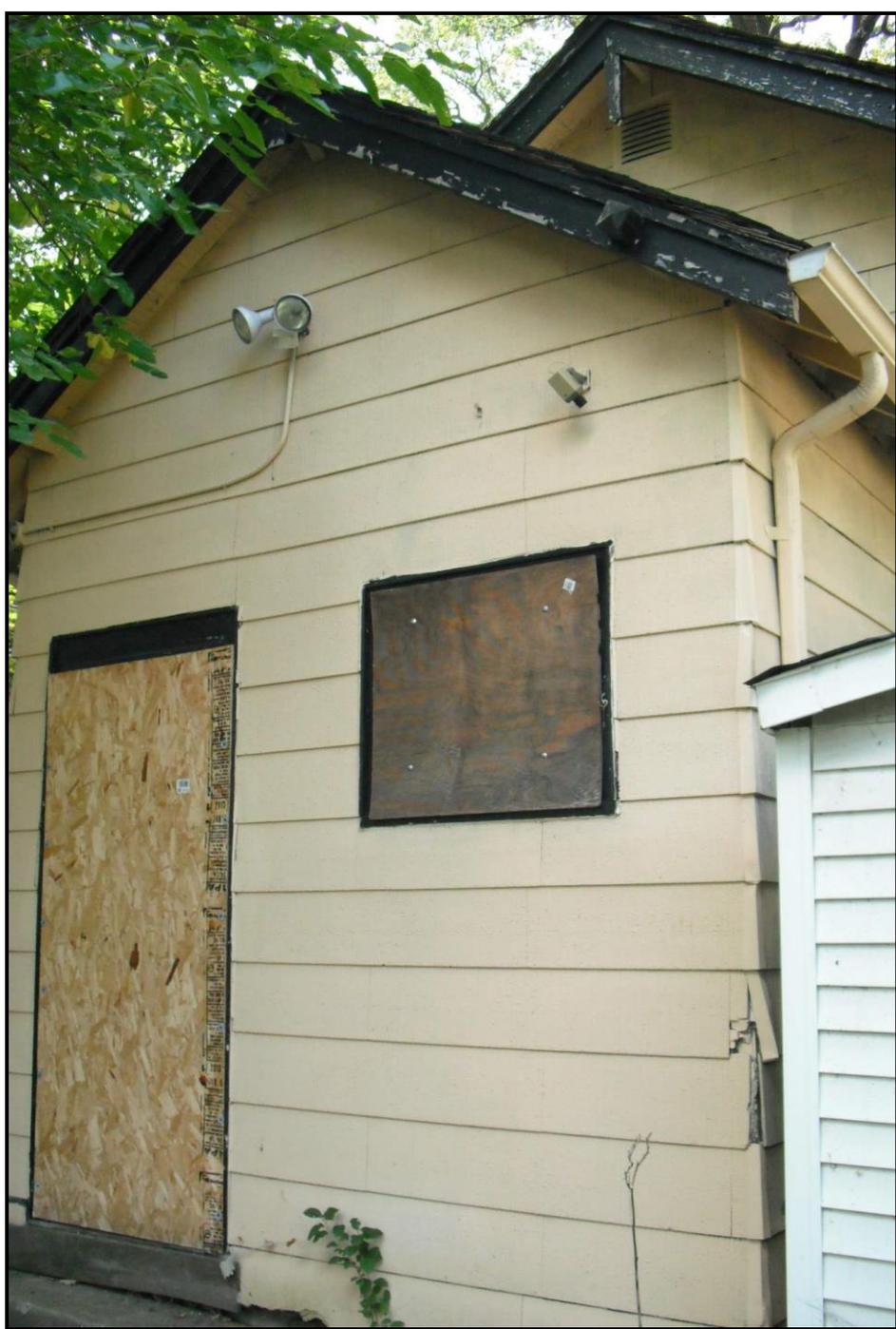


**These gutters are missing pieces and are severely obstructed, and are in no way protecting the home from water damage.**

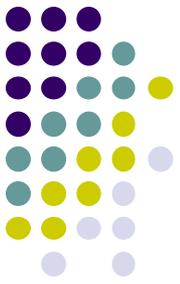


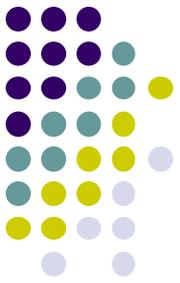


**Deutsche Bank  
has boarded  
some doors and  
windows and left  
others broken  
open to the  
elements.**



**The yard is also very overgrown, showing that Deutsche Bank has not been visiting this property regularly.**





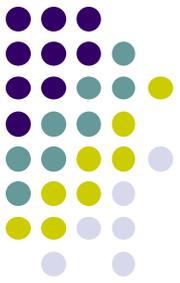
**These are the neighbors living next door to the Deutsche Bank property.**

**Who wants to live next to such a poorly maintained home?**

# Deutsche Bank Home in a majority Non-White community in Des Plaines, IL in 2013



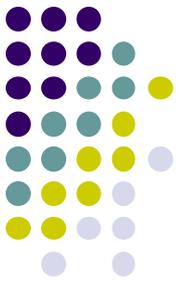
**This Deutsche Bank property is very overgrown, with overgrown grass and shrubs found around the home.**



**More overgrown grass and weeds on the side of the home.**



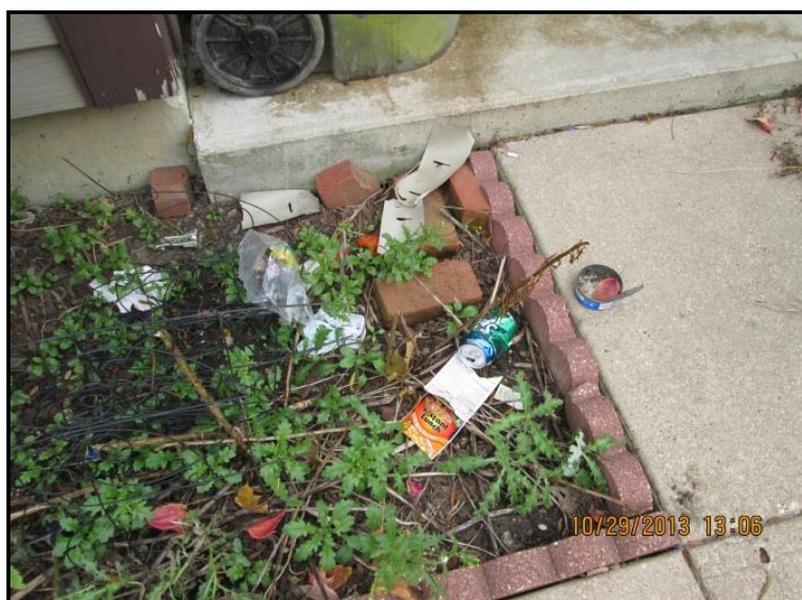
**Deutsche Bank haphazardly boarded one window, while leaving another window completely broken.**



# Deutsche Bank Home in Latino community in Elgin, IL in 2013



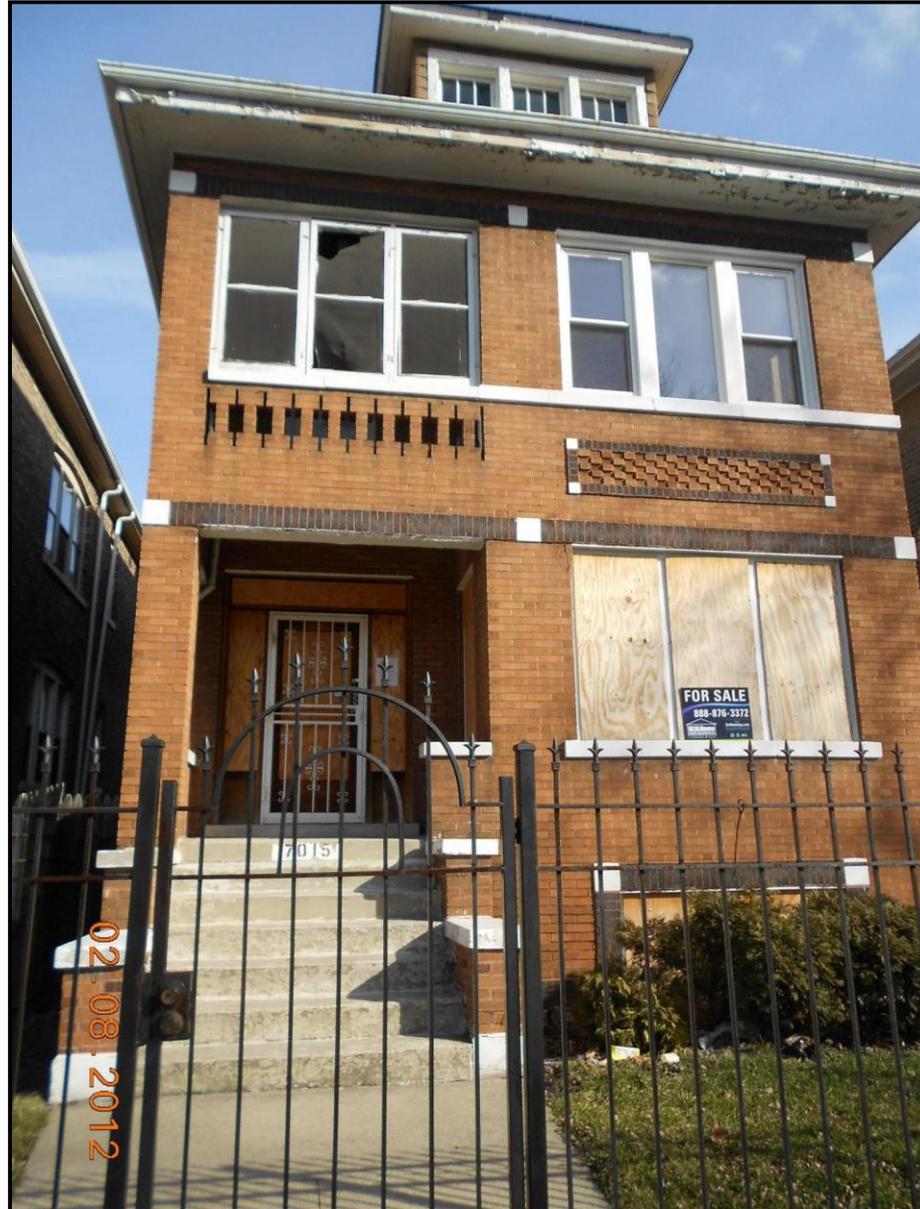
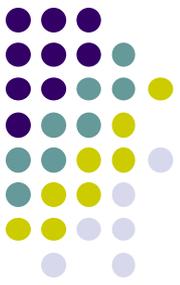
# This Deutsche Bank home has a broken window, trash, and overgrown weeds and shrubs.



# Here are the neighbors' well maintained homes.



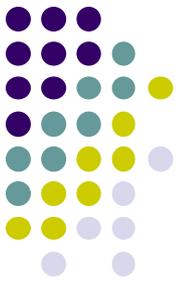
# Deutsche Bank/Ocwen/Altisource Home in an African American Community in Chicago, IL in 2012



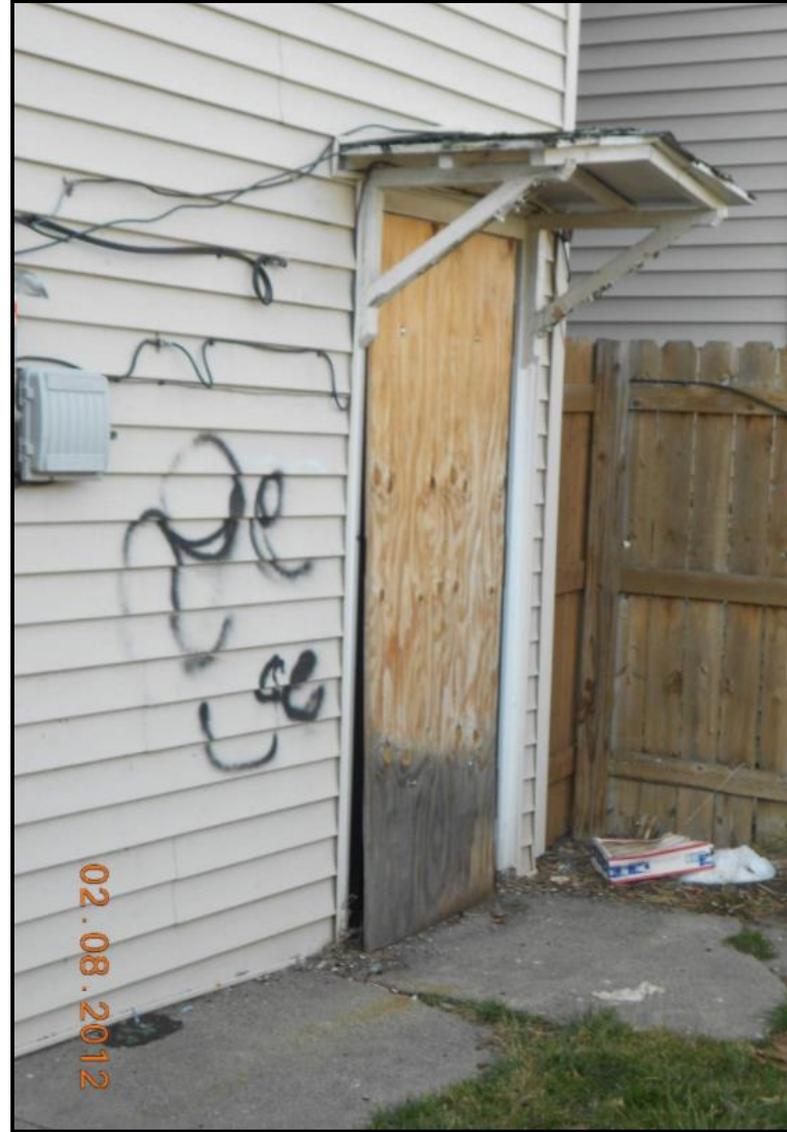
We can already see some trash accumulated in the front bushes.



**More trash is left by Deutsche Bank on the side of the home.**



Many of the home's doors and windows are boarded, and Deutsche Bank has failed to cover up graffiti on the back of the house.



# Deutsche Bank Home in an African American community in Bellwood, IL in 2012



The front is not too bad, some leaves, a small “For Sale” sign in the window, but...



**Despite being listed for sale,  
the property is covered in  
trash, windows are broken  
and it has poorly maintained  
shrubbery and grass.**



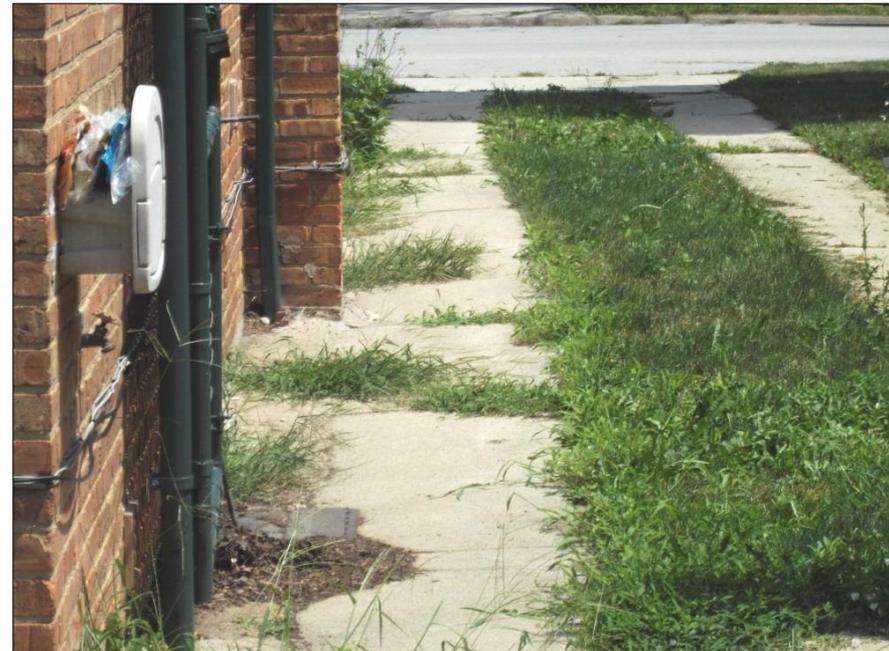
**Again, here are the well-maintained neighboring homes.**



# Deutsche Bank Home in an African American Neighborhood in Dolton, IL in 2012



This property's "For Sale" sign is small and sideways and yard is poorly maintained.



# Neighbors' well-maintained homes.



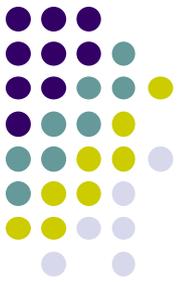
Poorly maintained bank-owned homes affect the neighbors' ability to refinance or sell their homes by pulling down property values.



# **Examples of Deutsche Bank Homes in the Metro Chicago Area in White Neighborhoods**

**2012 - 2016**

# Well-maintained Deutsche Bank Homes in White communities



# Deutsche Bank Home in a White Community in Park Ridge, IL in 2013



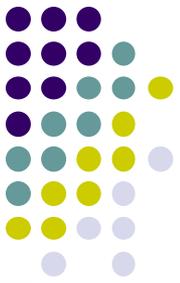
**Deutsche Bank has recently mowed and edged the front lawn, creating great curb appeal for the property and for the neighborhood.**



**The backyard is also in great shape, with no trash or overgrowth to be found.**



# Deutsche Bank Home in a White Community in Worth, IL in 2012



# This Deutsche home has no trash, no broken windows.

