

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 Dallas, TX.**



Overview: Maintenance Investigation of Bank-Owned Homes



- This PowerPoint reflects the investigation by the **North Texas Fair Housing Center** over 7 years from 2011-2017.
- 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

Investigation



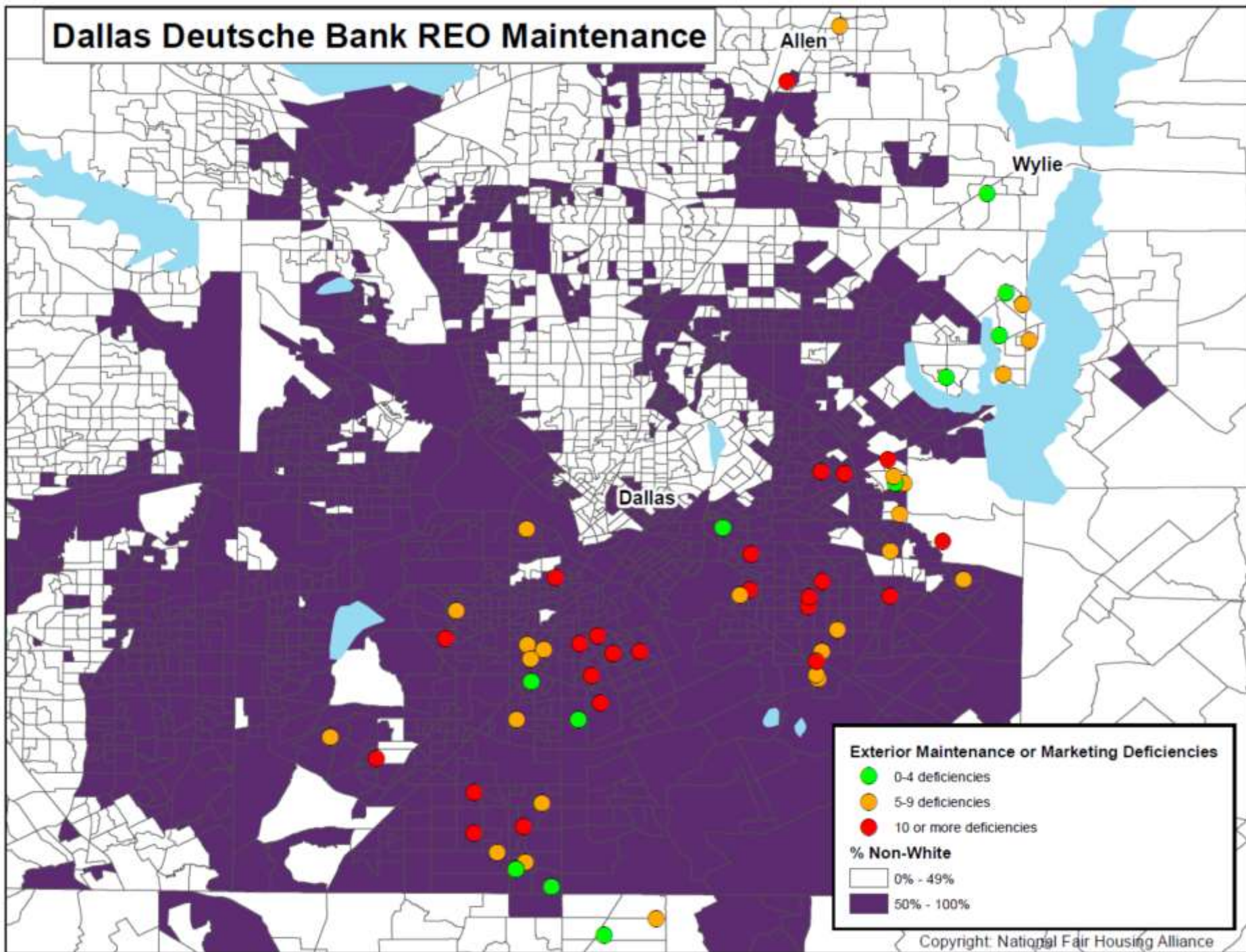
- A total of **62** Deutsche Bank properties were evaluated in the Dallas, TX metro area
 - 19 Deutsche Bank properties were located in predominantly African-American communities
 - 20 Deutsche Bank properties were located in predominantly Latino communities
 - 8 Deutsche Bank properties were located in a community with a majority of non-White residents
 - 15 Deutsche Bank properties were located in predominantly White communities.

Dallas Metro Area Racial Disparities



- 61.7% of Deutsche Bank properties in communities of color had **trash or debris** on the premises, while only 20.0% of properties in White communities had the same problem.
- 31.9% of Deutsche Bank properties in communities of color had **unsecured or boarded doors**, while only 20.0% of properties in White communities had the same problem.
- 44.7% of Deutsche Bank properties in communities of color had **no “for sale” sign**, while only 26.7% of properties in White communities had the same problem.
- 53.2% of Deutsche Bank properties in communities of color had **holes in the structure of the home**, while only 20.0% of properties in White communities had the same problem.

Dallas Deutsche Bank REO Maintenance

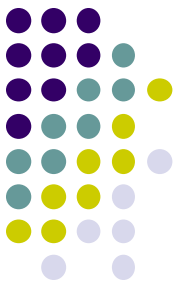




Examples of Deutsche Bank Homes in the Dallas, TX area in Communities of Color

2011 - 2017

**Here is a Deutsche Bank/Ocwen/Altisource home in
a Latino community from 2017.**



The front yard is covered in dead leaves left over from the previous fall.



At the front door Deutsche Bank has left mail to pile up. This alerts people passing by that the home is vacant and not monitored regularly.



Trash and leaves left by Deutsche Bank cover the yard.



The side of this home is also covered in dead leaves and trash.



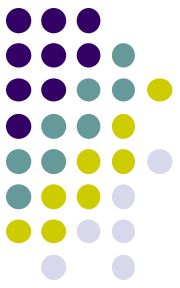
This 2015 Deutsche Bank/Ocwen/Altisource home in an African American community looks good at first glance. However...



On the side of the home we start to see trash and dead leaves.



**The back of this Deutsche Bank property
has more dead leaves and trash.**



Yet more dead leaves and trash left behind by Deutsche Bank.



Deutsche Bank has also failed to secure holes leading into the home, inviting in insects and animals.





Here are the neighbors. They are taking care of their homes and lawns and must live next to the poorly maintained Deutsche Bank property.



Let's look at this Deutsche Bank/Ocwen/Altisource home in a Latino Neighborhood in Dallas from 2014.

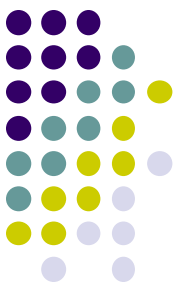


We can already see from the front yard that Deutsche Bank has neglected to care for this home.



01.31.2014

In addition to overgrown grass, the front yard is also covered in dead shrubs that Deutsche Bank has failed to dispose of properly.



All of the home's back doors are boarded. How does Deutsche Bank expect to entice an owner-occupant homebuyer when the home is boarded?



The backyard of this home is as equally overgrown and neglected as the front.



This home is in an African American neighborhood in Dallas. In 2012 Deutsche Bank was still failing to properly maintain their homes in neighborhoods of color.



**Every window and door is boarded,
creating a huge eyesore for the neighborhood.**



Deutsche Bank has left this huge hole unsecured.



This neighbor is taking great care of his or her home, yet has to live next door to this poorly maintained Deutsche Bank property.



This bank-owned home located in an African American Neighborhood in Dallas from 2011 shows us more of the same neglect by Deutsche Bank.



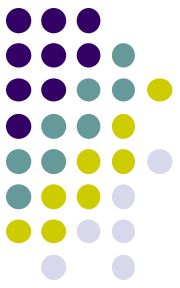
This property has zero curb appeal. The front yard is overgrown and covered in dead leaves.



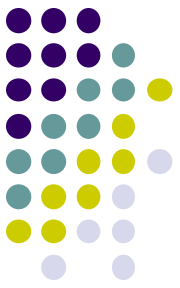
The side of this Deutsche Bank home is also overgrown, with trash and tires sitting among the overgrowth.



Deutsche Bank has left this home's back door wide open and unsecured.



Deutsche Bank has failed to cover up holes leading into the home as well.



This is the REO's backyard. It is completely overgrown, creating a terrible eyesore and inviting critters and vermin into the yard.





Examples of Deutsche Bank Homes in the Dallas, TX area in White Communities

2011 - 2017

Over the years Deutsche Bank has shown that they can properly maintain their bank-owned homes in White neighborhoods.



Here is a closer look at a Deutsche Bank/Ocwen/Altisource home in a White neighborhood in Mesquite from 2015.



The home's yard is mowed and clean besides a few newspapers in the front yard.



The side yard of this Deutsche home is also clean and free of trash and leaves.



Deutsche Bank has no problem maintaining this home's large backyard. It is mowed and free from trash and leaves.

