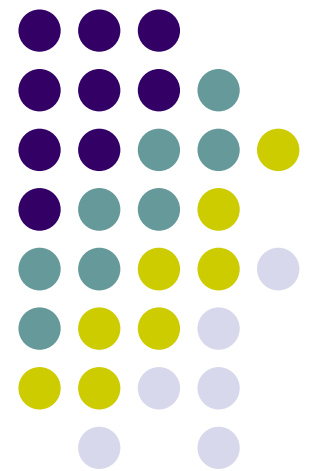


A Tale of Two Recoveries

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



Overview: Maintenance Investigation of Bank-Owned Homes



- This Power Point reflects the investigation by the National Fair Housing Alliance from 2014-2017. 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 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

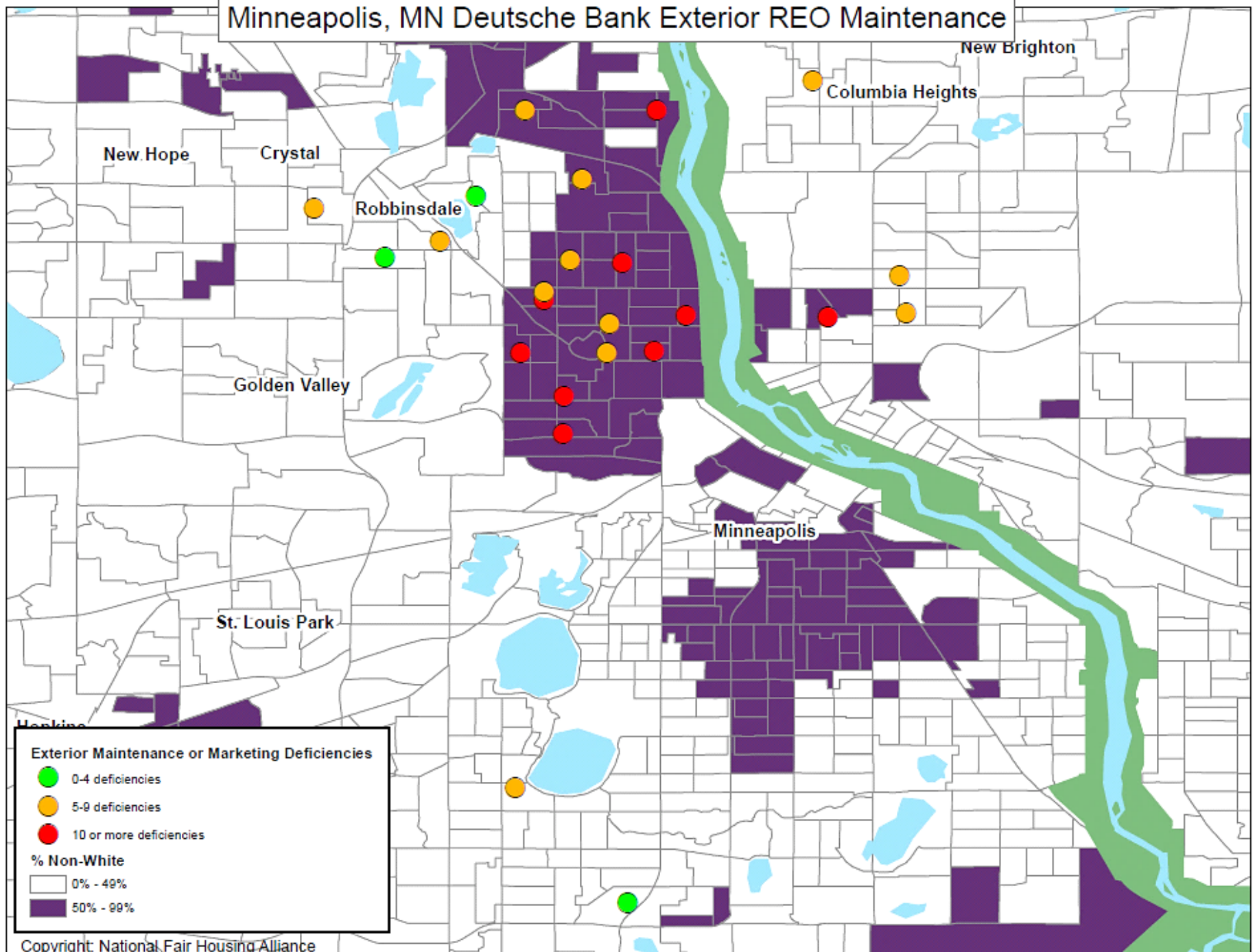
- Tampered with or exposed

Racial Disparities

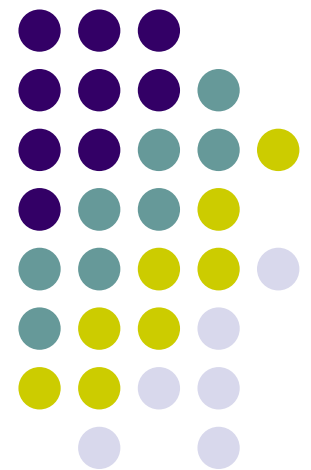


- The National Fair Housing Alliance investigated 24 Deutsche Bank-owned homes in metro Minneapolis.
 - 6 located in African-American neighborhoods
 - 9 located in non-White neighborhoods
 - 9 located in White neighborhoods
- **93.3% or 14 of 15** Deutsche Bank homes in neighborhoods of color had **substantial amounts of trash** on the premises, while only 55.6% or 5 of 9 Deutsche Bank homes in White neighborhoods had the same problem.
- **80.0% or 12 of 15** Deutsche Bank homes in neighborhoods of color had **overgrown grass and leaves**, while only 44.4% or 4 of 9 Deutsche Bank homes in White neighborhoods had the same problem.
- **53.3% or 8** Deutsche Bank homes in neighborhoods of color had **unsecured or broken doors**, while only 44.4% or 4 properties in Deutsche homes predominantly White neighborhoods had the same problem.
- **66.7% or 10** Deutsche Bank homes in neighborhoods of color had **broken or boarded windows**, while only 11.1% or just 1 Deutsche Bank home in White neighborhoods had the same problem.

Minneapolis, MN Deutsche Bank Exterior REO Maintenance



**Did Deutsche Bank, Ocwen and
Altisource provide standard routine
maintenance to homes in
African American and Latino
neighborhoods in metro Minneapolis?**

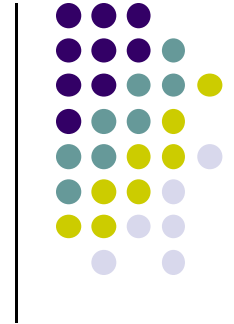


This Deutsche Bank home in an integrated neighborhood looks fine from the front; let's take a look at the back yard...



You can see the branches and debris left in the yard and leaves mingled with overgrown grass.





These photos were taken in April 2017 and you can see leaves from the fall that were never removed by Deutsche Bank.

This Deutsche Bank home in an integrated neighborhood is located on a corner so many people pass by and see this poorly maintained property.



See the long dead fallen limb?

This view along the side walk shows overgrown bushes, scrubs and grass at this Deutsche/Ocwen home in an integrated neighborhood.



Invasive weeds in the back yard.

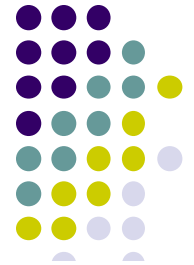


This Deutsche Bank home in an integrated neighborhood has overgrown grass, trash in the backyard, and papers left on the porch indicating that no one is regularly checking on the property.



This isn't mail so Deutsche Bank can clean away old wet newspapers, but instead has left them on the porch telling people passing by that no one is checking on this home.





**You can see how
long the grass is
and the gate left on
the side of the
home.**





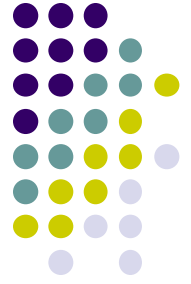
Deutsche Bank left all of these branches in the yard.





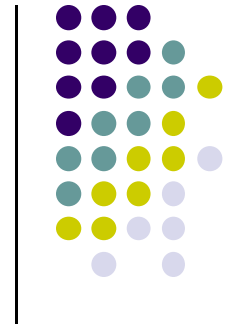
This Deutsche Bank/Ocwen home in an integrated neighborhood has leaves covering the yard, trash everywhere, and a gas can on the front porch.

Deutsche/Ocwen don't visit this property or they would have seen the gas can and trash, overgrown grass, and boards with rusty nails in the yard.





Deustche Bank and Ocwen left this board with rusty nail sticking out for animals or children/people to step on.



Why would Deutsche/Ocwen board a new window from the inside?

This won't help protect it from breaking.



Deutsche Bank allowed its home to become badly overgrown and it's a real mess in back yard.



You get a sense of how long the Deutsche Bank's lawn hasn't been mowed by comparing it to the neighbor's mowed lawn.

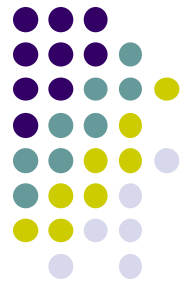




Deutsch Bank left this dead branch, let trash accumulate, and used the window wells for leaves and trash.



The Deutsche home has overgrown shrubs and grass - both can be ideal nesting places for rats, mice, and snakes.



**These neighbors have to live by
Deutsche Bank's overgrown, littered
home in this integrated neighborhood.**





Here is another Deutsche Bank / Ocwen home in an integrated neighborhood in Minneapolis.

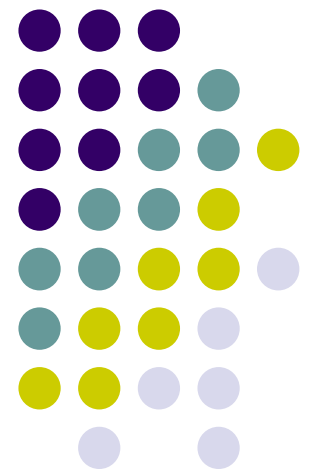
Deutsche Bank and Ocwen left trash and dead leaves in the backyard.





More trash and debris in the backyard, as well as an unsecured door leading into the basement of the home.

How does Deutsche Bank, Ocwen and Altisource maintain homes in white neighborhoods?



Deutsche Bank and Ocwen took very good care of this modest home in a white neighborhood—no leaves, trash, litter left on the property.



Deutsche Bank and Ocwen raked the leaves from the front, side, and backyard of this home in a white neighborhood.



This Deutsche/Ocwen home in a white neighborhood had no trash left behind from the move out, no overgrown grass or scrubs. Since this is October, NFHA doesn't expect the leaves to be raked yet.



The back yard is clean with no debris.





The front and back of this Deutsche/Ocwen home in a white neighborhood is well-maintained.