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 New Orleans, LA.
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How Deutsche Bank, Ocwen Financial, and Altisource Failed to Maintain Its Bank-Owned Homes in African American and Latino Neighborhoods in Baton Rouge, LA.
Overview: Maintenance Investigation of Foreclosed Homes

- This power point reflects the investigation by Greater New Orleans Fair Housing Action Center over 5 years from 2013-2017.

- 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 their foreclosures 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
Investigations from 2013-2017

- 42 foreclosures owned by the Deutsche Bank
  - 29 in predominantly African-American neighborhoods;
  - 5 predominantly non-white neighborhoods
  - 8 in predominantly white neighborhoods.

- 79.4% or 27 of 34 homes in neighborhoods of color had 10 or more maintenance or marketing deficiencies while only 25% or 2 homes in white neighborhoods had 10+ problems.

- 73.5% of properties in neighborhoods of color had substantial amounts of trash or debris while only 50.0% or 4 homes in white neighborhoods had the same problem.

- 61.8% or 21 of 34 properties in neighborhoods of color had broken or boarded windows, while only 37% or 3 of 8 properties in white neighborhoods did.
Deutsche Bank Failed Maintenance 2017

GNOFHAC investigated Deustche from 2013 to January 2017.

Over the course of these 5 years, Deustche/Ocwen and Altisource failed to provide routine maintenance to foreclosures in middle- and working-class African American neighborhoods in metro New Orleans. Each company is paid to preserve their properties.
Deustche Bank fails to maintain its properties. This porch support is quite precarious and dangerous.
Deustche leaves dead branches on the driveway.
Deustche/Ocwen/Altisource leave branches in the backyard with overgrown weeds.
Deutsche property in an African American neighborhood with overgrown scrubs, grass and trash on property, BUT EVEN WORSE...
Deustche leaves the home unsecured increasing potential for vandalism or fire and putting neighbors and their homes at risk.
This Deutsche home in a middle class African American neighborhood has an overgrown lawn and dead branches in back yard. These conditions hurt curb appeal and signal to vandals that no one is watching the property.
Poorly maintained back yard.
Best price for this home increases with minor maintenance fixes…
Boarded and broken windows hurt curb appeal and fixing this one pane of glass is inexpensive.
Routine maintenance means clearing out trash, debris and maintaining lawn and scrubs.
Deutsche Bank’s continues to fail to maintain its foreclosures in African American neighborhoods in 2016

Even though national reports describing the need for proper maintenance and the harms caused by failed care were released by the National Fair Housing Alliance in 2011, 2012 and 2014; Deutsche made no changes in maintaining homes in communities of color across the United States.
Along with overgrown weeds as grass, Deutsche left trash at the home.
Deutsche left a hole and hanging light fixture creating both an electrical hazard and allowing birds or insects access to the home.
Another neighbor who takes care of his home must endure a really poorly maintained Deutsche Bank property next door.
Deutsche/Ocwen left this trash in the front yard, but its is even worse around the home…
Deutsche/Ocwen is supposed clean out all trash/debris left in the home following foreclosure and take it to the dump. Instead, they dumped it all over the back yard!!!
More trash and debris, dead branches and weeds take over the yard. How do you even market a home in this condition?
The hot tub holds trash and it has been so long since Deutsche/Ocwen maintained the property that weeds have taken over the hot tub.
The bushes are overgrown at the door, but from the front it doesn’t look too bad…
But these overgrown bushes hurt curb appeal for prospective homebuyers and ...
Why would Deutsche/Ocwen board these windows from the inside? How is that protecting windows? It simply serves to block light into the home and sends a negative message to homebuyers.
This is a simple fix that will keep animals from nesting in the wall.
Deutsche Bank Failed Maintenance in 2015

GNOFHAC continues to document failed maintenance in 2015.
This neighbor endures living next to the poorly maintained Deutsche Bank foreclosure...
African American neighborhood in Harvey. This what happens when a Deutsche foreclosure is neglected. Overgrown shrubs, litter…
Broken fence and unsecured gate encourages vandalism and graffiti
Vandalism happens when a home is perceived as abandoned.
Deutsche Foreclosure with no curb appeal because of boarded front window.
Overgrown side yard and back detract from appeal to owner-occupant buyers.
Unappealing back yard with overgrown weeds and trash.
This Deutsche Bank property has great potential, but the bank fails to provide routine maintenance. The lawn is wildly overgrown.
Rather than replacing this pane of glass, Duestche boards the window from the inside—this doesn’t protect it from further breakage!
Just like the front yard, the back yard is wildly overgrown encouraging snakes, rats, mice, and fleas.
Ocwen/Altisource is supposed to maintain the yard and remove trash, but Deustche Bank allows this condition to exist. Imagine being the homeowner next door.
This modest home in a working class African American neighborhood is surrounded by trash and litter.

Deustche/Ocwen/Altisource is paid to keep the yard clean.
What we know for sure…poorly maintained properties attract illegal dumping.
More neglect by Deutsche. Cleaning the property and reattaching the siding goes a long way in making home presentable.
This Deutsche property is unsecured and wildly overgrown. Deutsche/Ocwen/Altisource clearly are not maintaining the property.
Deustche/Ocwen and Altisource leave this home unlocked and windows broken out.
The back yard is overgrown.
A little perspective as to the height of the weeds
What does Deustche’s 2015 Maintenance in a White Neighborhood Look Like?
Modest Property in White Neighborhood
Doors secured.
Deutsche/Ocwen/Altisoucre do good work in this white neighborhood. All doors secured and no leaves or belongings after move out cleaned up and sent to dump—not left in yard.
Deutsche Bank was well aware of discrimination complaints being filed for poor maintenance of bank-owned homes in communities of color across the US, but still failed to provide routine maintenance.
Deutsche boards windows in communities of color detracting from curb appeal and marketing.
Deutsche fails to remove invasive weeds from soffit.
Deutsche fails to remove trash and litter from the yard of this home in an African American neighborhood.
More trash and dead branches are left in the yard.
A broken, rusted fence is not removed.
Deutsche Bank Failed Maintenance in 2013

The investigation began in 2013 and you can see over the years Deutsche Bank refused to improve the routine property maintenance on its properties.
Debris and trash is left all around this Deutsche Bank home in a middle class African American neighborhood.
The screen and trash are left among the weeds.
More trash is left behind by Deutsche.
Broken fence material and other debris is left at the property.
This Deutsche home in a middle class African American neighborhood is completely unprotected because the door is unlocked and opened.
Deutsche Bank puts this home and the neighbors, especially children, at risk by failing to secure the property.