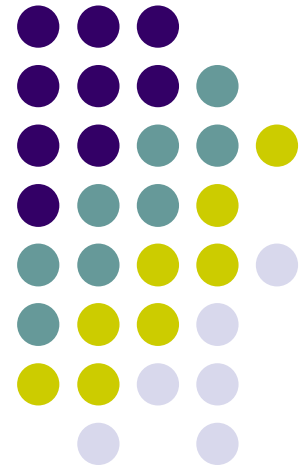
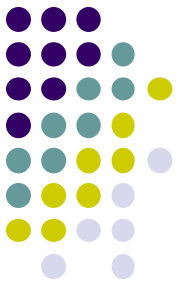


# **A Tale of Two Recoveries**

**How Deutsche Bank, Ocwen  
Financial, and Altisource Failed to  
Maintain Its Bank-Owned Homes in  
African American and Latino  
Neighborhoods in Richmond, VA**

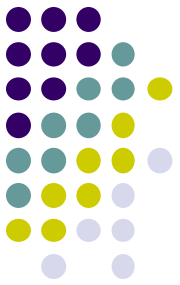


# Brief Overview



- This PowerPoint reflects the investigation by the **Housing Oppourtunies Made Equal of Virginia** over 5 years from 2013-2017. These investigations into Deutsche Bank's maintenance practices 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 as is found in the neighborhood. NFHA and partners took photos of 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, while providing much better maintenance to its homes in white neighborhoods.
- These investigations are about routine maintenance on the outside of the bank-owned homes. Banks are paid to mow lawn remove trash/debris left by the previous owner or litter, and secure doors and windows s, 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

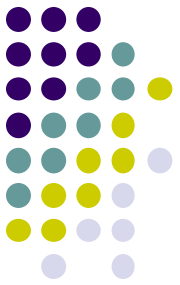


## Signage

- 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

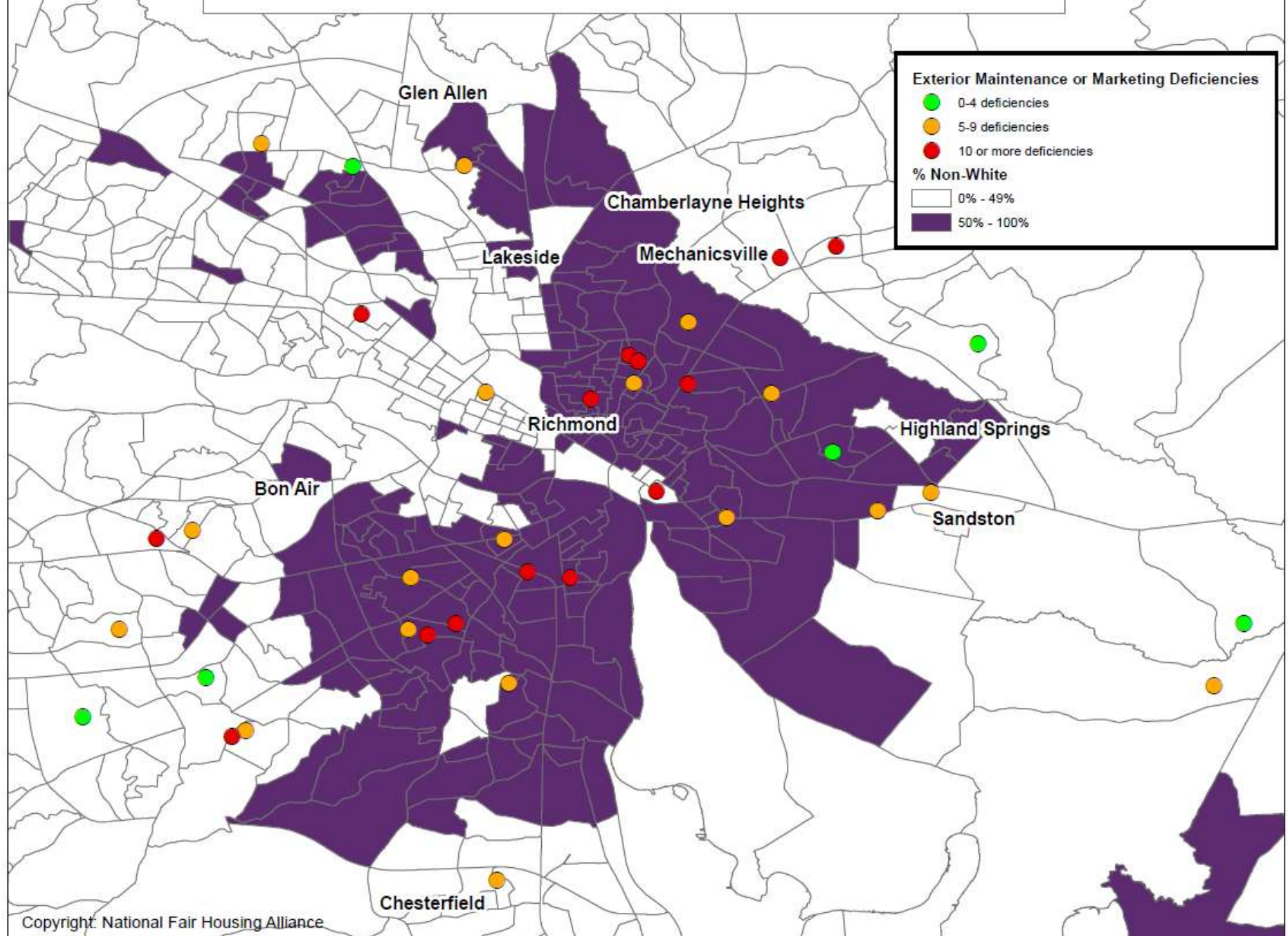


## Utilities

- Tampered with or exposed



# Richmond Deutsche Bank REO Maintenance





# Racial Disparities

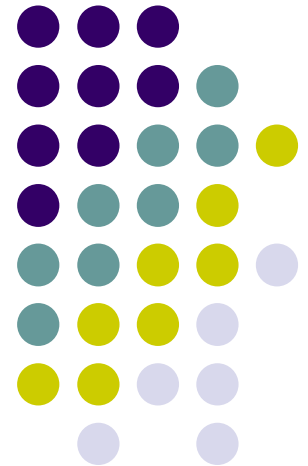
- HOME investigated 39 Deutsche Bank-owned homes.
  - 18 in predominantly African-American neighborhoods
  - 1 in a majority Non-White neighborhood
  - 20 in predominantly White neighborhoods
- 68.4% or 13 of Deutsche Bank's homes in African American neighborhoods had broken or boarded windows, while only 15% or 3 Bank-owned properties in predominantly White neighborhoods did.
- 68.4% or 13 of Deutsche Bank homes in African American neighborhoods had broken or boarded windows, while only 15% or 3 of the Bank's properties in predominantly White neighborhoods did.
- 42.1% or 8 of Deutsche Bank properties in African American communities had holes in the structure, while only 20.0% or 4 Bank-owned properties in predominantly White neighborhoods had holes.

# Deutsche Bank Foreclosures in 2017

**HOME investigated four Deutsche Bank-owned homes and in January 2017.**

**Two in white neighborhoods and two in African American neighborhoods.**

**Here's how they compared.**





This modest home owned by Deutsche Bank is in an African American neighborhood.





The gutters are obstructed with dead leaves, the yard is also covered in leaves, and Deutsche left a pile of tree limbs in the yard.



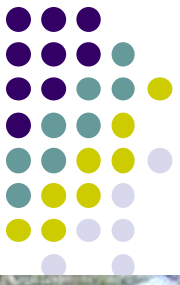


This mailbox is completely full – Deutsche Bank is supposed to put a sign that says “Vacant – Do Not Deliver” so they stop accruing mail.





In the backyard Deutsche left trash and debris all over, including two gas tanks.





More dead leaves, trash, and discarded tires left by Deutsche Bank.





Here's a closer look at the back of the home. Trash and leaves everywhere. These steps need handrails and Deutsche left the back door completely open, creating a safety issue for the neighbors.





**Deutsche Bank put this home and the neighbors at risk because this bank-owned foreclosure in a middle class neighborhood of color is not secured.**





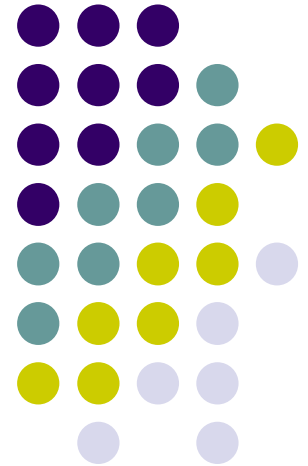


**The glass in the back door is broken out. It appears to have been broken for a while as you can see bottle and leaves on top of the glass.**

**It looks like a vandal simply has to walk through the blinds to enter the home.**

# Now the two Deutsche Bank homes in white neighborhoods

Deutsche Bank makes sure that debris and trash left by previous owner is removed and the property has curb appeal. There are no damaged windows or doors, no tires or toys left on the property.





This Deutsche Bank / Ocwen home is in a modest white neighborhood and is well maintained.





The yard is mowed and the shed is properly secured.





Another Deutsche/Ocwen home in a white neighborhood. There is no trash and the doors and windows are secure and in good shape.





The back of the home is clean of trash and debris and is secure.

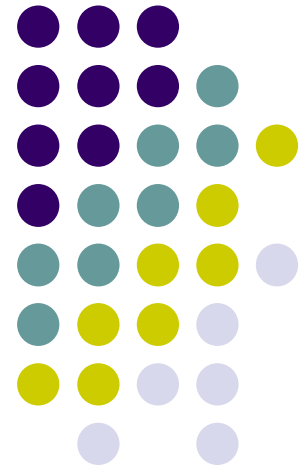


# Deutsche Bank and Ocwen Maintained homes investigated in 2016

**HOME of VA investigated 5 Deutsche/Ocwen homes in 2015.**

**Three were located in middle-class African America neighborhoods and all three had boarded windows, open windows, and trash from previous owners littering the property because Deutsche Bank failed to remove it.**

**Two were homes in white neighborhoods and both were in good condition with no boarded windows or invasive weeds. One had some trash left piled near the shed, not strewn across the yard.**







**Deutsche/Ocwen left broken windows and boarded windows detracting from curb appeal.**



**Deutsche/Ocwen left this window open  
to the elements and animals.**





**This is typical for Deutsche/Ocwem that after cleaning out the Bank-owned home, they dump the debris and belongings into the yard rather than taking the debris to the actual dump. Trash is often covered up by invasive weeds as well.**

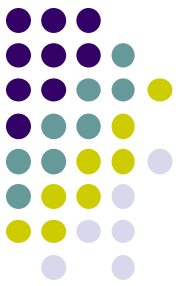






**Trash left behind by  
Deutsche/Ocwen.**

**More trash that Deutsche/Ocwen failed to remove. They are paid to clean out homes to prepare them for sale.**



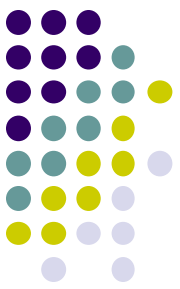




**Downspouts left unattached to home so water flows into the foundation.**



**Neighbor's well maintained home - they must be frustrated living next to the poorly maintained Deutsche home.**



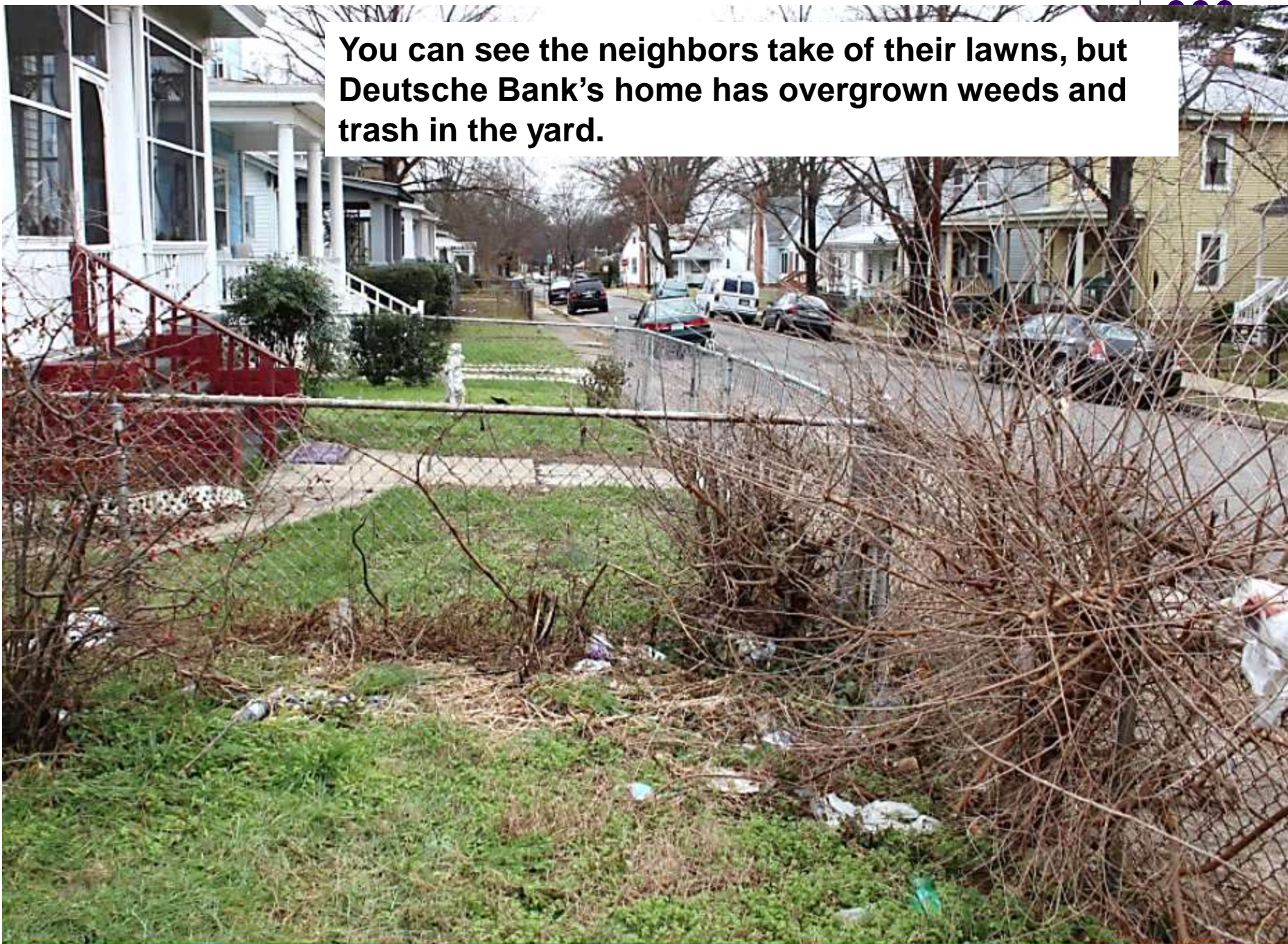


**Deutsche boards the front window and a back window, detracting from the appeal of the home in this African American neighborhood.**





**You can see the neighbors take of their lawns, but Deutsche Bank's home has overgrown weeds and trash in the yard.**







**More evidence  
of Deutsche's  
failed  
maintenance:  
weeds, boards,  
trash.**





**Deutsche Bank failed to remove the debris left by previous owner, even though Deutsche/Ocwen is paid to remove trash and debris.**

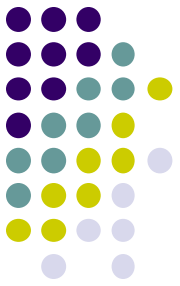
This Deutsche bank home in an African American neighborhood has a boarded window on side of doorway and more issues...







**Deutsche boards the window in the back rather than fixing it or putting up clear boarding so light gets into the home when a buyer comes through.**

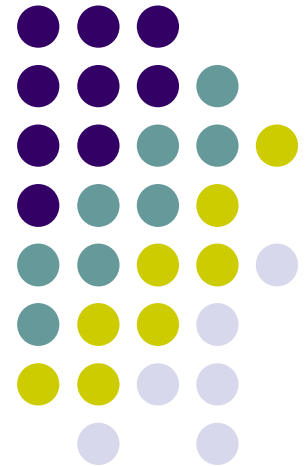


**Trash is shoved under porch  
instead of being cleaned up.**



# How do the two Deutsche properties in the white neighborhoods look?

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**Deutsche's home in this white neighborhood has all trash and debris from clean out removed, shrubs trimmed, grass mowed, and home secured.**







**Side view shows clean home  
free from debris or trash.**

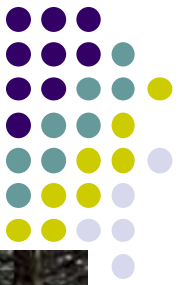




This Deutsche home in a white neighborhood had some debris left in the back, but it was not strewn around the yard. It was piled along the fence.



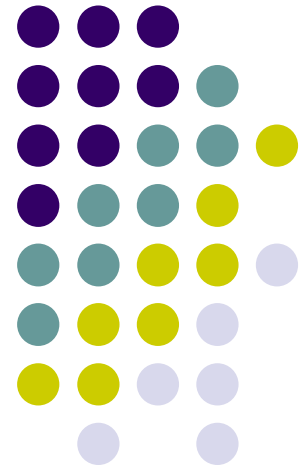
**While there is trash left from the move out, it not strewn across the yard. Instead it is piled along the side yard by the shed.**



# Deutsche Banks' Failed Maintenance in 2015

**14 Deutsche bank-owned homes were investigated**

**10 were located in white neighborhood and 4 in African American neighborhoods.**



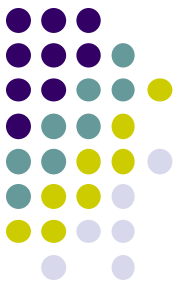


**This Deutsche/Ocwen home in an African American neighborhood has leaves from the fall covering the yard in January 2015. The neighbors' leaves are raked and removed. Deutsche/Ocwen left a satellite dish and trash in the front yard hurting its curb appeal.**

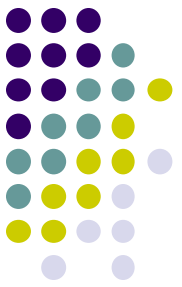




This photo taken in March 2015 shows the leaves Deutsche/Ocwen left at its property in an African American neighborhood.







**Debris, tires, and wood left from the original cleanout of the property is not sent to the dump, but dumped in the back yard by Deutsche/Ocwen.**





**The dog house and trash can are left in the yard which is covered with leaves.**



**Deutsche Bank's home is a real eyesore for the neighbors. A shutter is missing, but there's more**







**Deutsche  
boards  
windows...**





**These holes in the overhang invite squirrels, birds, or wasps to make their nest in the attic — creating an unsafe and unhealthy situation.**



**Once again, Deutsche/Ocwen shove trash under porch instead of cleaning it up.**



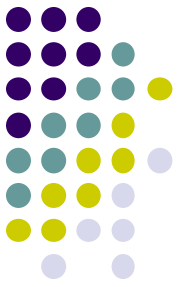




**Deutsche/Ocwen  
precariously brace this  
falling gate rather than  
securing it properly.**

**Lest you think these  
conditions above reflect  
the standard of upkeep  
in the neighborhood,  
let's look at the  
neighbors' homes.**

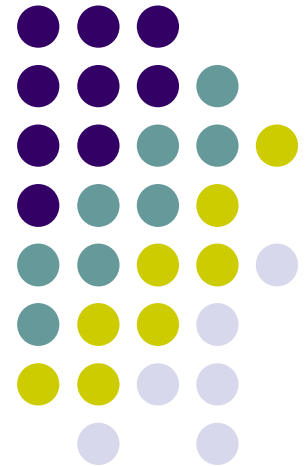
**It is crystal clear that the neighbors maintain their homes, but have to live next to a poorly maintained Deutsche Bank home.**





**Let's see how Deutsche  
Bank maintains its homes  
in white neighborhoods.**

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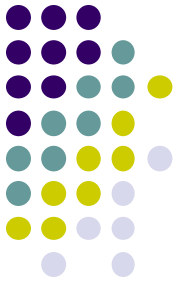




**The front and back of this Deutsche Bank/Ocwen home in a white neighborhood is clean and no trash from the clean out is left behind.**







**Another Deutsche Bank/Ocwen home in a white neighborhood where no leaves from the fall or trash or debris is left behind after the cleanout.**





**Deutsche Bank homes have good curb appeal, but it seems only in white neighborhoods like this one.**





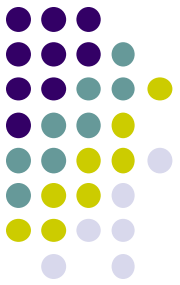


**No debris or trash from clean out is left in the yard and leaves have been raked at this Deutsche Bank-owned home in a white neighborhood. The home has good curb appeal.**





**This Deutsche Bank-owned home in a white neighborhood in Richmond is well maintained and no leaves or debris from clean out are left on the property.**

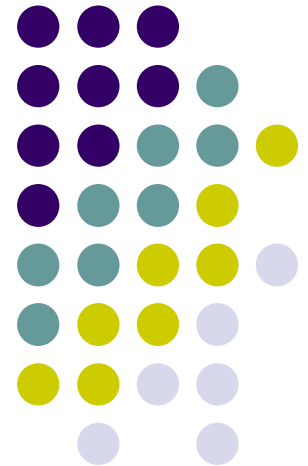


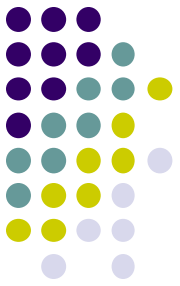


# Deutsche Bank's Maintenance Record Beginning in 2013

**HOME began investing Deutsche Bank's homes in 2013.**

**Fourteen bank-owned homes were identified and investigated. Eight homes were in African American communities and six in white neighborhoods.**





**Let's look at how  
Deutsche Bank maintained its  
homes in African American  
neighborhoods in 2013.**



**This Deutsche Bank-owned home in an African American community is on a large lot. The lawn was mowed, but shrubs were wildly overgrown. Bits of trash and litter were found in the bushes all along the property as if the mower intentionally blew it there.**





**Deutsche Bank has a duty to preserve the home which is an asset. It is commonly known that obstructed gutters cause both roof and interior wall damage, yet the Bank allowed trees to take root in the gutters.**





This Deutsche Bank-owned home in an African American neighborhood is poorly maintained. Can you see the front porch for the overgrown bushes? Shutters are missing as well.



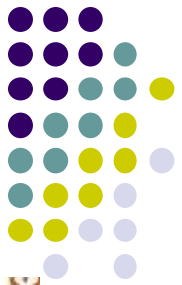
10.22.2013



The landing door was left open and unsecured. Invasive weeds are growing around the Deutsche home and up the steps.



10.22.2013







**Yet, the neighbors on either side have mowed lawns and clean property. You can see the overgrown weeds and bushes at the Deutsche Bank home encroaching on their property.**





**Now let's compare  
Deutsche's maintenance in  
white neighborhoods**





**Here is a well-maintained Deutsche home in North Chesterfield in 2013.**

10 23 2013



**No trash or debris from clean out of property. We expect leaves because this photo was taken in October 2013**







Nothing is detracting from this Deutsche Bank-owned home in a white neighborhood. No trash or debris, no invasive weeds or overgrown shrubs blocking the home.





The back yard is not overgrown and no debris has been left behind.