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Bank of America Accused of Racial Discrimination in
30 U.S. Metro Areas and 201 Cities
Including Gary, Indiana

Civil Rights Groups File New Evidence of Housing Discrimination to Federal Complaint Alleging Neglect of Foreclosures in Communities of Color.

CHICAGO — Today, the National Fair Housing Alliance (NFHA), South Suburban Housing Center (SSHC), and eight other fair housing organizations across the country revealed new evidence of housing discrimination by Bank of America, one of the largest commercial banks in the United States. The civil rights groups documented startling evidence of Bank of America’s failure to maintain and market its foreclosed homes in African American and Latino neighborhoods as compared to white neighborhoods across the United States.

Six new metropolitan areas are being added to the complaint filed with the U.S. Department of Housing and Urban Development. Gary, Indiana is one of six new cities with shocking evidence of failed maintenance in African American and Latino neighborhoods that also includes: Columbus, OH; Minneapolis, MN; Newark, NJ; Tampa, FL; and neighborhoods in suburban Detroit.

A power point presentation containing the details and photographs of the Gary area Bank of America foreclosures investigated by South Suburban Housing Center, will be posted on the following website www.southsuburbanhousingcenter.org. Some of this evidence has been featured in NFHA’s national webinar news conference held at 11:00 a.m. EDT on August 31, 2016.
NFHA and the 9 partnering fair housing organizations investigated 399 Bank of America foreclosures for this amendment to the complaint. With this new evidence, the complaint is now comprised of evidence from 1,267 Bank of America properties in 30 metropolitan areas and 201 cities throughout the United States.

In the Gary area, SSHC investigated 21 Bank of America foreclosures from 2013-2016 revealing dramatic racial disparities between the maintenance and marketing of properties in Gary compared with Bank of America foreclosures in White communities in Lake County Indiana.

“Bank of America’s deliberate neglect of its foreclosures in communities of color creates financial concerns as well as health and safety risks for people living near poorly maintained foreclosed homes,” said Shanna L. Smith, President and CEO of NFHA. “Bank of America’s negligence in maintaining and marketing its foreclosures in Gary stymies chances for economic recovery in this distressed area,” added John Petruszak, Executive Director of SSHC.

Fair housing organizations joining the National Fair Housing Alliance and South Suburban Housing Center in amending the complaint, and adding new evidence, also include the following cities: Atlanta, GA; Baltimore, MD; Dallas, TX; Memphis, TN; Metropolitan Chicago, IL; Milwaukee, WI; Prince George’s County, MD; Philadelphia, PA; Orlando, FL; and Toledo, OH.

Evidence obtained during these investigations shows a continuing pattern of failure by Bank of America to perform simple, routine maintenance on its foreclosures in African American and Latino neighborhoods. The Bank routinely fails to lock or secure doors and windows, remove trash and debris left by former owners, mow and edge lawns, trim shrubs and cut back invasive plants. Meanwhile, the Bank keeps its foreclosures in white neighborhoods in good condition. Lawns are mowed and edged regularly and the Bank properly disposes of the belongings left behind by former owners. Bank of America is paid to perform these routine duties in all neighborhoods for all of its foreclosures.

The Fair Housing Act makes it illegal to discriminate based on race, color, national origin, religion, sex, disability, or familial status. It is also illegal to discriminate based on the racial composition or national origin of neighborhood residents. This law applies to housing and housing-related activities, which include the maintenance, appraisal, listing, marketing, and selling of homes.

**NATIONWIDE STATISTICS**

*Full national statistics, maps, and data for individual cities available at [www.nationalfairhousing.org](http://www.nationalfairhousing.org).*

The investigation encompasses 30 metropolitan areas including 201 cities. Zip codes within each city were identified based on homeownership rates, income, and racial composition. Each Bank of America foreclosure in those zip codes was investigated as part of this filing. Nationally, 85 cities had predominately African American or Latino neighborhoods and 116 cities had predominately white neighborhoods.

The National Fair Housing Alliance and its 17 Fair Housing Organization partners investigated 1,267 Bank of America foreclosures. The demographic breakdown of the Bank of America foreclosures includes 567 foreclosures located in African American neighborhoods, 130
foreclosures located in Latino neighborhoods, 147 foreclosures located in majority non-white neighborhoods, and 423 foreclosures located in white neighborhoods.

**Highlights of Significant Racial Disparities:**

- 51.5 percent or 435 foreclosures in communities of color had a broken, boarded, or unsecured window, while only 23.4 percent or 99 foreclosures in white communities had the same problem.

- 63.3 percent of the foreclosures in communities of color had trash or debris on the premises, while only 33.8 percent of the REO properties in white communities had the same problem.

- 30.1 percent of the foreclosures in communities of color had holes in the structure of the home, while only 12.8 percent of the REO properties in white communities had the same problem.

- 38.2 percent of the foreclosures in communities of color had unsecured, broken, or boarded doors, while only 14.9 percent of the REO properties in white communities had the same problem.

**GARY AREA STATISTICS**

**Highlights of Significant Racial Disparities:**

- 76.9% or 10 of 13 Bank of America foreclosures in African American neighborhoods of Gary had 10 or more maintenance or marketing deficiencies, while none of 8 foreclosures in White Lake County communities had 10 or more deficiencies.

- 69.2% or 9 of the 13 Bank of America foreclosures in Gary had substantial amounts of trash or debris on the premises, while only 12.5% or 1 of 8 properties in White communities had substantial trash or debris.

- 84.6% or 11 of the 13 Bank of America foreclosures in Gary had overgrown or dead shrubbery, while only 37% or 3 of the 8 foreclosures in White communities had the same problem.

- 76.9% or 10 of 13 Bank of America foreclosures in Gary had broken or boarded windows, while only 25%, 2 of 8 foreclosures in White communities had the same problem.

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**The National Fair Housing Alliance**

Founded in 1988, the National Fair Housing Alliance is a consortium of more than 220 private, nonprofit fair housing organizations, state and local civil rights agencies, and individuals from throughout the United States. Headquartered in Washington, D.C., the National Fair Housing Alliance, through comprehensive education, advocacy, and enforcement programs, provides equal access to apartments, houses, mortgage loans, and insurance policies for all residents in the nation.
South Suburban Housing Center
SSHCl is the private, non-profit, regional fair housing and housing counseling agency primarily serving over 100 communities in southern Cook, Will and Kankakee counties of Illinois since 1975. SSHC’s Fair Housing Enforcement Services extend to Grundy and Iroquois Counties in Illinois, Lake County, Indiana, and several central Illinois cities. SSHC’s current Fair Housing Enforcement and Housing Counseling programs assist individuals in all protected classes and ensure that housing providers recognize and comply with the fair housing laws.

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