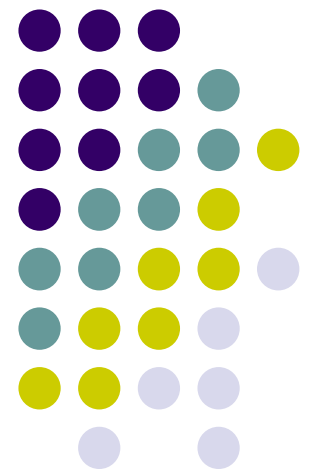
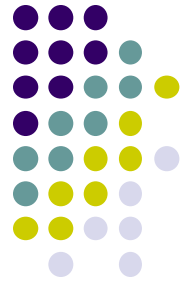


A Tale of Two Recoveries

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



Overview: Maintenance Investigation of Bank-Owned Homes



- This PowerPoint reflects the investigation by the **South Suburban Housing Center** over 3 years from 2013-2015. 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 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

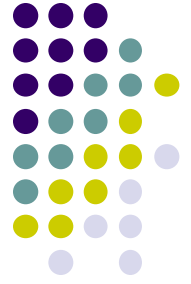
- Mold, discoloration, excessive rust, erosion



Utilities

- Tampered with or exposed

Investigation



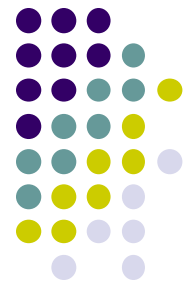
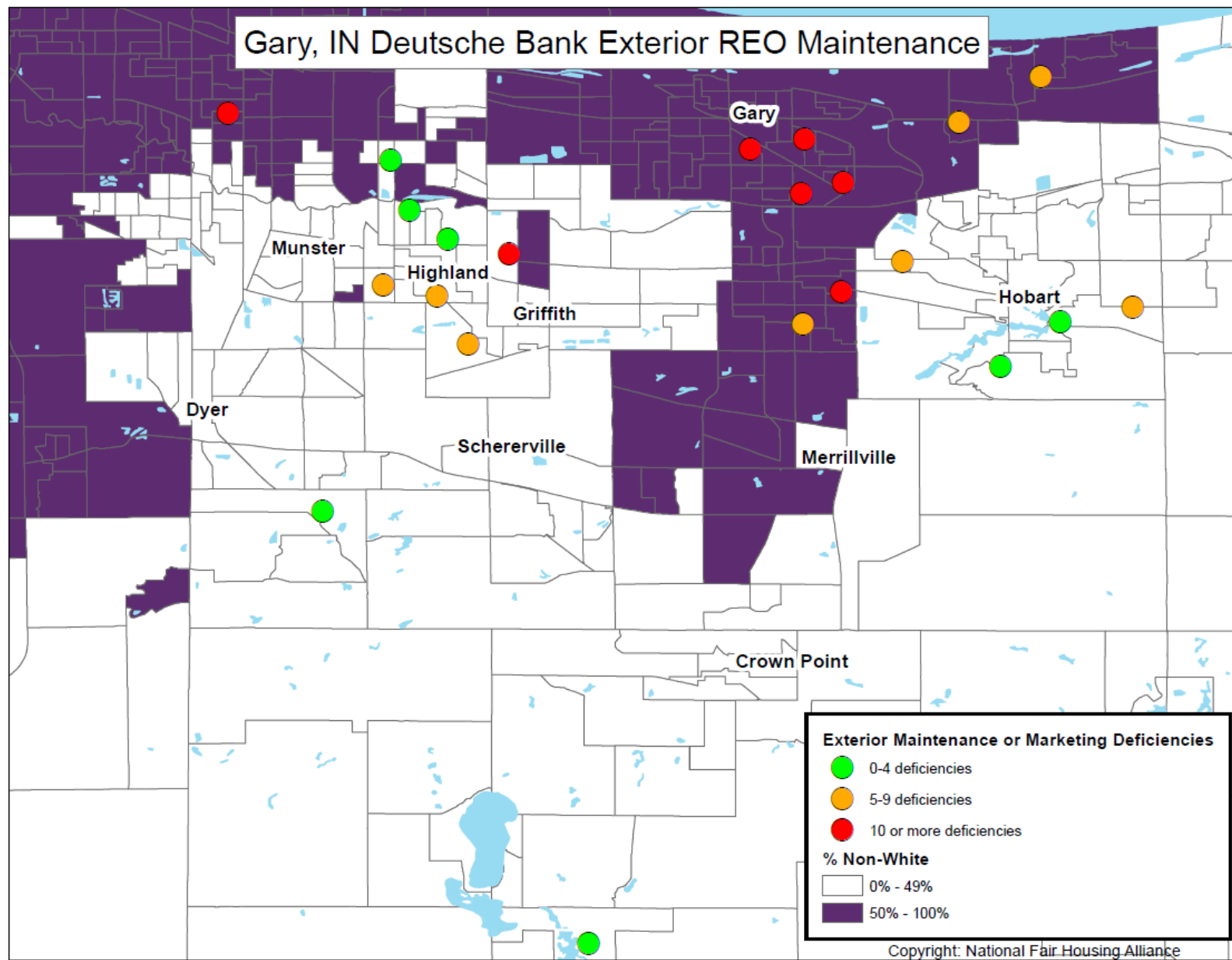
- A total of **22** Deutsche Bank homes were evaluated in the Gary, Indiana metro area
 - 8 Deutsche Bank homes were located in predominantly African-American communities
 - 1 Deutsche Bank homes was located in a predominately non-White community
 - 13 Deutsche Bank homes were located in predominantly White communities

Gary, Indiana

Racial Disparities



- 77.8% of Deutsche Bank properties in communities of color had **trash or debris** on the premises, while only 38.5% of properties in White communities had the same problem.
- 66.7% of Deutsche Bank properties in communities of color had **overgrown grass or dead leaves**, while only 15.4% of properties in white communities had the same problem.
- 44.4% of Deutsche Bank properties in communities of color had **unsecured or boarded doors**, while only 23.1% of properties in white communities had the same problem.
- 88.9% of Deutsche Bank properties in communities of color had **broken or boarded windows**, while only 30.8% of properties in white communities had the same problem.

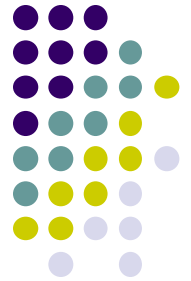




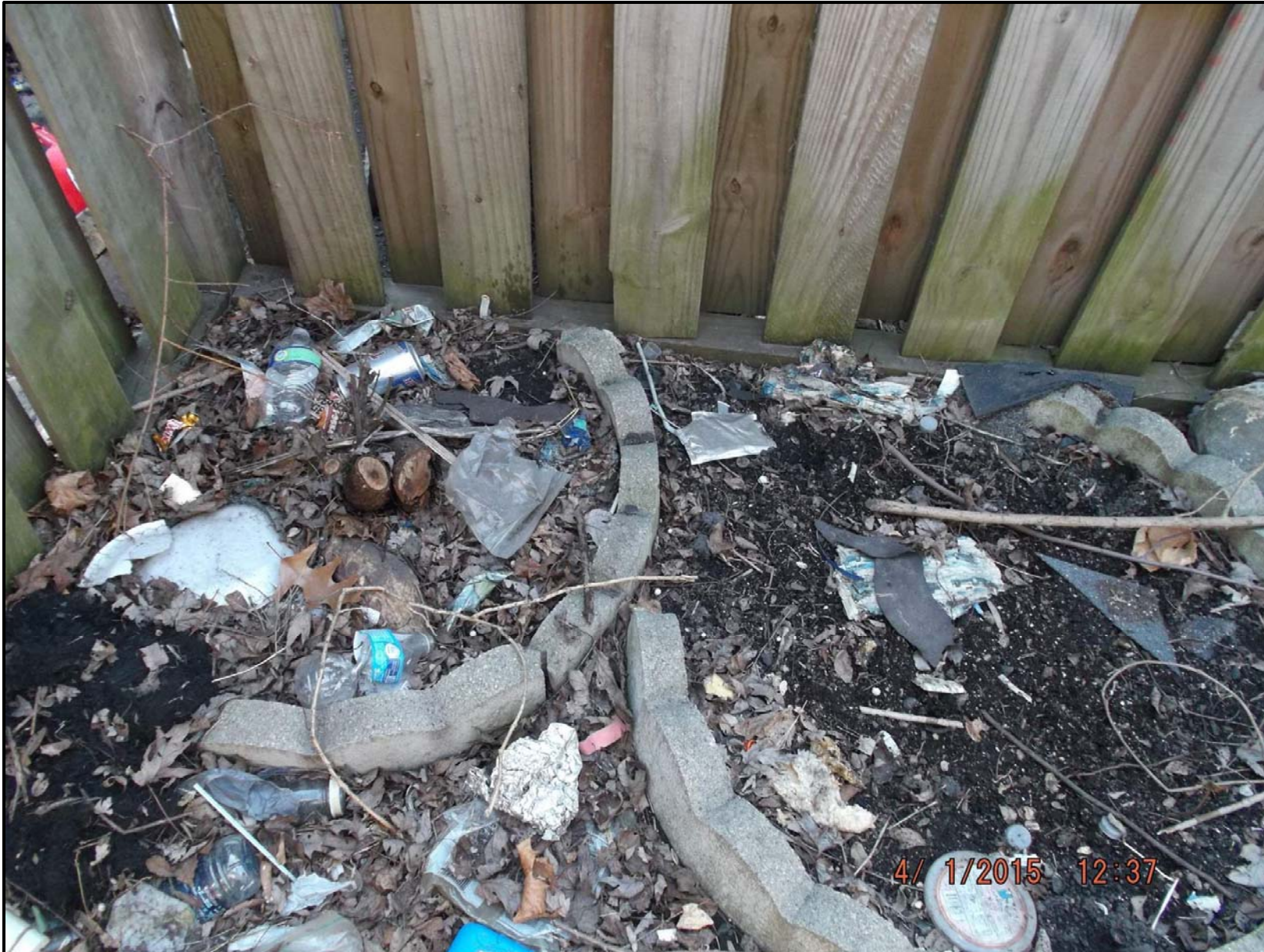
Examples of Deutsche Bank Homes in Gary, Indiana in Communities of Color

2013 - 2015

Deutsche Bank/Ocwen/Altisource home in an African American and Latino community in Hammond in 2015



**Deutsche Bank has failed to clean up trash in the yard,
creating an eyesore for the neighborhood.**



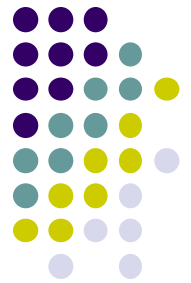
Here a boarded window adds to Deutsche's poor curb appeal, as well as the dead overgrown plants in the yard.



On the side of the home Deutsche has left piles of dead branches as well as dead leaves.



It is unknown if this door was boarded by the city before or during the timeframe that Deutsche Bank had control of the property, but in either scenario Deutsche Bank has left this board up instead of replacing the door.

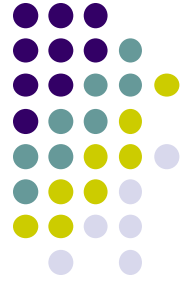




**Here are the neighbors.
They are taking good
care of their homes yet
have to live next door to
Deutsche Bank's poorly
maintained home.**



Deutsche Bank home in an African American community in Gary in 2014



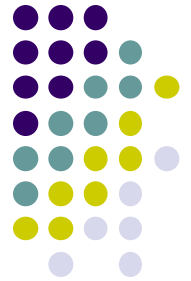
16

From the curb we can already see many issues with the maintenance of this home.

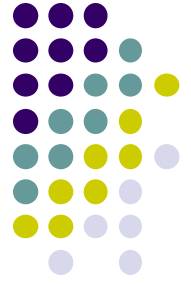
Deutsche Bank has allowed invasive plants to take over the front porch of this home.



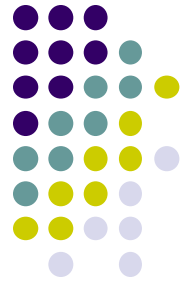
**On the side of the home Deutsche left piles of dead shrubbery.
Invasive plants are starting to grow on the pile as well.**



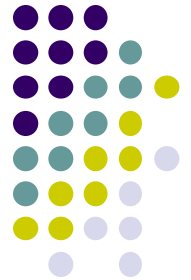
The back of the home is severely overgrown.



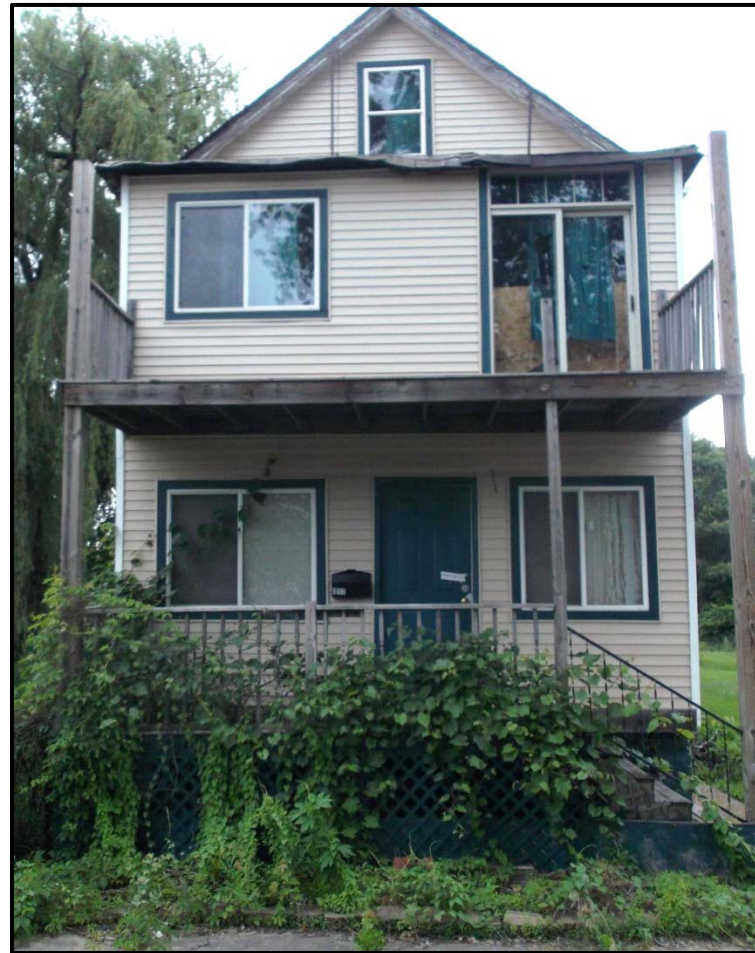
The back door to this Deutsche home is completely open. This poses a safety risk for everyone living in the neighborhood.



Here is a Google Street View of the property in August 2011 (on the left) compared to our visit in June 2014 (on the right). In 2011 this property was in Deutsche Bank's control. Three years later and the only notable difference is that the second floor porch was removed (but not fixed).

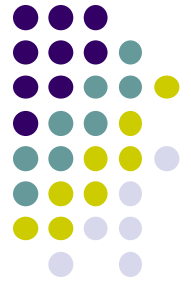


Google Street View, August 2011

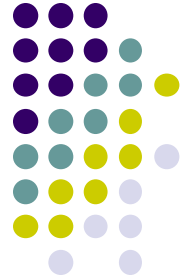


Deutsch Bank inspection, June 2014

Deutsche Bank home in an African American community in Gary in 2014



Deutsche Bank managed to mow the lawn at this house but left invasive plants, overgrown shrubs, and obstructed gutters behind.



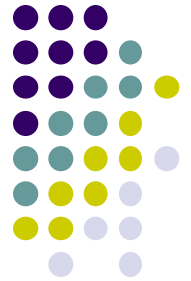
Various windows at the Deutsche home are damaged. The window on the left is wide open in addition to being broken.



More overgrown shrubs and invasive plants at the front of the home.



The shrubs on the right side of the home are so severely overgrown that you can't see the side of the house.





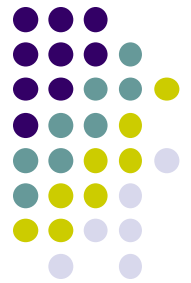
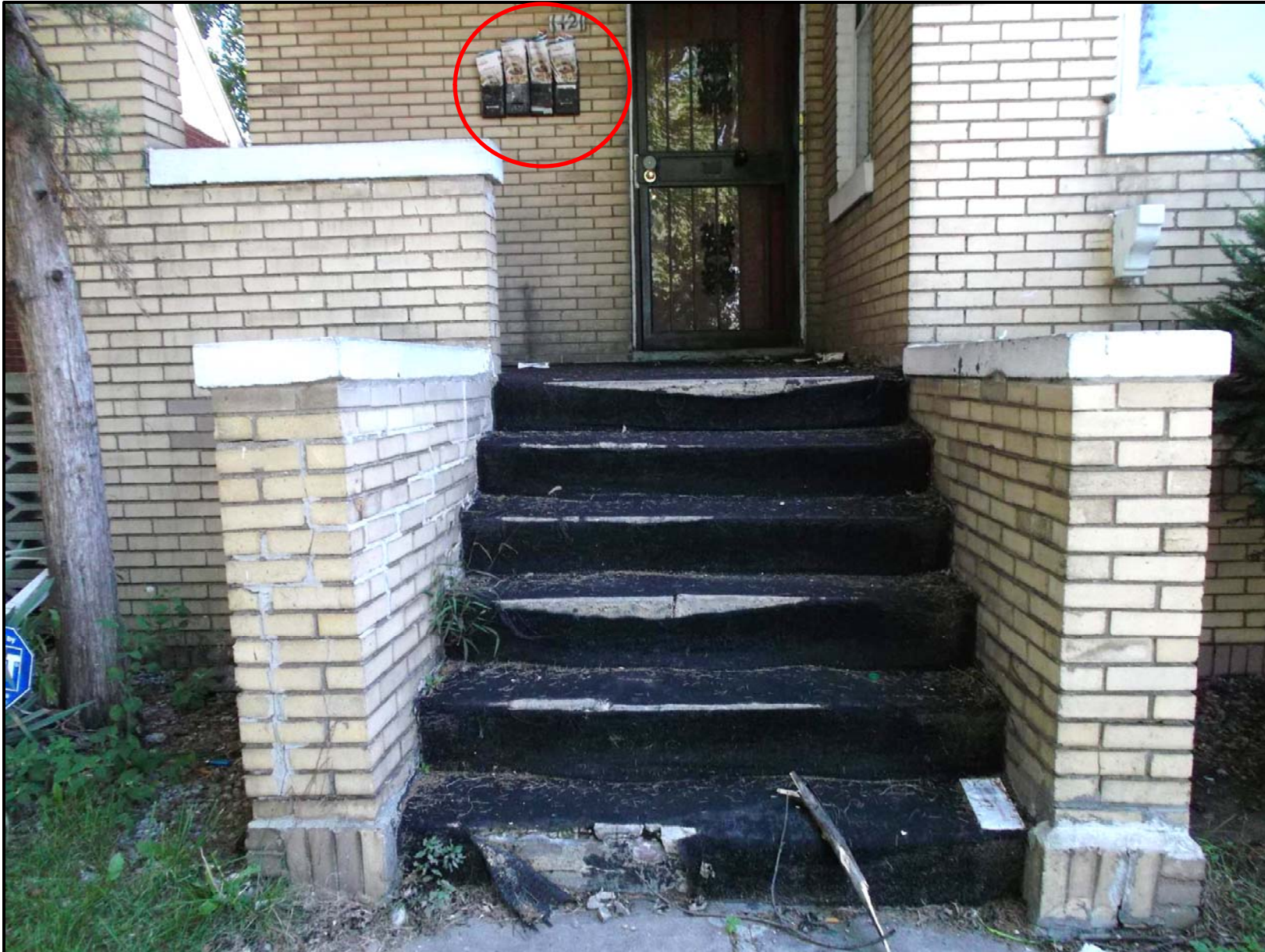
This poor maintenance by Deutsche Bank is not in line with the rest of the neighborhood. These neighbors are taking good care of their homes and yards and should not have to live next door to this overgrown Deutsche home.



Deutsche Bank home in an African American community in Gary in 2014



The front steps are damaged and generally unappealing to look at. There is also accumulated mail in the mailbox, signaling that no one has been by this home recently to check on it.



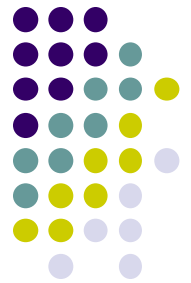
On the side of the home there is a missing gutter. Now when it rains, water will flow straight into the home's foundation instead of away from the home like it should.

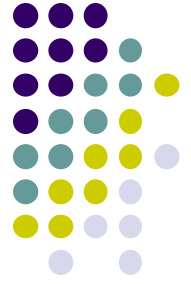


In the back of the home there is another missing gutter as well as a window that is completely missing. Now birds, insects, and the elements can all enter and potentially damage the home.



Weeds are starting to grow in the backyard's grass.





Examples of Deutsche Bank Homes in Gary, Indiana in White Communities

2013 - 2015

Examples of Deutsche Bank homes in White communities in the Gary, IN metro area

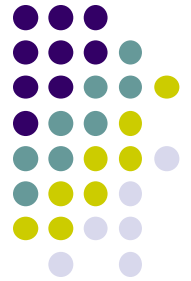


Deutsche Bank home in a White community in Hobart in 2015



The lawn is freshly mowed and edged, giving the home great curb appeal.

The side of the home is clean and free of trash and debris.



**The back of the home is also clean,
and the doors and windows are secured.**

