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**Civil Rights Organizations Accuse Deutsche Bank, Ocwen Financial, and
Altisource Companies of Housing Discrimination in 30 Metropolitan Areas**

*National Fair Housing Alliance, Fair Housing Advocates of Northern California, and 18
other Fair Housing Center Partners Charge Deutsche Bank and its Preservation Maintenance
Companies with Housing Discrimination based on Race and National Origin*

Today, Fair Housing Advocates of Northern California (FHANC) joined the National Fair Housing Alliance (NFHA) and other partners in announcing its collection of new evidence in support of allegations that Deutsche Bank, Ocwen Financial, and Altisource companies continue to discriminate against communities of color in 30 metropolitan areas across the United States. The 20 agencies allege that Deutsche Bank AG, Deutsche Bank National Trust, Deutsche Bank Trust Company Americas, Ocwen Financial Corporation, and Altisource Portfolio Solution, Inc. fail to provide required routine maintenance on bank-owned homes in middle- and working-class African American and Latino neighborhoods, while Deutsche/Ocwen/Altisource consistently provide routine maintenance on similar bank-owned homes in white neighborhoods.

Poorly maintained bank-owned properties create a harmful and dangerous environment for the local community. They also drive down the property value of homes owned by neighbors – causing the overall community to be economically depressed. The practice of neglecting foreclosed properties in African American and Latino communities increases the economic divide, perpetuates segregation, and denies people within these communities the right to fair and safe housing.

Below are photos of Deutsche Bank's foreclosed homes from largely non-white neighborhoods that illustrate this neglect.



Deutsche Bank-owned home in a non-white community in Richmond (left) and Antioch (right).



Boarded homes, holes in eaves, and bent gutters were just some of the deficits found at this Fairfield home.

In contrast, the pictures below show well-kept neighbors' homes in non-white neighborhoods which are negatively impacted by the foreclosed properties next door.



Neighbors' homes, well maintained, in non-white communities.

In predominantly white neighborhoods, on the other hand, Deutsche Bank's foreclosed properties were better maintained and marketed, as seen in the photos below.



Deutsche Bank-owned home in a white community in Benicia (left) and Brentwood (right).

The administrative complaint filed with the Department of Housing and Urban Development (HUD) adds Ocwen and Altisource as respondents because Deutsche Bank uses these companies to provide preservation maintenance and marketing for the overwhelming majority of properties where the Bank is listed as owner of record.

FHANC, NFHA, and 18 other fair housing organizations joined together in filing this administrative complaint. The data presented in this complaint includes approximately 30,000 photographs of Deutsche Bank-owned homes in 30 metropolitan areas from communities of color and predominately white neighborhoods from coast-to-coast. The analysis of [substantial photographic evidence](#) shows a stark pattern of discriminatory conduct in the maintenance of bank-owned homes in communities of color.

“We began investigating Deutsche Bank’s properties in 2014 in Solano and Contra Costa counties and found horribly maintained properties in communities of color,” said Caroline Peattie, Executive Director of Fair Housing Advocates of Northern California. “Despite Deutsche Bank being on notice about the problems with their foreclosed properties, they still had not been addressed when we investigated properties in 2016 and found similar issues. Again and again, in neighborhoods that were predominantly Latino or non-white, we found Deutsche Bank properties covered in dead grass, missing professional ‘for sale’ signs marketing the home, littered with garbage, and marred by broken or boarded windows, damaged fences, and the like. Even a highly scored property in a majority non-white neighborhood in Vallejo, built in 2004 and in good shape, was completely unsecured, inviting vandals to waltz through the door. That is unconscionable.”

FHANC investigated a total of 22 Deutsche Bank properties in the Vallejo and Richmond metro areas, 5 of which were located in predominantly Latino communities, 13 REOs in a community with a majority of non-White residents and 4 in predominantly White communities. Photos of the properties in the counties of Solano and Contra Costa can be viewed on FHANC’s PowerPoint at <http://www.fairhousingnorcal.org/press-releases>.

- 22.2% of the REO properties in neighborhoods of color had 10 or more maintenance or marketing deficiencies, while **none** of the REO properties in predominantly White

neighborhoods had 10 or more deficiencies.

- 50.0% of the REO properties in neighborhoods of color had 50% or more of the property covered in dead grass, while **none** of the REO properties in predominantly White neighborhoods had the same problem.
- 50.0% of the REO properties in neighborhoods of color had broken or boarded windows, while none of the REO properties in predominantly White neighborhoods had the same problem.
- 66.7% of the REO properties in neighborhoods of color had a damaged fence, while **none** of the REO properties in predominantly White neighborhoods had the same problem.
- 44.4% of the REO properties in neighborhoods of color had no professional “for sale” sign marketing the home. In contrast, 75% of the REO properties in predominantly White neighborhoods had signs.

NFHA asserts that Deutsche Bank’s properties in predominantly white working- and middle-class neighborhoods are far more likely to have the lawns mowed and edged regularly, invasive weeds and vines removed, windows and doors secured or repaired, litter and trash removed, leaves raked, and graffiti erased from the property. “Yet, Deutsche foreclosed homes in predominantly middle- and working-class African American and Latino neighborhoods are more likely to be left neglected with debris and trash on the property, wildly overgrown grass, and invasive plants covering the yards. Windows and doors are often unsecured, left wide open, or boarded, and graffiti as well as dead animals are left on the premises,” said Shanna Smith, President and CEO of NFHA.

She added, “Poor maintenance destroys a home’s curb appeal and invites vandalism or squatters because the home appears to be abandoned.” Also, the blight caused by this neglect results in declining home values for African American and Latino families who live nearby, deepening the racial wealth gap and inequality in America.

Additionally, poorly maintained bank-owned properties impact the health of the local community.

According to a report by Mariana Arcaya, Sc.D., M.C.P for the American Heart Association, living near a foreclosed home can increase a person’s blood pressure “due in part to unhealthy stress from residents’ perception that their own properties are less valuable, their streets less attractive or safe and their neighborhoods less stable.”

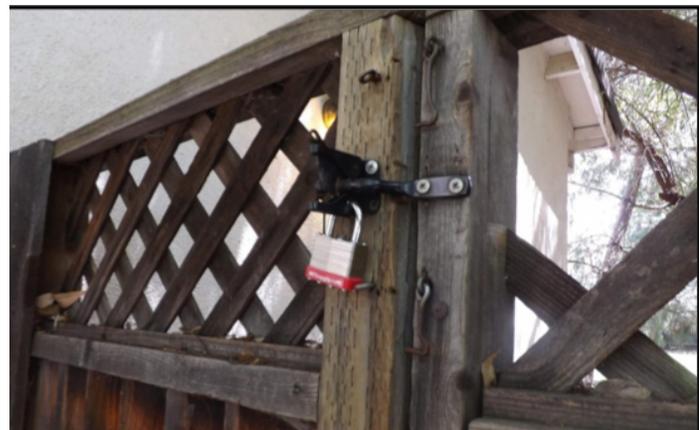
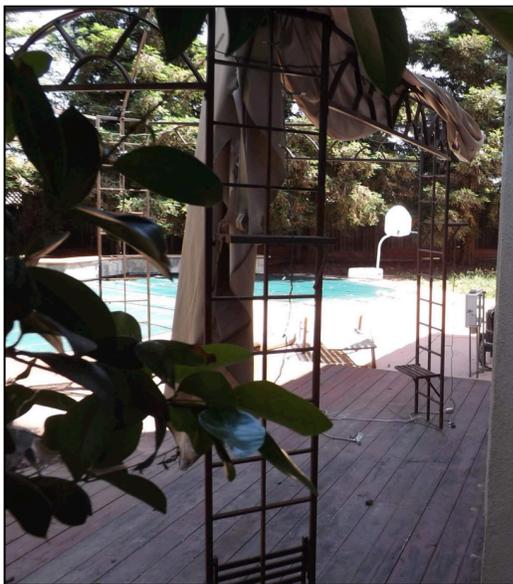
Windows, doors and holes left open, unsecured, or broken at vacant properties allow for water to accumulate and stagnate. As a result, Deutsche Bank’s poorly maintained homes serve as the perfect environment for mold and discoloration to develop. In fact, a recent study conducted by Midwest Aerobiology Labs found 36 molds specific to foreclosed homes and also concluded that 88 percent of foreclosed homes contained a dangerous mold capable of causing childhood asthma and other diseases in humans.

Stagnant water and overgrown grass, commonly documented at homes where Deutsche Bank is owner of record in African American and Latino neighborhoods through this investigation, are also a fertile habitat for mosquitos, rodents, termites, roaches, and other pests.

“We found unsecured pools with stagnant water in non-white communities, which is not only a breeding ground for mosquitoes, but also very dangerous for adventurous and curious children,” said Peattie.



Pool is unsecured and has stagnant water in a non-white community in Antioch, CA.



Pool is maintained and secured by a locked gate in a white community in Brentwood, CA.

In addition, pests often carry diseases such Zika and Hantavirus and present serious health risks to nearby residents. These vermin infestations commonly spread to nearby homes. “To add to these hazards,” Peattie adds, “overgrown dead grass and shrubbery pose a fire hazard for homes in California.”

"Just imagine the health impact the families in communities of color experience living next door or nearby those poorly maintained Deutsche Bank homes," said Smith. “By neglecting their properties, Deutsche Bank, Ocwen and Altisource are putting the health of African American and Latino residents living near these properties at risk.”

“This isn’t a new problem for Deutsche Bank. In June 2013, Deutsche Bank settled a lawsuit with the City of Los Angeles for \$10 million after they were accused of allowing hundreds of bank-owned properties to fall into slum conditions, leading to the destabilization of communities,” said Smith.

“It’s my understanding that Deutsche Bank required its preservation maintenance companies to pay most of the \$10 million to resolve that case, so you would expect Deutsche/Ocwen/Altisource to monitor maintenance to ensure these shameful, discriminatory practices of neglecting routine maintenance in middle/working class communities of color ended. Unfortunately, we still find these horrid conditions at too many bank-owned in communities of color,” said Smith.

View map of affected communities: <http://nationalfairhousing.org/community-map/> and view photos of the properties at <http://nationalfairhousing.org/deutsche-property-photos/>.

Below is a list of the 30 metro areas involved in the investigation:

Baltimore, MD	Memphis, TN
Baton Rouge, LA	Miami, FL
Chicago, IL	Milwaukee, WI
Cleveland, OH	Minneapolis, MN
Columbus, OH	Muskegon, MI
Dallas, TX	New Orleans, LA
Dayton, OH	Orlando, FL
Denver, CO	Philadelphia, PA
Detroit, MI (suburban communities)	Prince George’s County, MD/Washington, DC
Gary, IN	Providence, RI
Grand Rapids, MI	Richmond, VA
Greater Palm Beaches, FL	Tampa, FL
Hampton Roads, VA	Toledo, OH
Hartford, CT	Richmond/Vallejo, CA
Indianapolis, IN	
Kansas City, MO	

The fair housing organizations joining NFHA in filing the complaint include:

Fair Housing Advocates of Northern California
1314 Lincoln Avenue, Suite A
San Rafael, CA 94901

HOPE Fair Housing Center
202 W. Willow Ave, Suite 203
Wheaton IL 60185

Open Communities
614 Lincoln Avenue
Winnetka, IL 60093

South Suburban Housing Center
18220 Harwood Avenue
Homewood, IL 60430

Housing Opportunities Made Equal of Virginia
626 East Broad Street #400
Richmond, VA 23219

Toledo Fair Housing Center
432 North Superior Street
Toledo, OH 43604

Fair Housing Continuum
4760 N US Highway 1, Suite 203
Melbourne, FL 32935

Greater New Orleans Fair Housing Action
Center
404 S Jefferson Davis Pkwy
New Orleans, LA 70119

Denver Metro Fair Housing Center
3280 Downing Street, Suite B
Denver CO 80205

Metropolitan Milwaukee Fair Housing Council
759 N Milwaukee Street, Suite 500
Milwaukee, WI 53202

Fair Housing Center of West Michigan
20 Hall Street SE
Grand Rapids, MI 49507

The Miami Valley Fair Housing Center
505 Riverside Drive
Dayton, OH 45405

Housing and Research & Advocacy Center
2728 Euclid Avenue, Suite 200
Cleveland, OH 44115

Fair Housing Center of the Greater Palm
Beaches
1300 W Lantana Road, Suite 200
Lantana, FL 33462

Fair Housing Center of Central Indiana
445 N. Pennsylvania Street, Suite 811
Indianapolis, IN 46204

Central Ohio Fair Housing Association
175 South 3rd Street, Suite 580
Columbus, OH 43215

Housing Opportunities Project for Excellence,
Inc.
11501 NW 2nd Avenue
Miami, FL 33168

Connecticut Fair Housing Center
221 Main Street, 4th Floor
Hartford, CT 06106

North Texas Fair Housing Center
8625 King George Drive, Suite 130
Dallas TX 75235

NFHA and its member agencies are represented by Relman, Dane & Colfax PLLC and Soule, Bradtke & Lambert.

Detailed statistics and photos are available at www.nationalfairhousing.org.

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

Fair Housing Advocates of Northern California is a non-profit organization serving several Bay Area counties that provides free counseling, enforcement, mediation, and legal or administrative referrals to persons experiencing housing discrimination. Fair Housing Advocates of Northern California also offers foreclosure prevention services advice, seminars to help housing providers fully understand fair housing law and education programs for tenants and the community at large. Fair Housing Advocates of Northern California is a HUD-Certified Housing Counseling Agency.

The mission of Fair Housing Advocates of Northern California is to ensure equal housing opportunity and to educate the community on the value of diversity in our neighborhoods.

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.

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