



For Immediate Release

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**Metropolitan Milwaukee Fair Housing Council Joins
Housing Discrimination Complaint against U.S. Bank**

*New Cities: Milwaukee, Baton Rouge, Indianapolis, and Memphis
New Cities and New Evidence: Metropolitan Chicago
New Evidence: Baltimore*

WASHINGTON, D.C. — Today, the National Fair Housing Alliance and six of its member organizations announced that they have amended their federal housing discrimination complaint against U.S. Bank National Association. The civil rights groups allege that U.S. Bank continues to maintain and market foreclosed homes in white neighborhoods in a much better manner than in African-American and Latino neighborhoods. Failing to maintain and market homes because of the racial or ethnic composition of the neighborhood violates the federal Fair Housing Act.

The new metropolitan areas added to the complaint are **Milwaukee, Baton Rouge, Indianapolis, and Memphis**. Evidence already in the complaint from the Chicago metropolitan area is being supplemented with new properties near **Chicago** in the cities of **Aurora, Dolton, Evanston, Hazel Crest, Matteson, Waukegan and Country Club Hills**. NFHA has also provided HUD with new evidence in **Baltimore** supporting their allegations of a continuing violation by U.S. Bank. The six member organizations that filed the complaint with NFHA are the Metropolitan Milwaukee Fair Housing Council (MMFHC), Fair Housing Center of Central Indiana, HOPE Fair Housing Center (Illinois), South Suburban Housing Center (Illinois), Open Communities (Illinois), and Greater New Orleans Fair Housing Action Center.

The complaint now brings the total to 24 cities in 11 metropolitan areas where U.S. Bank is alleged to have discriminated in the maintenance and marketing of its bank-owned homes and homes for which it is the owner of record as the trustee. The number of new properties added to the complaint is 96, bringing the total number of properties to 273. The original complaint was filed with the U.S. Department of Housing and Urban Development on April 17, 2012 and

includes Atlanta, GA; Dayton, OH; Miami/Fort Lauderdale, FL; Oakland/Richmond/Concord, CA; and Washington, DC.

The organizations evaluated the maintenance and marketing of bank-owned foreclosed homes for 39 different types of deficiencies, including broken windows and doors, broken and obstructed gutters and downspouts, accumulation of trash, overgrown lawns, no “for sale” signs, and other issues that affect curb appeal, the security of the home, and the value of the home.

“U.S. Bank has failed to take care of homes that it owns and for which it is the owner of record in the communities of color we have investigated,” said Shanna L. Smith, President and CEO of the National Fair Housing Alliance. “U.S. Bank’s actions have significant financial and health impacts on local governments, schools, neighborhoods and homeowners who live near these neglected properties. Homes with broken and boarded windows and overgrown lawns become targets for vandalism, dumping and criminal activity. We found homes where the neighbors complained about rat and flea infestations. U.S. Bank has a duty to maintain and market homes in communities of color in the same professional manner as it does in white neighborhoods.”

NFHA and its member agencies are represented by Stephen Dane of Relman, Dane & Colfax PLLC located in Washington, DC.

“Milwaukee is a city of well maintained neighborhoods. Residents take pride in their communities. U.S. Bank is not a good neighbor,” said William Tisdale, President and CEO of the Metropolitan Milwaukee Fair Housing Council. “U.S. Bank is hurting Milwaukee’s African American neighborhoods by allowing homes to have broken windows, overgrown shrubbery, and accumulation of trash.”

Trash on a property is not only an eyesore for neighbors, but it makes a home unappealing to buyers and is a health and safety hazard. Trash attracts rats, mice, stray animals and indicates to vandals that the home is vacant and neglected. Regular maintenance would correct this problem, but in **Indianapolis**, 75 percent of U.S. Bank REO properties in the communities of color inspected had substantial amounts of trash; 67 percent in **Memphis** had substantial amounts of trash. Similarly, 81 percent of properties in the communities of color inspected in **Baton Rouge** had substantial amounts of trash, along with 44 percent of U.S. Bank REOs inspected in **Milwaukee**.

“Our investigation shows that U.S. Bank is failing to treat foreclosed homes in African American neighborhoods in the same manner as it does in white neighborhoods,” said Amy Nelson, Executive Director of the Fair Housing Center of Central Indiana (FHCCI). “How can a neighboring homeowner refinance their well maintained home for a lower interest rate when they live next to a U.S. Bank home that is dragging down the property values?”

Similarly, algae, discoloration and water damage can be unattractive to a property and pose a serious health hazard. In **Indianapolis**, 50 percent of properties in the communities of color inspected had at least a small amount of algae/discoloration, and 60 percent of properties in **Memphis’** communities of color inspected had that deficiency as well.

Having secure locks and windows on an uninhabited home is essential for community safety and protecting the asset. In **Baton Rouge**, 56 percent of properties in the communities of color inspected had broken or boarded windows; in **Milwaukee**, 40 percent of properties in the communities of color inspected had the same.

“Everyone deserves to live in a safe neighborhood. U.S. Bank is putting the health and safety of neighbors, including children, at risk by failing to secure these homes,” said James Perry, Executive Director of the Greater New Orleans Fair Housing Action Center. “U.S. Bank must address these problems immediately and stop treating foreclosed properties differently because of the racial make up of the neighborhoods where they are located.”

One property added to the complaint in Waukegan, a city north of **Chicago**, had trash piled up, dead grass, boarded windows, damaged siding, peeling paint, wood rot, a ripped “for sale” sign in the window, a damaged fence, and a “not approved for occupancy” sign from the City of Waukegan.

“How can U.S. Bank sell a home in this condition? Why would a family want to live in a neighborhood where a home nearby looks like a dump?” said Gail Schechter, Executive Director of Open Communities. “U. S. Bank must rectify these problems immediately and keep the home habitable so owner-occupant buyers will purchase and not absentee landlords. U.S. Bank is acting like a neglectful absentee landlord.”

Another home in Dolton, a suburban area just south of **Chicago**, had accumulated mail, overgrown grass and shrubbery, dead grass, invasive plants, boarded windows, missing gutters, obstructed gutters, missing shutters, and peeling paint. Even though this property is still listed for sale on U.S. Bank’s website, it also had no “for sale” sign when visited by investigators.

“This REO listed on U.S. Bank’s website sticks out like a sore thumb in the otherwise nice, African-American community of Dolton,” said John Petruszak, Executive Director of the South Suburban Housing Center. “Does U.S. Bank think this home looks acceptable? Race discrimination is illegal under the Fair Housing Act, yet U.S. Bank continues to properly maintain homes in white communities, while it lets its homes in African American communities fall apart.”

Another home located in an African-American neighborhood in the city of **Chicago** was found with trash all over the property, including wet, deteriorating phone books, overgrown grass, overgrown/dead shrubbery, a broken door, crumbling steps, and crawlspace door kicked in and left open.

“Even though U.S. Bank was put on notice in April 2012, it continues to allow homes it owns in Black neighborhoods to deteriorate by failing to provide even routine maintenance,” said Anne Houghtaling, Executive Director of HOPE Fair Housing Center. “U.S. Bank is not only driving down property values, it is creating public nuisances, threatening the health and safety of nearby residents, and inviting vandalism.”

Another property in the **Baltimore** area had a broken mailbox with accumulated mail, damaged steps, a roof that leaks into neighbor’s row house, and building debris left in the yard.

“This house is a sad example of how a neglected U.S. Bank foreclosure is affecting the health and safety of the neighbor as well as hurting property values,” continued Shanna L. Smith. The neighbor reports that even after putting on a new roof on her row house, water is leaking from the U.S. Bank home into her attic.”

Additional 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.

MILWAUKEE, WI - 52 percent of U.S. Bank-owned homes in Milwaukee communities of color had five or more maintenance or marketing deficiencies.

BATON ROUGE, LA - 63 percent of U.S. Bank-owned homes in Baton Rouge communities of color had 10 or more maintenance or marketing deficiencies.

INDIANAPOLIS, IN - 100 percent of U.S. Bank-owned homes in Indianapolis’ communities of color had five or more maintenance or marketing deficiencies, and 50 percent had 10 or more maintenance or marketing deficiencies.

MEMPHIS, TN - 87 percent of U.S. Bank-owned homes in Memphis’ communities of color had five or more maintenance or marketing deficiencies, and 67 percent had 10 or more maintenance or marketing problems.

[The National Fair Housing Alliance](#)

Founded in 1988, the National Fair Housing Alliance is a consortium of more than 220 private, non-profit 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.

[Metropolitan Milwaukee Fair Housing Council](#)

Established in 1977, the purpose of MMFHC is to promote fair housing throughout the State of Wisconsin by combating illegal housing discrimination and by creating and maintaining racially and economically integrated housing patterns.

[Fair Housing Center of Central Indiana](#)

The Fair Housing Center of Central Indiana (FHCCI) is a private, non-profit fair housing organization incorporated in August, 2011. The FHCCI’s mission is to ensure equal housing

opportunities by eliminating housing discrimination through advocacy, enforcement, education and outreach.

Greater New Orleans Fair Housing Action Center

The Greater New Orleans Fair Housing Action Center is a private, non-profit civil rights organization dedicated to eradicating housing discrimination throughout the greater New Orleans area through education, investigation and enforcement activities. GNOFHAC promotes fair competition throughout the housing marketplace- rental, sales, lending and insurance.

HOPE Fair Housing Center

HOPE, established in 1968, is the oldest fair housing center in Illinois. HOPE Fair Housing Center seeks to end the hurt and devastation of housing discrimination and segregation because of race, color, religion, national origin, sex, disability, familial status, or any other characteristics protected under state or local laws.

Open Communities

Open Communities is proud of its grassroots history as an integral part of Chicago's Civil Rights Movement of the 1960s. Open Communities works with current and prospective residents and local groups to promote economically and culturally diverse communities in north suburban Chicago.

South Suburban Housing Center

Initially organized in April of 1975 by local chapters of the League of Women Voters, the mission of the South Suburban Housing Center (SSHC) is the promotion and fostering of long-term diversity throughout all communities in its service area by working to eliminate all forms of discrimination and exploitation in the housing market including predatory mortgage lending.

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