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**Fair Housing Groups and Wells Fargo Announce Collaboration  
To Rebuild Homeownership Opportunities in 19 Cities**

***Ground-Breaking Fair Housing Agreement for Marketing  
and Maintenance of Foreclosed Properties***

INDIANAPOLIS, IN – Today, the National Fair Housing Alliance (NFHA) and 13 of its member organizations, including the **Fair Housing Center of Central Indiana**, announced a collaboration with Wells Fargo Bank, N.A. that will provide funds in 19 cities to foster homeownership, assist with rebuilding neighborhoods of color impacted by the foreclosure crisis, and promote diverse, inclusive communities.

“NFHA is looking forward to working in collaboration with Wells Fargo to make sure that all communities have a chance at a fair recovery,” said Shanna L. Smith, President and CEO of the National Fair Housing Alliance. “We are thrilled to see Wells Fargo’s renewed efforts and leadership in this area.”

“Indianapolis has been nicknamed one of the emptiest cities in America due to the number of vacant houses post foreclosure crisis,” said **Amy Nelson, Executive Director of the Fair Housing Center of Central Indiana**. “These funds will provide a welcome boost to rehab vacant homes in need in our hardest hit neighborhoods of color and stop any further deterioration into required demolition and loss of housing stock.”

NFHA and the following 13 fair housing organizations are parties to the agreement: Denver Metro Fair Housing Center, Denver, CO; **Fair Housing Center of Central Indiana, Indianapolis, IN**; Fair Housing Center of West Michigan, Grand Rapids, MI; Fair Housing Continuum, Inc., Melbourne, FL; Greater New Orleans Fair Housing Action Center, New Orleans, LA; HOPE Fair Housing Center, West Chicago, IL; Housing Opportunities Project for Excellence, Inc., Miami, FL; Metro Fair Housing Services, Inc., Atlanta, GA; Metropolitan Milwaukee Fair Housing Council, Milwaukee, WI; Miami Valley Fair Housing Center, Dayton, OH; North Texas Fair Housing Center, Dallas, TX; South Suburban Housing Center, Homewood, IL; and Toledo Fair Housing Center, Toledo, OH.

Wells Fargo will provide \$27 million to NFHA and the fair housing organizations to benefit 19 cities and promote homeownership, neighborhood stabilization, property rehabilitation, and development in communities of color. The **Fair Housing Center of Central Indiana will manage approximately \$1.42 million** of the funds and provide a range of grants for items such as down

payment assistance to owner-occupants seeking to purchase homes in targeted neighborhoods and renovation efforts for homes that languished in foreclosure, including creative programs to increase homeownership and neighborhood stabilization.

The 19 geographic areas included in the agreement with NFHA are: Atlanta, GA; Baltimore and Prince George's County, MD; Baton Rouge/New Orleans, LA; Charleston, SC; Metropolitan Chicago, south Cook County, IL; Oakland and Richmond, CA; Dallas, TX; Denver, CO; Dayton, OH; Grand Rapids, MI; **Indianapolis, IN**; Miami, FL; Milwaukee, WI; Orlando, FL; Philadelphia, PA; Toledo, OH; and Washington, DC.

Real Estate Owned (REO) properties are homes that have gone through foreclosure and are now owned by banks, investors, Fannie Mae, Freddie Mac, the Federal Housing Administration, or Veterans Affairs.

"Many neighborhoods across the country have been seriously damaged by the foreclosure crisis, including the impact of REO homes on property values, curb appeal, and tax revenue for schools," continued Shanna Smith. "Our joint efforts will help lay the foundation for the industry to get some of those neighborhoods back on their feet."

Under the agreement, Wells Fargo has made a number of very important commitments that will benefit communities throughout the United States, including the following:

- Wells Fargo will pay \$27 million to NFHA and the 13 fair housing organizations to assist 19 cities to promote home ownership, neighborhood stabilization, property rehabilitation, and development in communities of color.
- Wells Fargo will continue to implement best practices for the maintenance and marketing of its REO properties. A third party will monitor Wells Fargo's portfolio of REO properties to ensure that Wells Fargo maintains and markets its REO properties according to the standards set forth in the agreement.
- Wells Fargo will enhance its Homeowner Priority program to give owner-occupants higher priority over investors in purchasing REOs. Wells Fargo will extend its Homeowner Priority period so that owner-occupants will have priority over investors to purchase Wells Fargo REO properties until the fifteenth day a property is on the market rather than the current twelve-day period.
- Wells will create a new five-day Homeowner Priority period every time there is a price reduction on a Wells Fargo REO home. Wells Fargo will give priority to owner-occupants who make offers that meet or exceed the price of offers from those who do not intend to live in the home.
- Wells Fargo will make it easier to get information about its REO properties. Wells Fargo has improved its web site and toll free numbers to provide more information to prospective purchasers and anyone who wants to tell Wells Fargo about a problem with an REO property or an agent who is selling a Wells Fargo REO property.
- Wells Fargo and NFHA will sponsor two conferences designed to bring together approximately 100 industry and nonprofit housing and real estate participants and

regulatory agencies to discuss fair housing and its intersection with other current housing issues, including short sales, abandoned properties, and REO maintenance.

- In consultation with NFHA, Wells Fargo will develop a fair housing training program on REO issues for its employees who work on REO issues and for agents who sell Wells Fargo REO properties.

This is the first-ever agreement regarding the equal maintenance and marketing of REO homes. The agreement is the result of a federal housing discrimination complaint filed in April 2012 with the U.S. Department of Housing and Urban Development (HUD). The complaint alleged that Wells Fargo's REO properties in white areas were much better maintained and marketed by Wells Fargo than REO properties in African-American and Latino neighborhoods. In addition to the \$27 million to promote homeownership, Wells Fargo will pay \$3 million to NFHA and the 13 fair housing organizations for costs and damages, including diversion of resources incurred in connection with the investigations, and attorney fees. Wells Fargo is also committing \$300,000 for the two national conferences and \$250,000 to NFHA and local fair housing centers to hold seminars and address delinquencies and foreclosures.

Furthermore, Wells Fargo will provide an additional \$11.5 million to HUD to support neighborhoods in an additional 25 cities. Those cities are Austin, TX, Bakersfield, CA, Detroit, MI, Fort Lauderdale, FL, Fresno, CA, Houston, TX, Kansas City, MO, Las Vegas, NV, Los Angeles, CA, Memphis, TN, Modesto, CA, New York, NY, Phoenix, AZ, Riverside, CA, Sacramento, CA, San Antonio, TX, San Diego, CA, San Jose, CA, Santa Ana, CA, St. Louis, MO-IL, Stockton, CA, Tampa, FL, Vallejo, CA, Virginia Beach, VA, and West Palm Beach, FL.

The agreements between Wells Fargo, the private fair housing organizations, and HUD total more than \$42 million and will provide direct assistance to 44 communities nationwide.

The National Fair Housing Alliance and 13 local fair housing organizations are represented by Joseph M. Sellers and Peter Romer-Friedman of Cohen Milstein Sellers & Toll PLLC.

"This groundbreaking agreement is a testament to the fair housing movement's vision and dedication to the promise of equality for all communities," said Romer-Friedman, who represented the fair housing organizations in the matter. "This agreement will ensure that every community shares in the fruits of the housing recovery now underway."

NFHA and its members have two similar housing discrimination complaints pending against US Bank and Bank of America, filed in April 2012 and September 2012, respectively. Additional information, including complaint and agreement documents between Wells Fargo and the fair housing groups, and information about the Bank of America and US Bank complaints, is available on the NFHA website: [www.nationalfairhousing.org](http://www.nationalfairhousing.org)

"Other banks should follow Wells Fargo's lead and engage in broad relief to communities damaged by the foreclosure crisis," continued Shanna Smith. "This is a huge step in the right direction and more is needed to get our neighborhoods, especially communities of color, back on their feet."

The federal 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.

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**Fair Housing Center of Central Indiana ([www.fhcci.org](http://www.fhcci.org))**

The Fair Housing Center of Central Indiana (FHCCI) is a private, nonprofit fair housing organization founded in 2011 and based in Indianapolis, IN. Its mission is to ensure equal housing opportunities by eliminating housing discrimination through advocacy, enforcement, education and outreach.

**National Fair Housing Alliance ([www.nationalfairhousing.org](http://www.nationalfairhousing.org))**

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, DC, 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.

**Cohen Milstein Sellers & Toll PLLC ([www.cohenmilstein.com](http://www.cohenmilstein.com))**

For over 40 years, Cohen Milstein Sellers & Toll PLLC has been a pioneer in plaintiff class action lawsuits and impact litigation on behalf of victims of corporate abuses. By creating a group or class, individuals join to fight companies in court and enhance their ability to fight corporations who often have larger resources. As one of the premier firms in the country handling major complex class actions, Cohen Milstein, with 70 attorneys and offices in Washington, D.C., New York, Philadelphia, Chicago, and Palm Beach Gardens, FL, is a firm that specializes in cases concerning: Antitrust, Civil Rights & Employment, Consumer Protection and Unsafe Products, Employee Benefits, Ethics & Fiduciary Counseling, Human Rights, Public Client, Securities Fraud/Investor Protection, Small Business Practice, Whistleblower/False Claims Act. Cohen Milstein has earned its national and international reputation by winning cases that other law firms did not want to handle. The groundbreaking cases Cohen Milstein has litigated have resulted in landmark decisions on previously untried issues involving civil rights, price fixing, securities, and consumer rights.

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