



HUD NEWS

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HUD ANNOUNCES RESOLUTION OF REO ISSUES WITH WELLS FARGO COLLABORATION WILL FOCUS ON INVESTMENT IN COMMUNITIES

The U.S. Department of Housing and Urban Development announced today that Wells Fargo Bank N.A., the National Fair Housing Alliance, 13 private fair housing organizations and Acting Assistant Secretary Bryan Greene have reached an agreement through which Wells Fargo will invest in efforts designed to help improve housing in minority neighborhoods that have been hard hit by the foreclosure crisis. As part of the agreement, Wells Fargo has committed to invest a total of \$39 million in 45 communities across the country through various programs to support home ownership, neighborhood stabilization, property rehabilitation and housing development.

Wells Fargo also has committed to ongoing enhancements in its best practices regarding the maintenance and marketing of Real Estate Owned (REO) properties after foreclosure. This includes use of a revised Real Estate Broker Procedure Manual and property inspection checklist, and an enhanced training program for real estate brokers and agents who list REO properties. Further, Wells Fargo staff who are responsible for managing REO will also take the training.

In addition, Wells Fargo will extend the amount of time that individual REO properties will be exclusively available for purchase by an owner-occupant or a non-profit organization to increase the chance that the house will be acquired by an owner-occupant.

“HUD, NFHA and Wells Fargo are committed to revitalizing and creating homeownership opportunities in minority communities devastated by foreclosures,” said Bryan Greene, HUD General Deputy Assistant Secretary for Fair Housing and Equal Opportunity. “Wells Fargo’s investment demonstrates an ongoing commitment to stabilizing African-American and Hispanic neighborhoods in a way that advances equal housing opportunities and HUD is committed to working collaboratively with Wells Fargo to support the effort.”

“NFHA is looking forward to working in partnership 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. Many neighborhoods all across the country have been seriously damaged by REO homes left un-attended. This partnership will help to get some of those neighborhoods back on their feet.”

“This represents a significant commitment by Wells Fargo, HUD and NFHA to invest in programs that will strengthen minority communities affected by foreclosure,” said J.K. Huey, Senior Vice President at Wells Fargo. “We appreciate the perspectives and collaboration of NFHA and HUD,

along with their efforts to shape the initiatives resulting from this agreement. Today's announcement is consistent with our longstanding commitment to home ownership, fair and responsible servicing, and investing in the communities we serve."

\$27 million of the agreement will be used to support neighborhoods in 19 areas through NFHA and its member organizations in the identified cities. Those cities are Washington, DC; Baltimore, MD; Philadelphia, PA; Oakland, Richmond, and Concord, CA; Dayton, OH; Miami, FL; Dallas, TX; Grand Rapids, MI; Atlanta, GA; Prince George's County, MD; Charleston, SC; Orlando, FL; Indianapolis, IN; Milwaukee, WI; Metropolitan Chicago, IL; Homewood and Dolton, IL; Toledo, OH; Denver, CO; and Baton Rouge, LA. A separate agreement calls for investment of [**\$450,000** in Jacksonville, Florida to be administered by the Jacksonville Area Legal Aid, Inc.

Under the agreement, an additional \$11.5 million will 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.

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HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes: utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business. More information about HUD and its programs is available on the Internet at www.hud.gov and <http://espanol.hud.gov>. You can also follow HUD on twitter @HUDnews, on facebook at www.facebook.com/HUD, or sign up for news alerts on [HUD's News Listserv](#).