

# **Fannie Mae Fails to Maintain its Foreclosure Inventory in Communities of Color in Indianapolis, IN**

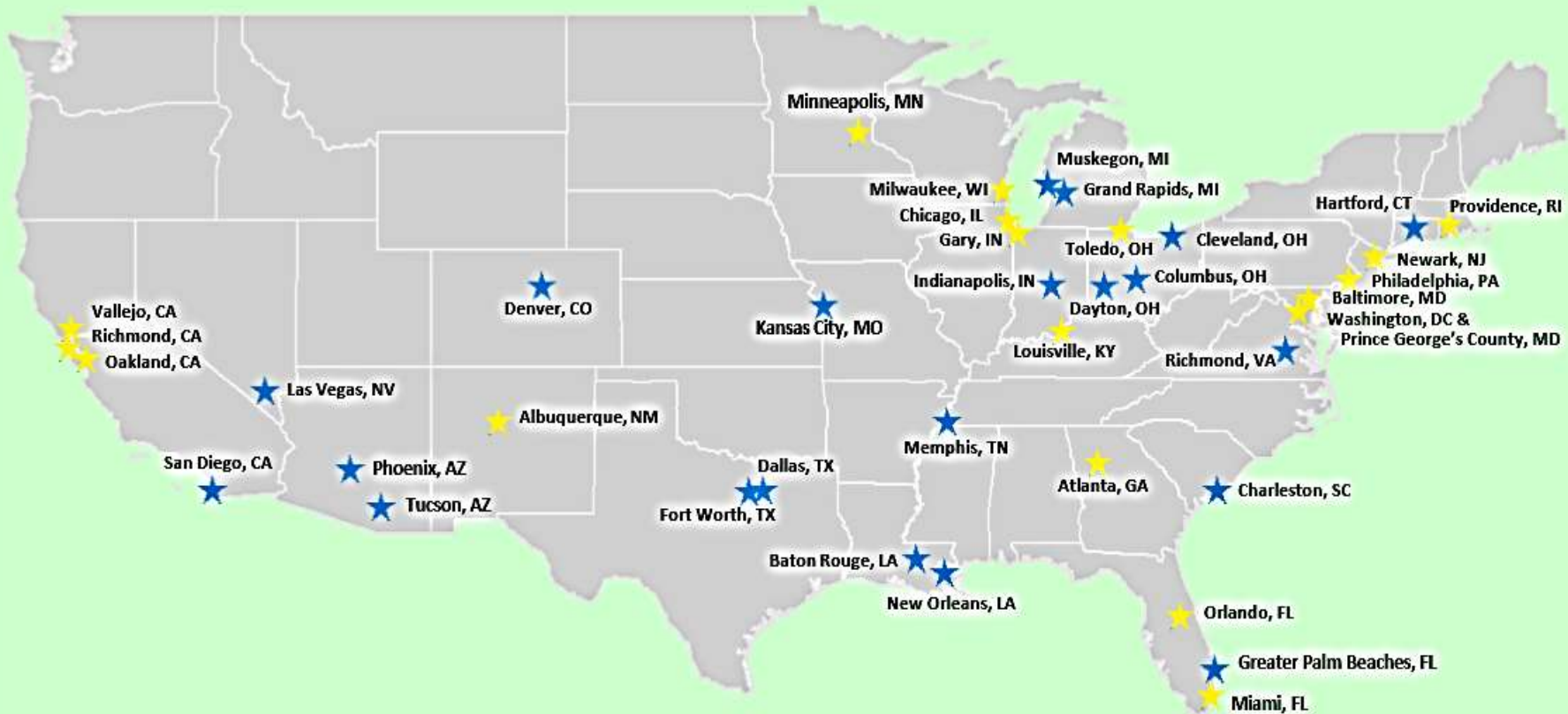
**Fair Housing Center of Central Indiana**

445 N Pennsylvania Street #811, Indianapolis, IN 46204

**Amy Nelson, Executive Director**



# Fannie Mae REO Investigations in 38 Metropolitan Areas



# Fannie's Mission for REOs

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“At Fannie Mae, the mission of the Fannie Mae Property Maintenance team is to ensure the quality of our REO property maintenance services, consistently producing best-in-class, market-ready properties and maintaining them until removal from our inventory.”

- Found on Homepath.com

# Fannie Mae's Field Services Checklist

FannieMae Field Services Checklists	
<p><b>Initial Services and Monthly Maid Services Checklist</b></p> <p>Fannie Mae expects each property to look its best at all times and be in "market ready" condition. The steps below are all required and are part of the services Fannie Mae expects to be performed and maintained by the Field Service Company at each property:</p> <p><b>Entry Way:</b></p> <ul style="list-style-type: none"> <li>Floor swept/mopped</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Storm door glass cleaned</li> </ul> <p><b>Living Room/Family Room/Bedrooms/Enclosed Porch:</b></p> <ul style="list-style-type: none"> <li>Floor swept/mopped or carpet vacuumed</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Interior windows clean, window sills wiped off</li> <li>Door frames free of dust</li> <li>Fireplace cleaned out (if applicable)</li> <li>Ceiling fan blades clean</li> <li>Closet floors swept/mopped or carpet vacuumed</li> </ul> <p><b>Kitchen:</b></p> <ul style="list-style-type: none"> <li>Sink cleaned</li> <li>Stove/oven, microwave, dishwasher, refrigerator cleaned (inside and out)</li> <li>Floor swept and mopped</li> <li>Interior windows cleaned, window sills wiped off</li> <li>Counters clean</li> <li>Cabinets and drawers cleaned and debris removed</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Ceiling fan blades clean</li> </ul> <p><b>Bathrooms:</b></p> <ul style="list-style-type: none"> <li>Floor swept/mopped or carpet vacuumed</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Interior windows clean, window sills wiped off</li> <li>Door frames free of dust</li> <li>Sinks and faucets clean</li> <li>Toilets clean</li> <li>Tub/shower and surrounding area clean, free of any dust</li> <li>Mirrors, cabinets, drawers, shelves clean</li> </ul> <p><b>Attic/Crawl Space:</b></p> <ul style="list-style-type: none"> <li>Free of all debris</li> </ul> <p><b>Garage/Porches/Deck Areas/All Paved Surfaces:</b></p> <ul style="list-style-type: none"> <li>Swept free of debris</li> <li>All leaves, sticks, and any other debris removed</li> <li>Cobwebs removed from corners/ceiling, if applicable</li> </ul> <p><b>Additional Items:</b></p> <ul style="list-style-type: none"> <li>Remove all old service stickers and notices at initial services.</li> <li>Ensure sump pump check valve is operational.</li> <li>Replacement of inoperable sump pump.</li> <li>Replacement of any missing, damaged or non-functioning light bulbs (excludes deck bulbs).</li> <li>Ensure all batteries are not chirping in smoke and CO detectors.</li> <li>Ensure all safety issues are addressed (see Safety Hazard Checklist).</li> <li>Provide service-dated air fresheners in all wet areas (bathroom, kitchen, laundry room, etc.).</li> </ul> <p><b>Broker Checklist</b></p> <p>When performing weekly property inspections, the following Broker-related items are expected:</p> <ul style="list-style-type: none"> <li>Property is secure and locked.</li> <li>Lockbox is present and coded correctly and additional marketing lockbox present.</li> <li>Keys are present in lockbox.</li> <li>Company signage is posted and marketing materials are present.</li> <li>Weekly inspections include date stamped photos for verification of any condition changes.</li> <li>Utilities are turned on unless not warranted or unsafe to do so.</li> <li>Ensure all debris/malfunctioning door doors are removed from entry way/porch area.</li> <li>Confirm interior and exterior maintenance is satisfactory.</li> <li>Follow all expectations as indicated in the Fannie Mae REO Sales Guide.</li> </ul>	<p><b>Safety Hazard Checklist</b></p> <p>When performing services (initial and ongoing) on all Fannie Mae properties, each Field Service Company is asked to immediately check for common safety hazards that may be found. All companies are to ensure these hazards are identified and resolved on their inspections. Some of the common safety hazards the Field Service Companies are asked to remediate include:</p> <p><b>Windows/Doors:</b></p> <ul style="list-style-type: none"> <li>Remove any broken glass.</li> <li>Secure and/or board any exposed windows, doors or openings.</li> </ul> <p><b>Electrical Items:</b></p> <ul style="list-style-type: none"> <li>Secure or replace missing or damaged switch plates or outlet covers.</li> <li>Cap all exposed wiring.</li> <li>Replace missing, broken or non-functioning light bulbs (excludes décor bulbs).</li> <li>Secure loose light fixtures and ceiling fans.</li> </ul> <p><b>Stairways:</b></p> <ul style="list-style-type: none"> <li>Replace or secure missing or broken steps.</li> <li>Replace or secure missing or loose handrails.</li> </ul> <p><b>Floors:</b></p> <ul style="list-style-type: none"> <li>Replace or secure missing floor vent covers or open holes.</li> <li>Remove or secure all indoor trip hazards.</li> <li>Remove carpet tack strips and nails.</li> </ul> <p><b>Porch/Deck/Patio:</b></p> <ul style="list-style-type: none"> <li>Replace or secure missing or loose steps.</li> <li>Replace or secure missing or loose handrails.</li> </ul> <p><b>Lawn:</b></p> <ul style="list-style-type: none"> <li>Fill large, open holes in ground with dirt.</li> <li>Repair any trip hazards (wiring or similar items at low level).</li> </ul> <p><b>Pool/Spa:</b></p> <ul style="list-style-type: none"> <li>Ensure perimeter fence is stable and all gates are locked. Repairing or replacing fence is a bid item.</li> <li>Ensure hot tub/spa is drained and covered if no fence is present. (This is a bid item.)</li> </ul> <p><b>Interior/Exterior Walk:</b></p> <ul style="list-style-type: none"> <li>Remove all hooks and/or nails from doors, walls or ceilings.</li> <li>Secure loose cabinets, cabinet doors, drawers or countertops.</li> </ul> <p><b>Winterization (during season):</b></p> <ul style="list-style-type: none"> <li>Post appropriate winterization stickers and zip tie the water shut-off valve.</li> </ul> <p><b>Additional Items:</b></p> <ul style="list-style-type: none"> <li>Cap exposed gas and/or water lines with correct type of cap and cap size.</li> <li>Install battery-operated CO and smoke detectors (per local code). Handwired detectors, if required by code, will be a bid item.</li> <li>Strip water heaters (CA and where state or local ordinances apply).</li> <li>Secure out-buildings with pad lock, if missing.</li> </ul> <p><b>Exterior Services Checklist</b></p> <p>Fannie Mae expects each property's exterior to be in compliance with local codes and ordinances year round, as well as the exterior to look its best to remain competitive in the market. Exterior services include:</p> <ul style="list-style-type: none"> <li>Pick up trash/debris.</li> <li>Mow grass and remove clippings from sidewalks, driveways and lawns (front, back, and side).</li> <li>Knock down and treat weeds as needed in all rock-scaped areas (partial or complete).</li> <li>Weeds trimmed from fence lines, foundation of home, driveways and flower beds without damaging existing plants or flowers.</li> <li>Edge driveways, walkways and sidewalks.</li> <li>Trim street view shrubs and small ornamental trees as needed. Remove shrub clippings.</li> <li>Trim all overgrown shrubs from all exterior entrances and walkways.</li> <li>Remove all fallen leaves, dead shrubs, plants, or small ornamental trees.</li> <li>Broom clean walkways.</li> <li>Ensure all real estate signage is properly secured and showing appropriately upon departure.</li> </ul> <p><b>Snow Removal Checklist</b></p> <p>Fannie Mae expects all snow removal to be in compliance with all local codes and ordinances. Snow removal service includes:</p> <ul style="list-style-type: none"> <li>Remove snow/ice from steps, driveway, and walkways, including sidewalk in front of property and ensure access to parking area (garage, carports, etc.).</li> <li>Apply salt or melting agent on all cleared areas including steps, driveway, and walkways, including sidewalk in front of property.</li> </ul> <p><b>NOTE:</b> Brokers must direct and provide approval to the Field Services Company on all properties with greater than one (1) acre of lawn for the type of cut (full-cut or perimeter-cut), as well as the frequency of service needed for the acreage. Perimeter cut is defined as: five (5) feet surrounding all entry points to property, driveways, sidewalks and main dwelling and any attached structures. On detached structures away from the main dwelling, it is at broker discretion if a perimeter cut is needed around that structure.</p>

2012  
Checklist

2015  
Checklist

These lists are essentially the same and detail what Fannie Mae says it will do to maintain its foreclosures.

FannieMae Field Services Checklists	
<p><b>Initial Services and Monthly Maid Services Checklist</b></p> <p>Fannie Mae expects each property to look its best at all times and be in "market ready" condition. The steps below are all required by Fannie Mae and expected to be performed and maintained by the Field Service Company at each property:</p> <p><b>Entry Way:</b></p> <ul style="list-style-type: none"> <li>Floor swept/mopped</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Storm door glass cleaned</li> </ul> <p><b>Living Room/Family Room/Bedrooms/Enclosed Porch:</b></p> <ul style="list-style-type: none"> <li>Floor swept/mopped or carpet vacuumed</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Interior windows clean, window sills wiped off</li> <li>Door frames free of dust</li> <li>Fireplace cleaned out (if applicable)</li> <li>Ceiling fan blades clean</li> <li>Closet floors swept/mopped or carpet vacuumed</li> </ul> <p><b>Kitchen:</b></p> <ul style="list-style-type: none"> <li>Sink cleaned</li> <li>Stove/oven, microwave, dishwasher, refrigerator cleaned (inside and out). Appliance not to be removed without Agent permission and documentation.</li> <li>Floor swept and mopped</li> <li>Interior windows cleaned, window sills wiped off</li> <li>Counters clean</li> <li>Cabinets and drawers cleaned and debris removed</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Ceiling fan blades clean</li> </ul> <p><b>Bathrooms:</b></p> <ul style="list-style-type: none"> <li>Floor swept/mopped or carpet vacuumed</li> <li>Cobwebs removed from corners/ceiling</li> <li>Baseboards, walls wiped down</li> <li>Light fixtures, switch and outlet covers wiped down</li> <li>Interior windows clean, window sills wiped off</li> <li>Door frames free of dust</li> <li>Sinks and faucets clean</li> <li>Toilets clean</li> <li>Tub/shower and surrounding area clean, free of any dust</li> <li>Mirrors, cabinets, drawers, shelves clean</li> </ul> <p><b>Attic/Crawl Space:</b></p> <ul style="list-style-type: none"> <li>Free of all debris</li> </ul> <p><b>Garage/Porches/Deck Areas/All Paved Surfaces:</b></p> <ul style="list-style-type: none"> <li>Swept free of debris</li> <li>All leaves, sticks, and any other debris removed</li> <li>Cobwebs removed from corners/ceiling, if applicable</li> </ul> <p><b>Additional Items:</b></p> <ul style="list-style-type: none"> <li>Remove all old service stickers and notices at initial services.</li> <li>Ensure sump pump check valve is operational.</li> <li>Replacement of inoperable sump pump.</li> <li>Replacement of any missing, damaged or non-functioning light bulbs.</li> <li>Ensure all smoke and CO detectors are not chirping and have batteries.</li> <li>Ensure all safety issues are addressed (see Safety Hazard Checklist).</li> <li>Provide service-dated air fresheners in all wet areas (bathroom, kitchen, laundry room, etc.).</li> </ul> <p><b>Listing Agent Checklist</b></p> <p>When performing weekly property inspections, the following Listing Agent-related items are expected:</p> <ul style="list-style-type: none"> <li>Ensure entire property is secure and locked, including padlocks on gates and outbuildings, if required.</li> <li>Ensure lockbox is present and coded correctly and additional marketing lockbox present.</li> <li>Ensure keys are present in lockbox.</li> <li>Ensure company signage and HomePath rider are posted and marketing materials are present.</li> <li>Perform weekly inspections and include date stamped photos for verification of any condition changes.</li> <li>Ensure utilities are turned on unless not warranted or unsafe to do so.</li> <li>Ensure all debris/malfunctioning door doors are removed from entry way/porch area.</li> <li>Confirm interior and exterior maintenance is satisfactory.</li> <li>Follow all expectations as indicated in the Fannie Mae REO Sales Guide.</li> </ul>	<p><b>Safety Hazard Checklist</b></p> <p>When performing services (initial and ongoing) on all Fannie Mae properties, each Field Service Company is asked to immediately check for common safety hazards that may be found in the interior or exterior. All Field Services Companies are to ensure these hazards are identified and resolved. Common safety hazards the Field Service Companies are asked to remediate include:</p> <p><b>Windows/Doors:</b></p> <ul style="list-style-type: none"> <li>Remove any broken glass.</li> <li>Secure and/or clear board any exposed windows or openings.</li> <li>Cap all missing/broken exterior doors.</li> </ul> <p><b>Electrical Items:</b></p> <ul style="list-style-type: none"> <li>Secure or replace missing or damaged switch plates or outlet covers.</li> <li>Replace missing electrical panel covers.</li> <li>Cap all exposed wiring.</li> <li>Replace missing, broken or non-functioning light bulbs (includes décor bulbs).</li> <li>Secure loose light fixtures and ceiling fans.</li> </ul> <p><b>Stairways:</b></p> <ul style="list-style-type: none"> <li>Replace or secure missing or broken steps.</li> <li>Replace or secure missing or loose handrails.</li> </ul> <p><b>Floors:</b></p> <ul style="list-style-type: none"> <li>Replace or secure missing floor vent covers or open holes.</li> <li>Remove or secure all indoor trip hazards.</li> <li>Remove exposed carpet tack strips and nails.</li> </ul> <p><b>Porch/Deck/Patio:</b></p> <ul style="list-style-type: none"> <li>Replace or secure missing or loose steps.</li> <li>Replace or secure missing or loose handrails.</li> </ul> <p><b>Exterior:</b></p> <ul style="list-style-type: none"> <li>Fill large, open holes in ground with dirt.</li> <li>Repair any trip hazards (wiring or similar items at low level).</li> <li>Replace missing, broken or non-functioning light bulbs on first level of the exterior of the property.</li> <li>Replace missing/broken light fixtures at all exterior entries to property.</li> <li>Provide minor gutter repairs, minor deck repairs, paint over exterior graffiti, wash chipping shutters, and power wash when needed.</li> <li>Ensure perimeter fence is stable and all gates are locked. Provide minor fence repairs. Replacing fence is a bid item.</li> </ul> <p><b>Pool/Spa:</b></p> <ul style="list-style-type: none"> <li>Ensure hot tub/spa is drained and covered if no fence is present. (This is a bid item.)</li> </ul> <p><b>Interior/Exterior Walk:</b></p> <ul style="list-style-type: none"> <li>Remove all hooks and/or nails from doors, walls or ceilings.</li> <li>Secure loose cabinets, cabinet doors, drawers or countertops.</li> </ul> <p><b>Winterization (during season):</b></p> <ul style="list-style-type: none"> <li>Post appropriate winterization stickers and zip tie the water shut-off valve.</li> </ul> <p><b>Additional Items:</b></p> <ul style="list-style-type: none"> <li>Cap exposed gas and/or water lines with correct type of cap and cap size.</li> <li>Install battery-operated CO and smoke detectors (per local code).</li> <li>Strip water heaters (where state or local ordinances apply).</li> <li>Secure out-buildings with padlock, if missing.</li> </ul> <p><b>Exterior Services Checklist</b></p> <p>Fannie Mae expects each property's exterior to be in compliance with local codes and ordinances year round, as well as the exterior to look its best to remain competitive in the market. Exterior services include:</p> <ul style="list-style-type: none"> <li>Removal of trash/debris.</li> <li>Cut grass and remove clippings from sidewalks, driveways and lawns (front, back, and side).</li> <li>Knock down, remove, and treat weeds as needed in all rock-scaped areas.</li> <li>Trim weeds/overgrown shrubs from fence lines, foundation of home/other structures, driveways and flower beds without damaging existing plants or flowers.</li> <li>Edge driveways, walkways and sidewalks.</li> <li>Remove all non-decorative vegetation attached to structure (including hanging vines).</li> <li>Hedge all shrubs and small ornamental trees on entire property, and ensure overgrown shrubs are hedged and trimmed from all exterior entrances and walkways, as well as below window sills as appropriate.</li> <li>Remove all shrub and grass clippings, fallen leaves, dead shrubs/plants/small ornamental trees from the property.</li> <li>Clear all walkways and sidewalks of clippings and dirt.</li> <li>Ensure all debris/malfunctioning door doors are removed from all entry ways/porch areas.</li> <li>Ensure all real estate signage is properly secured and showing appropriately.</li> </ul> <p><b>NOTE:</b> Agents must direct and provide approval to the Field Services Company on all properties with greater than one (1) acre of lawn on the frequency of service needed for the acreage.</p> <p><b>Snow Removal Checklist</b></p> <p>Fannie Mae expects all snow removal to be in compliance with all local codes and ordinances. Snow removal service includes:</p> <ul style="list-style-type: none"> <li>Remove snow/ice from all entries to the property.</li> <li>Remove snow/ice from steps, driveway, and walkways, including sidewalk in front of property and ensure access to parking area (garage, carports, etc.). Snow/ice may not be pushed up to the property or garage blocking access.</li> <li>Apply salt or melting agent on all cleared areas including steps, driveway, and walkways, including sidewalk in front of property.</li> </ul>

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Field Services Checklists, 0715

# Exterior Services Checklist

Fannie Mae expects each property's exterior to be in compliance with local codes and ordinances year round, as well as the exterior to look its best to remain competitive in the market.

## Exterior services include:

- ❑ Removal of trash/debris.
- ❑ Cut grass and remove clippings from sidewalks, driveways and lawns (front, back, and sides).
- ❑ Knock down, remove, and treat weeds as needed in all rock-scaped areas.
- ❑ Trim weeds/overgrowth from fence lines, foundation of home/other structures, driveways and flower beds without damaging existing plants or flowers.
- ❑ Edge driveways, walkways and sidewalks.
- ❑ Remove all non-decorative vegetation attached to structure (including hanging vines).
- ❑ Hedge all shrubs and small ornamental trees on entire property, and ensure overgrown shrubs are hedged and trimmed from all exterior entrances and walkways, as well as below window sills as appropriate.
- ❑ Remove all fallen leaves, dead shrubs/plants/small ornamental trees from the property.
- ❑ Clear all walkways and sidewalks of clippings and dirt.
- ❑ Ensure all real estate signage is properly secured and showing appropriately.
- ❑ Ensure all debris/mailings/door drops/cobwebs are removed from all entry ways/porch areas.
- ❑ Property is secured and locked.
- ❑ Confirm interior and exterior maintenance is satisfactory.



# HomePath.com Maintenance

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Fannie Mae has also provided its vendors with the authority to immediately perform additional services, without obtaining prior approval up to specified dollar thresholds as conditions at the property warrant, including, but not limited to:

- ❑ Installation of exterior doors if damaged or missing (instead of using temporary securing materials);
- ❑ Exterior porch light replacement if damaged or missing;
- ❑ Finished handrails/guardrails (instead of temporary replacements);
- ❑ Deck and wooden step repairs;
- ❑ Gutter repairs;
- ❑ Fence repairs;
- ❑ Rehanging shutters; and
- ❑ Painting over graffiti.

<https://www.homepath.com/field-services.html>

# Methodology for Investigation

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- ❑ Neighborhoods selected for investigations were:
  - Majority African American
  - Majority Latino
  - Majority Non-White
  - Majority White
  
- ❑ Neighborhoods selected had Fannie Mae foreclosed homes listed for sale on Fannie's website.
  
- ❑ 100% of Fannie Mae REOs in targeted zip codes were investigated.

# Methodology for Investigation

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- These 39 items are important maintenance issues addressing curb appeal, health and safety items, and structural issues for marketing the REO, maintaining property values, and being a good neighbor to surrounding homeowners.
  - The investigator marked “yes” or “no” as to whether the deficiency was present on the REO.
    - For example, 1 unsecured hole in the structure counts as 1 deficiency; likewise, 3 holes in the structure also counts as only 1 deficiency.
- Photos were taken of the REO and neighbors on both sides and across the street to show routine maintenance of homes in neighborhoods.
- No homes that were occupied were evaluated or used in the complaint.



# Evaluation Measures

## □ 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



# Evaluation Measures

## □ 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



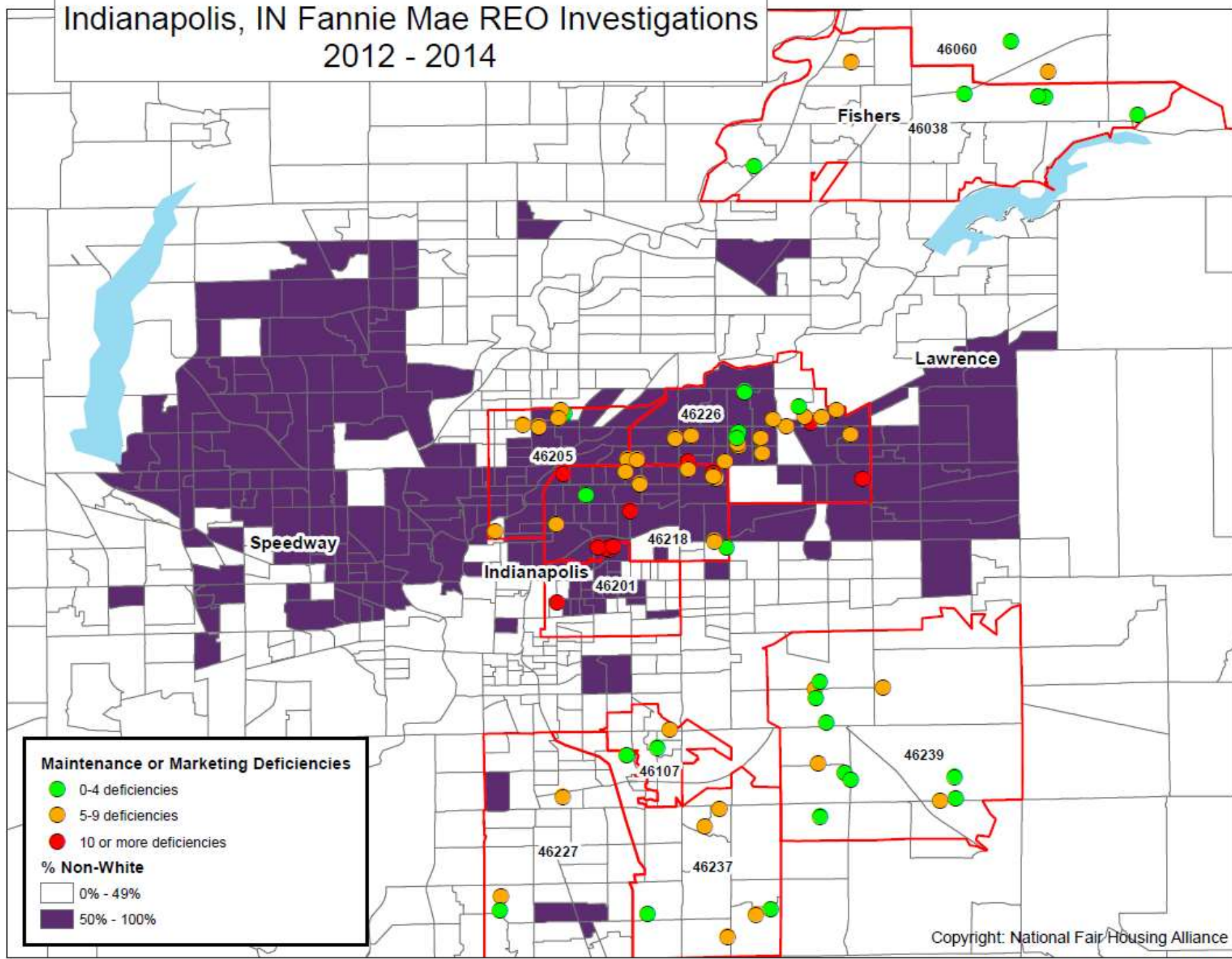
# Indianapolis, IN Racial Disparities

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- ❑ In the Indianapolis metropolitan area, we investigated 78 Fannie Mae REOs between 2012 and 2014.
  - 33 African-American
  - 1 Majority Non-White
  - 44 White
- ❑ 32% of the REO properties in communities of color had trash or debris
- ❑ 41% of the REO properties in communities of color had overgrown or dead shrubbery
- ❑ 59% of the REO properties in communities of color had unsecured, broken, or boarded windows



# Indianapolis, IN Fannie Mae REO Investigations 2012 - 2014



# Examples of Fannie Mae's Failure to Maintain REOs in Communities of Color



Indianapolis, IN  
2012 - 2014





2012: This Fannie Mae REO is located in an African American neighborhood.  
Note the dead grass and damaged steps that can be seen from the curb.





09.06.2012 12:30

Here is a close-up of the home's damaged steps. How does Fannie Mae expect to market and sell this home when potential homebuyers cannot safely walk up to the front of the house?





The sides and backyard of the home are covered in overgrown grass and shrubbery.







Fannie left a large hole uncovered, inviting in birds, insects, and other vermin to nest inside.



A missing and obstructed gutter is allowing water to damage the structure and foundation of the home.



2012: This is another Fannie Mae REO in an African American neighborhood.  
From the street we can already see overgrown grass and shrubbery.





Here's a closer look at the overgrown grass and shrubbery Fannie Mae failed to maintain at this REO.





The side of the home is also overgrown.





Trash and debris is left among invasive plants.



09.06.2012 10:24





**Fannie Mae failed to repair multiple broken windows, leaving at least one open to both vermin and the elements.**



**The REO's neighboring homes are well-maintained.**



**Fannie Mae claims to maintain its REOs in the same or better condition than homes in the neighborhood.**

**Clearly that is not the case in this African-American neighborhood.**





2012: This Fannie Mae REO in an African American neighborhood is hard to see from the street due to its overgrown shrubbery.





Fannie Mae's neglect invited vandalism and graffiti to this home – note the broken window as well.



You can also see graffiti inside the home through the broken windows.



There were a variety of different broken and boarded windows as you walked around the home.



These well-maintained neighbors have to live next to the eyesore that Fannie Mae has created for the neighborhood.





2014: If you just drove by this Fannie Mae REO in an African American neighborhood you might think it was in good shape. However...



10/23/2014 01:49 PM





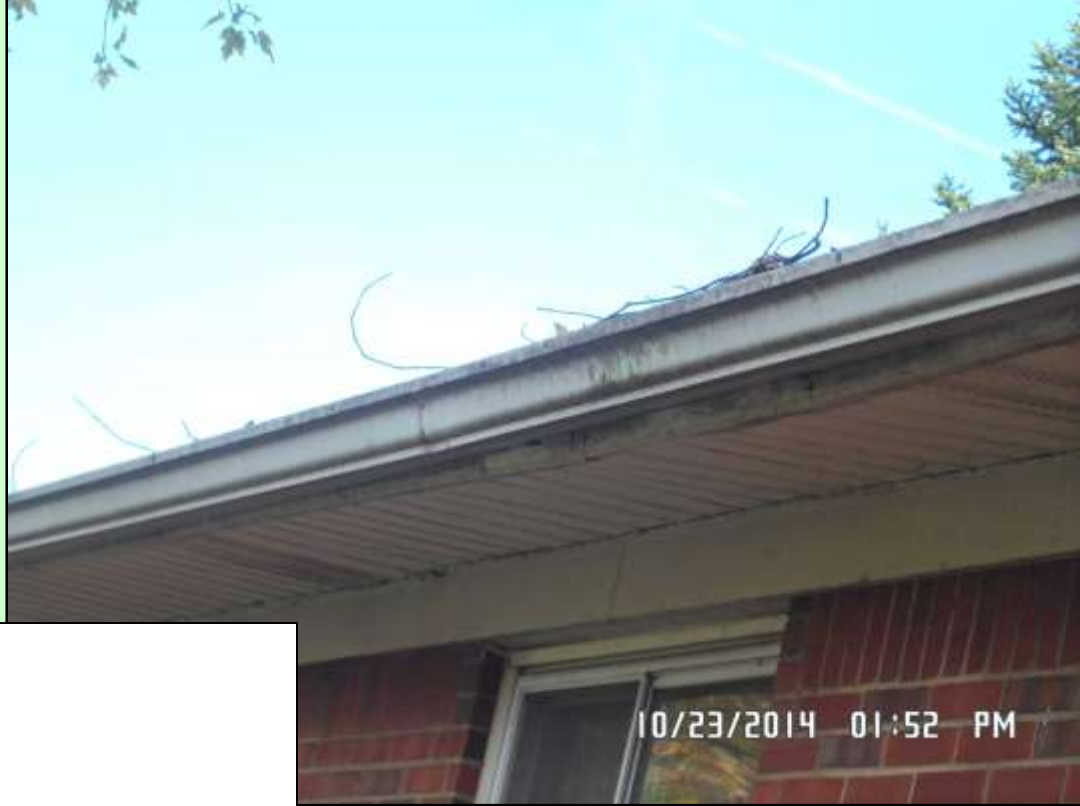
The side of the home is completely overgrown, with debris among the plants.



**This poorly boarded window-well poses a serious safety hazard  
for anyone walking around the property.**



The gutters are obstructed in multiple places.







The neighboring homes are well-maintained.



**Fannie Mae's REOs are Well  
Maintained in White neighborhoods**





**2012: While Fannie Mae consistently fails to maintain their REO homes in communities of color, they are more than capable of doing so in White neighborhoods.**

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**Shrubs are well-manicured and the grass has been mowed.**





**This Fannie Mae REO's window-well is properly covered and poses no safety hazard.**

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SEP 13 2012



2014: Another well-maintained Fannie Mae REO in a White neighborhood.





**This Fannie Mae REO is free of trash and debris  
and has no overgrown grass or shrubbery.**

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**Additional examples of well-maintained Fannie Mae REOs in White neighborhoods.**



# Health Impact




Living next to or nearby foreclosed homes causes stress, high blood pressure, asthma, and anxiety. People report feeling their neighborhood is stigmatized.



# American Heart Association

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- ❑ “The increases in blood pressure observed could be 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,” said Mariana Arcaya, Sc.D., M.C.P.
- ❑ “Safety could also be a concern that affects their ability to exercise in these neighborhoods.”
- ❑ “Because the study involved predominately white, middle-class, suburban neighborhoods with single-family homes, research on different populations in urban and rural settings is needed,” Arcaya said.



# National Center for Healthy Housing





## POOR QUALITY OF LIFE

- Boarded up housing and vacancies contribute to social isolation, anxiety, and feeling of stigmatization.
- Residents' fear of crime in neighborhoods with vacancies may cause significant barriers to exercise and physical activity.



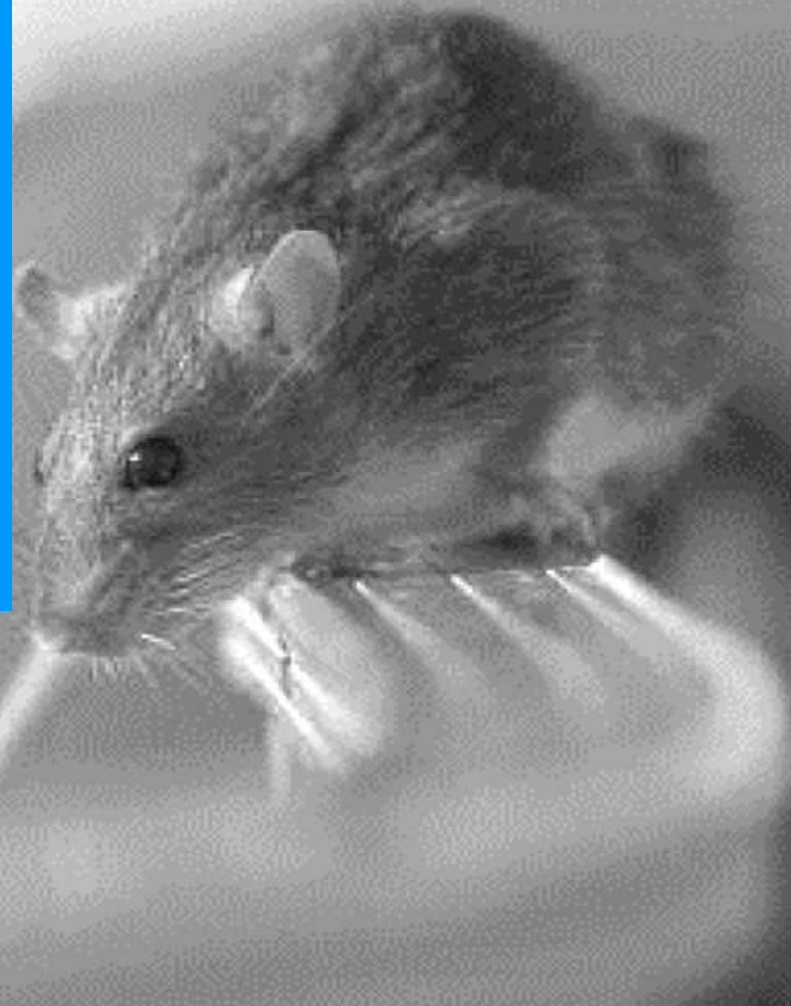
- **Vacant and abandoned homes cause rapid neighborhood decay and blight.** (Broken Window Theory)
- **Residents feel unsafe walking on streets with abandoned or vacant properties.**
- **A higher proportion of vacant homes in urban neighborhoods is associated with increased crime.**



# UNSAFE NEIGHBORHOODS

Unattended and unmaintained properties result in:

- Illegal dumping and rodent infestation
- Injuries from accidental fires or arson
- Deterioration of lead paint.



# QUESTIONS?



**From Fannie Mae Cyprex-serviced  
REO home in Orlando, Florida.**

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