

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
BALTIMORE DIVISION**

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**MAYOR AND CITY COUNCIL  
OF BALTIMORE,**  
City Hall  
100 N. Holliday St.  
Baltimore, MD 21202

Plaintiff,

v.

Case No. 1:08-cv-00062-JFM

**WELLS FARGO BANK, N.A.**  
464 California Street  
San Francisco, CA 94104

and

**WELLS FARGO FINANCIAL  
LEASING, INC.,**  
207 9th Street  
Des Moines, IA 50307

Defendants.

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**THIRD AMENDED COMPLAINT FOR  
DECLARATORY AND INJUNCTIVE RELIEF AND DAMAGES**

**NATURE OF THE ACTION**

1. This suit is brought pursuant to the Fair Housing Act of 1968, as amended, 42 U.S.C. §§ 3601 *et seq.*, by the Mayor and City Council of Baltimore (“Baltimore” or “City”) to seek redress for injuries caused by Defendants Wells Fargo Bank, N.A. and Wells Fargo Financial Leasing, Inc.’s pattern or practice of illegal and discriminatory mortgage lending. Specifically, Baltimore seeks injunctive relief and damages for the injuries caused by

foreclosures on Wells Fargo loans in minority neighborhoods and to minority borrowers that are the result of Wells Fargo's unlawful, irresponsible, unfair, deceptive, and discriminatory lending practices.

2. Since at least 2000, Wells Fargo has been engaged in a pattern or practice of targeting African-American neighborhoods in Baltimore for deceptive, predatory or otherwise unfair mortgage lending practices. The discriminatory targeting of these neighborhoods for such practices is known as "reverse redlining" and has repeatedly been held to violate the Fair Housing Act.

3. Reverse redlining by Wells Fargo has the effect and purpose of placing vulnerable, underserved borrowers in loans they cannot afford. Reverse redlining maximizes Wells Fargo's short-term profit without regard to the borrower's best interest, the borrower's ability to repay, or the financial health of underserved minority neighborhoods. Wells Fargo averts any significant risk to itself by selling the loans on the secondary market shortly after originating them.

4. Reverse redlining by Wells Fargo has caused an excessive and disproportionately high number of foreclosures on the mortgage loans that Wells Fargo has made in Baltimore's African-American neighborhoods. Wells Fargo's foreclosures are concentrated in these neighborhoods even though the bulk of its lending in Baltimore is in white neighborhoods. A Wells Fargo loan in a predominantly (60% or greater) African-American neighborhood is three times as likely to result in foreclosure as a Wells Fargo loan in a predominantly white neighborhood.

5. Wells Fargo would have comparable foreclosure rates in African-American and white communities if it were properly and uniformly applying responsible underwriting practices

in both. Wells Fargo possesses sophisticated underwriting technology and data that allow it to predict with precision the likelihood of delinquency, default or foreclosure. The fact that Wells Fargo's foreclosures are so disproportionately concentrated in African-American neighborhoods is not the product of chance events. To the contrary, it reflects and is fully consistent with Defendants' practice of targeting African-American neighborhoods and customers for discriminatory practices and predatory pricing and products. It also reflects and is consistent with Wells Fargo's practice of failing to underwrite African-American borrowers properly and of putting these borrowers into loans they cannot afford in order to maximize the company's profits.

6. In declarations attached to this Third Amended Complaint, former Wells Fargo employees responsible for making mortgage loans in Baltimore explain precisely how the company has used discretion in pricing and financial incentives to target African-American neighborhoods for deceptive, high priced loans that predictably result in unnecessary foreclosures.

7. Wells Fargo's discriminatory practices, and the resulting unnecessary foreclosures in the City's minority neighborhoods, have inflicted significant, direct, and continuing financial harm on Baltimore. Baltimore seeks redress in this action for financial injuries that are the direct result of these foreclosures.

8. In accordance with the Court's January 6, 2010 ruling on Wells Fargo's motion to dismiss, the City has narrowed the damages it seeks in this Third Amended Complaint to damages based on (1) municipal services provided at vacant Wells Fargo foreclosure properties that became vacant because of Wells Fargo's illegal lending practices; and (2) reduced property

tax revenues from limited areas within particular neighborhoods where Wells Fargo's foreclosures constitute a disproportionately high concentration of all foreclosures.

9. Baltimore seeks specific damages suffered by the City in regard to specific Wells Fargo properties that became vacant because of Wells Fargo's illegal lending activities. These vacant Wells Fargo properties are disproportionately located in African-American neighborhoods. They have caused housing code violations requiring expensive responses by the City. The City of Baltimore Department of Housing and Community Development ("Housing Department") has had to devote substantial personnel time and out-of-pocket funds to inspect, board, clean, condemn, pursue litigation regarding, and take other actions with respect to the vacant Wells Fargo foreclosure properties. The Fire and Police Departments have had to send personnel, fire trucks, and police cars to respond to fires and other threats to public health and safety at the vacant Wells Fargo properties.

10. Specific services that Baltimore has been required to provide at 190 of the Wells Fargo foreclosure properties that have become vacant because of reverse redlining are set forth in precise detail in paragraphs 119-308 below. The costs of providing these and other services at vacant Wells Fargo foreclosure properties can be calculated precisely using detailed data maintained by the City and can be distinguished from the costs of providing municipal services at non-Wells Fargo foreclosures or for other reasons.

11. Baltimore also seeks damages for lost property tax revenue from limited areas (or "sub-neighborhoods") within certain larger majority African-American neighborhoods where Wells Fargo foreclosures constitute a large percentage of all foreclosures in the area. Wells Fargo foreclosures are so disproportionately concentrated in these sub-neighborhoods, which are approximately two blocks by two blocks, that they have had a significant, deleterious, and

quantifiable effect on the values of other homes in the same sub-neighborhoods. This has reduced the property taxes collected by the City from those homes.

12. Many of these sub-neighborhoods are clustered in historically stable working- and middle-class neighborhoods and neighborhoods that have become significantly stronger in the past decade, such as Ashburton, Cylburn, Original Northwood, Reservoir Hill, and Waltherson. Each of the sub-neighborhoods is identified in paragraph 322 below. Baltimore's property tax losses attributable to the Wells Fargo foreclosures in these specific sub-neighborhoods can be calculated precisely and distinguished from losses due to other foreclosures and other causes. Baltimore does not seek property tax damages in this Third Amended Complaint other than damages based on Wells Fargo foreclosures in these specific sub-neighborhoods.

13. Absent judicial relief, the extent of Baltimore's injuries resulting from Wells Fargo's actions will continue to grow as more Wells Fargo loans move into foreclosure.

14. While Baltimore seeks redress for financial losses directly related to providing services at vacant Wells Fargo foreclosure properties and diminished tax revenues from particular sub-neighborhoods where Wells Fargo is responsible for a large portion of the foreclosures, the City does not seek to hold Wells Fargo responsible for injuries caused by non-Wells Fargo foreclosures or injuries suffered by the City as a result of foreclosures generally.

### **PARTIES**

15. Plaintiff Mayor and City Council of Baltimore is a municipal corporation, organized pursuant to Article XI-A of the Maryland Constitution. The City is authorized by the Baltimore City Charter to institute suit to recover damages suffered by the City.

16. Defendant Wells Fargo Bank, N.A. is organized as a national banking association under the laws of the United States. Upon information and belief, its corporate headquarters are

located in California. Wells Fargo Bank, N.A. maintains multiple offices in the State of Maryland and in Baltimore for the purposes of soliciting applications for and making residential mortgage loans and engaging in other business activities.

17. Wells Fargo Home Mortgage is a division of Wells Fargo Bank, N.A. that was formerly incorporated in California as a separate company and registered to do business in the State of Maryland under the name Wells Fargo Home Mortgage, Inc. Wells Fargo Home Mortgage, Inc. merged into Wells Fargo Bank, N.A. on May 5, 2004. Wells Fargo Bank, N.A. continues to do business under the name Wells Fargo Home Mortgage, including in the State of Maryland and in Baltimore.

18. Wells Fargo Bank, N.A. has been one of the three largest providers of mortgage credit to homeowners in Baltimore every year since at least 2000. From 2002 to 2007, Wells Fargo Bank, N.A. made at least 1,341 mortgage loans a year to Baltimore homeowners with a collective value of more than \$1 billion. No other lender made more than 1,200 mortgage loans in Baltimore in each year from 2004 to 2007, and only two others made more than 1,000 in each year. Wells Fargo Bank, N.A. made more loans to Baltimore homeowners than any other lender in 2008. Upon information and belief, Wells Fargo Bank, N.A. continues to make loans in Baltimore at a comparable pace.

19. Defendant Wells Fargo Financial Leasing, Inc. is an Iowa corporation that is registered to do business in Maryland. Upon information and belief, Wells Fargo Financial Leasing, Inc. engages in the solicitation of applications for and origination of residential mortgage loans in Baltimore.

20. Each of the Defendants was and is the agent, employee, and representative of the other Defendant. Each Defendant, in acting or omitting to act as alleged in this Third Amended

Complaint, was acting in the course and scope of its actual or apparent authority pursuant to such agencies, or the alleged acts or omissions of each Defendant as agent were subsequently ratified and adopted by each agent as principal. Each Defendant, in acting or omitting to act as alleged in this Third Amended Complaint, was acting through its employees, agents, and/or representatives, and is liable on the basis of the acts and omissions of its employees, agents, and/or representatives.

### **JURISDICTION AND VENUE**

21. This Court has jurisdiction over this matter pursuant to 42 U.S.C. § 3613 and 28 U.S.C. §§ 1331, 1343, because the claims alleged herein arise under the laws of the United States.

22. Venue is proper in this district under 28 U.S.C. § 1391(b) because Defendants conduct business in and are residents of the district and a substantial part of the events and omissions giving rise to the claims occurred in the district.

### **FACTUAL BACKGROUND**

#### **A. Subprime Lending, Predatory Practices, and Reverse Redlining**

23. Prior to the emergence of subprime lending, most mortgage lenders made only “prime” loans. Prime lending offered uniformly priced loans to borrowers with good credit, but individuals with blemished credit were not eligible for prime loans.

24. Subprime lending developed and began growing rapidly in the mid-1990s as a result of technological innovations in risk-based pricing and in response to the demand for credit by borrowers who were denied prime credit by traditional lenders. Advances in automated underwriting allowed lenders to predict with improved accuracy the likelihood that a borrower with blemished credit will successfully repay a loan. These innovations gave lenders the ability

to adjust the price of loans to match the different risks presented by borrowers whose credit records did not meet prime standards. Lenders found that they could now accurately price loans to reflect the risks presented by a particular borrower. When done responsibly, this made credit available much more broadly than had been the case with prime lending.

25. Responsible subprime lending has opened the door to homeownership to many people, especially low- to moderate-income and minority consumers, who otherwise would have been denied mortgages. At the same time, however, subprime lending has created opportunities for unscrupulous lenders to engage in irresponsible lending practices that result in loans that borrowers cannot afford. This, in turn, leads directly to defaults and foreclosures.

26. Enticed by the prospect of short-term profits resulting from exorbitant origination fees, points, and related pricing schemes, some irresponsible subprime lenders took advantage of a rapidly rising real estate market to convince borrowers to enter into loans that they could not afford. Often this was accomplished with the help of deceptive practices and promises to refinance at a later date. These abusive subprime lenders did not worry about the consequences of default or foreclosure to their business because once made, the loans were sold on the secondary market.

27. As the subprime market grew, the opportunities for abusive practices grew with it. As a consequence, abusive and predatory practices “are concentrated in the subprime mortgage market,” as the federal government has found.<sup>1</sup> These practices, which in recent years have become the target of prosecutors, legislators and regulators, include the following:

- a. Failing to prudently underwrite hybrid adjustable rate mortgages (ARMs), such as 2/28s and 3/27s. After the borrower pays a low “teaser rate” for the first two or

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<sup>1</sup> United States Department of Housing & Urban Development and United States Department of the Treasury, *Curbing Predatory Home Mortgage Lending* (2000) at 1 (available at <http://www.huduser.org/Publications/pdf/treasrpt.pdf>) (“HUD/Treasury Report”).

three years, the interest rate on these loans resets to a much higher rate that can continue to rise based on market conditions. Subprime lenders often underwrite these loans based only on consideration of whether the borrower can make payments during the initial teaser rate period, without regard to the sharply higher payments that will be required for the remainder of a loan's 30-year term. Irresponsible lenders aggressively market the low monthly payment that the borrower will pay during the teaser rate period, misleading borrowers into believing that they can afford that same low monthly payment for the entire 30-year term of the loan, or that they can refinance their loan before the teaser rate period expires.

b. Failing to prudently underwrite refinance loans, where borrowers substitute unaffordable mortgage loans for existing mortgages that they are well suited for and that allow them to build equity. Such refinanced loans strip much or even all of that equity by charging substantial new fees, often hiding the fact that the high settlement costs of the new loan are also being financed. Lenders that aggressively market the ability of the borrower to pay off existing credit card and other debts by refinancing mislead borrowers into believing that there is a benefit to consolidating all of their debt into one mortgage loan, obscuring the predictable fact that that the borrower will not be able to repay the new loan. The refinanced loans are themselves often refinanced repeatedly with ever-increasing fees and higher interest rates, and with ever-decreasing equity, as borrowers seek to stave off foreclosure.

c. Allowing mortgage brokers to charge "yield spread premiums" for qualifying a borrower for an interest rate that is higher than the rate the borrower qualifies for and can actually afford.

d. Failing to underwrite loans based on traditional underwriting criteria such as debt-to-income ratio, loan-to-value ratio, FICO score, reserves, and work history.

These criteria ensure that a borrower is obtaining a loan that he or she has the resources and assets to repay, and ignoring these criteria results in many loans that bear no relation to borrowers' ability to repay them. This allows the lender to make a quick profit from the origination, but sets the borrower up for default and foreclosure.

e. Requiring substantial prepayment penalties that prevent borrowers whose credit has improved from refinancing their subprime loan to a prime loan. Prepayment penalties not only preclude borrowers from refinancing to a more affordable loan, but reduce the borrowers' equity when a subprime lender convinces borrowers to needlessly refinance one subprime loan with another.

f. Charging excessive points and fees that are not associated with any increased benefits for the borrower.

g. Placing borrowers in subprime loans even though they qualify for prime or FHA loans on better terms.

28. The problem of predatory practices in subprime mortgage lending is particularly acute in minority communities because of "reverse redlining." As used by Congress and the courts, the term "reverse redlining" refers to the practice of targeting residents in certain geographic areas for credit on unfair terms due to the racial or ethnic composition of the area. In contrast to "redlining," which is the practice of denying *prime* credit to specific geographic areas because of the racial or ethnic composition of the area, reverse redlining involves the targeting of an area for the marketing of deceptive, predatory or otherwise deleterious lending practices because of the race or ethnicity of the area's residents. This practice has repeatedly been held to

violate the federal Fair Housing Act. *See, e.g., Barkley v. Olympia Mortgage Co.*, No. 04-cv-875, 2007 WL 2437810 (E.D.N.Y. Aug. 22, 2007); *Hargraves v. Capital City Mortgage Corp.*, 140 F. Supp. 2d 7 (D.D.C. 2000).

29. There is a substantial body of empirical evidence demonstrating the prevalence of reverse redlining in the subprime mortgage market. These studies show that, even after controlling for creditworthiness and other legitimate underwriting factors, subprime loans and the predatory practices often associated with subprime lending are disproportionately targeted at African Americans and African-American neighborhoods.<sup>2</sup>

30. Reverse redlining typically flourishes where two key conditions are met. First, the practice afflicts cities where minorities historically have been denied access to credit and other banking services. The legacy of historic discrimination, or redlining, often leaves the residents of minority communities desperate for credit and without the knowledge or experience required to identify loan products and lenders offering products with the most advantageous terms for which they might qualify. Instead, residents of underserved minority communities often respond favorably to the first offer of credit made, without regard to the fairness of the product. This makes them especially vulnerable to irresponsible subprime lenders who, instead

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<sup>2</sup> See Abt Associates, *Using Credit Scores to Analyze High-Cost Lending in Central City Neighborhoods* (2008) ; Calvin Bradford, Center for Community Change, *Risk or Race? Racial Disparities and the Subprime Refinance Market* (2002), at vii-ix (available at [http://www.knowledgeplex.org/redir.html?id=1032&url=http%3A%2F%2Fwww.knowledgeplex.org%2Fkp%2Freport%2Freport%2Felfiles%2Fccc\\_0729\\_risk.pdf](http://www.knowledgeplex.org/redir.html?id=1032&url=http%3A%2F%2Fwww.knowledgeplex.org%2Fkp%2Freport%2Freport%2Felfiles%2Fccc_0729_risk.pdf)); Center for Responsible Lending, *Borrowers in High Minority Areas More Likely to Receive Prepayment Penalties on Subprime Loans* (2005), at 1-2 (available at [http://www.responsiblelending.org/mortgage-lending/research-analysis/rr004-PPP\\_Minority\\_Neighborhoods-0105.pdf](http://www.responsiblelending.org/mortgage-lending/research-analysis/rr004-PPP_Minority_Neighborhoods-0105.pdf)); Center for Responsible Lending, *Unfair Lending: The Effect of Race and Ethnicity on the Price of Subprime Mortgages* (2006), at 16-17 (available at [http://www.responsiblelending.org/mortgage-lending/research-analysis/rr011-Unfair\\_Lending-0506.pdf](http://www.responsiblelending.org/mortgage-lending/research-analysis/rr011-Unfair_Lending-0506.pdf)); HUD & Dept. of the Treasury, *Curbing Predatory Home Mortgage Lending* (2000), at 72 (available at <http://www.huduser.org/Publications/pdf/treasrpt.pdf>); HUD, *Unequal Burden: Income and Racial Disparities in Subprime Lending in America* (2000), at 4-5 (available at [http://www.huduser.org/Publications/pdf/unequal\\_full.pdf](http://www.huduser.org/Publications/pdf/unequal_full.pdf)); National Community Reinvestment Coalition, *The Broken Credit System: Discrimination and Unequal Access to Affordable Loans by Race and Age – Subprime Lending in Ten Large Metropolitan Areas* (2003), at 31-34 (available at <http://www.ncrc.org/images/stories/pdf/research/ncrcdiscrimstudy.pdf>); Howell E. Jackson & Jeremy Berry, “Kickbacks or Compensation: The Case of Yield Spread Premiums” (2002), at 9, 125 (available at [http://www.law.harvard.edu/faculty/hjackson/pdfs/january\\_draft.pdf](http://www.law.harvard.edu/faculty/hjackson/pdfs/january_draft.pdf)).

of underwriting carefully to ensure that the loans they offer are appropriate for their customers, engage in the unscrupulous lending practices described in paragraph 27 above.

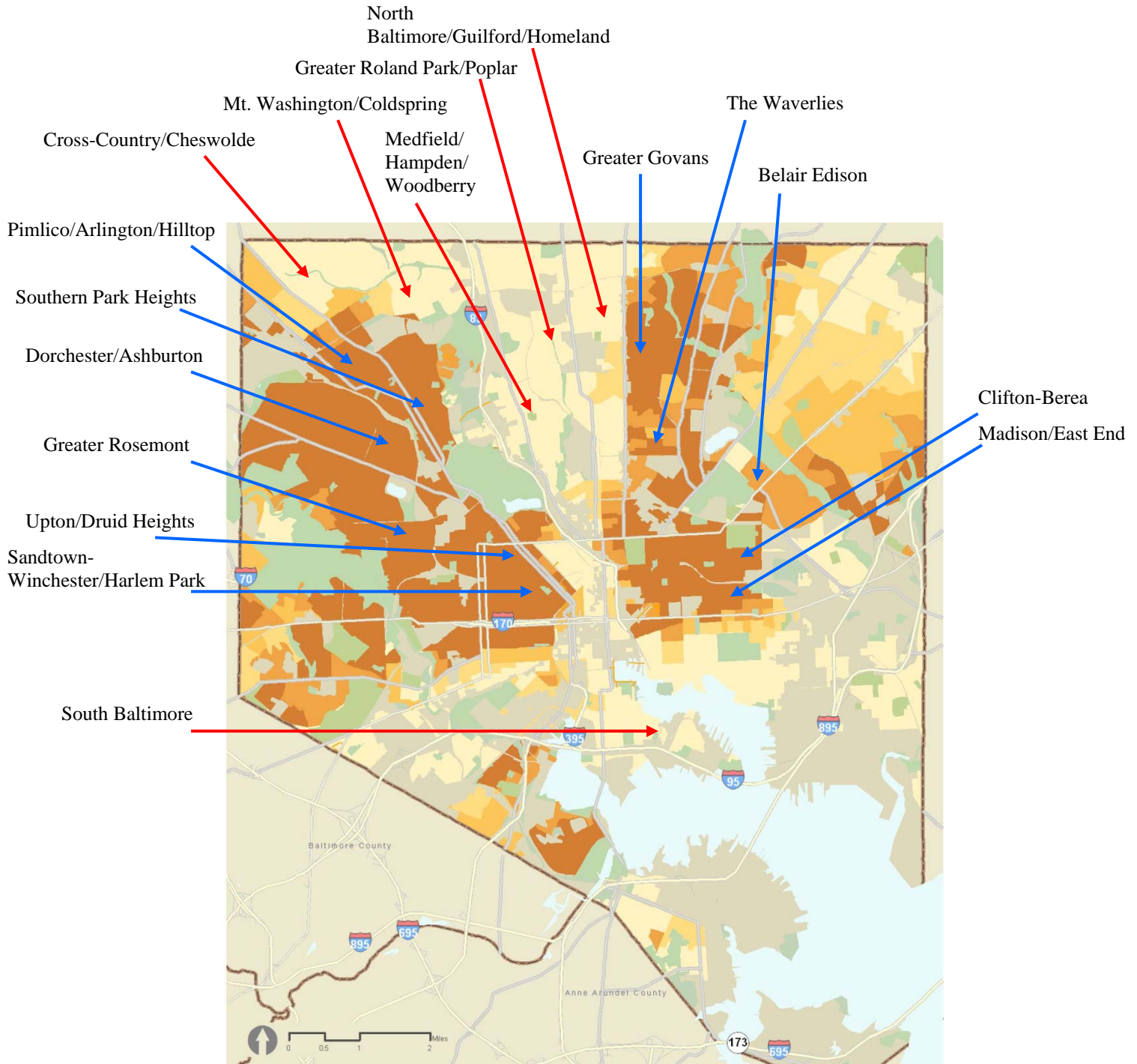
31. Second, reverse redlining arises in cities where there are racially segregated residential living patterns. This means that the people who are most vulnerable to abusive lending practices are geographically concentrated and therefore easily targeted by lenders.

32. Both of these conditions are present in Baltimore. First, Baltimore's minority communities historically have been victimized by traditional redlining practices. Through much of the twentieth century the federal government, mortgage lenders, and other private participants in the real estate industry acted to deny homeownership opportunities and choices to the City's African Americans. The Secretary of the United States Department of Housing and Urban Development admitted in 1970 that the federal government had "refus[ed] to provide insurance in integrated neighborhoods, promot[ed] the use of racially restrictive covenants," and engaged in other methods of redlining. *Thompson v. U.S. H.U.D.*, 348 F. Supp. 2d 398, 466 (D. Md. 2005). The federal government even published a map in 1937 titled "Residential Security Map for Baltimore" designed to facilitate private redlining by mortgage providers. *See id.* at 471. Mortgage lenders actively engaged in redlining for decades, treating "black and [the few] integrated neighborhoods as unstable and risky." Garrett Power, *Apartheid Baltimore Style: The Residential Segregation Ordinances of 1910-1913*, 42 Md. L. Rev. 289, 319, 322 (1983).

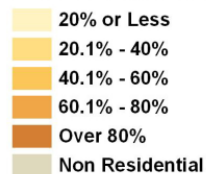
33. The practice and effects of widespread redlining in Baltimore persisted for decades. An analysis of data from the 1980s, long after much of the institutionalized governmental and corporate apparatus of discrimination had been dismantled, found that the more African-American residents in a Baltimore neighborhood, the fewer mortgage loans and dollars the neighborhood received. Anne B. Shlay, *Maintaining the Divided City: Residential*

*Lending Patterns in the Baltimore SMSA* (Maryland Alliance for Responsible Investment, March 1987). The study also found that while 73% of majority white census tracts received a medium or high volume of single family mortgage loans, the same was true of only 5% of majority African-American tracts.

34. Second, the City is highly segregated between African Americans and whites. As the following map shows, even though Baltimore is 64% African-American and 32% white, many neighborhoods have a much higher concentration of one racial group or the other. For example, the African-American population exceeds 90% in East Baltimore, Pimlico/Arlington/Hilltop, Dorchester/Ashburton, Southern Park Heights, Greater Rosemont, Sandtown-Winchester/Harlem Park, and Greater Govans. It exceeds 75% in Waverly and Belair Edison. At the same time, the white population of Greater Roland Park/Poplar, Medfield/Hampden/Woodberry, and South Baltimore exceeds 80%, and the white population of Cross-Country/Cheswolde, Mt. Washington/Coldspring, and North Baltimore/Guilford/Homeland exceeds 70%.



**Percent of Owner Occupied Housing Units  
that Are African American 2005**



- Indicates Majority African-American Neighborhood
- Indicates Majority White Neighborhood

**B. Wells Fargo Causes Excessive and Unnecessary Foreclosures in Baltimore by Targeting Predatory Subprime Practices at African Americans and African-American Neighborhoods**

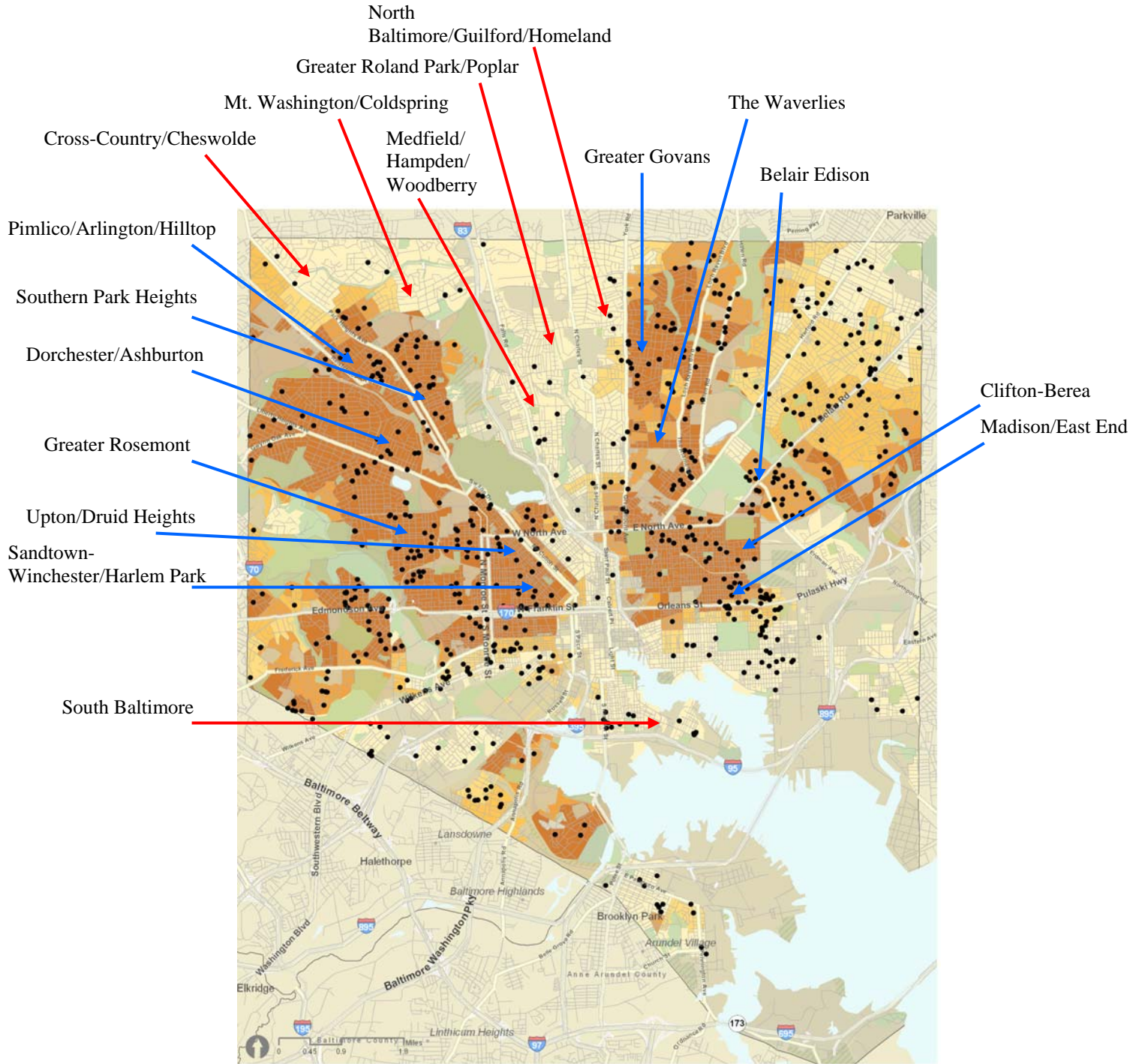
35. Wells Fargo's failure to underwrite mortgage loans in minority and underserved communities in a responsible manner has been the subject of public attention and concern for years. For example, its practices are the focus of a 2004 report from the Center for Responsible Lending. The report concluded that the company's customers "too often face the loss of their home or financial ruin as a result" of its "predatory practices." Center for Responsible Lending, *A Review of Wells Fargo's Subprime Lending* (Apr. 2004) at 10 (available at [http://www.responsiblelending.org/mortgage-lending/researchanalysis/ip004-Wells\\_Fargo-0404.pdf](http://www.responsiblelending.org/mortgage-lending/researchanalysis/ip004-Wells_Fargo-0404.pdf)). The predatory practices identified in the report include charging excessive fees; charging excessively high interest rates that are not justified by borrowers' creditworthiness; requiring large prepayment penalties while deliberately misleading borrowers about the penalties; using deceptive sales practices to wrap insurance products into mortgages; convincing borrowers to refinance mortgages into new loans that only benefit Wells Fargo; deceiving borrowers into believing that they are getting fixed rate loans when they are really getting adjustable rate loans; and more.

36. Wells Fargo has intentionally taken advantage of the conditions in Baltimore to target these kinds of predatory practices at African-American neighborhoods and residents. Far from being a responsible provider of much-needed credit in minority communities, Wells Fargo is a leading cause of stagnation and decline in African-American neighborhoods where its foreclosures are concentrated. Specifically, since at least 2000, its foreclosures have been concentrated in Belair Edison, East Baltimore, Pimlico/Arlington/Hilltop, Dorchester/Ashburton,

Southern Park Heights, Greater Rosemont, Sandtown-Winchester/Harlem Park, Greater Govans and Waverly, and other neighborhoods with African-American populations exceeding 75%.

37. Fifty-one percent of Wells Fargo's foreclosures from 2005 to 2009 were in census tracts that are more than 80% African-American and 62% were in tracts that are over 60% African-American, but only 12% were in tracts that are 20% or less African-American. The figures are virtually identical for Wells Fargo's foreclosures from 2000 to 2004, with more than half in tracts that are more than 80% African-American, 64% in tracts that are over 60% African-American, and only 14.8% in tracts that are 20% or less African-American.

38. The following map represents the concentration of Wells Fargo's foreclosures in African-American neighborhoods from 2000 through 2009.



39. In addition to the disproportionate distribution of Wells Fargo foreclosures in African-American neighborhoods, disparate rates of foreclosure based on race further demonstrate Defendants' failure to follow responsible underwriting practices in African-American neighborhoods. While 4.82% of Wells Fargo's loans in predominantly African-American neighborhoods result in foreclosure, the same is true for only 1.63% of its loans in predominantly white neighborhoods. In other words, a Wells Fargo loan in a predominantly African-American neighborhood is three times as likely to result in foreclosure as a Wells Fargo loan in a predominantly white neighborhood.

40. Relatedly, Wells Fargo's foreclosure rate for loans in neighborhoods that are 80% or more African-American is nearly three times as high as the overall average of the other major mortgage lenders in Baltimore, while the ratio for its loans in neighborhoods that are less than 20% African-American is less than half the average.

41. The type of loans that result in foreclosure provides further evidence that Wells Fargo is engaged in a pattern or practice of reverse redlining in Baltimore. Approximately 65% of Wells Fargo's Baltimore loans that result in foreclosure are fixed rate loans. This ratio is the same in both African-American and white neighborhoods. This establishes that there is no legitimate reason for the stark difference in Wells Fargo's foreclosure rates by race.

42. Unlike adjustable rate loans, where the price may fluctuate with changing market conditions, the performance of fixed rate loans is relatively easy to predict using automated underwriting models and loan performance data because monthly payments do not vary during the life of the loan. Using these sophisticated risk assessment tools, and relying on traditional underwriting criteria such as FICO scores, debt-to-income ratios, loan-to-value ratios, and cash reserves, any lender engaged in responsible underwriting practices designed to identify qualified

borrowers can predict with statistical certainty the likelihood of default and/or delinquency. Lenders engaged in marketing fixed rate loans in a fair and responsible manner should have no difficulty sifting out unqualified borrowers, or borrowers whose loans would likely result in delinquency, default or foreclosure.

43. Because the percentage of fixed rate loans is so high and the same in both African-American and white neighborhoods, Wells Fargo should, if it properly underwrites, have comparable foreclosure rates in both communities. The fact that Wells Fargo's underwriting decisions result in foreclosure three times as often with respect to African-American than white neighborhoods means that it is not following fair or responsible underwriting practices with respect to African-American customers.

44. The disparate foreclosure rates are instead consistent with the type of unscrupulous subprime lending practices described in paragraphs 27, 35, 46-71. Wells Fargo engages in these and similarly inappropriate practices when making loans to African Americans and in African-American neighborhoods. This pattern or practice of targeted activities fully explains the disparate rates of foreclosure. The disparities are not the result of or otherwise explained by legitimate non-racial underwriting criteria.

45. A closer look at Wells Fargo's lending practices and the characteristics of its loans in Baltimore demonstrates that it is engaged in a pattern or practice of reverse redlining with respect to the City's African-American neighborhoods. As described in sections B.1 through B.7 below, sworn statements of former Wells Fargo employees and examination of Wells Fargo's loans indicate it is engaged in unfair and discriminatory practices in Baltimore's African-American neighborhoods that have the effect and purpose of placing inexperienced and underserved borrowers in loans they cannot afford. These practices maximize short-term profit

without regard to the borrower's best interest, the borrower's ability to repay, or the financial health of underserved minority neighborhoods. This targeted pattern or practice has resulted in the disproportionately high rate of foreclosures on Wells Fargo loans found in Baltimore's African-American neighborhoods.

**1. Former Wells Fargo Employees Explain How the Company Targets African Americans in Baltimore for Subprime Loans and Abusive Subprime Lending Practices**

46. Attached to this Third Amended Complaint are sworn declarations from two former Wells Fargo employees, Elizabeth Jacobson and Tony Paschal. Until late in 2007, Ms. Jacobson and Mr. Paschal were responsible for making loans on behalf of Wells Fargo in the greater Baltimore region. *See* Attach. A ("Jacobson Decl."); Attach. B ("Paschal Decl."). Jacobson and Paschal describe in great detail how Wells Fargo has targeted African Americans and residents of African-American neighborhoods in and around Baltimore for abusive subprime lending practices

47. Jacobson began working for Wells Fargo as a loan officer in August 1998. Jacobson Decl. ¶ 2. She was subsequently promoted to Sales Manager and remained in that position until leaving the company in December 2007. *Id.* ¶¶ 2, 34. Jacobson made subprime loans exclusively. *Id.* ¶ 3, 10. She made the loans in a geographic area called "Region 12" that included Baltimore, Prince George's County, Northern Virginia, and other places. *Id.* ¶ 3. Most of her customers were African Americans, including African Americans in Baltimore. *Id.* ¶ 26. She was one of Wells Fargo's top three subprime loan officers nationally year after year, and in some years was the company's top subprime loan officer in the country. *Id.* ¶ 4. Between 2003 and 2007, Jacobson completed approximately \$50 million in subprime loans per year. *Id.* ¶ 5. This translates into about 180 loans per year. *Id.* Jacobson is white.

48. Paschal was a Wells Fargo loan officer from September 1997 to September 2007 (with a hiatus of approximately 2½ years beginning in June 1999). Paschal Decl. ¶¶ 2-3. His job was to solicit Wells Fargo borrowers to refinance their home mortgage with a prime or Federal Housing Administration (“FHA”) loan. *Id.* ¶¶ 3, 7. FHA loans have interest rates that are closer to prime than subprime rates. *Id.* ¶ 23. Paschal referred the borrowers who did not qualify to the Mortgage Resources division, known as “MORE,” which exclusively originates subprime loans. *Id.* ¶ 7. He worked on the same floor of the same building as the MORE employees and he communicated with them daily. *Id.*

49. Jacobson’s and Paschal’s declarations confirm that Wells Fargo targeted African Americans and African-American neighborhoods in Baltimore and elsewhere for deceptive, abusive and predatory subprime loans and that Wells Fargo’s subprime loan officers engaged in a myriad of deceptive, abusive and predatory practices. This constitutes reverse redlining.

**a. Targeting African Americans for Subprime Mortgage Loans**

50. The declarations show that Wells Fargo targeted African Americans in Baltimore in a variety of ways. One was by marketing its subprime products to predominantly African-American zip codes in Baltimore, Prince George’s County, and Washington, D.C. Paschal Decl. ¶¶ 8, 10. Wells Fargo did not target white areas for subprime loans. Paschal Decl. ¶ 8. Paschal “heard employees in the MORE division comment that Howard County was not good for subprime loans because it has a predominantly White population.” *Id.*

51. Wells Fargo also targeted African-American churches in the City and their congregations for subprime loans. Jacobson Decl. ¶¶ 27-28, 30; Paschal Decl. ¶ 12. Wells Fargo did not target white churches – “[w]hen it came to marketing, any reference to ‘church’ or

‘churches’ was understood as code for African-American or black churches.” Jacobson Decl. ¶ 30.

52. Wells Fargo even assigned employees to make presentations at the churches on the basis of race. During a conference call in 2005 with subprime loan officers and branch managers about making presentations to black churches in Baltimore, the loan officers were told that only employees “of color” could attend. Jacobson Decl. ¶ 28. Jacobson was later told that she could come, but only if she “carried someone’s bag.” *Id.*

53. Wells Fargo also targeted African Americans for subprime loans through a variety of special events. Jacobson Decl. ¶ 29. Wells Fargo selected employees to make presentations at these events on the basis of race, as it did with church presentations. One such event was a “‘wealth building’ seminar” designed to promote subprime products in 2005 in Greenbelt, Maryland, where the audience was expected to be predominantly African-American. *Id.* Jacobson was told by the manager of Emerging Markets, a subprime unit that targeted African Americans, that she was “too white” to appear before the audience at the seminar. *Id.* ¶¶ 27, 29. Jacobson complained to higher management, but received no response and no action was taken. *Id.* ¶¶ 29, 31.

54. Wells Fargo also created a unit called the “Affinity Marketing Group” in its Silver Spring, Maryland office to target African Americans, including members of African-American churches. Paschal Decl. ¶ 12. All the employees of the Affinity Marketing Group were African-American. *Id.* Subprime loan officers in the group who targeted African Americans were selected on the basis of their race and Wells Fargo’s desire to use African-American employees to target African-American customers. *Id.*

55. Another way in which Wells Fargo targeted African Americans was by tailoring its subprime marketing materials on the basis of race. *Id.* ¶ 11. It devised software to print out subprime promotional materials in different languages, one of which was called “African American” by Wells Fargo. *Id.* A computer screen shot from 2006 showing this option is attached to Paschal’s declaration as Exhibit A. Wells Fargo did not remove the African-American “language” option until Paschal complained. *Id.*

56. Wells Fargo’s subprime loan officers held derogatory stereotypes of African Americans, which contributed to their targeting of African Americans in and around Baltimore for subprime loans. Jacobson Decl. ¶ 28; Paschal Decl. ¶ 8, 16. Subprime loan officers described African-American and other minority customers by saying “those people have bad credit” and “those people don’t pay their bills,” and by calling minority customers “mud people” and “niggers.” Paschal Decl. ¶¶ 8, 16. They referred to loans in minority communities as “ghetto loans.” *Id.* They described Prince George’s County, which has a slightly higher percentage of African-American residents than Baltimore, as the “subprime capitol of Maryland.” Jacobson Decl. ¶ 26. At the same time, they believed that areas such as Howard County that are predominantly white were bad locations for making subprime loans. Paschal Decl. ¶ 8.

**b. Steering People Who Qualify for Prime Mortgages into Subprime Mortgages**

57. Jacobson’s and Paschal’s declarations demonstrate that Wells Fargo regularly steered borrowers who qualified for prime loans into subprime loans. Wells Fargo gave loan officers substantial financial incentives and the discretion to steer borrowers in this manner. Jacobson Decl. ¶¶ 8, 10-12, 15-16, 32; Paschal Decl. ¶¶ 12-13. Paschal was instructed by management to refer borrowers who could have qualified for more advantageous prime or FHA

loans to the subprime unit. Paschal Decl. ¶ 9. He was even reprimanded for giving too many people FHA loans instead of referring them for subprime loans. *Id.* ¶ 19.

58. Paschal saw many files of “minority customers who had good credit scores and credit characteristics in subprime loans who should have qualified for prime or FHA loans.” Paschal Decl. ¶ 12. Jacobson likewise made subprime loans to many people with prime credit who were referred to her by loan officers responsible for making prime loans. Jacobson Decl. ¶ 9. She could identify people steered in this manner if she had the opportunity to review Wells Fargo’s loan files. *Id.*

59. The financial incentives to steer people into subprime loans were very substantial. “A reps,” who made prime loans, generally made more money in referral fees by referring a person with prime credit to a subprime loan officer than by originating a prime loan. Jacobson Decl. ¶ 8. Subprime loan officers, whose pay was based on commissions and fees, likewise made more money by originating loans with higher interest rates and fees. *Id.* ¶ 6. This allowed Jacobson to gross well over half a million dollars in 2004 and again in 2005. *Id.* The effect of Wells Fargo’s compensation system for subprime loans was to put “bounties” on minority borrowers. Paschal Decl. ¶ 13.

60. Wells Fargo also gave lavish gifts and trips to successful subprime loan officers, even as foreclosures increased in recent years. Jacobson Decl. ¶ 32. This was part of a culture that focused only on making the most money possible and not on putting borrowers in loans that were appropriate for them. *Id.*

61. Loan officers were able to steer people with good credit into subprime loans because Wells Fargo gave them broad discretion. As Jacobson states, “underwriting guidelines and pricing rules for prime and subprime loans . . . [provided] more than enough discretion to

allow A reps to steer prime loan customers to subprime loan officers like me. Likewise, the guidelines gave me enough discretion to figure out how to qualify most of the referrals for a subprime loan once I received the referral.” Jacobson Decl. ¶ 11. This included “discretion to decide which subprime loan products to offer the applicant” “[o]nce I received a referral from an A rep.” *Id.* ¶ 13.

62. Wells Fargo loan officers developed a multitude of unscrupulous ways to apply their discretion to get away with steering subprime loans to people who qualified for prime or FHA loans. One method was to intentionally mislead customers by, for example, giving “stated income” loans to customers who could document their income, or telling customers not to make a down payment or to take more cash from their home equity, which would automatically cause a prime loan to “flip” into a subprime loan. Jacobson Decl. ¶ 17; Paschal Decl. ¶ 14. Another was to intentionally mislead underwriters by “telling the underwriting department that the customer did not want to provide documentation for the loan, had no source[d] or seasoned assets, or needed to get the loan closed quickly.” Jacobson Decl. ¶¶ 15. Some loan officers would simply falsify loan applications. *Id.* ¶ 18. Loan officers used such techniques to increase their commissions while discriminating against minority applicants. Paschal Decl. ¶ 13.

63. In 2004 Wells Fargo responded to public criticism by creating “filters” that were supposed to prevent the steering of prime customers into subprime loans. Jacobson Decl. ¶ 19; Paschal Decl. ¶ 18. It was widely understood that the filters were not effective. *Id.* Loan officers learned many ways to work around the filters by using the broad discretion they were afforded by Wells Fargo. *Id.* These techniques were widely used. *Id.* Senior managers were aware of their use and eventually made certain changes in response, but the loan officers continued to easily undermine the filters. Jacobson Decl. ¶ 19. The filters were also ineffective

because Wells Fargo did not create disincentives to steering prime customers into subprime loans. Paschal Decl. ¶ 18. To the contrary, employees continued to have substantial financial incentives to engage in such steering and continued to do so. *Id.* Management knew that these practices continued.

**c. Other Abusive Subprime Lending Practices Engaged in by Wells Fargo**

64. Jacobson's and Paschal's declarations further demonstrate that Wells Fargo loan officers had substantial discretion to increase the costliness of subprime loans and that they regularly used this discretion at the expense of subprime borrowers.

65. The loan officers had broad discretion to set the pricing, points, and fees for subprime loans. Jacobson Decl. ¶¶ 22, 24; Paschal Decl. ¶¶ 5, 13. Even when Wells Fargo created some limits in 2007, loan officers retained significant discretion. Jacobson Decl. ¶ 24. Loan officers had strong financial incentives to increase the pricing, points, and fees because it would increase their commissions. *Id.*; Paschal Decl. ¶ 13.

66. Loan officers also used this discretion to harm African-American and other minority customers by telling them that interest rates were "locked" when, in fact, the rates were not locked. Paschal Decl. ¶ 5. This prevented minority customers from getting lower interest rates, but loan officers lowered interest rates for whites in the same situation. *Id.*

67. Loan officers also used their discretion to select loan products and set rates and fees to "discriminate[] against minority loan applicants by not offering them [] better or newer products which had lower fixed interest rates and fees." Paschal Decl. ¶ 14.

68. Jacobson's and Paschal's declarations further demonstrate that Wells Fargo loan officers deceived subprime borrowers about the inclusion and significance of onerous prepayment penalties in the terms and conditions of their loans. Jacobson Decl. ¶ 13; Paschal

Decl. ¶ 15. The prepayment penalties typically made it difficult for borrowers to refinance into new and better loans. Jacobson Decl. ¶ 13. Loan officers were encouraged by Wells Fargo trainers not to tell applicants about the prepayment penalties. Paschal Decl. ¶ 15. When the subject was raised, loan officers told borrowers that prepayment penalties could be waived, even though they could not be, or otherwise downplayed their significance. Jacobson Decl. ¶ 13; Paschal Decl. ¶ 15.

69. Jacobson describes another abusive subprime lending practice which some Wells Fargo subprime loan officers implemented by intentionally falsifying loan files so that they could make loans to borrowers who could not afford them. Loan officers falsified applications by cutting and pasting the credit report or income documentation of borrowers who had been approved in the past into the file of applicants who would otherwise not qualify for a loan. Jacobson Decl. ¶ 18. These tactics made the applicants appear to the underwriters to satisfy the qualifications for subprime loans even though the loan officers knew that they did not. *Id.* Jacobson reported this conduct to management but is not aware of any corrective action that was taken. *Id.* ¶¶ 18, 31. Foreclosures are a predictable result of this practice.

70. Wells Fargo also qualified adjustable rate subprime loans “with the assumption that the borrower would pay the teaser rate for the full life of the loan even though this lower rate only applied during the first two or three years of the loan.” Jacobson Decl. ¶ 16. Foreclosures are a predictable result of this practice.

71. Wells Fargo also used mortgage brokers and listing agents to target African Americans and African-American neighborhoods in Baltimore and Prince George’s County and to engage in the other abusive lending practices described by Jacobson and Paschal. A declaration from Peter Hebert, a mortgage broker whose company worked for Wells Fargo,

demonstrates that Wells Fargo used brokers and agents in this inappropriate and unlawful fashion. *See* Attach C. These brokers and listing agents are Wells Fargo's agents and Wells Fargo is responsible for their acts and omissions.

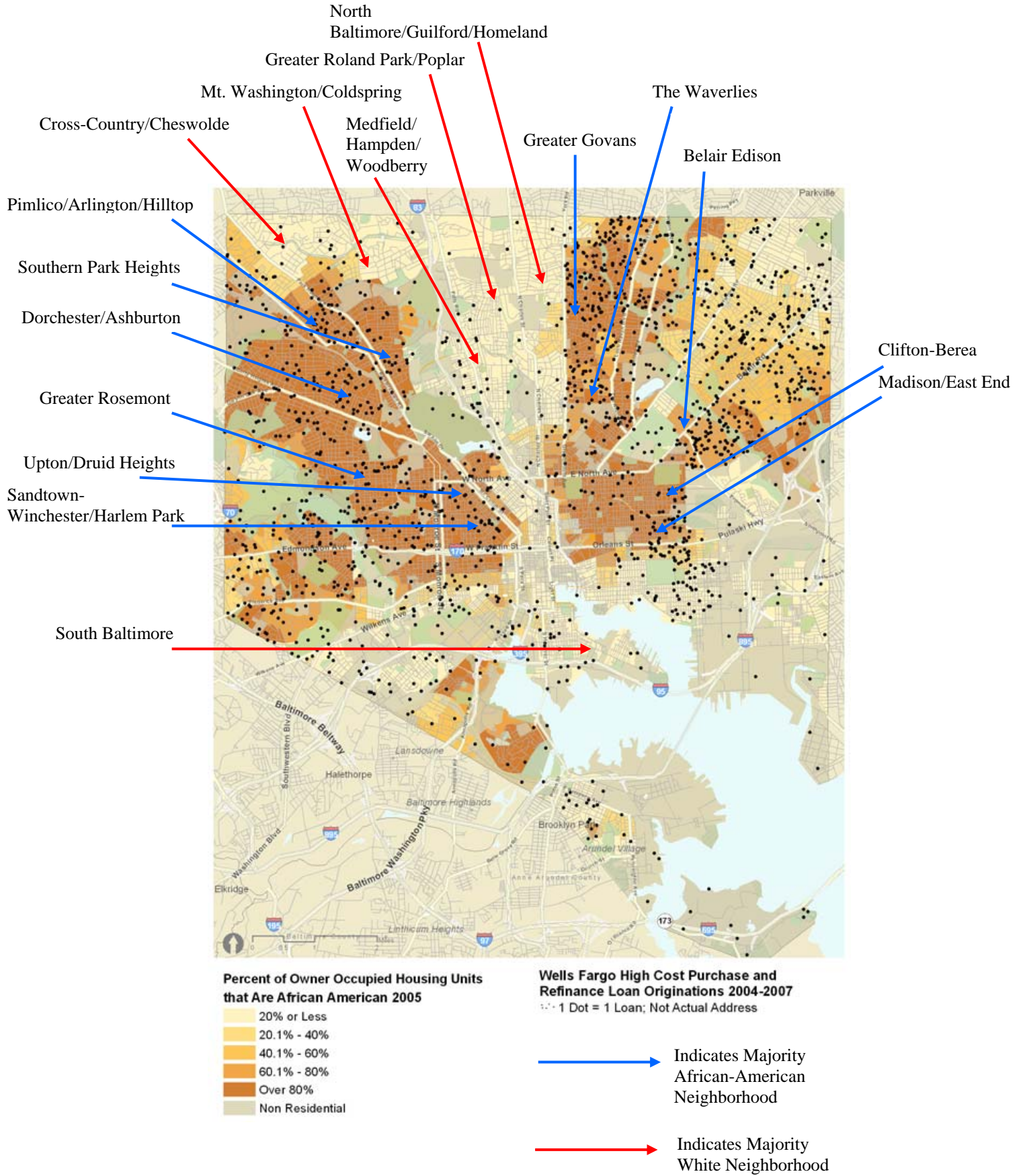
**2. Publicly Available Home Mortgage Disclosure Act Data Shows that Wells Fargo's High-Cost Loans are Disproportionately Located in African-American Neighborhoods in Baltimore**

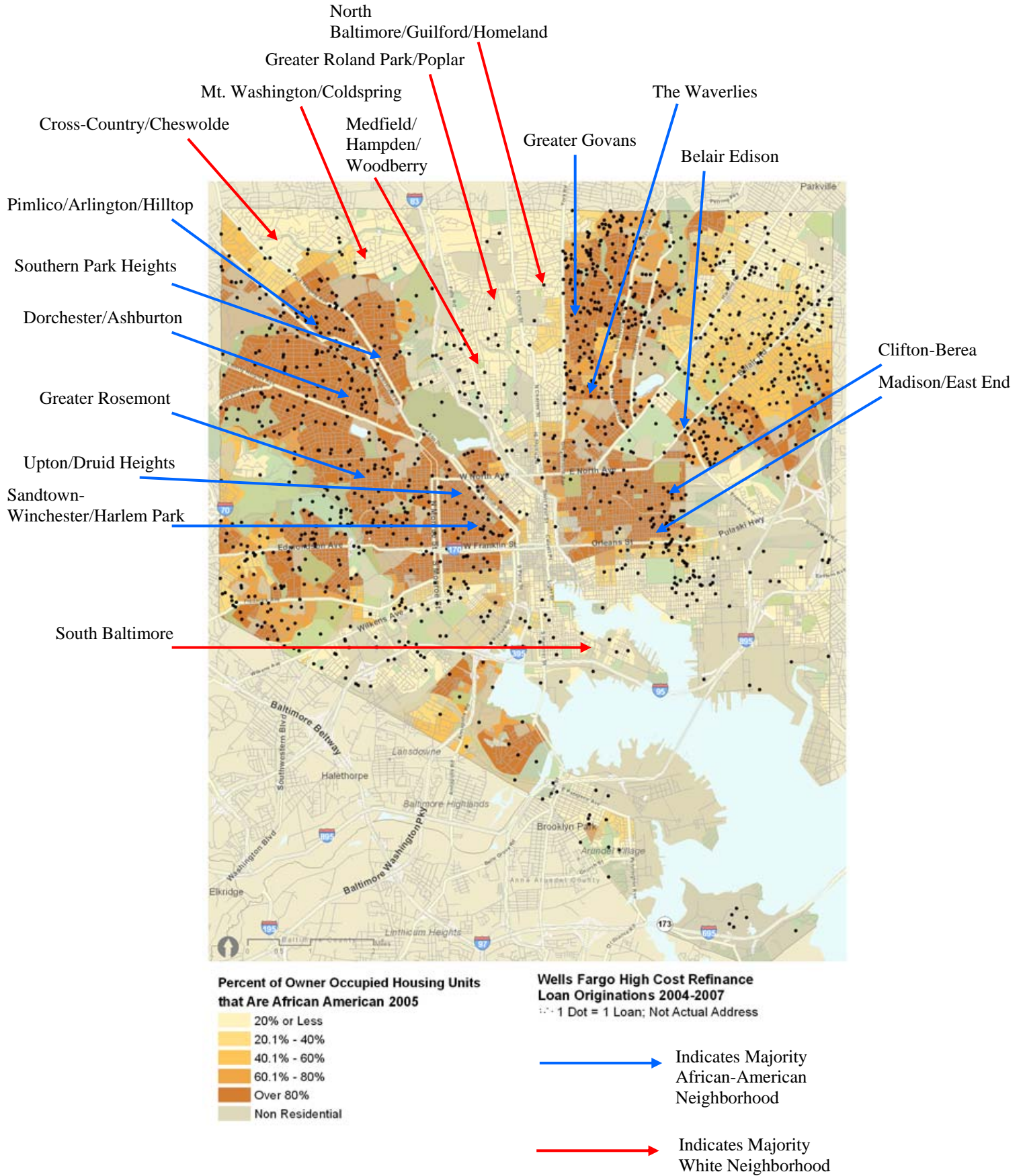
72. Publicly available data reported by Wells Fargo to federal regulators pursuant to the Home Mortgage Disclosure Act shows that in 2007, Wells Fargo made high-cost loans (*i.e.*, loans with an interest rate that was at least three percentage points above a federally-established benchmark) to 43% of its African-American mortgage customers in Baltimore, but only to 9% of its white customers in Baltimore. In 2006, the respective rates were 65% and 15%; in 2005, the respective rates were 54% and 14%; in 2004, the respective rates were 31% and 10%. The proportion of refinance loans that are high cost is especially pronounced. In 2004, 2005, 2006, and 2007, a Wells Fargo refinance loan to an African-American borrower was 3.2 times more likely to be high cost than a refinance loan to a white borrower.

73. Racial disparities in the pricing of Wells Fargo's mortgage loans are confirmed by a study released this year, which also found that the disparity actually increased at higher income levels. National People's Action, *The Truth About Wells Fargo: Irresponsible Lending and African Americans* (2009) at 2 (available at <http://www.npa-us.org/downloads/truthaboutwellsfargo.pdf>).

74. The maps that follow show the geographic distribution of high-cost loans in African-American and white neighborhoods in Baltimore. These maps demonstrate that Wells Fargo's high-cost loans are disproportionately located in Baltimore's African-American

neighborhoods, including, among others, Sandtown-Winchester/Harlem Park, Upton/Druid Heights, Dorchester/Ashburton, and Madison/East End.





75. The fact that high-cost loans involving all of Wells Fargo's loan products are more heavily concentrated in Baltimore's African-American neighborhoods is consistent with the practice of reverse redlining and, upon information and belief, has contributed significantly to the disproportionately high rates of foreclosure in Baltimore's African-American communities. Within the subset of high-cost loans, however, the fact that a disproportionately large percentage of Wells Fargo's high-cost loans in African-American neighborhoods are refinance loans is particularly significant, for it is both consistent with and indicative of a deceptive and predatory subprime practice that involves encouraging minority borrowers who already have loans to refinance at excessive cost with little benefit. This increases the likelihood of foreclosure and, upon information and belief, has contributed to the disproportionately high rate of foreclosures in Baltimore's African-American communities.

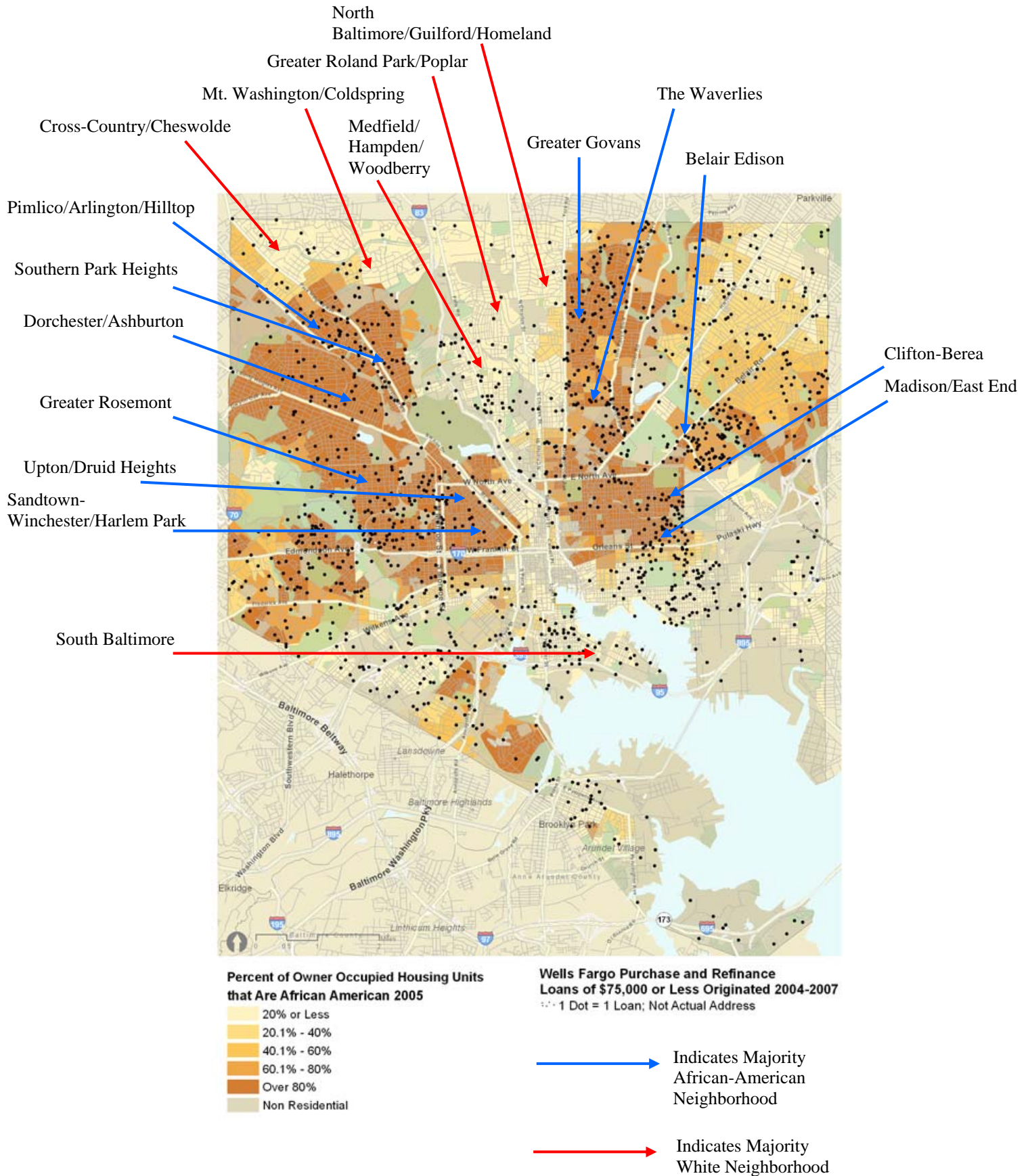
**3. Wells Fargo's Pricing Sheets Show that It Targets Homes that Are More Likely to Be Located in African-American Neighborhoods for Interest Rate Increases, and Lowers Rates for Homes that Are Disproportionately Located in White Neighborhoods**

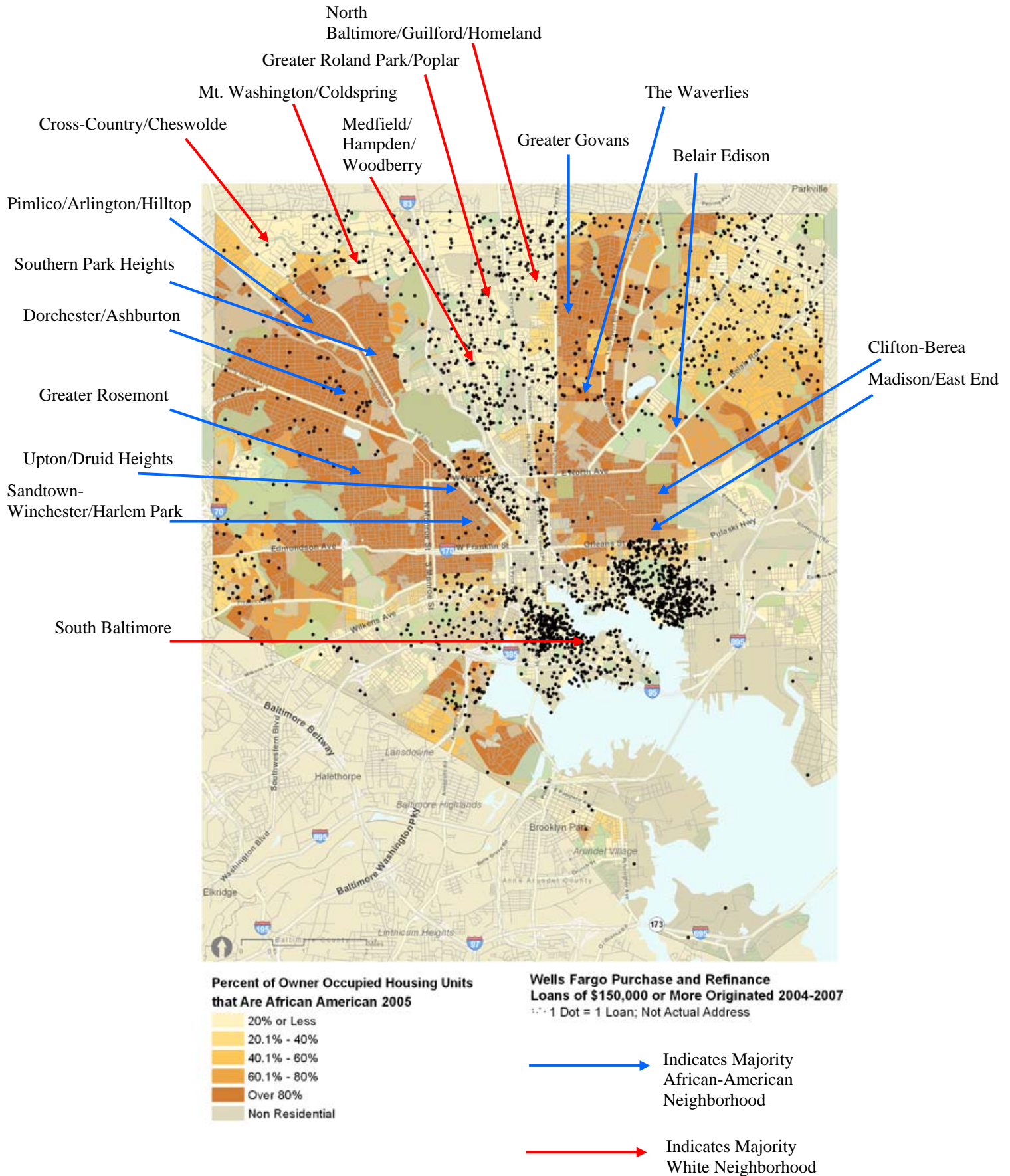
76. One reason that residents of Baltimore's African-American neighborhoods are more likely to pay higher prices for Wells Fargo loans than residents of Baltimore's white neighborhoods is the discriminatory pricing found on its pricing sheets. As set forth explicitly on the Wells Fargo Home Mortgage 2005 pricing sheet, attached as Attachment D, Wells Fargo requires a 50 basis point increase in the loan rate for loans of \$75,000 or less, a 12.5 basis point decrease for loans of \$150,000 to \$400,000, and a 25 basis point decrease for loans larger than \$400,000. This means that a borrower with a \$75,000 thirty-year fixed rate loan who qualifies for an 8% interest rate instead receives an 8.5% interest rate, which costs an extra \$9,493 over the life of the loan. An equally creditworthy borrower with a \$150,000 loan receives a 7.875%

interest rate, which costs \$4,698 less than an 8% loan. A similarly qualified borrower with a \$400,001 loan would receive a 7.75% interest rate, which costs \$24,987 less than an 8% loan.

77. The Fannie Mae Foundation has likewise documented how modest interest rate disparities can cause dramatic financial consequences for borrowers steered into higher-cost loans. James H. Carr and Jenny Schuetz, Fannie Mae Foundation, *Financial Services in Distressed Communities: Framing the Issue, Finding Solutions* (2001) at 12-13 (available at <http://www.cra-nc.org/financial.pdf>) (1% increase in interest rate on 30-year \$81,000 mortgage translates into loss of over \$78,000 in wealth due to increased payments and lost investment opportunity).

78. Wells Fargo's pricing rules have a clear and foreseeable disproportionate adverse impact on African-American borrowers. As demonstrated by the maps that follow, loans originated by Wells Fargo in Baltimore from 2004 through 2007 in the amount of \$75,000 and less were almost three times as likely to be in census tracts where the population is predominantly African-American than in tracts where the population is predominantly white. By contrast, loans originated by Wells Fargo in Baltimore of more than \$150,000 were 3.25 times as likely to be in tracts that are predominantly white than in tracts that are predominantly African-American.





79. Upon information and belief, the discriminatory pricing reflected in Wells Fargo's pricing sheets is consistent with unfair practices associated with reverse redlining and has contributed significantly to the disproportionately large number of foreclosures found in Baltimore's African-American communities.

**4. Investigation of Wells Fargo's Pricing Practices in Philadelphia Further Demonstrates the Company Is Targeting the African-American Community for Unfair and Improper Lending Practices**

80. Discriminatory pricing observed in Wells Fargo's loan data in Baltimore is consistent with findings drawn from data obtained in litigation brought against Wells Fargo in Philadelphia. An expert report in a pending lawsuit based on Wells Fargo's Philadelphia loans concluded that "African American borrowers, and borrowers residing in African American neighborhoods (*i.e.*, census tracts), pay more than comparable non-African Americans and residents of communities in which White people predominate." Aff. of I. Goldstein, *Walker v. Wells Fargo Bank, N.A.*, No. 05-cv-6666 (E.D. Pa. July 20, 2007) at ¶ 7 (Docket No. 24, Attach. 1).

81. Upon information and belief, Wells Fargo's pricing practices in Philadelphia are consistent with its practices in Baltimore, and provide further evidence that the company is engaged in a pattern or practice of unfair lending that contributes significantly to the disproportionately high rate of foreclosure found in Baltimore's African-American neighborhoods.

**5. Wells Fargo Underwrites Adjustable Rate Loans in Baltimore's African-American Neighborhoods that Borrowers Cannot Afford**

82. Wells Fargo frequently originates "3/27" adjustable rate mortgages, and frequently originated "2/28" adjustable rate mortgages until mid-2007, to borrowers from predominantly African-American neighborhoods in Baltimore. Thirty-four percent of Wells

Fargo's foreclosures from 2000 to 2008 involved such loans. Unless properly underwritten, such loans are destined to fail.

83. Wells Fargo does not properly underwrite these loans when made to African Americans and in African-American neighborhoods. Wells Fargo does not adequately consider the borrowers' ability to repay these loans, especially after the teaser rate expires and the interest rate increases. The fact that these loans would result in delinquency, default and foreclosure for many borrowers was, or should have been, clearly foreseeable to Wells Fargo at the time the loans were made.

84. Most of the loans that Elizabeth Jacobson made were adjustable rate mortgages. Jacobson Decl. ¶ 13. Jacobson confirms in her declaration that Wells Fargo underwrites these loans as if the teaser rate will apply for the full life of the loan instead of considering the borrowers' ability to repay the loan after the teaser rate expires in two or three years. *Id.* ¶ 16.

85. The use of "2/28" and "3/27" adjustable rate mortgages in the manner described above is consistent with the practice of reverse redlining, has subjected African-American borrowers to unfair and deceptive loan terms, and has contributed significantly to the high rate of foreclosure found in Baltimore's African-American neighborhoods.

**6. The Caps on Wells Fargo's Adjustable Rate Loans Are Higher in African-American Neighborhoods**

86. Upon information and belief, Wells Fargo has discretion to apply different caps on adjustable rate loans. The cap is the maximum rate that a borrower can be charged during the life of an adjustable rate loan.

87. The average cap on a Wells Fargo adjustable rate loan that was subject to foreclosure in 2005 or 2006 in predominantly African-American neighborhoods was 14.13%. The cap on such loans in predominantly white neighborhoods was only 13.61%.

88. The disparity observed in caps imposed on adjustable rate loans in predominantly African-American neighborhoods and predominantly white neighborhoods further demonstrates that Wells Fargo is engaged in a pattern or practice of unfair and improper lending in Baltimore's African-American communities that contributes significantly to the high rate of foreclosure in these neighborhoods.

**7. Wells Fargo's Loans to African Americans Result in Especially Quick Foreclosures**

89. A comparison of the time from origination to foreclosure of Wells Fargo's loans in Baltimore shows a marked disparity with respect to the speed with which loans to African Americans and whites move into foreclosure. The average time to foreclosure for African-American borrowers is 1.27 years. With white borrowers it is 1.45 years, or 14% longer.

90. This disparity in time to foreclosure is further evidence that Wells Fargo is engaged in lending practices consistent with reverse redlining. As with all of the practices identified in paragraphs 46-88 above, and like the abusive practices identified in paragraphs 27 and 35 above, the disparity in time to foreclosure demonstrates that Wells Fargo is engaged in irresponsible underwriting in African-American communities that does not serve the best interests of borrowers. If Wells Fargo were applying the same underwriting practices in Baltimore's African-American and white neighborhoods, there would not be a significant difference in time to foreclosure. Were Wells Fargo underwriting borrowers in both communities with equal care and attention to proper underwriting practices, borrowers in African-American communities would not find themselves in financial straits significantly sooner during the lives of their loans than borrowers in white communities. The faster time to foreclosure in African-American neighborhoods is consistent with underwriting practices in the

African-American community that are less concerned with determining a borrower's ability to pay and qualifications for the loan than they are in maximizing short-term profit.

91. The HUD/Treasury Report confirms that time to foreclosure is an important indicator of predatory practices. Citing Baltimore specifically, HUD and Treasury stated that “[t]he speed with which the subprime loans in these communities have gone to foreclosure suggests that some lenders may be making mortgage loans to borrowers who did not have the ability to repay those loans at the time of origination,” and that “lenders should not lend to borrowers that do not have the capacity to repay the loans that the lender offers.” HUD/Treasury Report at 25.

92. The difference in time to foreclosure in Baltimore's African-American and white neighborhoods is especially important because foreclosures occur more quickly in Baltimore than in neighboring jurisdictions, including Philadelphia and New Castle County, Delaware (which includes Wilmington). This means that the injuries that result from foreclosures in Baltimore are compounded, and therefore grow, at a faster pace.

**INJURY TO BALTIMORE CAUSED BY WELLS  
FARGO'S DISCRIMINATION IN MORTGAGE LENDING**

93. Baltimore has suffered financial injuries as a direct result of Wells Fargo's pattern or practice of reverse redlining and the resulting disproportionately high rate of foreclosure on Wells Fargo loans to African Americans and in Baltimore's majority African-American neighborhoods. Baltimore seeks redress for these injuries. The City does not seek redress in this action for injuries resulting from foreclosures on mortgages originated by lenders that are not associated with Wells Fargo.

94. Wells Fargo continues to engage in the discriminatory pattern or practice described herein with similar and continuing deleterious consequences to the City.

95. In accordance with the Court's January 6, 2010 ruling on Wells Fargo's motion to dismiss, the City has narrowed the damages it seeks in this Third Amended Complaint to damages based on (1) municipal services provided at vacant Wells Fargo foreclosure properties that became vacant because of Wells Fargo's illegal lending practices; and (2) reduced property tax revenues from limited areas within particular neighborhoods where Wells Fargo's foreclosures constitute a disproportionately high concentration of all foreclosures.

96. Wells Fargo's discriminatory lending practices, described above, include steering borrowers into loans that are more onerous than loans for which they qualify and giving loans to people who do not qualify for them. These practices cause foreclosures and vacancies that injure the City.

97. Steering borrowers into loans that are less advantageous than loans for which they qualify, including steering borrowers who qualify for prime loans into subprime loans, can cause foreclosures because the borrowers are required to make higher loan payments. The difference between what a borrower who is steered in this manner must pay and the lower amount for which the borrower qualified can cause the borrower to be unable to make payments on the mortgage. In such instances, the borrower would have continued to make payments on the mortgage and remained in possession of the premises had Wells Fargo made the loan without improperly steering the borrower into a subprime, or less advantageous loan. Steering borrowers in this manner, therefore, causes foreclosures and vacancies.

98. Giving a loan to an applicant who does not qualify for the loan, especially a refinance or home equity loan, can also cause foreclosures and vacancies. Some homeowners live in properties that they own subject to no mortgage. Other homeowners live in properties with modest mortgages that they can comfortably afford to pay. Where a lender, such as Wells

Fargo, solicits such a homeowner to take out a home equity loan on their property, or alternatively, to refinance their existing loan into a larger loan without properly underwriting them to assure that they can make the monthly payments for the new, larger loan, the result is plausibly and likely to be that the borrower will be unable to make payments on the mortgage. This is particularly true where the borrower is refinanced from a fixed rate loan into an adjustable rate loan that the lender knows the borrower cannot afford should interest rates rise. In some instances the lender may refinance the borrower into a new loan that the lender knows the borrower cannot sustain given the borrowers present debt obligations and financial resources. In such circumstances, the plausible and likely result of such practices is to cause homeowners who are otherwise occupying properties without a mortgage, or comfortably making payments on a modest existing mortgage, to be unable to make payment on a new, unaffordable loan. This, in turn, causes foreclosures and vacancies. If these unaffordable refinance and home equity loans had not been made, the subject properties would not have become vacant and would have remained occupied during the period for which the City claims damages in this Complaint.

99. Lenders use different methods to encourage borrowers to agree to take refinance loans or home equity loans that they do not need and cannot afford. One way is to solicit homeowners for “cash out” refinance loans in which the homeowner receives money to make home improvements or for other purposes. This increases the amount of money that the borrower must pay back. Lenders encourage existing homeowners to borrow more cash secured by their homes than they want, need, or can afford.

100. Another way is for the lender to solicit homeowners to consolidate unsecured debts, such as credit card debts or auto loans, into a refinanced mortgage or a home equity loan. This also increases the amount of money that must be repaid for the borrower to retain the house.

101. In making these loans, lenders solicit homeowners to take out a new loan at a higher interest rate than they are currently paying or at a rate they cannot afford. This allows the lender to charge more points and fees at the time of closing and increases the lender's profit margin on the loan.

102. Lenders also "roll" points and fees charged for a refinance loan or a home equity loan into the loan principal, which increases the amount owed by the borrower.

103. Lenders underwrite adjustable rate refinance loans based only on the "teaser" rate and without regard to whether the borrower will be able to afford the loan after the teaser rate expires. In many cases, the lender refinances the borrower from a stable fixed rate loan product into an adjustable rate loan with an initial low teaser rate, knowing that the borrower will not be able to afford the loan after the teaser rate expires and the rate increases.

104. All of these practices can cause borrowers' monthly mortgage payments to increase, whether by increasing the overall size of the debt secured by their home, increasing the interest rate, or both. Lenders have the underwriting tools and indicators – such as credit scores, debt-to-income ratios, and loan-to-value ratios – to predict with great accuracy whether the increase is too much for the borrower to afford. When lenders engage in these practices without regard to whether borrowers qualify for and can afford a refinance loan or a home equity loan based on proper underwriting criteria, it causes borrowers who could afford their old mortgage loans or had no mortgage at all to be saddled with new mortgage loans that they cannot afford. These practices cause foreclosures and vacancies at properties that would not be vacant had the offending loans not been made.

105. Lenders engaged in the practices described in paragraphs 98-104 above in many instances should not be making loans to the borrowers targeted for these practices because these

borrowers do not have the credit rating or otherwise satisfy the necessary underwriting qualifications to take on additional debt.

106. Lenders engaged in the practices described in paragraphs 98-104 above in many instances should not be making adjustable rate loans to the borrowers targeted for these practices because these borrowers do not have the credit rating or otherwise satisfy the necessary underwriting qualifications to handle the potential increase in monthly payments that may result from an adjustable rate loan.

107. Loan data analyzed by the City shows that in numerous instances, Wells Fargo gave cash-out or debt consolidation refinance or home equity loans to owners of occupied properties at issue in this Complaint that significantly increased the borrower's mortgage debt and/or replaced the borrower's fixed rate loan with an adjustable rate loan. These practices are consistent with Elizabeth Jacobson's testimony, described in paragraph 69 above, that Wells Fargo gave loans to borrowers who did not qualify for and could not afford them.

108. Investigation in this case involving limited instances where the City has been able to identify and contact borrowers has shown that Wells Fargo has engaged in at least some of the practices identified in paragraphs 98-104 above at properties located in Baltimore's African-American neighborhoods which are the subject of this lawsuit. Investigation has shown that Wells Fargo encouraged borrowers to refinance and take more cash out of their homes than they wanted, needed, or could afford, even if the house was owned debt-free before the Wells Fargo loan. These constitute loans that Wells Fargo knew or should have known the borrower could not afford and that should not have been made. At properties where this type of loan was made, the property was occupied prior to the time Wells Fargo made the loan and the Wells Fargo loan caused the property to become vacant. Had the loan not been made, the property would have

remained occupied.

109. Investigation has also shown that Wells Fargo encouraged borrowers to refinance into adjustable rate loans with payments that increased over time. Wells Fargo did not apply appropriate underwriting criteria to avoid making these loans to unqualified borrowers. These also constitute loans that Wells Fargo knew or should have known the borrower could not afford and that should not have been made. At properties where these loans were made, the property was occupied prior to the time Wells Fargo made the loan and the Wells Fargo loan caused the property to become vacant. Borrowers targeted for these practices could have avoided foreclosure if Wells Fargo had not made the loan to them. By targeting such practices at owners of occupied properties identified in this Complaint, Wells Fargo has caused increased foreclosures and vacancies in Baltimore's African-American neighborhoods.

**A. Baltimore Has Been Injured By Having to Provide Costly Municipal Services at Specifically Identified Properties in African-American Neighborhoods that Have Become Vacant as a Direct Result of Discriminatory Loans Originated By Wells Fargo**

110. As alleged in paragraphs 33 through 92 above, Wells Fargo's discriminatory practices have resulted in disproportionate rates of foreclosure and notices of foreclosure for Baltimore's African-American neighborhoods and African-American borrowers because Wells Fargo's lending practices have put these targeted borrowers in discriminatory loans that they cannot afford or make timely payment on. These foreclosure notices result in high and unnecessary rates of vacancy at Wells Fargo properties. Of the 640 foreclosure notices for Wells Fargo loans in Baltimore from 2000 through 2009 of which the City is currently aware, 486 (76%) are in majority African-American neighborhoods. Vacancies resulting from these 640 foreclosures are also heavily concentrated in majority African-American neighborhoods. In

majority African-American neighborhoods, 270 of the Wells Fargo foreclosure properties became vacant after Wells Fargo made the loan.

111. Vacant Wells Fargo foreclosure properties have caused direct costs to the City because the City has been required to provide a multitude of increased municipal services at the properties. These services would not have been necessary if the properties were occupied.

112. Vacant Wells Fargo foreclosure properties have resulted in violations of Baltimore's municipal housing code. The City's housing department has had to respond to these violations. The housing department's responses have required substantial personnel time and out-of-pocket costs. Among other things, the City has had to inspect the vacant properties; board the vacant properties that are open to casual entry; collect garbage at the vacant properties; cut high grass and weeds at the vacant properties; take legal action to prosecute the housing code violations at the vacant properties; condemn the vacant properties that are not structurally sound and that threaten public safety; and make structural repairs to stabilize vacant properties that threaten public safety.

113. The City's fire department has had to send personnel and fire trucks to vacant Wells Fargo foreclosure properties to respond to fire hazards and other public health and safety threats that arise at these properties because the properties are vacant.

114. The City's police department has likewise had to send personnel and police vehicles to vacant Wells Fargo foreclosure properties to respond to public health and safety threats that arise at these properties because the properties are vacant.

115. Other City departments have had to devote personnel and incur costs to address other types of problems arising at specific vacant Wells Fargo foreclosure properties, such as vermin infestation, burst water pipes, and more. The City also has administrative costs

associated with the provision of increased municipal services at vacant Wells Fargo foreclosure properties.<sup>3</sup>

116. The municipal services that the City has had to provide at the vacant Wells Fargo foreclosure properties – inspecting, boarding, cleaning, cutting grass and weeds, prosecuting, condemning, sending fire personnel, sending police personnel, and more – have been recorded, have costs that can be measured precisely, and are expensive.

117. Each of the Wells Fargo properties specifically identified in paragraphs 119 through 308 below became vacant because of Wells Fargo's discriminatory lending practices and the foreclosures that are the direct result of those practices. Baltimore has been required to provide increased municipal services at these properties. Each of the municipal services provided by Baltimore at every vacant Wells Fargo foreclosure property is described in the paragraphs immediately below.<sup>4</sup>

118. The costs to the City of taking each of the actions listed for each vacant Wells Fargo foreclosure property below constitute specific damages suffered by the City because of Defendants' illegal lending practices. Baltimore will have to continue to provide these and other municipal services at these properties in the future, particularly with respect to the 138 that remain vacant.

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<sup>3</sup> A study commissioned by the Homeownership Preservation Foundation confirms that these types of costs are caused by foreclosures and vacancies and that they can be discerned and calculated precisely. *See* W. Apgar, M. Duda & R. Gorey, *The Municipal Costs of Foreclosures: A Chicago Case Study* (Feb. 27, 2005) at 24-26 (available at <http://www.nw.org/network/neighborworksProgs/foreclosuresolutions/documents/2005Apgar-DudaStudy-FullVersion.pdf>). The study isolated twenty-six types of costs incurred by fifteen government agencies in response to foreclosures in Chicago. It then analyzed the amount of each cost based on different foreclosure scenarios, such as whether the home is left vacant, whether and to what degree criminal activity ensues, and whether the home must be demolished. The study found that the total costs ran as high as \$34,199 per foreclosure.

<sup>4</sup> In the course of discovery, the City will identify additional services that it has provided at these properties. It will also identify additional vacant Well Fargo foreclosure properties in African-American neighborhoods where it has been required to provide increased municipal services.

119. **1804 N. Carey Street:** The housing department devoted personnel time to conduct one physical inspection of the property in 2006, one physical inspection of the property in 2007, and an additional physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2006 in response to a call for service.

120. **1501 N. Payson Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property once in 2002, twice in 2004, once in 2006, and once in 2007 in response to calls for service. The fire department dispatched a vehicle and personnel to the property in response to a call for service in 2004. The fire department dispatched a fire truck, a fire engine, a medical vehicle, a Battalion Chief vehicle, and eleven personnel to the property in response to a call for service in 2006.

121. **1417 W. Lombard Street:** The police department dispatched officers to the property in 2006 in response to a call for service.

122. **624 Scott Street:** The police department dispatched officers to the property in 2003 and again in 2004 in response to calls for service.

123. **1833 E. North Avenue:** The housing department devoted personnel time to conduct one physical inspection of the property in 2006 and two physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property twice in 2007 and three times in 2008 in response to calls for service. The fire

department dispatched a vehicle and personnel to the property in response to a call for service in 2004. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2006.

124. **3025 E. Federal Street:** The housing department devoted personnel time to conduct one physical inspection of the property in 2007 and fifteen physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property six times. The police department dispatched officers to the property in 2008 in response to calls for service.

125. **2116 E. Biddle Street:** The housing department devoted personnel time to conduct two physical inspections of the property in 2003 and an additional physical inspection of the property in 2007. The police department dispatched officers to the property twice in 2003, twice in 2006, six times in 2007, and once in 2008 in response to calls for service. The fire department dispatched a fire truck, two medical vehicles, and seven personnel to the property in response to a call for service in 2008.

126. **2825 E. Chase Street:** The police department dispatched officers to the property in 2003 in response to a call for service.

127. **2908 E. Monument Avenue:** The housing department devoted personnel time to conduct one physical inspection of the property in 2005, one physical inspection of the property in 2006, and an additional physical inspection of the property in 2008. The police department dispatched officers to the property three times in 2004, once in 2007, once in 2008, and five times in 2009 in response to calls for service.

128. **1909 Jefferson Street:** The police department dispatched officers to the property in 2008 in response to calls for service.

129. **240 N. Rose Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2004 and to reboard the property later in the same year. The housing department devoted additional time and expense to reboard the property in 2006 and again in 2007. The housing department devoted personnel time to clean the property in 2004 and again in 2006. The housing department devoted personnel time to conduct seven physical inspections of the property in 2004; one physical inspection of the property in 2005; four physical inspections of the property in 2006, five physical inspections of the property in 2007, one physical inspection of the property in 2008, and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property twice in 2005 in response to calls for service.

130. **145 N. Potomac Street:** The housing department devoted personnel time to conduct four physical inspections of the property in 2004, one physical inspection of the property in 2005, one physical inspection of the property in 2007, and one physical inspection of the property in 2008. The police department dispatched officers to the property in 2004 and again in 2007 in response to a call for service.

131. **6 N. Abington Avenue:** The housing department devoted personnel time to clean the property three times in 2008. The housing department devoted personnel time to conduct one physical inspection of the property in 2006, nine physical inspections of the property in 2008, and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property in 2005 and again in 2008 in

response to calls for service. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2009.

132. **433 Gwynn Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2005, one physical inspection of the property in 2006, one physical inspection of the property in 2007, and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property four times in 2006 and three times in 2009 in response to calls for service. The fire department dispatched a fire truck, two fire engines, and twelve personnel to the property in response to a call for service in 2006. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2007. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2008. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2009. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to another call for service in 2009.

133. **328 Allendale Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2005. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2007 and again in 2008 in response to calls for service.

134. **114 Allendale Street:** The housing department devoted personnel time to conduct two physical inspections of the property in 2005. The housing department devoted

personnel time to preparing for and/or taking legal action regarding housing code violations at the property.

135. **2136 Presstman Street:** The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property.

136. **1225 Poplar Grove Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2005. The housing department devoted additional time and expense to reboard the property two times in 2006. The housing department devoted personnel time to clean the property once in 2005, twice in 2006, and once in 2007. The housing department devoted personnel time to conduct seven physical inspections of the property in 2006, seven physical inspections of the property in 2007, and three physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property once in 2007, five times in 2008, and once in 2009 in response to calls for service.

137. **2828 Brighton Street:** The police department dispatched officers to the property in 2003 in response to a call for service.

138. **1703 N. Ellamont Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007. The housing department devoted additional time and expense to reboard the property in 2008. The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct eleven physical inspections of the property in

2007, three physical inspections of the property in 2008, and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property nine times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property twice in 2007 in response to calls for service. The fire department dispatched a vehicle and personnel to the property in response to a call for service in 2005. The fire department dispatched a fire truck and four personnel to the property in response to a call for service in 2007.

139. **618 Wildwood Parkway:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006. The housing department devoted personnel time to clean the property twice in 2006. The housing department devoted personnel time to conduct four physical inspections of the property in 2006, two physical inspections of the property in 2007, and one physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

140. **705 N. Augusta Drive:** The housing department devoted personnel time to conduct four physical inspections of the property in 2006, and three physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property three times in 2007, once in 2008, and three times in 2009 in response to calls for service.

141. **315 Marydell Road:** The housing department devoted personnel time to conduct two physical inspections of the property in 2007 and two physical inspections of the property in

2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property five times in 2007 and twice in 2008 in response to calls for service. The fire department dispatched two fire trucks, five fire engines, a medical vehicle, two Battalion Chief vehicles, a safety officer vehicle, and thirty-three personnel to the property in response to a call for service in 2008.

142. **2714 W. North Avenue:** The police department dispatched officers to the property in 2005 in response to a call for service.

143. **2101 Bryant Avenue:** The police department dispatched officers to the property three times in 2002 in response to calls for service.

144. **2505 Keyworth Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2003.

145. **2419 Woodbrook Avenue:** The housing department devoted personnel time to conduct five physical inspections of the property in 2004, five physical inspections of the property in 2005, and three physical inspections of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property seven times.

146. **1919 Perlman Place:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006 and to reboard the property later in the same year. The housing department devoted additional time and expense to reboard the property twice in 2007 and three times in 2009. The housing department devoted personnel time to clean the property twice in 2006, twice in 2007, three times in 2008, and once in 2009. The housing department devoted personnel time to conduct two physical

inspections of the property in 2002, two physical inspections of the property in 2003, four physical inspections of the property in 2004, five physical inspections of the property in 2006, five physical inspections of the property in 2007, four physical inspections of the property in 2008, and seven physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times. The housing department devoted personnel time to inspect and condemn the property in 2002. The police department dispatched officers to the property twice in 2002, once in 2004, twice in 2005, once in 2006, and once in 2007 in response to calls for service.

147. **2808 Clifton Park Terrace:** The housing department devoted personnel time to conduct two physical inspections of the property in 2005 and two physical inspections of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property twice in 2005 and four times in 2006 in response to calls for service.

148. **1331 Pentridge Road:** The housing department devoted personnel time to conduct one physical inspection of the property in 2001 and one physical inspection of the property in 2003. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

149. **1717 Northbourne Road:** The housing department devoted personnel time to conduct three physical inspections of the property in 2004. The police department dispatched officers to the property twice in 2004 in response to calls for service.

150. **3212 Chesterfield Avenue:** The police department dispatched officers to the property in 2007 and again in 2008 in response to calls for service. The fire department

dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2008.

151. **3228 Kentucky Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2002. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

152. **5315 Liberty Heights Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2009.

153. **5368 Cordelia Avenue:** The housing department devoted personnel time to clean the property in 2004. The housing department devoted personnel time to conduct three physical inspections of the property in 2004.

154. **1947 W. Mosher Street:** The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2009. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2010.

155. **535 N. Brice:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to clean the property twice in 2007, once in 2008, twice in 2009, and once in 2010. The housing department devoted personnel time to conduct eight physical inspections of the property in 2007, nine physical inspections of the property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2007 and again in 2008 in response to calls for service.

156. **534 Carrollton Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2008 and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property in 2008 in response to a call for service.

157. **506 Arlington Avenue:** The housing department devoted personnel time to conduct one physical inspection of the property in 2007 and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times. The fire department dispatched a fire truck, a fire engine, a Hazmat wagon, and nine personnel to the property in response to a call for service in 2005.

158. **1108 W. Fayette Street:** The housing department devoted personnel time to clean the property twice in 2008. The housing department devoted personnel time to conduct three physical inspections of the property in 2006, four physical inspections of the property in 2007, ten physical inspections of the property in 2008, and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

159. **1719 Hollins Street:** The housing department devoted personnel time to conduct four physical inspections of the property in 2008 and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding

housing code violations at the property. The police department dispatched officers to the property in 2008 in response to a call for service.

160. **1721 Lemmon Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2006. The police department dispatched officers to the property in 2008 and again in 2009 in response to calls for service.

161. **113 Gilmor Street:** The police department dispatched officers to the property four times in 2007 and once in 2008 in response to calls for service.

162. **1231 W. Lombard Street:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct a physical inspection of the property in 2008.

163. **435 Furrow Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007. The housing department devoted personnel time to conduct one physical inspection of the property in 2004, seven physical inspections of the property in 2006, and six physical inspections of the property in 2007. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property nine times in 2004, fourteen times in 2005, seven times in 2006, and six times in 2007 in response to calls for service. The fire department dispatched a fire engine, two medical vehicles, and seven personnel to the property in response to a call for service in 2007. The fire department dispatched a vehicle and personnel to the property in response to another call for service in 2007.

164. **1541 N. Woodyear Street:** The housing department devoted personnel time to clean the property in 2008 and again in 2009. The housing department devoted personnel time to

conduct one physical inspection of the property in 2007, five physical inspections of the property in 2008, and four physical inspections of the property in 2009. The police department dispatched officers to the property twice in 2007 and twice in 2008 in response to calls for service.

165. **417 Robert Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2007. The police department dispatched officers to the property three times in 2007 in response to calls for service.

166. **1611 Division Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007 and to reboard the property later in the same year. The housing department devoted personnel time to conduct three physical inspections of the property in 2006, five physical inspections of the property in 2007, nine physical inspections of the property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property once in 2006, six times in 2007, once in 2008, and once in 2009 in response to calls for service. The fire department dispatched a fire truck, two medical vehicles, and seven personnel to the property in response to a call for service in 2006.

167. **2214 Wilkens Avenue:** The housing department devoted personnel time to clean the property in 2007. The housing department devoted personnel time to conduct one physical inspection of the property in 2006, four physical inspections of the property in 2007, and two physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property in 2007 in response to a call for service.

168. **1126 Carroll Street:** The police department dispatched officers to the property in 2006 in response to a call for service.

169. **1602 E. Federal Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2008 and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2008 in response to a call for service.

170. **801 Arnold Court:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to clean the property twice in 2008 and three times in 2009. The housing department devoted personnel time to conduct two physical inspections of the property in 2007, nine physical inspections of the property in 2008, nine physical inspections of the property in 2009, and two physical inspections of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property in 2009 in response to a call for service.

171. **1719 N. Wolfe Street:** The housing department devoted personnel time to conduct one physical inspection of the property in 2005, one physical inspection of the property in 2006, and an additional physical inspection of the property in 2008.

172. **1724 E. Oliver Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to conduct one physical inspection of the property in 2007, three physical inspections of the property in 2008, and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property eight times. The police department dispatched officers to the property once in 2006, four times in 2007, and once in 2008 in response to calls for service. The fire department dispatched five fire engines, two fire trucks, a medical vehicle, a rescue vehicle, two Battalion Chief vehicles, a safety officer vehicle, and thirty-seven personnel to the property in response to a call for service in 2007. The fire department dispatched a fire truck and four personnel to the property in response to a call for service in 2008. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2009.

173. **2313 E. Federal Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009 and to reboard the property an additional three times later in the same year. The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2008, six physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property four times in 2008 in response to calls for service.

174. **2402 Llewelyn Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to conduct two physical inspections of the property in 2007, five physical inspections of the property in 2008, and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times. The police department dispatched officers to the property five times in 2007 in response to calls for service.

175. **2207 Preston Street:** The housing department devoted personnel time to conduct two physical inspections of the property in 2006. The police department dispatched officers to the property in 2006 in response to a call for service.

176. **905 Chester Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006. The housing department devoted additional time and expense to reboard the property in 2010. The housing department devoted personnel time to clean the property in 2006. The housing department devoted personnel time to conduct three physical inspections of the property in 2006, four physical inspections of the property in 2007, five physical inspections of the property in 2008, and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times. The police department dispatched officers to the property in 2007 in response to a call for service.

177. **2438 Ashland Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2008 and three physical inspections of the

property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

178. **923 N. Lakewood Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to conduct seven physical inspections of the property in 2008 and six physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property six times. The police department dispatched officers to the property in 2009 in response to a call for service.

179. **808 N. Lakewood Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted additional time and expense to reboard the property in 2009. The housing department devoted personnel time to clean the property in 2008 and again in 2009. The housing department devoted personnel time to conduct four physical inspections of the property in 2008 and nine physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property once in 2006, twice in 2007, and once in 2008 in response to calls for service. The fire department dispatched a fire truck and four personnel to the property in response to a call for service in 2008.

180. **710 N. Luzerne Avenue:** The police department dispatched officers to the property in 2006 in response to a call for service.

181. **631 Robinson Street:** The police department dispatched officers to the property in 2004 in response to a call for service.

182. **509 N. Robinson Street:** The police department dispatched officers to the property once in 2006 and twice in 2008 in response to calls for service.

183. **406 Belnord Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct five physical inspections of the property in 2007, two physical inspections of the property in 2008, and eight physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property eight times. The police department dispatched officers to the property three times in 2003, twice in 2004, twice in 2005, eleven times in 2006, once in 2007, six times in 2008, and three times in 2009 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2004. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2006. The fire department dispatched a vehicle and personnel to the property in response to another call for service in 2006. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a third call for service in 2006. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a fourth call for service in 2006. The fire department dispatched a fire engine, two medical vehicles, and seven personnel to the property in response to a fifth call for service in 2006. The fire department dispatched a vehicle and personnel to the property in response to a sixth call for service in 2006. The fire department dispatched a fire engine, two medical vehicles, and seven personnel to the property in response to a call for service in 2007. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call

for service in 2008. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to another call for service in 2008.

184.     **424 N. Linwood Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2007, four physical inspections of the property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property in 2007 in response to a call for service.

185.     **2600 Lehmann Street:** The housing department devoted personnel time to conduct one physical inspection of the property in 2006, two physical inspections of the property in 2008, and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property multiple times in 2005, multiple times in 2006, multiple times in 2007, multiple times in 2008, multiple times in 2009, and in 2010 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2009.

186.     **2528 W. Lombard Street:** The housing department devoted personnel time to conduct three physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property eight times in 2006 and seven times in 2007 in response to calls for service.

187.     **2506 W. Pratt Street:** The housing department devoted personnel time to clean the property in 2008 and again in 2009. The housing department devoted personnel time to

conduct two physical inspections of the property in 2008 and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property in 2008 in response to a call for service.

188. **3403 W. Caton Avenue:** The housing department devoted personnel time to conduct four physical inspections of the property in 2007 and five physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property in 2008 in response to a call for service.

189. **200 N. Hilton Street:** The housing department devoted personnel time to clean the property once in 2006, once in 2007, twice in 2008, and twice in 2009. The housing department devoted personnel time to conduct six physical inspections of the property in 2005, fourteen physical inspections of the property in 2006, seven physical inspections of the property in 2007, eleven physical inspections of the property in 2008, five physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property ten times. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2006. The fire department dispatched a fire engine, two medical vehicles, and eight personnel to the property in response to a call for service in 2007. The fire department dispatched a vehicle and personnel to the property in response to another call for service in 2007. The fire department dispatched a fire engine, two medical vehicles, and seven personnel to the property in response to a call for service in 2008. The fire department dispatched a fire engine and four personnel to the property

in response to another call for service in 2008. The fire department dispatched a fire truck, two medical vehicles, and seven personnel to the property in response to a call for service in 2009.

190. **3429 Edmondson Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2005 and two physical inspections of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property twenty-two times in 2004 in response to calls for service. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2005.

191. **2110 Baker Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct a physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property in 2008 and again in 2009 in response to calls for service.

192. **2835 Winchester Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008.

193. **1214 Dukeland Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009 and to reboard the property later in the same year. The housing department devoted personnel time to conduct eight physical inspections of the property in 2008 and four physical inspections of the

property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times.

194. **2911 Brighton Street:** The housing department devoted personnel time to conduct two physical inspections of the property in 2007. The police department dispatched officers to the property twice in 2007 in response to calls for service.

195. **1619 Poplar Grove Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008 and to reboard the property later in the same year. The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct two physical inspections of the property in 2008 and three physical inspections of the property in 2009.

196. **1609 Longwood Street:** The housing department devoted personnel time to conduct five physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property three times in 2008 and three times in 2009 in response to calls for service.

197. **3114 Normount Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The police department dispatched officers to the property once in 2008 and twice in 2009 in response to calls for service.

198. **2918 Winchester Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted additional time and expense to reboard the property in 2010. The housing department devoted personnel time to conduct one physical inspection of the property in

2008, two physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2009 in response to a call for service.

199. **631 N. Augusta Avenue:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct a physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times.

200. **839 N. Augusta Avenue:** The housing department devoted personnel time to conduct five physical inspections of the property in 2006, two physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property twice in 2006 and four times in 2007 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2007.

201. **3704 Colborne Road:** The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

202. **1009 Lyndhurst Street:** The housing department devoted personnel time to conduct five physical inspections of the property in 2006 and an additional physical inspection of

the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

203. **3905 Stokes Drive:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007. The housing department devoted personnel time to conduct two physical inspections of the property in 2007 and five physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property in 2007 in response to a call for service.

204. **745 Woodington Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

205. **102 S. Loudon Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

206. **4017 Ridgewood Avenue:** The housing department devoted personnel time to clean the property in 2007. The housing department devoted personnel time to conduct five physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property nine times in 2008 and three times in 2009 in response to calls for service. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2009.

207. **3803 Bonner Road:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007 and to reboard the property an additional four times later in the same year. The housing department devoted additional time and expense to reboard the property in 2008 and again in 2009. The housing department devoted personnel time to clean the property six times in 2007 and twice in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2006, six physical inspections of the property in 2007, eight physical inspections of the property in 2008, and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property seven times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property four times in 2007 in response to calls for service. The fire department dispatched five fire engines, two fire trucks, one medical vehicle, two Battalion Chief vehicles, two safety officer vehicles, one Fire Investigation Bureau vehicle, one Air Flex vehicle, and thirty-six personnel to the property in response to a call for service in 2007. The fire department dispatched a fire engine and four personnel to the property in response to another call for service in 2007.

208. **3821 Clifton Avenue:** The police department dispatched officers to the property in 2007 in response to a call for service.

209. **3617 Fairview Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006. The housing department devoted additional time and expense to reboard the property in 2007. The housing department devoted personnel time to clean the property in 2007. The housing

department devoted personnel time to conduct two physical inspections of the property in 2006 and two physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property twice in 2006 and five times in 2007 in response to calls for service.

210. **2806 Norfolk Avenue:** The housing department devoted personnel time to conduct five physical inspections of the property in 2006 and two physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property three times in 2006 in response to calls for service.

211. **3940 Reistertown Road:** The housing department devoted personnel time to conduct five physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

212. **2007 Ruxton Avenue:** The police department dispatched officers to the property in 2007 in response to a call for service.

213. **2016 Clifton Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2005. The housing department devoted personnel time to clean the property twice in 2006. The housing department devoted personnel time to conduct three physical inspections of the property in 2005 and eight physical inspections of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two

times. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2004.

214. **1615 Thomas Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to clean the property in 2010. The housing department devoted personnel time to conduct two physical inspections of the property in 2009 and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

215. **3622 Edmondson Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006 and to reboard the property later in the same year. The housing department devoted additional time and expense to reboard the property three times in 2008. The housing department devoted personnel time to clean the property twice in 2006, three times in 2007, five times in 2008, and three times in 2009. The housing department devoted personnel time to conduct four physical inspections of the property in 2006, nine physical inspections of the property in 2007, nine physical inspections of the property in 2008, six physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property.

216. **4010 Penhurst Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2009. The police department dispatched officers to the property three times in 2009 in response to calls for service.

217. **1845 McHenry Street:** The housing department devoted personnel time to clean the property in 2007. The housing department devoted personnel time to conduct a physical inspection of the property in 2007.

218. **4213 Arizona Avenue:** The housing department devoted personnel time to clean the property in 2007. The housing department devoted personnel time to conduct three physical inspections of the property in 2007. The police department dispatched officers to the property twice in 2007 in response to calls for service.

219. **3506 Plateau Avenue:** The housing department devoted personnel time to clean the property once in 2005, once in 2008, and again in 2009. The housing department devoted personnel time to conduct nine physical inspections of the property in 2008, three physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property six times.

220. **3616 Hillsdale Road:** The housing department devoted personnel time to conduct three physical inspections of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

221. **4201 Fernhill Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2009. The police department dispatched officers to the property twice in 2007 and again in 2008 in response to calls for service.

222. **634 Queensgate Road:** The housing department devoted personnel time to conduct a physical inspection of the property in 2007 and an additional physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

223. **4527 Pen Lucy Road:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct four physical inspections of the property in 2008 and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

224. **2811 Round Road:** The housing department devoted personnel time to conduct a physical inspection of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property twice in 2007 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2007. The fire department dispatched a vehicle and personnel to the property in response to another call for service in 2007.

225. **2930 Rayshire Road:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

226. **446 N. Bouldin Street:** The housing department devoted personnel time to conduct one physical inspection of the property in 2005 and three physical inspections of the property in 2006. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

227. **500 N. Clinton Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008 and to reboard the property later in the same year. The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct eleven

physical inspections of the property in 2008 and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property multiple times in 2004, multiple times in 2005, multiple times in 2008, and multiple times in 2009 in response to calls for service. The fire department dispatched a fire engine, two medical vehicles, and seven personnel to the property in response to a call for service in 2004. The fire department dispatched three fire trucks, five fire engines, a medical vehicle, two Battalion Chief vehicles, a safety officer vehicle, and thirty-seven personnel to the property in response to a call for service in 2008.

228. **502 N. East Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007 and to reboard the property later in the same year. The housing department devoted additional time and expense to reboard the property in 2008. The housing department devoted personnel time to conduct ten physical inspections of the property in 2007 and four physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property twice in 2007 and once in 2008 in response to calls for service.

229. **5420 Bucknell Road:** The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property five times in 2007 and once in 2008 in response to calls for service.

230. **4880 Greencrest Road:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct five

physical inspections of the property in 2008 and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times.

231. **4403 Kavon Avenue:** The housing department devoted personnel time to clean the property twice in 2008. The housing department devoted personnel time to conduct four physical inspections of the property in 2007, twelve physical inspections of the property in 2008, and six physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property twenty-four times in 2007, fourteen times in 2008, and twice in 2009 in response to calls for service.

232. **4102 Granite Avenue:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct three physical inspections of the property in 2008 and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2009.

233. **4012 Northern Parkway:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

234. **6108 Birchwood Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008.

235. **1711 Burnwood Road:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

236. **1700 E. Belvedere Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to clean the property three times in 2008 and three times in 2009. The housing department devoted personnel time to conduct twenty-seven physical inspections of the property in 2008, twenty physical inspections of the property in 2009, and four physical inspections of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property eleven times. The police department dispatched officers to the property multiple times in 2008, multiple in 2009, and in 2010 in response to calls for service.

237. **5108 Hillen Road:** The police department dispatched officers to the property in 2007 in response to a call for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2007.

238. **1512 Stonewood Road:** The housing department devoted personnel time to conduct a physical inspection of the property in 2009.

239. **5413 The Alameda:** The housing department devoted personnel time to conduct four physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

240. **4700 Old York Road:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009 and to

reboard the property an additional two times later in the same year. The housing department devoted personnel time to clean the property four times in 2009. The housing department devoted personnel time to conduct twenty-two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The housing department devoted personnel time to inspect and condemn the property in 2002. The fire department dispatched two fire trucks, five fire engines, two Battalion Chief vehicles, an Air Flex vehicle, a medical vehicle, and thirty-three personnel to the property in response to a call for service in 2009. The fire department dispatched a fire truck and four personnel to the property in response to another call for service in 2009.

241. **5917 Yorkwood Road:** The housing department devoted personnel time to conduct five physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property twice in 2008 in response to calls for service.

242. **4446 Wrenwood Avenue:** The housing department devoted personnel time to clean the property in 2007. The housing department devoted personnel time to conduct five physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

243. **510 Winston Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006. The housing department devoted personnel time to clean the property in 2006. The housing department devoted personnel time to conduct six physical inspections of the property in 2005, eleven physical inspections of the property in 2006, and nine physical inspections of the property

in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property eight times. The police department dispatched officers to the property four times in 2005 and three times in 2006 in response to calls for service. The fire department dispatched a vehicle and personnel to the property in response to a call for service in 2005. The fire department dispatched a vehicle and personnel to the property in response to another call for service in 2005. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to another call for service in 2005.

244. **307 Belvedere Avenue:** The housing department devoted personnel time to conduct seven physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2008 in response to a call for service.

245. **2803 N. Edgcombe Circle:** The housing department devoted personnel time to clean the property once in 2008 and three times in 2009. The housing department devoted personnel time to conduct six physical inspections of the property in 2008 and eight physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property six times. The police department dispatched officers to the property in 2008 in response to a call for service.

246. **3726 Beehler Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted additional time and expense to reboard the property in 2009. The housing department devoted personnel time to clean the property twice in 2009. The housing department devoted personnel time to conduct four physical inspections of the property in 2008

and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property four times in 2008 in response to calls for service.

247. **3611 Oakmont Avenue:** The housing department devoted personnel time to conduct four physical inspections of the property in 2006, five physical inspections of the property in 2007, one physical inspection of the property in 2008, and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

248. **3000 W. Garrison Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted additional time and expense to reboard the property in 2009. The housing department devoted personnel time to clean the property three times in 2007, once in 2008, and once in 2009. The housing department devoted personnel time to conduct two physical inspections of the property in 2005, one physical inspection of the property in 2006, fifteen physical inspections of the property in 2007, eight physical inspections of the property in 2008, and three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property multiple times in 2005, multiple times in 2006, multiple times in 2007, multiple times in 2008, multiple times in 2009, and multiple times in 2010 in response to calls for service. The fire department dispatched a fire engine, two medical vehicles, and eight personnel to the property in response to a call for service in 2004. The fire department dispatched a vehicle and personnel to the property in response to

another call for service in 2004. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to another call for service in 2006. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2007. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2008.

249. **5007 Beaufort Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2006.

250. **3120 Lawnview Avenue:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct five physical inspections of the property in 2008, seven physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property sixteen times. The fire department dispatched a fire truck and four personnel to the property in response to a call for service in 2009. The fire department dispatched a fire truck and four personnel to the property in response to a call for service in 2010.

251. **4103 Chesterfield Avenue:** The police department dispatched officers to the property in 2007 in response to a call for service.

252. **3617 Brehms Lane:** The housing department devoted personnel time to conduct three physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property twice in 2006 in response to calls for service.

253. **3417 Ravenwood Avenue:** The housing department devoted personnel time to clean the property in 2007. The housing department devoted personnel time to conduct twelve physical inspections of the property in 2006, eight physical inspections of the property in 2007, four physical inspections of the property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The police department dispatched officers to the property three times in 2006 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2006.

254. **1702 Gorsuch Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

255. **3016 Mathews Street:** The housing department devoted personnel time to clean the property twice in 2008. The housing department devoted personnel time to conduct ten physical inspections of the property in 2008 and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

256. **3539 Greenmount Avenue:** The housing department devoted personnel time to conduct one physical inspection of the property in 2005, four physical inspections of the property in 2006, and two physical inspections of the property in 2007. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property

four times. The police department dispatched officers to the property in 2008 in response to a call for service.

257. **1648 Chilton Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2007. The police department dispatched officers to the property in 2007 in response to a call for service.

258. **1729 E. 31st Street:** The housing department devoted personnel time to clean the property three times in 2007. The housing department devoted personnel time to conduct two physical inspections of the property in 2006, seven physical inspections of the property in 2007, and seven physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property six times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property twice in 2007 and three times in 2009 in response to calls for service.

259. **1605 E. 28th Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct seven physical inspections of the property in 2009 and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

260. **2014 Barclay Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2010 and to reboard the property later in the same year. The housing department devoted personnel time to clean the property once in 2006, three times in 2008, three times in 2009, and once in 2010. The

housing department devoted personnel time to conduct three physical inspections of the property in 2006, six physical inspections of the property in 2007, ten physical inspections of the property in 2008, thirteen physical inspections of the property in 2009, and two physical inspections of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property once in 2007 and twice in 2009 in response to calls for service.

261. **2016 Barclay Street:** The housing department devoted personnel time to clean the property once in 2006, once in 2008, and twice in 2009. The housing department devoted personnel time to conduct five physical inspections of the property in 2006, three physical inspections of the property in 2007, three physical inspections of the property in 2008, eight physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property in 2007 in response to a call for service.

262. **2507 Linden Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The fire department dispatched five fire engines, two fire trucks, one medical vehicle, two Battalion Chief vehicles, and thirty-two personnel to the property in response to a call for service in 2007.

263. **2408 Linden Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009 and to

reboard the property later in the same year. The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2007, one physical inspection of the property in 2008, and nine physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property eighteen times.

264. **2410 Linden Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2007, one physical inspection of the property in 2008, and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property.

265. **2227 Linden Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2007 and five physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property once in 2007 and fourteen times in 2008 in response to calls for service.

266. **1912 Park Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007. The housing department devoted additional time and expense to reboard the property twice in 2009. The housing department devoted personnel time to conduct five physical inspections of the property in 2007, ten physical inspections of the property in 2008, and thirteen physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to

contact the owner regarding housing code violations at the property seven times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property once in 2007, three times in 2008, and once in 2009 in response to calls for service. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2009.

267. **2524 W. Cold Spring Lane:** The housing department devoted personnel time to clean the property in 2007 and again in 2009. The housing department devoted personnel time to conduct two physical inspections of the property in 2007, four physical inspections of the property in 2008, and six physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property seven times.

268. **2520 Shirley Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007. The housing department devoted additional time and expense to reboard the property twice in 2009. The housing department devoted personnel time to clean the property twice in 2006, twice in 2007, once in 2008, and twice in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2006, three physical inspections of the property in 2008, and five physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

269. **1218 N. Woodyear Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008 and to

reboard the property later in the same year. The housing department devoted additional time and expense to reboard the property twice in 2009. The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct nine physical inspections of the property in 2008 and seven physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The police department dispatched officers to the property twice in 2008 and five times in 2009 in response to calls for service.

270. **1102 N. Carrollton Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006. The housing department devoted additional time and expense to reboard the property in 2007. The housing department devoted personnel time to clean the property once in 2007, four times in 2008, and twice in 2009. The housing department devoted personnel time to conduct three physical inspections of the property in 2006, five physical inspections of the property in 2007, fourteen physical inspections of the property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property.

271. **927 N. Mount Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The fire department dispatched six fire engines, three

fire trucks, two medical vehicles, a rescue vehicle, two Battalion Chief vehicles, an Air Flex vehicle, a Fire Investigation Bureau vehicle, a safety officer vehicle, and forty-eight personnel to the property in response to a call for service in 2008.

272. **1207 W. Lanvale Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property twice in 2006 in response to calls for service.

273. **1523 Edmondson Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The fire department dispatched a fire engine and four personnel to the property in response to a call for service in 2010.

274. **522 N. Carrollton Avenue:** The housing department devoted personnel time to conduct one physical inspection of the property in 2006, five physical inspections of the property in 2007, two physical inspections of the property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property once in 2006, once in 2007, twice in 2008, and once in 2009 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2006. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to another call for service in 2006.

275. **105 S. Calhoun Street:** The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

276. **1812 Ramsay Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property in 2009 in response to a call for service.

277. **2204 Druid Hill Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted additional time and expense to reboard the property in 2010. The housing department devoted personnel time to clean the property once in 2007, twice in 2008, and once in 2009. The housing department devoted personnel time to conduct two physical inspections of the property in 2006, four physical inspections of the property in 2007, five physical inspections of the property in 2008, five physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property four times in 2006, fourteen times in 2007, and once in 2008 in response to calls for service. The fire department dispatched a fire engine, a medical vehicle, and six personnel to the property in response to a call for service in 2007. The fire department dispatched a vehicle and personnel to the property in response to another call for service in 2007.

278. **1357 Carroll Street:** The police department dispatched officers to the property in 2009 in response to a call for service.

279. **1207 Cleveland Street:** The housing department devoted personnel time to conduct a physical inspection of the property in 2009. The police department dispatched officers to the property in 2007 and again in 2008 in response to calls for service.

280. **1218 W. Cross Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2007. The housing department devoted personnel time to clean the property once in 2006, once in 2007, and twice in 2008. The housing department devoted personnel time to conduct seven physical inspections of the property in 2006, five physical inspections of the property in 2007, eight physical inspections of the property in 2008, and five physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property nine times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property. The police department dispatched officers to the property four times in 2006 and once in 2007 in response to calls for service.

281. **1813 Aisquith Street:** The housing department devoted personnel time to clean the property in 2008. The housing department devoted personnel time to conduct four physical inspections of the property in 2007, one physical inspection of the property in 2008, and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property nine times in 2008 in response to calls for service.

282. **1506 Holbrook Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to clean the property twice in 2008, once in 2009, and once in 2010. The housing department devoted personnel time to conduct four physical inspections of the property in 2008, six physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property four times in 2008 in response to calls for service. The fire department dispatched a fire truck, a fire engine, three medical vehicles, and thirteen personnel to the property in response to a call for service in 2008.

283. **1711 Rutland Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006 and to reboard the property an additional two times later in the same year. The housing department devoted personnel time to clean the property twice in 2006. The housing department devoted personnel time to conduct five physical inspections of the property in 2006, four physical inspections of the property in 2007, three physical inspections of the property in 2008, and two physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property three times.

284. **1715 Rutland Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2006. The housing department devoted personnel time to clean the property in 2006 and again in 2009. The housing department devoted personnel time to conduct four physical inspections of the property in 2006, three physical inspections of the property in 2007, six physical inspections of the

property in 2008, and four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times.

285. **1621 N. Chapel:** The housing department devoted personnel time to conduct a physical inspection of the property in 2009.

286. **2131 E. Federal Street:** The housing department devoted personnel time to clean the property in 2007 and again in 2009. The housing department devoted personnel time to conduct two physical inspections of the property in 2006, two physical inspections of the property in 2007, three physical inspections of the property in 2008, three physical inspections of the property in 2009, and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property twice in 2006 and twice in 2008 in response to calls for service.

287. **707 N. Luzerne Avenue:** The police department dispatched officers to the property twice in 2009 in response to calls for service.

288. **2731 E. Monument Avenue:** The housing department devoted personnel time to conduct four physical inspections of the property in 2007 and five physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The police department dispatched officers to the property twice in 2007, twice in 2008, and twice in 2010 in response to calls for service.

289. **543 N. Luzerne Avenue:** The housing department devoted personnel time to conduct two physical inspections of the property in 2009. The housing department incurred out-

of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property three times in 2007, twice in 2008, and twice in 2009 in response to calls for service. The fire department dispatched a fire truck, two medical vehicles, and seven personnel to the property in response to a call for service in 2009.

290. **236 N. Milton Avenue:** The housing department devoted personnel time to conduct a physical inspection of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

291. **215 N. Milton Avenue:** The housing department devoted personnel time to conduct three physical inspections of the property in 2007 and two physical inspections of the property in 2008. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property four times. The police department dispatched officers to the property three times in 2008 in response to calls for service.

292. **120 N. Rose Street:** The police department dispatched officers to the property in 2008 and again in 2009 in response to calls for service.

293. **161 N. Decker Avenue:** The housing department devoted personnel time to clean the property in 2008 and again in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2007, four physical inspections of the property in 2008, and five physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched officers to the property two times in 2008 in response to calls for service.

294. **1615 N. Smallwood Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to clean the property twice in 2006, once in 2007, once in 2008, and once in 2009. The housing department devoted personnel time to conduct seven physical inspections of the property in 2006, four physical inspections of the property in 2007, four physical inspections of the property in 2008, and six physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The housing department devoted personnel time to preparing for and/or taking legal action regarding housing code violations at the property.

295. **4003 Oakford Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2010. The housing department devoted personnel time to conduct a physical inspection of the property in 2008 and an additional physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2009 in response to a call for service.

296. **1828 Walbrook Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2010. The housing department devoted personnel time to conduct four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2008 in response to a call for service.

297. **3026 Tioga Parkway:** The housing department devoted personnel time to conduct a physical inspection of the property in 2010. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

298. **1139 Homestead Street:** The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct a physical inspection of the property in 2007 and an additional physical inspection of the property in 2008.

299. **2928 Erdman Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct three physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property.

300. **3343 Ravenwood Avenue:** The housing department devoted personnel time to conduct five physical inspections of the property in 2007 and five physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times.

301. **4027 Lewiston Avenue:** The police department dispatched officers to the property in 2010 in response to a call for service.

302. **4829 Wilern Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009. The housing department devoted personnel time to conduct four physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property two times. The police department dispatched

officers to the property eight times in 2008 and three times in 2009 in response to calls for service.

303. **511 Richwood Avenue:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2009 and to reboard the property an additional two times later in the same year. The housing department devoted personnel time to clean the property in 2009. The housing department devoted personnel time to conduct two physical inspections of the property in 2008 and nine physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property five times. The police department dispatched officers to the property four times in 2008 and twice in 2009 in response to calls for service.

304. **3007 Shannon Drive:** The housing department devoted personnel time to conduct two physical inspections of the property in 2005. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2005 in response to a call for service. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2005.

305. **3427 Kenyon Avenue:** The police department dispatched officers to the property eight times in 2008 in response to calls for service. The fire department dispatched a fire truck, a medical vehicle, and six personnel to the property in response to a call for service in 2008. The fire department dispatched a fire engine and four personnel to the property in response to another call for service in 2008.

306. **4410 Marx Avenue:** The police department dispatched officers to the property two times in 2009 in response to calls for service.

307. **3303 McElderry Street:** The housing department devoted personnel time to clean the property twice in 2009. The housing department devoted personnel time to conduct one physical inspection of the property in 2007 and eight physical inspections of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property seven times.

308. **439 N. Clinton Street:** The housing department devoted personnel time and incurred out-of-pocket expenses to purchase materials to board the property in 2008. The housing department devoted personnel time to conduct three physical inspections of the property in 2008 and an additional physical inspection of the property in 2009. The housing department incurred out-of-pocket expenses to contact the owner regarding housing code violations at the property. The police department dispatched officers to the property in 2008 in response to a call for service.

309. There are many additional Wells Fargo foreclosure properties that are currently vacant because of reverse redlining for which the City has not yet identified costs for providing increased municipal services. There are or will soon be housing code violations at these properties. These violations will require the City to devote personnel time and to incur out-of-pocket costs. The City will also need to send fire and police personnel and vehicles to address public health and safety threats at these properties. The City may also identify certain costs it has already incurred at these properties during the course of discovery. The properties are:

- 1619 N. Ashburton Street
- 1934 Lexington Street
- 1643 N. Fulton Avenue
- 1557 N. Gilmor Street

- 1351 N. Carey Street
- 1213 W. Mulberry Street
- 1511 W. Lexington Street
- 39 S. Fulton Avenue
- 1934 Cumberland Street
- 512 N. Paca Street
- 331 E. North Avenue
- 1334 Aisquith Street
- 209 N. Rose Street
- 622 Allendale Street
- 806 N. Hilton Street
- 3911 Flowerton Road
- 3706 Winterbourne Road
- 2115 Braddish Avenue
- 3116 Callaway Avenue
- 2203 N. Pulaski Street
- 2614 Rosewood Avenue
- 2833 Oakford Avenue
- 3030 Oakford Avenue
- 1666 Shadyside Road
- 902 E. 41st Street
- 3202 Lawnview Avenue
- 3618 Glengyle Avenue
- 3102 Oakford Avenue
- 3021 Rosalind Avenue
- 5540 Midwood Avenue
- 4250 Shamrock Avenue
- 4238 Sheldon Avenue
- 613 Winans Way
- 3407 Juneway Street

310. There are also many Wells Fargo foreclosure properties that were previously vacant because of reverse redlining for which the City has not yet identified costs for providing increased municipal services. The City may identify such costs during discovery. There may be housing code violations at these properties in the future that will require the City to devote personnel time and to incur out-of-pocket costs. The City may also need to send fire and police personnel and vehicles to address public health and safety threats at these properties in the future. The properties are:

- 758 Deaconhill Court
- 1530 N. Fulton Avenue
- 2719 W. Baltimore Street
- 234 S. Monastery Avenue
- 3623 Rosedale Road
- 2308 Oswego Avenue
- 3904 Tivoly Avenue
- 2928 Clifton Park Terrace
- 6504 Brighton Avenue
- 3200 W. Roger Drive
- 4802 Laurel Avenue
- 1133 E. Northern Parkway
- 5810 Waycross Road
- 5302 Brabant Road
- 4404 Finney Avenue
- 1536 Roundhill Road
- 2622 Boone Street
- 5017 Woodlands Glen Road
- 2724 Uhler Avenue
- 402 Croydon Road
- 1024 Radnor Avenue
- 1203 Northern Parkway
- 2816 Roselawn Avenue
- 3201 Kentucky Avenue
- 4357 Old Frederick Road
- 3819 Patapsco Avenue
- 5511 Wesley Avenue
- 2014 Penrose Avenue
- 2106 Whittier Avenue
- 2521 Hoffman Street
- 3602 W. Forest Park Avenue
- 3817 Clifton Avenue
- 1012 N. Rosedale Street
- 1729 Ashburton Street
- 40 Bentalou Street
- 220 Patterson Park Avenue
- 536 Hurley Avenue
- 1746 Llewelyn Avenue
- 1007 Central Avenue
- 1115 Ward Street
- 1309 Hollins Street
- 1227 Lafayette Avenue
- 2917 Rock Rose Avenue
- 2745 The Alameda

- 1520 E. 28th Street

311. Declarations from Baltimore residents who live in neighboring properties further document and illustrate the injuries and costs incurred by Baltimore at vacant Wells Fargo foreclosure properties. Genevieve Matthews, Keisha Brooks and Mike England, Mishawn and Nona Evans, Richard and Stephen Faison, Lisa Porter, Bridget Ross, James Mears, and Sheena Sykes all live next door or a few doors down from Wells Fargo foreclosure properties that are or until recently were vacant and that are in neighborhoods that are over 70% African-American (and all but two in neighborhoods that are over 95% African-American). *See* Attach. E (“Matthews Decl.”); Attach. F (“Brooks Decl.”); Attach. G (“England Decl.”); Attach. H (“M. Evans Decl.”); Attach. I (“N. Evans Decl.”); Attach. J (“R. Faison Decl.”); Attach. K (“S. Faison Decl.”); Attach. L (“Porter Decl.”); Attach. M (“Ross Decl.”); Attach. N (“Mears Decl.”); Attach. O (“Sykes Decl.”); Attach. P (“Goldstein Decl.”) ¶ 15; Attach. Q (“Goldstein Supp. Decl.”) ¶ 15. This includes costs caused by crime, squatting, loitering, trash, burst pipes, rat infestation, and other problems that arise at vacant properties and are the direct and foreseeable result of vacancies.

312. Genevieve Matthews lives next to the Wells Fargo foreclosure property at 3803 Bonner Road. Matthews Decl. ¶ 3. The property has been vacant for more than a year and has been occupied by squatters repeatedly. *Id.* ¶¶ 3-4. Matthews explains that the City boards the property up, but new squatters break in and the City has to come back and board it again. *Id.* ¶ 5. Squatters recently caused a fire at the vacant property. *Id.* ¶ 6. City firefighters had to come to put the fire out. *Id.* Matthews has lived on the same block for fifty years and always thought of it as safe and pleasant until the problems began with the Wells Fargo foreclosure property. *Id.* ¶ 8. Now she is scared because she lives next door to a property that is occupied by squatters

who could start another fire in the middle of the night. *Id.* ¶ 7. The problems identified by Matthews at 3803 Bonner Road are confirmed by the Acting Director of the Baltimore Housing Code Enforcement Legal Section (“Baltimore Code Enforcement”). *See* Attach. R (“Hessler Decl.”) ¶ 17(b); Attach. S (“Hessler Supp. Decl.”) ¶ 8(a).

313. Keisha Brooks and Mike England live next door to another vacant Wells Fargo foreclosure property that has been boarded by the City. Brooks Decl. ¶¶ 3, 12; England Decl. ¶¶ 3, 12. Squatters kept a pit bull in the yard until it was taken away by the City. Brooks Decl. ¶ 8; England Decl. ¶ 8. Squatters have also held pit bull fights at the property. Brooks Decl. ¶ 9; England Decl. ¶ 9. The squatters smashed one of Brooks and England’s front windows and they have had to call the police on several occasions about the vacant property. Brooks Decl. ¶¶ 10-11; England Decl. ¶¶ 10-11. Trash has been piled high at the properties since it became vacant and it has rat and cockroach problems. Brooks Decl. ¶¶ 4-6; England Decl. ¶¶ 4-6. Two children had to be taken to the hospital as a result; a rat bit one and a cockroach became lodged in another’s ear. Brooks Decl. ¶¶ 4-5; England Decl. ¶¶ 4-5. Brooks and England have decided to move to a different home in part because of problems associated with the vacant property. Brooks Decl. ¶ 13; England Decl. ¶ 13.

314. Mishawn and Nona Evans live two doors from the vacant Wells Fargo foreclosure property at 3726 Beehler Ave. M. Evans Decl. ¶ 3; N. Evans Decl. ¶ 3. It has had squatters and been boarded up by the City, but the squatters remove the boards and return. M. Evans Decl. ¶¶ 4-5; N. Evans Decl. ¶ 4. Mishawn has called the police several times about the property. M. Evans Decl. ¶ 5. One time the police came and recovered drugs, drug paraphernalia, and cell phones. *Id.* ¶ 4. Mishawn believes some of the squatters are drug dealers. *Id.* The vacant property has also created trash and rat problems. M. Evans Decl. ¶ 7; N. Evans Decl. ¶ 5. Nona

called the City about the rats and the City put down rat poison, but the rats have returned. N. Evans Decl. ¶ 5. She had cement work done in an unsuccessful effort to keep the rats away. M. Evans Decl. ¶ 7; N. Evans Decl. ¶ 5. Nona tried to sell the house but was unable to get a good price; the Evanses believe that the vacant property has harmed the value of their home. M. Evans Decl. ¶ 9; N. Evans Decl. ¶ 6.

315. Richard Faison has had to call the police several times because of loiterers who hang out and drink at the vacant Wells Fargo foreclosure property next door to him, 2520 Shirley Avenue, which was recently boarded. R. Faison Decl. ¶¶ 3, 5. He also had to call the City to turn off the water and cap a pipe at the vacant house when the pipe burst. *Id.* ¶ 7. Richard and Stephen Faison both confirm that the vacant house is in serious disrepair and that it has created a rat infestation because loiterers and squatters let trash accumulate. R. Faison Decl. ¶¶ 4, 6, 8, 9; S. Faison Decl. ¶¶ 5-8. They cannot even hang clothing to dry in their backyard because loiterers steal it. S. Faison Decl. ¶ 8. Stephen no longer feels safe when he goes to work early in the morning because of strangers who loiter and sleep at the vacant house next to his. S. Faison Decl. ¶ 5. The problems identified by the Faisons at 2520 Shirley Avenue are confirmed by the Acting Director of Baltimore Code Enforcement. *See* Hessler Supp. Decl. ¶ 8(c).

316. The vacant Wells Fargo foreclosure property at 801 Arnold Court is located a few houses from Lisa Porter's home and is also in disrepair. Porter Decl. ¶¶ 4, 6. Trash is scattered in the yard, the grass is not cut, and rats have become an increasing problem since it became vacant. *Id.* ¶¶ 4-5.

317. Bridget Ross and her neighbors had to call the City to come and board up the vacant Wells Fargo foreclosure property at 500 North Clinton, which is two doors down from her home. Ross Decl. ¶ 5. Vagrants stayed at the house until it was boarded. *Id.* ¶ 3. It is in

disrepair, with a broken door and broken windows and large amounts of trash in the yard, and has also become a source of many rats. *Id.* ¶¶ 3, 6, 7. People have stolen plumbing from the vacant property. *Id.* ¶ 4. Ross has been trying unsuccessfully to sell her house for two years but the nearby vacant Wells Fargo foreclosure property has made her home lose value and has made it less desirable to potential purchasers. *Id.* ¶ 9.

318. The Wells Fargo foreclosure property at 2918 Winchester Street is next door to James Mears's home and has been vacant for at least two years. Mears Decl. ¶ 3. Squatters and vandals are regularly at the property drinking and using drugs. *Id.* ¶¶ 3-4. Mears has had to call the police because of the illicit activities at the property. *Id.* ¶ 5. The vacant property has caused rat, mice, and water problems at his home. *Id.* ¶¶ 6-7. Plumbing has been stolen from the property. *Id.* ¶ 4. The condition of the property negatively affects the neighborhood, and Mears and his neighbors have discussed the problems caused by the vacant property at community meetings. *Id.* ¶ 9.

319. Sheena Sykes lives next to another Wells Fargo foreclosure property at 2014 Penrose Avenue that was vacant. Sykes Decl. ¶¶ 2-3. The property has been inhabited by squatters and the City had to board it and clean up the trash and debris left by the squatters. *Id.* ¶¶ 4-6, 9. The City also had to send the police because of the squatters. *Id.* ¶ 6. The City has also had to come to take care of mice that spread from the vacant property to Sykes's home. *Id.* ¶ 7.

**B. Baltimore Has Been Injured By a Reduction in Property Tax Revenues from Specific Neighborhoods Where Wells Fargo Foreclosures Constitute a Large Percentage of All Foreclosures**

320. In compliance with the Court's January 6, 2010 ruling on Wells Fargo's motion to dismiss, Baltimore only seeks damages in this Third Amended Complaint for lost property tax

revenues based on properties located in limited areas within certain neighborhoods (“sub-neighborhoods”). These sub-neighborhoods are uniformly sized areas that, in most parts of the City, are approximately equal to two blocks by two blocks. Wells Fargo foreclosures caused by reverse redlining in the sub-neighborhoods constitute at least one-third of all foreclosures. The Wells Fargo foreclosures in these sub-neighborhoods are so disproportionately concentrated that they have a significant and deleterious effect on the property values of properties in close proximity. Baltimore does not seek damages for lost property tax revenues from properties located outside of these sub-neighborhoods.<sup>5</sup>

321. The sub-neighborhoods where Wells Fargo foreclosures constitute at least one-third of all foreclosures are clustered in the following African-American neighborhoods, among others: Ashburton, Cylburn, Original Northwood, Reservoir Hill, and Waltherson. These are neighborhoods that have long been stable middle- and working-class African-American neighborhoods, and/or have become significantly stronger in the past decade. They are not neighborhoods characterized by the kinds of problems identified in the ruling on the motion to dismiss the First Amended Complaint. *See* Op. (Jan. 6, 2010) at 4-5. Baltimore’s property tax damages caused by Wells Fargo are especially significant and evident in these areas where the affected sub-neighborhoods are clustered.

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<sup>5</sup> As expressly stated in paragraph 95 above, Plaintiffs have limited their claims for purposes of this Third Amended Complaint in compliance with the Court’s ruling of January 6, 2010. However, and solely to the extent it might be a technical requirement in the Fourth Circuit in order for Baltimore to preserve fully its right to appeal the Court’s order dismissing the First Amended Complaint following a potential adverse final order or jury ruling in this matter, *see Young v. City of Mount Ranier*, 238 F.3d 567, 573 n.4 (4th Cir. 2001), the City realleges that it has suffered a quantifiable and compensatory tax revenue loss from every Wells Fargo foreclosure caused by reverse redlining in African-American neighborhoods and on African-American borrowers.

322. Wells Fargo foreclosures constitute at least one-third of all foreclosures in the following sub-neighborhoods. The sub-neighborhoods are, approximately, the two-block areas centered around:

- the 3700 block of Chestmont Avenue
- the 1200 block of Northview Road
- the 1400 block of E. Lanvale Sreet
- the 1900 block of Jefferson Street
- the 3400 block of Dennlyn Road
- the 5300 block of Brabant Road
- the 4000 block of Woodlea Avenue
- the 4000 block of Chesterfield Avenue
- the 5000 block of Woodlands Glen Road
- the 6100 block of Frankford Avenue
- the 1500 block of Stonewood Road
- the 2700 block of Cylburn Avenue
- the 3600 block of Brehms Lane
- the 4600 block of Moravia Road
- the 5600 block of Bell Avenue
- the 6300 block of McClean Boulevard
- the 1200 block of Southview Road
- the 2400 block of W. Garrison Avenue
- the 4800 block of Laurel Avenue
- the 6500 block of Brighton Avenue
- the 2400 block of Linden Avenue
- the 1700 block of E. Oliver Street
- the 200 block of South East Avenue
- the 3400 block of Cedardale Road
- the 3500 block of Plateau Avenue
- the 5300 block of Muth Avenue
- the 3300 block of N. Hilton Street
- the 2200 block of E. Preston Street
- the 500 block of E. 23rd Street
- the 2600 block of Saint Paul Street
- the 500 block of N. Carrollton Avenue
- the 200 block of E. Medwick Garth
- the 2600 block of Maisel Street
- the 3000 block of Ascension Street
- the 4800 block of Melbourne Road
- the 800 block of Glen Allen Drive
- the 3100 block of Strickland Street

323. These sub-neighborhoods have been identified by reviewing all foreclosures in the City, regardless of whether they involved a Wells Fargo loan. Houses outside of these sub-neighborhoods are excluded from Baltimore's claim for damages based on lost property tax revenues.

324. Routinely maintained property tax and other data allow Baltimore to calculate precisely the property tax revenues it has lost as a direct result of notices of foreclosure on particular Wells Fargo properties in the sub-neighborhoods listed above. Using a well-established statistical regression technique that focuses on effects on neighboring properties, the City can isolate, and in significant measure has isolated, the lost property value attributable to each individual Wells Fargo foreclosure in these sub-neighborhoods from losses attributable to other causes. This technique, known as hedonic regression when applied to housing markets, analyzes housing transactions and determines the contribution of different factors to a property's value. The number of foreclosures in close proximity to a property is one of the factors that hedonic analysis examines. *See* Attach. T.

325. Notices of foreclosures on Wells Fargo loans in the sub-neighborhoods identified above can be, and in significant measure have been, analyzed through hedonic regression to calculate the resulting loss in the assessed property values of nearby homes. This loss is distinguishable from any loss attributable to non-Wells Fargo foreclosures or other causes.<sup>6</sup> The loss in assessed property value in the sub-neighborhoods caused by Wells Fargo's unlawful acts

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<sup>6</sup> Using hedonic regression, a study published by the Fannie Mae Foundation determined that each foreclosure in Chicago is responsible for an average decline of approximately 1.1% in the value of each single family home within an eighth of a mile. *See* Dan Immergluck & Geoff Smith, *The External Costs of Foreclosure: The Impact of Single-Family Mortgage Foreclosures on Property Values*, 17 Housing Policy Debate 57 (2006) at 69. Similarly, a study of abandoned homes in Philadelphia found that each home within 150 feet of an abandoned home declined in value by an average of \$7,627; homes within 150 to 299 feet declined in value by \$6,810; and homes within 300 to 449 feet declined in value by \$3,542. Anne B. Shlay & Gordon Whitman, *Research for Democracy: Linking Community Organizing and Research to Leverage Blight Policy*, at 21 (2004).

and consequent foreclosures can then be, and in significant measure has been, used to calculate the City's corresponding loss in property tax revenues.

326. Application of hedonic regression to data regularly maintained by Baltimore permits precise quantification of the injury to the City caused by Defendants' discriminatory lending practices and resulting foreclosures in sub-neighborhoods where Wells Fargo foreclosures constitute at least one-third of all foreclosures.

327. This lost property tax revenue is a direct result of Defendants' discriminatory lending practices and of the Wells Fargo foreclosures that are the direct result of those practices.

\* \* \*

328. Defendants' actions set forth herein constitute a pattern or practice of discriminatory lending and a continuing violation of federal law. Unless enjoined, Wells Fargo will continue to engage in the unlawful pattern or practice described above.

329. Baltimore has been, and continues to be, adversely affected by the acts, policies, and practices of Defendants, their employees, and/or their agents.

330. The extent of Baltimore's injuries will increase unless and until Wells Fargo ceases to discriminate against African Americans and borrowers in majority African-American neighborhoods

331. Defendants' unlawful actions described above were, and are, intentional and willful, and/or have been, and are, implemented with callous and reckless disregard for the Baltimore's federally protected rights.

**CAUSE OF ACTION**  
(Federal Fair Housing Act)

332. Plaintiff repeats and incorporates by reference all allegations contained in Paragraphs 1 through 331 as if fully set forth herein.

333. Defendants' acts, policies, and practices as documented above and discussed in particular by Jacobson and Paschal constitute intentional discrimination on the basis of race. Defendants have intentionally targeted residents of predominantly African-American neighborhoods in Baltimore for different treatment than residents of predominantly white neighborhoods in Baltimore with respect to mortgage lending. Defendants have intentionally targeted residents of these neighborhoods for subprime loans without regard to their credit qualifications and without regard to whether they qualify for more advantageous loans, including prime loans. Defendants have intentionally targeted residents of these neighborhoods for increased interest rates, points, and fees, and for other disadvantageous loan terms including but not limited to prepayment penalties. Defendants have intentionally targeted residents of these neighborhoods for unfair and deceptive lending practices in connection with marketing and underwriting subprime mortgage loans.

334. Defendants' acts, policies, and practices have had an adverse and disproportionate impact on African Americans and residents of predominantly African-American neighborhoods in Baltimore as compared to similarly situated whites and residents of predominantly white neighborhoods in Baltimore. This adverse and disproportionate impact is the direct result of Defendants' policies of giving substantial discretion to loan officers and others responsible for mortgage lending; giving loan officers and others responsible for mortgage lending large financial incentives to give borrowers loans that are costlier than better loans for which they qualify; otherwise encouraging and directing loan officers and others responsible for mortgage

lending to steer people into subprime loans without regard for whether they qualify for better loans, including but not limited to prime loans; increasing the interest rate on loans of \$75,000 or less and decreasing the interest rate on loans of \$150,000 or more; and setting interest rate caps. *See, e.g., Miller v. Countrywide Bank, N.A.*, 571 F. Supp. 251 (D. Mass. 2008). These policies have caused African Americans and residents of predominantly African-American neighborhoods in Baltimore to receive mortgage loans from Wells Fargo that have materially less favorable terms than mortgage loans given by Wells Fargo to similarly situated whites and residents of predominantly white neighborhoods in Baltimore, and that are materially more likely to result in foreclosure.

335. Defendants' acts, policies, and practices constitute reverse redlining and violate the Fair Housing Act, as amended, 42 U.S.C. §§ 3604 and 3605:

(a) Defendants' acts, policies, and practices have made and continue to make housing unavailable on the basis of race and/or color, in violation of 42 U.S.C. § 3604(a);

(b) Defendants' acts, policies, and practices have provided and continue to provide different terms, conditions, and privileges of sale of housing, as well as different services and facilities in connection therewith, on the basis of race and/or color, in violation of 42 U.S.C. § 3604(b);

(c) Defendants' published policies and statements have expressed and continue to express a preference on the basis of race and/or color, in violation of 42 U.S.C. § 3604(c); and

(d) Defendants' acts, policies, and practices have provided and continue to provide different terms, conditions and privileges on the basis of race and/or color in

connection with the making of residential real estate-related transactions, in violation of 42 U.S.C. § 3605.

**DEMAND FOR JURY TRIAL**

336. Pursuant to Fed. R. Civ. P. 38(b), Plaintiff demands a trial by jury on all issues triable as of right.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff respectfully prays that the Court grant it the following relief:

- (1) enter a declaratory judgment that the foregoing acts, policies, and practices of Defendants violate 42 U.S.C. §§ 3604 and 3605;
- (2) enter a permanent injunction enjoining Defendants and their directors, officers, agents and employees from continuing to publish, implement, and enforce the illegal, discriminatory conduct described herein and directing Defendants and their directors, officers, agents and employees to take all affirmative steps necessary to remedy the effects of the illegal, discriminatory conduct described herein and to prevent additional instances of such conduct or similar conduct from occurring in the future;
- (3) award compensatory damages to Plaintiff in an amount to be determined by the jury that would fully compensate Plaintiff for its injuries caused by the conduct of Defendants alleged herein;
- (4) award punitive damages to Plaintiff in an amount to be determined by the jury that would punish Defendants for the willful, wanton and reckless conduct alleged herein and that would effectively deter similar conduct in the future;

(5) award Plaintiff its reasonable attorneys' fees and costs pursuant to 42 U.S.C. § 3613(c)(2); and

(6) order such other relief as this Court deems just and equitable.

October 21, 2010

/s/ John P. Relman

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