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Cuyahoga County Land Reutilization Corporation

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Wells Fargo, Bank of America donating properties to Cuyahoga Land Bank

The Cuyahoga County Land Reutilization Corporation (Cuyahoga Land Bank) has gained some welcome collaboration in the battle to alleviate the impact of foreclosure and abandonment in Cuyahoga County from and Bank of America and Wells Fargo.

A few weeks ago, Wells Fargo, working through the REO Clearinghouse (REO CH), began donating vacant and foreclosed low asset properties to the Cuyahoga Land Bank along with a contribution toward demolition equal to $3,500 per property in their NSP 2 target areas and $7,500.00 per property in the rest of Cuyahoga County. Bank of America recently entered into a similar agreement with the Cuyahoga Land Bank to donate up to 100 vacant and foreclosed low asset properties following the same monetary donation structure as the Wells Fargo agreement.

“The Cuyahoga Land Bank is thrilled to be adding Bank of America, along with Wells Fargo, to a continually growing list of partners in our efforts to eliminate blight and return properties in Cuyahoga County to productive use,” said Gus Frangos, President and General Counsel for the Cuyahoga County Land Reutilization Corporation. “Each partnership we are able to establish provides us with more resources to tackle the issues of blight created by foreclosure and abandonment within our communities.”

The mission of the Cuyahoga Land Bank is to strategically acquire properties, return them to productive use, reduce blight, increase property values, support community goals and improve the quality of life for county residents. Wells Fargo and Bank of America join Fannie Mae, HUD and JP Morgan Chase on the Cuyahoga Land Bank’s list of revitalization and demolition partners by supplementing the Land Bank’s own funding sources. This allows the Cuyahoga Land Bank to aggressively tear down more blighted structures that negatively impact property values. In turn, this will improve the quality of life in Cuyahoga County as well as rehabilitate and place back on the market homes that retain value and the promise of a second life.

“As a Cuyahoga Land Bank Board Member, I believe that these partnerships with Bank of America and Wells Fargo align with our mission and are going to help us eliminate blighted and nuisance conditions, which, in turn speeds up our ability to put more properties back into productive use,” said Cleveland City Councilman Tony Brancatelli. “As a local elected official, I am happy to take part in the establishment of public/private partnerships that will have such a positive impact and help re-imagine our communities.”

“Wells Fargo is pleased to have been the first bank working with the Cuyahoga County Land Reutilization Corporation to donate both properties and funds to the Land Bank,” said Russ Cross, Midwest regional servicing director for Wells Fargo Home Mortgage. “This year, we have donated 26 properties and $127,000, and we will look at additional properties that we can contribute to the Cuyahoga County Land Bank. This reflects our longstanding commitment to giving back to the communities where our customers, team members and business associates live and work.”

Wells Fargo, Robert Klein of Safeguard Properties and REO CH have been helping to keep servicers informed about the opportunities to work more closely with community based organizations like the Cuyahoga Land Bank. After introducing the Cuyahoga Land Bank to many of the servicers with distressed assets in the county’s neighborhoods, Wells Fargo asked REO CH to help negotiate and manage a program that would enable them to make low value properties available to the Cuyahoga Land Bank, even when the property is eligible for demolition. After agreeing to terms and conditions, Wells Fargo went on to donate 26 properties over the past several weeks, most with a contribution toward demolition.

According to Wells Fargo’s Cross, local, collaborative approaches like the Land Bank also can help lead to national solutions. Wells Fargo’s engagement with the Cuyahoga County Land Bank is an excellent fit for the company’s recently announced national alliance with the U.S. Conference of Mayors focused on issues including property disposition and community development.

“Communities need a straightforward and streamlined way to identify foreclosed properties from financial institutions like ours, and we can be a source of funding to finance some revitalization activities,” Cross noted. “The Cuyahoga County Land Bank is a great example of the kind of best practices that we can share with mayors across the nation.”

“Unfortunately, many homeowners faced with unemployment, underemployment and other economic hardships have transitioned to alternative housing situations, in many leaving behind vacant and deteriorating properties that can cause neighborhood blight,” said Rebecca Mairone, national mortgage outreach executive for Bank of America Home Loans. “We are addressing this growing inventory of abandoned, uninhabitable properties with this program in Cleveland, and similar programs we have announced in Chicago and Detroit,

“Bank of America is committed to a comprehensive neighborhood stabilization approach to help support our customers and the communities we serve and live in. This program builds on the initiatives we already have taken in homeownership retention, foreclosure prevention and neighborhood stabilization and revitalization.”

In addition to this partnership with the Cuyahoga Land Bank, Bank of America’s homeownership retention and foreclosure prevention initiatives in Cleveland include a recent mortgage modification outreach event where many customers responded to invitations to meet with homeownership retention specialists over a three-day period. This initiative provided a convenient opportunity for customers who are having difficulty

making their mortgage payments to receive face-to-face counseling, on-site processing and underwriting of mortgage modification requests and other assistance.

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