

June 29th 2020

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Chairwoman, Congresswoman Maxine Waters
U.S House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515



Dear Chairwoman, Congresswoman Maxine Waters:

I am writing to express my grave concerns related to Racism in the Appraisal Industry, Unfair Lending, Present-Day Redlining and how it is detrimental to Black Economic Development in 2020 in Birmingham, AL. Today marks the 146th Anniversary of the closing of Freedmen’s Saving Bank by Frederick Douglas in 1874. 146 years later will be still fighting for economic justice, equality and fair access to capital.

June 20th 2019 Congressman William Lacy Clay of St Louis, MO: “As we explore the racial wealth gap in the context of inaccurate appraisals, I stress that we look forward to working on structured policies and solutions because we are at our core an optimistic nation, we fix problems. I invite all of my colleagues to work and find solutions and make the appraisal process more equitable to every American community”.

My banking and appraisal case is the poster child of unfair lending. I received a **\$0 Building Appraisal on 8 Historic Commercial Buildings** with tenants in the buildings, with a preapproval of \$250,000 based on my credit, capital, and tax assessed collateral which is much more than \$0 for all buildings. I own properties at 600, 604, 606, 608, 610, 615, 617, and 619 19th St Ensley Birmingham AL 35218. I learned through my case that when a bank like Synovus Bank don’t want to loan in a African American majority community, they will seek to discredit or move the target on at least one of the above listed items to make sure citizens like me do not get a loan. In my case, they partnered with CBRE (CB Richard Ellis / the largest appraisal company in the USA) to destroy my collateral. Both Synovus Bank and CBRE agreed that my appraisal passed their standards. This happened the same day US Congress House and Finance Committee held a meeting regarding appraisal standards on June 20th 2019. A year later, the Alabama State Appraisal Board have still not completed their review on the willful negligence of comparing **RURAL FARM LAND** (see image 2) that sold 4 years earlier in 2015 and an **ABANDONED CAR WASH** (see image 3) that was under contract without final sales data well outside the city limits **TO MY OBVIOUS 8 HISTORIC COMMERCIAL STRUCTURES** in image 1 in the most historic commercial district in the Birmingham to justify extreme devaluation and to solidify 1930s to 1960s redlining levels of appraising (see Image 4).

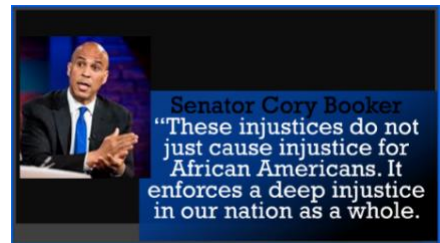


This is critical: On **May 8th of 2019**, I spoke in front of the City of Birmingham, Economic Development Committee, roughly **weeks before** an appraiser was selected on **May 22nd 2019** and the site visit on **June 6th 2019**. During this meeting, I humbly ask for help with tears in my eyes and my voice cracking regarding the fact that the bank has already said my buildings were worth \$0 before any appraisal was ordered. **On June 20th 2019** it was made obvious that there was **collusion between the Synovus Bank and CBRE** because CBRE did everything possible to justify a \$0 appraisal through willful negligence by comparing HISTORIC COMMERCIAL PROPERTIES IN A MAJOR CITY TO RURAL FARM 14 MILES AWAY TO JUSTIFY THE DESIRED NUMBER BY SYNOVUS BANK. **You can watch my speech asking for help on May 8th 2019 by going to the City of Birmingham, Economic Development Committee meeting videos through the following link** <https://www.birminghamcitycouncil.org/economic-development-committee-meeting-videos/>.

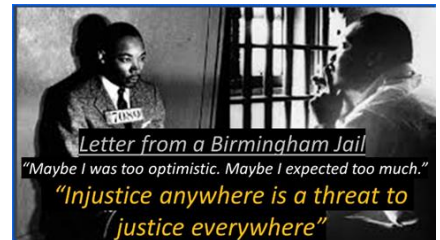
I am convinced that within the entire USA that I likely have the most unjust appraisal comparables, and this appraisal may be the poster child of racism and unfair lending showing how banks partner with appraisal companies when they do not want to loan in Black communities. If CBRE can go back 4 years and 14 miles away for rural farm land, then they can reach every major revitalized area in Birmingham with similar buildings that have experienced over a billion dollars in renovations over the last several years. The following Birmingham commercial districts have historic buildings like mine are apart of the billion dollar urban renaissance of Birmingham: Downtown Birmingham (5 miles away), (8 miles away), Woodlawn (9.8 miles away), and others that are under 14 miles away. However, CBRE chose rural farm land 14 miles away as the baseline to compare against my 8 historic buildings in the Downtown Ensley commercial district of Birmingham.



I received a call from the Synovus Bank representative, Bill, to inform me that Synovus Bank had completed their internal review. On that call, Bill told me that their internal review was complete and that he wanted to call me before sending over the appraisal. Then Bill said **“you are not going to like it”** and shortly after he hung the phone up. I knew it was bad when Bill made that statement. A few days later, I requested a meeting with the CEO. **I knew I had no chance with Synovus Bank doing right by my appraisal, when CEO Nelson Bean told me to be very specific about any concerns I saw in the appraisal and submit those to him and the commercial banker. Then he said, it will not change the appraised amount that much though.** This was also the day that I was finally



introduced to a commercial banker almost 8 months later after requesting my loan for 8 commercial buildings. I really believe, it took 7-8 months for Synovus Bank to connect me to a commercial banker or a CRA representative because they knew they had no plans to give me a commercial loan but they could not tell me no outright because I met all the key qualifications. For 7-8 months, I pushed for my appraisal to be ordered especially when they told me I was pre-approved for \$250k. For 7-8 months, they delayed the process by asking me to submit new documents every few weeks, and then would say this is all we need each time only to ask for more. They were hoping that I would eventually give up and walk away. Once, I realized what was going on I knew this was bigger than me and I was going to fight for fairness in this city of Birmingham because I have heard of too many unfair banking stories from other African Americans.



I also reached out to local news agencies and none would share my story of injustice; just as no news shared injustices of Birmingham Blacks in the news before 1963 until international and national media brought light to

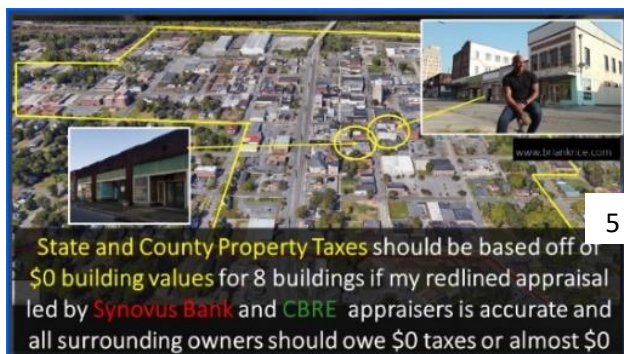
our mistreatment. I have been interviewed by almost every major news agency in the area and none would share the banking concerns of my interviews just my vision and the hard work I've put in which I'm thankful for at a minimum, but I wish they would share the injustice too. This is about right and wrong. **This about the 5 homeless men I hired last summer that I can't employ anymore. This is about Wendolyn, Ronnie, Robert, Brooklyn, and BJ.** BJ is a young black man who came up to me and said he wanted to be mentored by me while he worked and he would help me with anything. He just didn't want to go to jail. Wendolyn and Robert are talented artists who just wanted me to get the Art Studio and Gallery off the ground so that they can get attached to their life's love. Ronnie, who spent over 20 something years in prison, says he feels safe here at my buildings and I've watched him on the security camera sleep on my back steps at night. Brooklyn told me that all he wanted to do was mentor the next generation to make sure they don't follow his mistakes and he would do whatever it takes to help me get off the ground. I'm fighting for them and their spirits because a few have passed away since last year. To ignore this level of injustice on my \$0 buildings shuts them out of healthy alternatives. For the mayor, other city politicians, county, state, senators, congressman, banks, realtors, state appraisal board, and influential corporate leaders to choose to ignore this injustice goes against the 1963 Children's March in Birmingham, Community Reinvestment Act, Anti-Redlining Laws, the Declaration of Independence, The Pledge of Allegiance, the US Constitution and most importantly local people who just want a better chance to improve their lives.

What is even worst is that my taxed assessed values on the 8 buildings went up over an additional \$50,000 on all buildings a few months later by the Jefferson County Tax Assessor, which is well over the price of this CBRE appraisal. This means I am getting taxed by the local school system, city, county, and state for eight \$0 appraised buildings, which is **"Taxation Without Representation"**.

If Congress believe my appraisal for all 8 buildings is **just** and the buildings are only worth an astounding **ZERO DOLLARS**, please write a letter on my behalf to reduce all associated taxes to the local school system, city, county, and state government to \$0. If Congress believe my appraisal is **just** please make sure all comparables buildings in Downtown Ensley and similar districts like Downtown Birmingham are reduced to \$0 because many of these buildings are built with the same brick, same architects, same time period as mine.

Also, make sure all of my neighbors taxes are reduced to \$0 for their buildings if this is justice. This truly is taxation without representation. **In the spirit of Paul Cuffe**, the first African American to win his taxation without representation case in this country over 200 years ago, I must stand up for my rights. This is much bigger than me. Because if I accept this \$0 building appraisal, then every neighbor in Ensley will be judged by the same lie of injustice when they apply for a loan.

If Congress believe my appraisal is **unjust** please lead an investigation in Birmingham because I can name 5 owners within 2 blocks who could not get loans for similar reasons. They chose not to fight their cases because this has been the normal for so many decades now. One of the local Ensley guys who still live in his parents' "home house", J Steele from the community, told me that when he went to the bank in 1978 in downtown Ensley, the same thing happened to him for just a few thousand dollars when he had 3 times as much in the bank. I have had dozens of others around the city reach out to me in 2019 and 2020 and tell me their stories of unfair lending and present-day redlining in different areas from successful African American dentists to OBGYNs. In Pennsylvania, Maryland, Delaware, and New York, I've seen cases over the last few years where the attorney general of those states led **redlining investigations** and these findings were submitted to the Department of Justice, US Congress House and Finance Committee, Senate Banking Committee, Comptroller of



the Currency, FDIC, Federal Reserve, The Consumer Financial Protection Bureau and other government agencies where lawsuits were filed against obvious discrimination in banking, lending, and appraisals. WE need that level of investigations and more in Birmingham and many other cities.

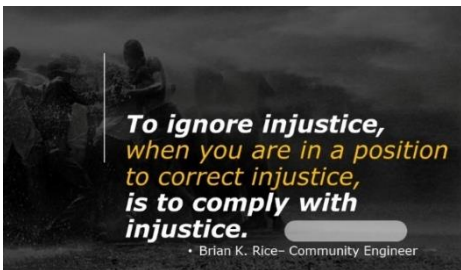
Our communities and small businesses are hurting and it is not just in Alabama. This is the same reason why riots exist. African Americans and others burn down buildings in the communities they live in like in Ferguson, Baltimore, Minneapolis, Los Angeles, and many other cities that have seen racial protest over the last century. **It is tough enough with a fair shot and it is nearly impossible with the economic suppression levels we are seeing in appraisals and unfair lending.** Economic Injustice and the current attempt to weaken the Community Reinvestment Act has devastating affects just as Systemic Racial Injustice in the (1) The Criminal Justice System – Police Brutality, Unfair Sentencing, Over Policing and much more.

Why do Blacks burn down buildings in their communities during Race Riots?

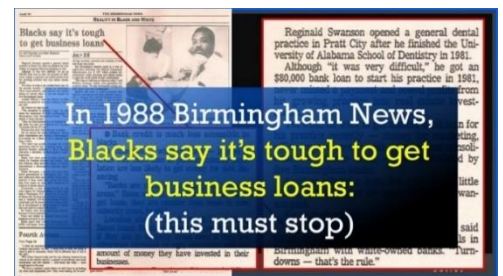


Our communities are hurting so bad that Birmingham is 70%+ Black and less than 2% of all sales taxes come from Black businesses as reported by local reporter, John Archibald. That is not an “F”, that is almost no participation in the Birmingham economy for African Americans. This impacts homelessness, unemployment, underemployment, crime, quality of services, and so much more in our city.

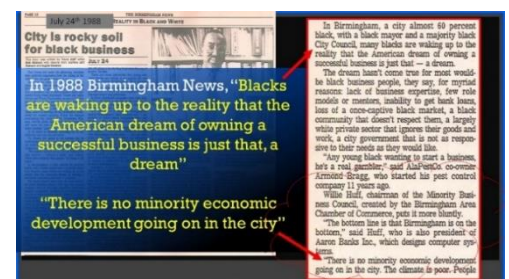
I have had politicians, bankers, bank presidents, realtors, CRA representatives, and influential corporate leaders advise me to remain silent and just sweep this systemic racial injustice under the rug in Birmingham, the bedrock city of the Civil Rights Movement. This is the home of the bombing that was heard around the world where 4 little girls were killed, and I will not ignore them. When local leaders push such agendas, this lets me know that the development of majority Black business districts is less important than Systemic Racial Injustice in Banking and Appraisals. In many cases, even African American leaders are choosing donors and systemic racism over our community and economic development pains. This level of injustice has been going on for too long across Birmingham and America.



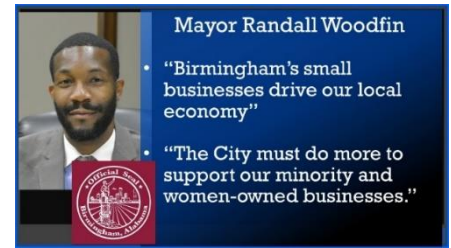
I am reaching out to you directly because these practices have never stopped and cannot be silenced if we want to lift up African American communities and businesses. The two attached articles from 1988 speak about the same things and this must stop. The Birmingham Black community has been suppressed for 4 decades even with Black mayoral leadership. Selma AL is very similar. Both cities became bedrock cities of the Civil Rights Movement and both have been suppressed ever since.



The Mayor of Birmingham, Randall Woodfin, connection to this has to be told as well because I don't know how many more politicians or mayors in other cities are choosing the voice of their donors or just deeper pockets and not the pains of their communities first. I hope he changes but at the time of me writing this letter, he has stood on the side of the oppressive systemic system of unfair banking since I first asked the city for help in December 2018, April 2019, May 2019 and after my appraisal was released on June 20th 2019 regarding my situation. The moment I brought my \$0



building appraisals to the public light and asked for help publicly against this present day redlining, I have been met with obstacles every step of the way from the mayor and his executive staff. The mayor and his head of economic development confirmed that they had a good relationship with Synovus CEO, Nelson Bean, as well as other bank presidents in one of our meetings about this unfair appraisal by CBRE and the internal approval of willful negligence by Synovus Bank. Mayor Woodfin and CEO Bean shared board positions at the Birmingham Business Alliance (aka Birmingham Chamber of Commerce) when I went to the mayor and the city originally and asked for help 3 times before going public over a period of 6 months. I had a good relationship with many on Mayor Woodfin's executive staff while I suffered in silence about my mistreatment; but when I went public, I was labeled as controversial for standing up for my land and historic commercial structures. I have had representatives reach out to Mayor Woodfin's executive staff and they were instructed not to help me. The 14th Amendment which gave my ancestors citizenship says: "nor shall any State deprive any person of life, liberty, or **PROPERTY**, without due process of law; nor deny to any person within its jurisdiction the **EQUAL PROTECTION** of the laws."



I also cannot let history like this repeat itself in my family. **My Great-Grandfather around the 1930s in Hale County Alabama had his land taken from him like many African American land owners across the country when racism was done much more publicly and my ancestors were silenced.** I have to fight for my land and my value because it is my right. To be a roadblock in addition to the bank concerns me because too many have targeted our communities and we have to stop this. I am tired of the unemployment I see here every day, and I have put my actions where my words are to sacrifice for this and similar communities. I hope there is not collusion between the Synovus and the City, but the behavior lets me know there is a concern. We cannot have leaders choosing deeper pockets and donors over injustice at any level of government if we are for justice. African American majority communities have been robbed of life, liberty, and justice for too many times. This injustice (unfair lending, unfair appraisals, economic injustice and systemic racism) is the foot on my neck and the necks of our communities and businesses.



I hope this investigation will go well past me for CBRE and Synovus Bank because there are many others with similar stories in this city and cities around the country who didn't think they could win and receive justice, so they did not fight. How many has this happened to in this multi-state region for Synovus Bank and especially CBRE, who happen to be the largest appraisal company in the country? I also believe there may need to be an investigation into the Alabama State Appraisal Board as they are approaching 11 months to review my appraisal and its clear injustices.

I am convinced that the bank and the appraisal company were likely in direct communication with each other, which was made illegal after the housing market crash in 2008. I say this because I called the CEO directly around 4 pm asking him to follow up on my appraisal that had been ordered and delayed again. I received a phone call at 9 am the next morning from the appraiser to finally setup a walk through. Proper bank/appraiser protocol is to go through the appraisers and with the new rules, it would take much longer than that. I also spoke publicly a month before at the City of Birmingham, Economic Development Committee meeting to express my concerns with Synovus telling me well in advance that my properties was worth zero and they made sure CBRE met there redlining appraised value of \$0 for the buildings and barely over \$1 a square foot for the land only.

Next Steps - How do we move forward? I would much rather see thriving businesses in my buildings than continuing to fight these injustices; but out of principle for my God and the biblical story of Nehemiah (which inspired me to move back to rebuild and to restore), I will do whatever it takes to improve our communities. Out of principle for the love of my hometown, my family, my ancestors who were locked out of the American economy, my future family, my future kids, my legacy, my neighbors, my community, and my country, I will fight for the rest of my life if I have too; but, I would rather get to the next phase of restoration and rejuvenation of this key commercial district in Birmingham. **As Synovus Bank, CBRE, AL State Appraisal Board, Mayor Woodfin read this open letter to Congress, I am very open to seeing how each of them can help me and this commercial district and community move forward. Myself and surrounding building owners have been locked out of banks and public investments for decades and we need your resources here.** I just want to secure appropriate capital so I can restore these buildings and create opportunities for local entrepreneurs to maximize the space so we can bring needed development to this community. Unemployment and underemployment is high here and we all can do something about it. I look forward to moving Ensley forward.

Snapshots of Government Led Lending Investigations, Hearings, and Lawsuits below:

- Supreme Court rules cities can sue banks for predatory lending
- Democratic Senators Elizabeth Warren and Doug Jones have sent a letter to CFPB, Federal Reserve, OCC, and FDIC expressing concerns in the underwriting processes and engaging in unlawful discrimination
- CEO Marc Morial, CEO, National Urban League, “The future health of our economy requires that banks provide all communities with equal access to their lending services”
- Pennsylvania Attorney General Shapiro solicits redlining complaints from consumers in the Philadelphia area. “Redlining represents institutional racism, and I committed to standing up for the civil rights”
- Bank of America Agrees to Settle Fraudulent Appraisal Class Action for \$250 Million
- CFPB and DOJ Settle Fair Lending Claims Involving Allegations of Redlining, Discretionary Underwriting and Pricing, and Overt Discrimination

Additional Quotes from House and Finance Committee June 20th 2019 meeting

- Congressman AL Green of Houston, TX: “At some point we have to deal with racism, with racism, unintentional bias and some of it is with intentionality”
- Congressman Juan Vargas of Imperial and San Diego County, CA: “I believe there is discrimination, I don’t think there is any doubt”
- Brookings Institute Representative: Andre Perry: “The research is pretty clear in terms of lending, appraisals. We have sighted discrimination at every turn, The price reflects all of that and then some, There is not question that there is discrimination. We have concrete evidence. There is discrimination”

Many communities around the country need a true focus on equality so we can remove blight, play catchup from years of economic suppression and improve the economic conditions in our communities. Our greatest investment is investing in investments that invest in people. I, just like many others, are tired of seeing high unemployment, high underemployment, high homeless rates, empty buildings, and broken windows especially when we have the opportunity to help all Americans thrive and create healthy and balanced communities. My dream was to move back to my hometown and invest where enough people, corporations, and



governments are not investing to improve the lives of others. I wake up knowing that my ministry is community. I wake up knowing it is possible to restore communities like Ensley all around the USA if African Americans are given a fair chance. Since they have been treated unfairly for so long, there need to be additional investments on behalf of our governments, banks, and foundations.

Congress, I plead with you to investigate appraisal practices and unfair lending in Birmingham, AL among many other cities because this area of Economic Injustice is the foot of continued financial oppression forcing majority African American communities and businesses to gasp for air when trying to improve their economic conditions. **Birmingham can't become healthy and balanced if 70% + residents are African American and less than 2% of sales taxes come from African American businesses.** These low numbers are not by chance but by design. My case is a repeat of the history of systemic racism, unfair banking, and redlining.



Sincerely,

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