

**2004-2008 CHASE "TOXIC MORTGAGE" LOAN ORIGINATIONS AND CHASE/SPS 2013 ELEVENTH-HOUR OUTSOURCING MANEUVER.**

**3. PHASE 3 2013 - CHASE/SPS ELEVENTH-HOUR OUTSOURCING MANEUVER:**

On October 21, 2013, Chase Manhattan USA, National Association sent letters to thousands of consumers holding Chase "Toxic Mortgage" Loans originated between 2004 to 2008 were sent "good-bye" letters informing them that their mortgage loans were being outsourced. These self-proclaimed "Good-Bye" letters "assured" these consumers, who were mainly of African Americans, Hispanic and Latino descent, that although the servicing rights for their home mortgage loans were being outsourced to a Salt Lake City, Utah mortgage servicer named Select Portfolio Servicing, Inc., that Chase would continue to be responsible to all aspect of their home mortgage loans other than: Collecting and Processing Payments.

- ☐ Servicing Account Statements and Annual Tax Forms.
- ☐ Notifying Borrowers of Account Related Issues and Updates.

Even mortgagors who call their Chase were falsely assured that this was purely an administrative housekeeping procedure and that there was action required of the mortgagor. However, unbeknownst to these mortgagors, at the same time the Chase "Good-Bye" Letters were being sent to notify them of the change in servicing rights, an Assignment of Deed of Trust was being filed with the County Recorder Office, transferring ownership of their home mortgage loan from Chase Bank USA, N. A. to Deutsche Bank National Trust Company, the Trustee of the Trust Certificate in which their home mortgage had been securitized in 2007. It was not discovered until weeks after these two activities had occurred that the primary motivation for both the "Good-Bye" Letter outsourcing servicing rights to SPS and the Assignment of Deed of Trust transferring ownership of their mortgage loan to Deutsche Bank National Trust Company was that the DOJ Settlement of the \$13-Billion Chase RMBS Trust Lawsuit was being finalized. The timing of the servicing rights outsourcing, and the Assignment of the Deed of Trust was critical to JPMorgan Chase Bank, N. A. because if both occurred before the DOJ's Lawsuit Settlement was finalized, their mortgage loans would not be eligible for a share of the \$4.9-billion consumer relief/restoration awarded contained in the Chase RMBS Trust Lawsuit Settlement.

**4. PHASE 4 - DEPARTMENT OF JUSTICE SETTLEMENT OF THE CHASE RMBS TRUST CERTIFICATE LAWSUIT:**

It is beyond comprehension that JPMorgan Chase and Company's two National Bank subsidiaries were able to use the hide the existence of the Chase-Direct "Toxic Mortgage" Origination Boiler-Room which created more than five-hundred thousand conventional mortgage loan applications and originated 183,176 "Toxic Mortgage" Loans with an approximate valuation of \$30.2-Billion. It is even more incredulous, that the DOJ's Chase RMBS Trust Certificate Settlement Agreement would include findings of JPMorgan Chase and Company's "Highly-Respected Due Diligence Vendor Clayton and Bohan regarding the quality of loans purchased from notorious subprime vendor: WMC Mortgage Corporation. Below are some of the DOJ's own finding regarding WMC Mortgage Corporation:

- ☐ In 2005, a WMC quality control manager described his department as a "toothless tiger" with inadequate resources and no authority to prevent the approval or sale of loans his department had determined were fraudulent or otherwise defective. By late third quarter 2006, managers responsible for quality control and risk management at WMC and GECC had expressed concerns that WMC's quality and fraud controls were so lax that WMC received more mortgage applications containing fraud or other defects than its competitors. As a member of GE's Corporate Audit Staff (CAS) involved in audits of WMC observed in April 2007, WMC "jacked up volume without controls."
- ☐ According to the DOJ, in March 2006, WMC reviewed a sample of the 1,276 loans it repurchased in 2005 and found that a whopping 78% of the loan files reviewed had at least one piece of false information in them.

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**4. PHASE 4 - DEPARTMENT OF JUSTICE SETTLEMENT OF THE CHASE RMBS TRUST CERTIFICATE LAWSUIT (Continued):**

- ☐ At that point, GE and GE Capital Corp. took more control over WMC's business, but the lender allegedly continued selling its loans and making false representations about their qualities and attributes.
- ☐ GE sold WMC in 2007, but according to the DOJ, investors, including some federally insured financial institutions, suffered "billions of dollars in losses as a result of WMC's fraudulent origination and sale of loans for inclusion in RMBS."
- ☐ Under the terms of the settlement with the DOJ, GE will pay a civil penalty of \$1.5 billion under the Financial Institutions Reform, Recovery, and Enforcement Act.

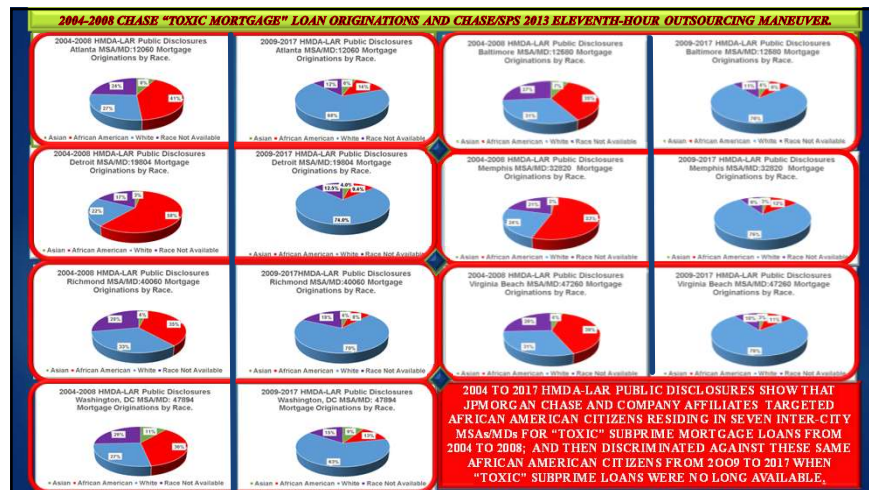
JPMorgan Chase and Company pled guilty to all civil violations related to the Chase RMBS Trust Certificate Lawsuit and was fined \$13-Billion. However, the DOJ chose to ignore the 2005 2008 Chase HMDA-LAR Public Disclosures, and its own investigative findings regarding WMC Mortgage Corporation when rendering its decision to name JPMorgan Chase and Company as the Sole Administrator of the \$4-Billion Consumer Relief Restitution fine levied against the "defendant" in this lawsuit. The incredulous decision to allow the defendant in the lawsuit to determine which remaining home mortgage loan was to receive restitution via this settlement was the comparable to "Allowing the Fox to Guard the Hen-house!" Predictably, all of the Chase-originated "Toxic Mortgage" Loans which had been jettisoned via the Eleventh-Hour Outsourcing Maneuver received no relief/restoration, and Chase was able to divert much of the \$4.9-Billion of the Consumer Relief/Restoration to home mortgage loans that it "held for investment purposes."

**5. PHASE 5 - 2014-2019 "FALSE THE END GAME FORECLOSURE ACTION" - DEUTSCHE BANK NATIONAL TRUST COMPANY'S TRUSTEE FORECLOSURE ACTIONS:**

Although mortgage refinancing and forced short sales were options, it appears that trustee foreclosure actions were the preferred "end-game alternative" for the foreclosure beneficiary of the J. P. Morgan Acquisition Trust 2007-CH1 thru J. P. Morgan Acquisition Trust 2007-CH5: JPMorgan Chase Bank, National Association. This National Bank had no concern that this "False Foreclosure End Game" option would deprive tens of thousands of African American, Hispanic, and Latino Citizens of their rightful shares of the \$4.9-Billion Relief/Restoration Settlement because they had already used this fraud to diverted the major portion of this relief/restoration settlement to mortgages it held for investment purposes. As this implies, the consumer who was "fortunate" enough to have survived: a.) Chase Predatory Lending, Mortgage Loan Fraud, and Systemic Racial Discrimination/Racial Profiling Practices, and b.) Chase/SPS Eleventh-Hour Maneuver were now the targets of Trustee Foreclosure Actions by Deutsche Bank National Trust Company. Proceeds of a foreclosure sale are distributed as shown below:

- ☐ The costs of the sale and the debt owed to the foreclosing mortgage are paid first.
- ☐ The mortgagee's only interest in the property is to be fully repaid, however, so if any money is left over, the mortgagee doesn't get to keep it.
- ☐ The surplus is distributed to owners of junior interests in order of priority (which is generally the order in which the interests were created).
- ☐ The sale extinguishes junior interests in the property, so these parties have a claim against the proceeds to compensate them for their loss.
- ☐ The mortgagor gets to keep any money that's left after paying the junior interests.

The mortgagees: Chase Bank USA, N. A. and Chase Home Finance, LLC (both are now a wholly-owned subsidiaries of JPMorgan Chase Bank, National Association).



**2004-2008 CHASE "TOXIC MORTGAGE" LOAN ORIGINATIONS AND CHASE/SPS 2013 ELEVENTH-HOUR OUTSOURCING MANEUVER**

**2004-2008 SUMMARY OF CONVENTIONAL HOME MORTGAGE LENDING PRACTICES BY RACE OF CHASE HOME LOAN**  
**Direct® IN TOP-20 MSAs/MDs - FOURTEEN STATES AND DISTRICT OF COLUMBIA**  
 (Annual HMDA-LAR Public Raw Data Disclosures submitted via HMDA Respondent ID: 0000023160)

Racial Category	Asian		African American		White		RNA		Grand Total	
HMDA-LAR RDI Dimension	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Loan Originated	1250	40.0%	21527	42.9%	39191	50.2%	10231	32.6%	72199	44.4%
Accepted but not Accepted	94	1.7%	541	1.1%	1350	1.7%	520	1.7%	2465	1.5%
Denied by Institution	1788	57.2%	27711	55.3%	36960	47.3%	19895	63.4%	86354	53.1%
Withdrawn by Applicant	31	1.0%	330	0.7%	564	0.7%	687	2.2%	1612	1.0%
Closed for Incompleteness	5	0.2%	22	0.0%	75	0.1%	39	0.1%	141	0.1%
Total Applications	3128	100.0%	50131	100.0%	78140	100.0%	31372	100.0%	162771	100.0%
Percentage of Applications	1.9%		30.8%		48.0%		19.3%		100.0%	
Population by Race in MSAs/MDs	4.5%		21.3%		85.4%		8.8%		100.0%	
Average Loan Amount (\$000)	211		151		175		169		165	
Total Loan Amount (\$000)	243591		3220422		8794051		1689856		11947920	
Average Income of Applicant (\$000)	105		69		91		96		90	
Total of Subprime Loans	932		18541		30817		5406		55696	
Percentage of Subprime Loans	74.6%		86.1%		78.6%		52.8%		77.1%	
Subprime/Rate Spread Interest	5.1%		5.1%		5.2%		5.1%		5.1%	
No Co-Applicants	2158	71.6%	37337	77.7%	53431	70.5%	19842	65.4%	112768	71.7%
Percent of Co-Applicants	857	28.4%	10690	22.3%	22388	29.5%	10491	34.6%	44426	28.3%
Male without Co-Applicants	1215	56.6%	17154	46.2%	31466	59.0%	5450	54.3%	55285	53.9%
Female without Co-Applicants	931	43.4%	19953	53.8%	21851	41.0%	4504	45.7%	47329	46.1%

Source: HMDA-LAR Public Raw Data Disclosures - National Archives and Records Administration (NARA).

Sources: HMDA-LAR Public Raw Data Disclosures - National Archives and Records Administration (NARA).

Source: Federal Government HMDA-LAR Public Disclosures at the National Archives and Records Administration (NARA) Repository.

**2004-2008 CHASE "TOXIC MORTGAGE" LOAN ORIGINATIONS AND CHASE/SPS 2013 ELEVENTH-HOUR OUTSOURCING MANEUVER**

**2004-2008 SUMMARY OF CONVENTIONAL HOME MORTGAGE LENDING PRACTICES BY RACE OF CHASE HOME LOAN**  
**Direct® IN 7-TARGETED MSAs/MDs - FIVE STATES AND DISTRICT OF COLUMBIA**  
 (Annual HMDA-LAR Public Raw Data Disclosures submitted via HMDA Respondent ID: 0000023160)

Racial Category	Asian		African American		White		RNA		Grand Total	
HMDA-LAR RDI Dimension	Total	Percent	Total	Percent	Total	Percent	RNA	Percent	Total	Percent
Loan Originated	306	37.0%	8455	40.3%	8213	44.1%	2703	31.2%	17677	39.6%
Accepted but not Accepted	17	2.1%	193	0.9%	352	2.8%	141	1.6%	713	1.6%
Denied by Institution	492	59.6%	12191	58.0%	7388	52.4%	5611	64.7%	25682	57.6%
Withdrawn by Applicant	9	1.1%	152	0.7%	112	0.8%	206	2.4%	479	1.1%
Closed for Incompleteness	2	0.2%	14	0.1%	26	0.2%	14	0.2%	56	0.1%
Total Applications	826	100.0%	21005	100.0%	14161	100.0%	8675	100.0%	44607	100.0%
Percentage of Applications	1.9%		47.1%		31.6%		19.4%		100.0%	
Population by Race in MSAs/MDs	2.5%		33.4%		60.3%		3.8%		100.0%	
Average Loan Amount (\$000)	206		156		164		168		170	
Total Loan Amount (\$000)	57385		1249114		958339		428186		2093024	
Average Income of Applicant (\$000)	92		72		90		84		84	
Total of Subprime Loans	222		7197		4529		1293		13241	
Percentage of Subprime Loans	72.5%		85.1%		72.9%		47.8%		74.9%	
Subprime/Rate Spread Interest	5.2%		5.3%		5.2%		5.1%		5.2%	
No Co-Applicants	570	71.6%	15760	78.2%	8768	64.7%	5587	66.5%	30685	71.5%
Percent of Co-Applicants	226	28.4%	4405	21.8%	4791	35.3%	2809	33.5%	12231	28.5%
Male without Co-Applicants	371	64.5%	7787	48.0%	5441	60.5%	1342	54.1%	14921	52.9%
Female without Co-Applicants	204	35.5%	8407	52.0%	3548	39.5%	1140	45.9%	13298	47.1%

Sources: HMDA-LAR Public Raw Data Disclosures - National Archives and Records Administration (NARA).

Source: Federal Government HMDA-LAR Public Disclosures at the National Archives and Records Administration (NARA) Repository.

2004-2008 CHASE "TOXIC MORTGAGE" LOAN ORIGINATIONS AND CHASE/SPS 2013 ELEVENTH-HOUR OUTSOURCING MANEUVER.

2004-2008 SUMMARY OF CONVENTIONAL HOME MORTGAGE LENDING PRACTICES BY RACE OF CHASE HOME LOAN  
Direct® FOR DETROIT, MI - MSA/MD: 19804  
(Annual HMDA-LAR Public Raw Data Disclosures submitted via HMDA Respondent ID: 0000023160)

Racial Category	Asian		African American		White		RNA		Grand Total	
HMDA-LAR RDI Dimension	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Loan Originated	23	26.7%	1918	35.9%	1020	40.8%	287	23.8%	3248	35.6%
Accepted but not Accepted	1	1.2%	35	0.7%	106	4.2%	25	2.1%	167	1.8%
Denied by Institution	61	70.9%	3353	62.7%	1355	54.2%	869	72.1%	5638	61.7%
Withdrawn by Applicant	1	1.2%	34	0.6%	16	0.6%	23	1.9%	74	0.8%
Closed for Incompleteness	0	0.0%	4	0.1%	3	0.1%	1	0.1%	8	0.1%
Total Applications	86		5344	100.0%	2500		1205	100.0%	9135	100.0%
Percentage of Applications	0.9%		58.5%		27.4%		13.2%		100.0%	
Population by Race in MSAs/MDs	1.7%		42.2%		51.7%		4.4%		100.0%	
Average Loan Amount (\$1000)	131		79		96		93		86	
Total Loan Amount (\$1000)	2392		150798		103334		27403		284427	
Average Income of Applicant (\$1000)	94		55		72		80		63	
Total of Subprime Loans	21		1856		908		248		3017	
Percentage of Subprime Loans	91.3%		96.8%		89.0%		86.4%		92.9%	
Subprime/Rate Spread Interest	5.0%		5.8%		6.1%		5.8%		5.8%	
No Co-Applicants	76	90.5%	4593	88.3%	1898	78.5%	908	77.9%	7475	84.3%
Percent of Co-Applicants	8	9.5%	609	11.7%	521	21.5%	257	22.1%	1395	15.7%
Male without Co-Applicants	54	72.0%	2473	52.8%	1256	65.1%	260	58.6%	4043	56.7%
Female without Co-Applicants	21	28.0%	2211	47.2%	673	34.9%	184	41.4%	3089	43.3%

Sources: HMDA-LAR Public Raw Data Disclosures - National Archives and Records Administration (NARA).

Sources: HMDA-LAR Public Raw Data Disclosures - National Archives and Records Administration (NARA).

Source: Federal Government HMDA-LAR Public Disclosures at the National Archives and Records Administration (NARA) Repository.

2004-2008 CHASE "TOXIC MORTGAGE" LOAN ORIGINATIONS AND CHASE/SPS 2013 ELEVENTH-HOUR OUTSOURCING MANEUVER.

2004-2008 SUMMARY OF CONVENTIONAL HOME MORTGAGE LENDING PRACTICES BY RACE OF CHASE HOME LOAN  
Direct® FOR WASHINGTON, DC - MSA/MD: 47894  
(Annual HMDA-LAR Public Raw Data Disclosures submitted via HMDA Respondent ID: 0000023160)

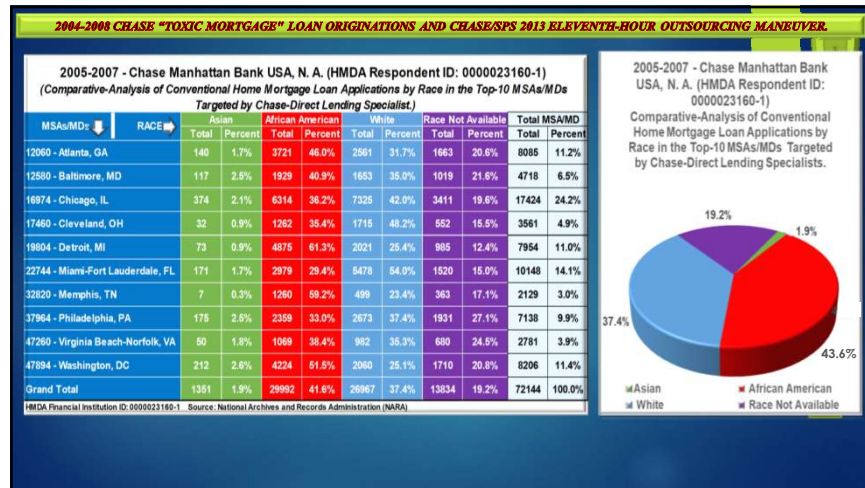
Racial Category	Asian		African American		White		RNA		Grand Total	
HMDA-LAR RDI Dimension	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Loan Originated	118	39.9%	2674	51.3%	1480	51.2%	821	36.0%	5093	47.7%
Accepted but not Accepted	5	1.7%	46	0.9%	81	2.8%	37	1.6%	169	1.6%
Denied by Institution	169	57.1%	2460	47.2%	1291	44.7%	1361	59.7%	5281	49.5%
Withdrawn by Applicant	3	1.0%	25	0.5%	24	0.8%	55	2.4%	107	1.0%
Closed for incompleteness	1	0.3%	4	0.1%	12	0.4%	5	0.2%	22	0.2%
Total Applications	296	100.0%	5209	100.0%	2888	100.0%	2279	100.0%	10672	100.0%
Percentage of Applications	2.8%		48.8%		27.1%		21.4%		100.0%	
Population by Race in MSAs/MDs	2.7%		60.5%		30.8%		6.2%		100.0%	
Average Loan Amount (\$1000)	117		68		88		92		85	
Total Loan Amount (\$1000)	26513		579957		305443		167821		1079734	
Average Income of Applicant (\$1000)	117		68		88		92		85	
Total of Subprime Loans	69		1903		900		459		3331	
Percentage of Subprime Loans	58.5%		71.2%		60.8%		55.9%		65.4%	
Subprime/Rate Spread Interest	4.0%		4.9%		4.9%		4.9%		4.9%	
No Co-Applicants	192	68.6%	3561	71.1%	1761	63.1%	1369	62.3%	6883	67.0%
Percent of Co-Applicants	88	31.4%	1449	28.9%	1030	36.9%	829	37.7%	3396	33.0%
Male without Co-Applicants	112	62.9%	1501	41.4%	1072	59.8%	294	48.7%	2979	48.0%
Female without Co-Applicants	66	37.1%	2121	58.6%	720	40.2%	310	51.3%	3232	52.0%

Source: Federal Reserve Bank of New York Public Data Disclosures - Annual Archives and Records Administration (NARA).

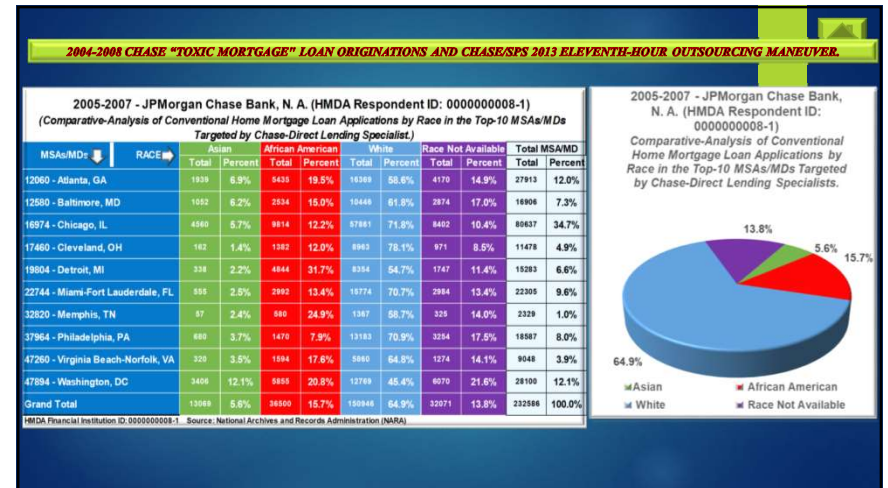
Sources: HMDA-LAR Public Raw Data Disclosures - National Archives and Records Administration (NARA).

Source: Federal Government HMDA-LAR Public Disclosures at the National Archives and Records Administration (NARA) Repository.





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# 2004-2019 ASCHE "SUBPRIME MORTGAGE" LOAN ORIGATION AND RMBS SECURITIZATION FRAUD

2005-2007 - Bank of America, N. A. (HMDA Respondent ID: 0000013044-1)  
(Comparative-Analysis of Conventional Home Mortgage Loan Applications by Race in the Top-10 MSAs/MDs Targeted by Chase-Direct Lending Specialist.)

MSAs/MDs	RACE	Asian		African American		White		Race Not Available		Total MSA/MD	
		Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent
12060 - Atlanta, GA		5799	8.1%	30650	32.4%	45925	48.6%	10762	11.4%	94555	19.5%
12580 - Baltimore, MD		2752	6.1%	10316	22.9%	25876	57.4%	5490	12.2%	45085	9.3%
16974 - Chicago, IL		5886	8.1%	7755	10.7%	52487	72.5%	5368	7.4%	72398	14.9%
17460 - Cleveland, OH		53	2.1%	357	14.4%	1862	67.0%	390	15.7%	2481	0.5%
19004 - Detroit, MI		180	3.4%	1122	21.5%	3521	67.4%	365	7.0%	5225	1.1%
22744 - Miami-Fort Lauderdale, FL		1773	3.4%	10458	20.1%	33928	65.1%	5067	9.7%	52103	10.7%
32820 - Memphis, TN		365	3.2%	4189	36.7%	5740	50.5%	924	8.1%	11360	2.3%
37904 - Philadelphia, PA		1424	6.7%	3063	14.4%	12780	59.9%	3679	17.3%	21300	4.4%
47260 - Virginia Beach-Norfolk, VA		1335	3.6%	7795	21.1%	22446	60.9%	4843	13.1%	36877	7.6%
47894 - Washington, DC		14129	9.9%	34789	34.2%	70291	48.0%	22432	15.6%	143437	29.6%
Grand Total		33696	7.0%	110454	22.8%	274636	56.6%	59320	12.2%	484821	100.0%

HMDA Financial Institution ID: 0000013044-1. Source: National Archives and Records Administration (NARA)

2005-2007 - Bank of America, N. A. (HMDA Respondent ID: 0000013044-1)

Comparative-Analysis of Conventional Home Mortgage Loan Applications by Race in the Top-10 MSAs/MDs Targeted by Chase-Direct Lending Specialists.

