



[← All complaints \(.\)](#)

220819-9257587

CLOSED

## ✓ Submitted

### STATUS

Submitted to the CFPB on 8/19/2022

### PRODUCT

Mortgage

### ISSUE

Trouble during payment process

We received your complaint. Thank you.

We will review your complaint. Depending on what we find, we will typically:

- Send your complaint to the company for a response; or
- Send your complaint to another state or federal agency, or help you get in touch with your state or local consumer protection office; or
- Let you know if we need more information to continue our work.

### YOUR COMPLAINT

2004-2008 HMDA-LAR Public Disclosures show that Chase Manhattan Bank USA, N. A., JPMorgan Chase Bank, N. A. (JPMCBNA), and Chase Manhattan Mortgage Corporation (CMMC)/Chase Home Finance, LLC (CHF) operated the Chase-Direct “Toxic Subprime Mortgage” Loan Origination Boiler-Room utilizing an illegal Two-Tier Mortgage Origination Scheme to Originate “Toxic Mortgage” Loans which were subsequently securitized into five subprime Chase RMBS Certificates. Teams of Chase Lending Specialists operating the Chase-Direct “Toxic Mortgage” Loan Origination Boiler-Room Explicitly-Targeting African American, Hispanic, and Latino Applicants (and fraudulently utilized the Race Unavailable (RNA) Racial category); and 2004 to 2008 HMDA-LAR Public Disclosures show that 193,088 “Toxic Mortgage” Loans with an approximate valuation of \$29-Billion were originated using the Two-Tier Chase “Toxic Mortgage” Loan origination Scheme. However, this number of “toxic

Mortgage” Loans may have just the tip of the Iceberg because most of the loans originated by these “so-called mortgage brokers” were via non-HMDA institution subsidiary: CHF, which from 2005 through 2007 was the 12th largest subprime lender in the Nation. These so-called Chase Lending Specialists would initially submit Borrower Loan Applications to JPMCBNA, and if they were denied, they would then submit the same loan application to Chase Manhattan Bank USA, N.A.; and if it failed, they would then submit the same application to Chase Manhattan Mortgage Corporation (CMMC)/Chase Home Finance, LLC. where it was a certainty to be approved. HMDA-LAR Public Disclosures show that 183,176 loans originated at Chase Manhattan Bank USA, N.. A., and then sold to JPMCBNA. Additionally, hundreds of thousands of “Toxic Mortgage” Loans with an approximate valuation of hundreds of billions of dollars were originated by Chase non-bank subsidiaries CMMC and its successor: CHF, and all origination after 2005 were unreported to HMDA-LAR. Both JPMorgan Chase Bank, N. A., and Deutsche Bank Trust have pleaded guilty to "Civil Violations" related to the \$13-Billion RBOS trust Lawsuit against JPMorgan Chase N. A. in 2013, and the \$7.2- Billion RMBS Trust Certificate Fraud, Lawsuit against Deutsche Bank National Trust Company. Both of these multi-Billion Dollar Lawsuits settlements included a total of \$8-1-Billion for Consumer Relief Restitution that was to be given to Victims of these Trust Certificate frauds. The Department of Justice (DOJ) Settlement stated that the "Criminal Investigations" related to both Frauds were Ongoing and that these "Civil Lawsuit Settlement" did not grant immunity to either of these Corporations, and Employees of these Corporations.

## ATTACHMENTS

[BARNES 2005 HOME MORTGAGE LOAN ORIGINATOR AND ELEVENTH-HOUR OUTSOURCING MANEUVER.pdf \(726.3 KB\)](#)

[View full complaint](#) 

## Sent to company

### STATUS

Sent to company on 8/19/2022

We've sent your complaint to the company, and we will let you know when they respond.

Their response should include the steps they took, or will take, to address your complaint.

Companies generally respond in 15 days. In some cases, the company will let you know their response is in progress and provide a final response in 60 days.

## ✓ Company still working

### **STATUS**

Company response is in progress as of 9/1/2022

The company has responded that it is still working on your issue

In some cases, companies need more time to respond. You should receive a final response within 60 days from the date we sent your complaint to the company.

---

### **COMPANY'S INTERIM RESPONSE**

We require additional time to finalize our response.

## ✓ Company responded

### **STATUS**

Company responded on 9/9/2022

### **RESPONSE TYPE**

Closed with explanation

### **Company's Response**

**Foreclosure** - In the inquiries, it was stated there was unlawful foreclosure action on the property and requested the foreclosure action to be stopped. We have thoroughly reviewed this matter multiple times, and we have sent several written responses that informed you not only of our findings, but also of our position on this issue. While we regret that you remain dissatisfied, our position remains unchanged. On July 18, 2019, September 28, 2021, and May 27, 2022, SPS responded to the concerns. For your reference, we have enclosed copies of these Response Letters. At this time, we will not be postponing the foreclosure sale. Please note the Notice of Trustee Sale is required to be sent by law. The account is due for July 1, 2018, and 51 payments past due. A foreclosure sale is scheduled for October 25, 2022.

**Origination** In the inquiries, you raised concerns about origination and fraud. While SPS services this account on behalf of the Noteholder, we did not take part in its origination and we are unable to respond to the issues raised relating to the origination of the account. **Refund / Compensation** In the inquiries, you requested that SPS compensate you for issues relating to the account. Our research shows that we serviced the account in accordance with the terms of the Note and Deed of Trust (enclosed with our prior responses) documents. Our records show that the bankruptcy attorney's fees and legal costs have been assessed to the account in accordance with the Deed of Trust and applicable law. A servicer may advance funds as part of servicing an account to protect the Noteholder's interests. This is allowed under the

terms of the Deed of Trust. Therefore, we respectfully decline your request for compensation.

**Discrimination** In the inquiries, you made general discrimination and race discrimination allegations. SPS does not use race, religion, or other protected bases in our servicing practices, and we deny allegations of servicing discrimination.

**Noteholder** In the inquiries, you requested clarification regarding the Noteholder's identity. Deutsche Bank National Trust Company, as Trustee, on behalf of the holders of the J.P. Morgan Mortgage Acquisition Trust 2007- CH1 Asset Backed Pass-Through Certificates, Series 2007-CH1 is the owner of the account, and SPS is the mortgage servicer of the account. As the mortgage servicer, SPS is authorized to collect all payments and administer the terms of the Note and Security Agreement. Questions or disputes regarding the account and any request for mortgage assistance should be directed to SPS in order to ensure a timely response and resolution.

**Violations** In the inquiries, you claimed that many mortgages, including this account, were fraudulently created. You raised several claims regarding fraud, civil violations, and toxic mortgages. We reviewed the claims and we find no merit to the allegations relating to SPS's servicing. SPS is confident that the servicing of the account by SPS has been compliant with all applicable state and federal regulations. As noted above, we did not take part in origination of the loan and we are unable to respond to the issues raised relating to the origination of the account.

**Settlement** In the inquiries, it was stated the government settlement should have been applied to this account. You requested assistance under Credit Suisse's settlement agreement with the Department of Justice settlement. While there are not specific assistance options under the settlement, SPS reviewed the loss mitigation assistance request for available options and the account was denied. As of the date of this letter, the account is due for July 1, 2018. A foreclosure sale is scheduled for October 25, 2022.

## ATTACHMENTS

[Barnes 0016066243-AD999\\_0086086631.pdf \(8.8 MB\)](#)



## Feedback requested

### STATUS

Feedback requested on 9/9/2022

### FEEDBACK DUE

11/8/2022

## Provide feedback about the company's response

We welcome your feedback on how the company responded to your complaint. You will have 60 days from when the company responded to share your feedback. The CFPB will share your feedback responses with the company and use the information to help the CFPB's work with consumer complaints.

[Submit your feedback](#)

## Closed

The CFPB has closed your complaint.

---

### Privacy Act Statement

---

OMB #3170-0011

---

### Note on user experience

---

Have a question? ¿Preguntas?

(855) 411-2372

TTY/TTD: (855) 729-2372

8 a.m. to 8 p.m. ET, Monday through Friday

(except federal holidays). (<https://www.opm.gov/policy-data-oversight/pay-leave/federal-holidays/#url=Overview>)

More than 180 languages available.



An official website of the United States Government