

NEWS RELEASE

GROUPS CALL ON BANK REGULATOR TO DENY JPMORGAN CHASE COMMUNITY REINVESTMENT SEAL OF APPROVAL

For immediate release:
Friday, July 22, 2011

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JPMorgan Chase has failed to fulfill its legal obligations to meet the credit needs of New York communities, according to a [letter](#) six New York-based groups filed this week with Chase's banking regulator, which is conducting its periodic examination of Chase's community reinvestment performance.

In a detailed [letter](#) to Chase's regulator, the Office of the Comptroller of the Currency, the groups cited in-depth data analysis, case study examples, and direct experience of low and moderate income New Yorkers to document how Chase's practices are harming low and moderate income neighborhoods and communities of color. The letter was filed by Community Voices Heard, Good Jobs New York, NEDAP, NYPIRG, South Brooklyn Legal Services, and Staten Island Legal Services.

"Each day seems to bring new reports of Chase's malfeasance, unjust enrichment, and other actions that violate the law and harm the public interest," said Sarah Ludwig, co-director of NEDAP, a community economic justice organization. "The OCC must hold Chase accountable for its harmful practices."

The groups' [letter](#) focuses on the following areas:

- **Chase has a dismal track record of serving the mortgage credit needs of communities of color in New York City and across the country.** Chase dramatically cut home refinance lending in neighborhoods of color in New York City, between 2006 and 2010, and significantly increased it in predominantly white neighborhoods.
- **Chase has failed to make direct loans available for multi-family housing, which constitutes the bulk of the affordable housing stock in New York City.** Chase holds by far and away the largest share of all bank deposits (43.5% as of June 30, 2010), the bank reported but makes only 1.7% of all direct loans to multi-family dwellings, in New York City.
- **Chase has among the worst mortgage servicing standards and performance in the industry,** as demonstrated by the bank's poor record of modifying loans to help prevent foreclosures – to the serious, long-term detriment of low and moderate income neighborhoods and communities of color.
- **Chase does not provide sufficient fair access to bank accounts to low income and immigrant New Yorkers, and has engaged in exploitative and deceptive overdraft practices.**
- **Chase fails to ensure adequate, free access to public benefits,** as New York's electronic benefits transfer contractor – costing the city's poorest families millions of dollars.
- **Chase has failed to honor its promises to create jobs in New York City,** despite an estimated \$235 million subsidy package offered to the bank.

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Good Jobs New York (www.goodjobsny.org)
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