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JPMorgan Counsel letter to FCIC

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December 16, 2010

By Email

Gary J. Cohen, Esq.
Financial Crisis Inquiry Commission
1717 Pennsylvania Avenue, NW
Suite 800
Washington, DC 20006-4614

Re: Response to the Commission's November 19, 2010 Request

Dear Gary:

On behalf of JPMorgan Chase & Co. (with its subsidiaries, "JPMorgan"), I write in response to the Financial Crisis Inquiry Commission's November 19, 2010 request ("November 19 Request") for documents and information regarding the Community Reinvestment Act ("CRA"). We hereby provide responses to Request Nos. 1-3, and partial responses to Request Nos. 5 and 6, and enclose an encrypted file containing responsive documents stamped JPM-FCIC 00005918 through JPM-FCIC 00005981. The password to the encrypted file will be provided by email.

As explained in more detail in our letter dated August 20, 2010, in addition to commitments between JPMorgan and third-parties (such as community-based organizations) relating to the CRA ("CRA commitments"), JPMorgan also has made public lending commitments to minority and/or lower income borrowers and communities ("public commitments"). CRA is aimed at lower income borrowers and communities: specifically, borrowers and communities within the bank's footprint with incomes less than 80% of the median income (as defined by the U.S. Department of

Confidential Treatment Requested by JPMorgan

Housing and Urban Development for borrowers and by the decennial census for geographies). JPMorgan's public commitments¹ have focused on a broader community than that covered by CRA, including lending to racial and ethnic minorities, to individuals with income levels outside ranges covered by the CRA and in geographies where JPMorgan may not have had retail bank branches or any CRA responsibility. As a result, many of the loans that satisfy JPMorgan's public commitments have not been CRA-qualifying. JPMorgan's CRA commitments and public commitments are therefore separately identified in this letter.

The following responses are based on information that JPMorgan has learned to date. While JPMorgan has diligently endeavored to locate responsive documents and information, we note that certain of the requested information is not reasonably available. As noted in our prior responses, under Home Mortgage Disclosure Act ("HMDA") regulations, JPMorgan maintains loan application records ("LARs") for five calendar years. Information maintained by JPMorgan beyond a five-year period generally does not extend back to 1997 and is generally unavailable for non-surviving legal entities, particularly those that were party to a merger or acquisition. JPMorgan cannot affirm that all responsive documents and information have been or will be identified.

* * *

1. Please list, by date of commitment, each commitment between 1997 and 2007 to one or more community groups (or made unilaterally on the bank's behalf (and please identify which)) to make or originate loans that would, if made within the Bank's CRA assessment area, qualify as a CRA mortgage loan for purposes of the regulations under the CRA applicable to the Bank.

Response:

The information below, which is divided between CRA and public commitments, was compiled by JPMorgan to respond to Request No. 1; such information is not generated or maintained by JPMorgan in the ordinary course of business. Our response includes commitments entered into before 1997 that extended past 1997 (the start date of the relevant time period in the November 19 Request).

¹ JPMorgan's public commitments are non-binding, voluntary economic initiatives of the Firm, and do not originate from litigation, arbitration or regulatory matters.

CRA Commitments

Association of Community Organizations for Reform Now (“ACORN”)

- Agreement between ACORN and:
 - Manufacturers Hanover, Chemical Bank, or Texas Commerce Bank (subsequently amended to reflect Chase Bank Texas) effective 11/1/1991.
 - Updated to include the Chase Manhattan Bank and Chase Manhattan Mortgage Corporation in April 1996.
 - Updated to include JPMorgan Chase Bank in 2000.
- Agreement includes properties in Low- or Moderate-Income (“LMI”) census tracts, with borrower income limits, and in specific geographies, as noted below:
 - Effective 11/1/1991 – 9/29/1996:
 - New York State and Dallas, Texas.
 - Effective 9/30/1996 amendment – 4/30/1997:
 - New York, NY; Dallas, TX; Austin, TX; Bridgeport, CT; Denver, CO; Houston, TX; Jersey City, NJ; Los Angeles, CA; Miami, FL; New Orleans, LA.
 - Effective 5/1/1997 amendment – 10/27/1998:
 - Austin, TX; Bridgeport, CT; Dallas, TX; Denver, CO; Houston, TX; Jersey City, NJ; Los Angeles, CA; Miami, FL; New Orleans, LA; New York, NY.
- Total commitment was made in the amount of \$750 million of which an unspecified amount was for the purpose of mortgage lending. This amount may also include \$10 million for the creation of a Special Purpose Pool of mortgages to be held in a portfolio.

Central Illinois Organizing Project

- Agreement between Central Illinois Organizing Project and Bank One.
 - Effective 4/10/2000 – 4/10/2005.

- Certain HMDA loans made in LMI tracts or for LMI borrowers in Bloomington Metropolitan Statistical Area (“MSA”), Champaign MSA, Springfield MSA, Decatur, and Danville.

Chicago CRA Coalition/Woodstock

- Agreement between Chicago CRA Coalition/Woodstock and First Chicago/National Bank of Detroit/Bank One.
 - Effective 1/1/1999 – 12/31/2004.
- Memorandum of Understanding between and booked to Bank One Corporation, JP Morgan Chase, or Chase Manhattan Mortgage Corporation.
 - Effective 5/1/2004 – 12/31/2009.
- Mortgage loans made in LMI census tracts or for LMI borrowers in Cook, DuPage, Kendall, Kane, McHenry, and Will Counties, Illinois.

City of Columbus

- Agreement between City of Columbus and Bank One.
 - Effective 5/26/2002 – 6/26/2007.
- HMDA loans made within the City of Columbus covering all affordable mortgage products for LMI borrowers.

City of Detroit Empowerment Zone

- Agreement between City of Detroit Empowerment Zone and National Bank of Detroit/Bank One Corporation.
 - Effective 6/17/1994 – 6/17/2004.
- Certain mortgage loans made to LMI borrowers in the City of Detroit.

Detroit Alliance for Fair Banking

- Agreement between Detroit Alliance for Fair Banking and Bank One Corporation.
 - Effective 1/1/2002 – 12/31/2004.
- Agreement between Detroit Alliance for Fair Banking and JP Morgan Chase Corporation.

- Effective 1/1/2005 – 12/31/2007.

- All mortgage loans to LMI borrowers in the City of Detroit.

National Training and Information Center (“NTIC”)

- Agreement between NTIC, Blocks Together, Brighton Park Neighborhood Council, Organization of the North East, Nobel Neighbors, Northwest Neighborhood Federation and South Austin Coalition Community Counsel and First National Bank of Chicago/Bank One Corporation.

- Effective 7/2/1998 – 7/2/2008.

- Borrower income limited to 100% of median family income (“MFI”) for the MSA.
- Mortgage loans made in the Chicago communities of Rogers Park, Uptown, Belmont-Cragin, Hermosa, Avondale, Humboldt Park, Austin, Brighton Park, West Englewood, and Edgewater as defined by census tracts.

New Jersey Citizen Action

- Agreement between New Jersey Citizen Action and Chemical Bank New Jersey NA.
 - Effective 1/1/1992 – 12/31/1996 for certain mortgage loans in the state of New Jersey.
 - Effective 1/1/1996 – 12/31/1997 for certain mortgage loans located in Bergen, Essex, Hudson, Passaic, Union, and Morris Counties in New Jersey.
- LMI Borrower income at < 80% of the MFI for the MSA.
- Total commitment was made in the amount of \$75 million, of which \$30 million was for the purpose of mortgage lending.

Neighborhood Housing Services (“NHS”) of NYC Home Funders Program

- Agreement between NHS of New York City (“NYC”) and Chemical Bank/Chase Manhattan Bank / JPMorgan Chase Bank.
 - Effective 1996, renewed annually through present.
- Home purchase and refinance loans predominately in LMI census tracts or to LMI borrowers in NYC.

NY Mortgage Coalition (“NYMC”) (currently comprising AAFE Community Development Fund, Cypress Hills Local Development Corporation, Harlem

Congregations for Community Improvement, Inc., Housing Action Council, Housing Partnership Development Corporation, Long Island Housing Partnership, Neighbors Helping Neighbors, Pratt Area Community Council).

- Agreement between NYMC and Chemical Bank/Chase Manhattan Bank/JPMorgan Chase Bank.
 - Effective 1995, renewed annually through present.
- Home purchase and refinance loans predominately in LMI census tracts or to LMI borrowers in NYC.

Urban League of Essex County

- Agreement between Urban League of Essex County and The Chase Manhattan Bank.
 - Effective 4/1/1999 – 4/1/2000.
- Mortgage loans to LMI borrowers in Essex County, New Jersey.

Yuma Fair Lending Agreement

- Agreement between Arizona Attorney General's Office and Banc One Mortgage Corporation ("BOMC").
 - Effective 1/1998 – 12/1999.
- Mortgage loans to LMI borrowers for properties located in Yuma County, Arizona.
- Loan program based upon Freddie Mac home purchase product.

Public Commitments

Community Investment Commitment

- Public commitment by Chase Manhattan Corporation and Chemical Banking Corporation.
- \$18.1 billion public commitment over five years, of which \$13.5 billion was allocated to affordable mortgages.
- Effective 01/01/1996.

Dream Maker Commitment

- Public commitment by J.P. Morgan Chase & Co.
- \$500 billion public commitment over ten years for mortgages.
- Effective 01/01/2001.
- Primarily focused on minority and immigrant borrowers of any income level; also included mortgage lending to non-minority borrowers with low-to-moderate income levels (up to 100% of area median family income).

Public Commitment

- Public commitment by J.P. Morgan Chase & Co. and Bank One Corporation.
- \$800 billion public commitment over ten years for mortgages, small business lending, and community development lending, of which \$675 billion was allocated to mortgages for minority or lower income (up to 100% of area median family income) communities and borrowers.
- Effective 01/01/2004.

2. Please provide us with copies of all press releases or announcements by the Bank in any way concerning CRA loans and commitments made by the Bank during the period 1997 to 2008.

Response:

The documents stamped JPM-FCIC 00005918 through JPM-FCIC 00005981 are press releases and/or announcements by JPMorgan concerning CRA commitments or public commitments between 1997 through 2008. JPMorgan cannot confirm that all responsive press releases and/or announcements have been or will be identified.

3. Irrespective of how many mortgage loans the bank announced by press release in 2 above, how many mortgage loans did the Bank make, originate or purchase in order to fulfill the commitments in question 1, listed by origination year, number of loans and principal amount.

Response:

The charts below were created by JPMorgan to respond to Request No. 3; they were not generated or maintained by JPMorgan in the ordinary course of business. For public commitments, the charts reflect single-family mortgage loans that helped to satisfy JPMorgan's public commitments, in whole or in part, from January 1, 1997 through June

30, 2010. Mortgages reported under JPMorgan's public commitments include HMDA-reportable first mortgages, home equity loans, home improvement loans, and refinance loans, as well as home equity lines.

We note that certain information requested by the Commission (indicated by gray shading where applicable) is not reasonably available, including data for certain commitments or certain years.

CRA Commitments

| ACORN | | |
|---------------------------------------|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$(000s) |
| 1998 | 45 | 3,815 |
| 1999 | 52 | 3,984 |
| 2000 | 35 | 2,636 |
| 2001 | 60 | 5,079 |
| 2002 | 96 | 12,224 |
| 2003 | 34 | 2,749 |
| 2004 | 32 | 3,739 |
| 2005 | 28 | 3,133 |
| 2006 | 25 | 2,608 |
| 2007 | 14 | 1,670 |
| 2008 | 24 | 3,615 |
| 2009 | 31 | 5,128 |
| All | 476 | 50,380 |

| Special Purpose Pool (SPP) | | |
|---------------------------------------|----------------|------------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000s) |
| 1998 | 2 | 88 |
| 1999 | 5 | 296 |
| 2000 | 4 | 197 |
| 2001 | 6 | 576 |
| 2002 | 11 | 990 |
| 2003 | 17 | 2,891 |
| 2004 | 37 | 6,490 |
| 2005 | 41 | 7,919 |
| 2006 | 77 | 11,708 |
| 2007 | 67 | 11,966 |
| 2008 | 19 | 3,508 |
| 2009 | 21 | 3,734 |
| 2010 | 17 | 3,212 |
| All | 324 | 53,575 |

| Central Illinois Organizing Project | | |
|--|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 2000 | 424 | 16,505 |
| 2001 | 456 | 17,417 |
| 2002 | 419 | 22,521 |
| 2003 | 399 | 20,072 |
| 2004 | 396 | 22,454 |
| 2005 | 67 | 4,279 |
| All | 2,161 | 103,248 |

| Chicago CRA Coalition | | |
|---------------------------------------|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 1999 | 9,807 | 631,512 |
| 2000 | 6,752 | 417,784 |
| 2001 | 5,229 | 360,853 |
| 2002 | 5,864 | 519,461 |
| 2003 | 6,841 | 641,827 |
| 2004 | 5,319 | 697,297 |
| 2005 | 7,308 | 1,015,761 |
| 2006 | 11,213 | 1,701,412 |
| 2007 | 13,416 | 2,334,834 |
| 2008 | 12,794 | 2,376,910 |
| 2009 | 10,433 | 1,880,442 |
| All | 94,976 | 12,578,093 |

| City of Columbus | | |
|---------------------------------------|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 2002 | 528 | 33,814 |
| 2003 | 810 | 52,066 |
| 2004 | 659 | 49,974 |
| 2005 | 567 | 43,058 |
| 2006 | 513 | 37,568 |
| 2007 | 278 | 24,015 |
| All | 3,355 | 240,495 |

| City of Detroit Empowerment Zone | | |
|---|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 1995 | 743 | 8,915 |
| 1996 | 788 | 13,165 |
| 1997 | 655 | 16,405 |
| 1998 | 683 | 25,374 |
| 1999 | 969 | 36,593 |
| 2000 | 1,048 | 36,953 |
| 2001 | 898 | 29,743 |
| 2002 | 774 | 36,043 |
| 2003 | 836 | 40,390 |
| 2004 | 423 | 25,796 |
| All | 7,817 | 269,377 |

| Detroit Alliance for Fair Banking | | |
|--|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 2002 | 774 | 36,043 |
| 2003 | 836 | 40,390 |
| 2004 | 803 | 47,107 |
| 2005 | 522 | 29,819 |
| 2006 | 653 | 39,043 |
| 2007 | 950 | 64,918 |
| All | 4,538 | 257,320 |

| NTIC | | |
|---------------------------------------|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 1998 | 733 | 42,552 |
| 1999 | 808 | 46,305 |
| 2000 | 624 | 37,970 |
| 2001 | 367 | 22,456 |
| 2002 | 368 | 31,986 |
| 2003 | 519 | 48,541 |
| 2004 | 989 | 159,372 |
| 2005 | 922 | 151,503 |
| 2006 | 1,745 | 295,220 |
| 2007 | 2,109 | 415,458 |
| 2008 | 1,671 | 375,241 |
| All | 10,855 | 1,626,604 |

| NY Mortgage Coalition | | |
|---------------------------------------|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 1996 | 44 | 6,012 |
| 1997 | 37 | 5,097 |
| 1998 | 63 | 9,908 |
| 1999 | 67 | 8,219 |
| 2000 | 60 | 8,921 |
| 2001 | 57 | 8,669 |
| 2002 | 72 | 11,091 |
| 2003 | 85 | 15,162 |
| 2004 | 20 | 3,954 |
| 2005 | 22 | 3,915 |
| 2006 | 39 | 7,427 |
| 2007 | 65 | 14,213 |
| 2008 | 114 | 26,173 |
| 2009 | 71 | 19,640 |
| 2010 | 13 | 2,927 |
| NULL | 49 | 11,739 |
| All | 878 | 163,067 |

| Yuma/Fair Lending Agreements | | |
|---------------------------------------|----------------|-----------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (000) |
| 1998 | 69 | 1,811 |
| 1999 | 117 | 3,411 |
| All | 186 | 5,222 |

Public Commitments

| Community Investment Commitment | | |
|--|----------------|----------------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (millions) |
| 1996 | | |
| 1997 | | |
| 1998 | 27,134 | 2,795 |
| 1999 | 35,858 | 4,020 |
| All | 62,992 | 6,815 |

Of the above 62,992 loans originated and purchased through the Community Investment Commitment, 2,477 (3.9%) loans were CRA-eligible as shown below:

| Community Investment Commitment | | |
|--|----------------|----------------------------|
| Loans Originated and Purchased (CRA-Eligible) | | |
| | Total # | Total \$ (millions) |
| 1996 | | |
| 1997 | | |
| 1998 | 1,171 | 121 |
| 1999 | 1,306 | 141 |
| All | 2,477 | 261 |

| Dream Maker Commitment | | |
|---------------------------------------|----------------|----------------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (millions) |
| 2001 | 226,327 | 28,315 |
| 2002 | 277,541 | 36,342 |
| 2003 | 542,399 | 71,819 |
| All | 1,046,267 | 136,475 |

Of the above 1,046,267 loans originated and purchased through the Dream Maker Commitment, 147,936 (14.1%) were CRA-eligible as shown below:

| Dream Maker Commitment | | |
|--|----------------|----------------------------|
| Loans Originated and Purchased (CRA-Eligible) | | |
| | Total # | Total \$ (millions) |
| 2001 | 27,042 | 2,641 |
| 2002 | 34,795 | 3,694 |
| 2003 | 86,099 | 10,146 |
| All | 147,936 | 16,480 |

| Public Commitment | | |
|---------------------------------------|----------------|----------------------------|
| Loans Originated and Purchased | | |
| | Total # | Total \$ (millions) |
| 2004 | 524,034 | 58,457 |
| 2005 | 440,905 | 54,026 |
| 2006 | 437,553 | 57,631 |
| 2007 | 509,684 | 73,077 |
| 2008 | 570,225 | 104,867 |
| 2009 | 414,905 | 69,544 |
| 2010 | 178,936 | 30,519 |
| All | 3,076,242 | 448,122 |

Of the above 3,076,242 loans originated and purchased through the Public Commitment², 682,735 (22.2%) were CRA-eligible as shown below:

| Public Commitment | | |
|--|----------------|----------------------------|
| Loans Originated and Purchased (CRA-Eligible) | | |
| | Total # | Total \$ (millions) |
| 2004 | 97,892 | 9,879 |
| 2005 | 73,638 | 8,403 |
| 2006 | 78,621 | 9,954 |
| 2007 | 91,648 | 12,727 |
| 2008 | 150,590 | 25,284 |
| 2009 | 127,158 | 19,370 |
| 2010 | 63,188 | 9,727 |
| All | 682,735 | 95,345 |

² JPMorgan's Public Commitment results for 2008 reflect the purchase of approximately 145,000 qualifying loans totaling \$53.4 billion that were obtained as a part of JPMorgan's acquisition of Washington Mutual's loan portfolio.

5. With regard to the loans reflected in the answers to question 3 and 4, how many did the Bank hold and how many did the Bank sell (into the private market or to the GSEs) or securitize (into the private market or to the GSEs)? In your response, please list the mortgages by origination year, number of loans and principal amount.

6. What is the current delinquency rate (90+ days) of the mortgage loans the Bank still holds in answer to question 5, again listed by origination year, number of loans and original principal amount?

Response:

The charts below were created by JPMorgan to respond to Request Nos. 5 and 6; they were not generated or maintained by JPMorgan in the ordinary course of business. The charts reflect information concerning the delinquency rate of the mortgage loans that JPMorgan held in portfolio as of May 2010 (for CRA commitments) or August 2010 (for public commitments).

For public commitments, the charts below pertain to single-family mortgage loans that helped to satisfy JPMorgan's public commitments, in whole or in part, from January 1, 1997 through June 30, 2010. Mortgages reported under JPMorgan's public commitments include HMDA-reportable first mortgages, home equity loans, home improvement loans, and refinance loans, as well as home equity lines.

We note that certain information requested by the Commission (indicated by gray shading where applicable) is not reasonably available, including data for certain commitments and certain years.

CRA Commitments

| ACORN | | | | |
|---------------------------|----------------|-----------------------|-------------------------|---------------------------------------|
| Loans in Portfolio | | | | |
| | Total # | Total \$(000s) | 90+ Delinquent # | 90+ Delinquent Total \$ (000s) |
| 1998 | 25 | 2,243 | 2 | 183 |
| 1999 | 43 | 3,077 | 2 | 39 |
| 2000 | 34 | 2,622 | 3 | 286 |
| 2001 | 59 | 4,949 | 1 | 47 |
| 2002 | 96 | 12,224 | 5 | 382 |
| 2003 | 34 | 2,749 | 1 | 116 |
| 2004 | 32 | 3,739 | 1 | 164 |
| 2005 | 28 | 3,133 | 2 | 546 |
| 2006 | 25 | 2,608 | 4 | 666 |
| 2007 | 14 | 1,670 | 1 | 142 |
| 2008 | 21 | 3,443 | 2 | 324 |
| 2009 | 31 | 5,128 | 0 | |
| All | 442 | 47,585 | 24 | 2,895 |

| Special Purpose Pool (SPP) | | | | |
|-----------------------------------|----------------|-----------------------|-------------------------|---------------------------------------|
| Loans in Portfolio | | | | |
| | Total # | Total \$(000s) | 90+ Delinquent # | 90+ Delinquent Total \$ (000s) |
| 1998 | 1 | 41 | 0 | |
| 1999 | 4 | 254 | 0 | |
| 2000 | 3 | 158 | 1 | 29 |
| 2001 | 6 | 576 | 0 | |
| 2002 | 10 | 933 | 2 | |
| 2003 | 14 | 2,423 | 3 | 584 |
| 2004 | 34 | 6,169 | 7 | 856 |
| 2005 | 39 | 7,714 | 11 | 2,168 |
| 2006 | 76 | 11,574 | 9 | 1,443 |
| 2007 | 56 | 9,845 | 16 | 2,824 |
| 2008 | 16 | 2,972 | 3 | 695 |
| 2009 | 14 | 2,681 | 0 | |
| 2010 | 10 | 1,830 | 0 | |
| All | 283 | 47,170 | 52 | 8,783 |

Public Commitments

| Community Investment Commitment | | | | |
|--|----------------|---------------------------|-------------------------|-------------------------------------|
| Loans in Portfolio | | | | |
| | Total # | Total \$(millions) | 90+ Delinquent # | 90+ Delinquent \$ (millions) |
| 1996 | | | | |
| 1997 | | | | |
| 1998 | 836 | 64 | 410 | 30 |
| 1999 | 1,419 | 106 | 1,088 | 82 |
| All | 2,255 | 170 | 1,498 | 112 |

Of the above 2,255 loans in JPMorgan’s portfolio, 68 (3.0%) were CRA-eligible as shown below:

| Community Investment Commitment | | | | |
|--|----------------|---------------------------|-------------------------|-------------------------------------|
| Loans in Portfolio (CRA-Eligible) | | | | |
| | Total # | Total \$(millions) | 90+ Delinquent # | 90+ Delinquent \$ (millions) |
| 1996 | | | | |
| 1997 | | | | |
| 1998 | 29 | 2 | 9 | 1 |
| 1999 | 39 | 3 | 28 | 2 |
| All | 68 | 5 | 37 | 3 |

| Dream Maker Commitment | | | | |
|-------------------------------|----------------|---------------------------|-------------------------|-------------------------------------|
| Loans in Portfolio | | | | |
| | Total # | Total \$(millions) | 90+ Delinquent # | 90+ Delinquent \$ (millions) |
| 2001 | 9,965 | 985 | 7,601 | 724 |
| 2002 | 12,698 | 1,541 | 7,820 | 786 |
| 2003 | 19,186 | 2,919 | 8,765 | 982 |
| All | 41,849 | 5,446 | 24,186 | 2,492 |

Of the above 41,849 loans in JPMorgan’s portfolio, 7,335 (17.5%) were CRA-eligible as shown below:

| Dream Maker Commitment | | | | |
|--|----------------|----------------------------|-------------------------|-------------------------------------|
| Loans in Portfolio (CRA-Eligible) | | | | |
| | Total # | Total \$ (millions) | 90+ Delinquent # | 90+ Delinquent \$ (millions) |
| 2001 | 1,536 | 121 | 1,155 | 95 |
| 2002 | 1,799 | 168 | 1,131 | 104 |
| 2003 | 4,000 | 510 | 1,922 | 214 |
| All | 7,335 | 799 | 4,208 | 413 |

| Public Commitment | | | | |
|---------------------------|----------------|----------------------------|-------------------------|-------------------------------------|
| Loans in Portfolio | | | | |
| | Total # | Total \$ (millions) | 90+ Delinquent # | 90+ Delinquent \$ (millions) |
| 2004 | 91,919 | 9,384 | 14,085 | 1,564 |
| 2005 | 79,193 | 8,159 | 14,880 | 2,027 |
| 2006 | 77,417 | 8,706 | 21,524 | 3,249 |
| 2007 | 93,148 | 14,365 | 40,546 | 7,354 |
| 2008 | 135,881 | 36,734 | 58,971 | 16,520 |
| 2009 | 3,480 | 606 | 2,182 | 344 |
| 2010 | 496 | 171 | 2 | 0 |
| All | 481,534 | 78,125 | 152,190 | 31,059 |

Of the above 481,534 loans in JPMorgan's portfolio, 158,845 (33.0%) were CRA-eligible as shown below:

| Public Commitment | | | | |
|--|----------------|----------------------------|-------------------------|-------------------------------------|
| Loans in Portfolio (CRA-Eligible) | | | | |
| | Total # | Total \$ (millions) | 90+ Delinquent # | 90+ Delinquent \$ (millions) |
| 2004 | 35,716 | 2,748 | 4,882 | 477 |
| 2005 | 28,088 | 2,265 | 4,285 | 474 |
| 2006 | 22,203 | 1,626 | 4,478 | 500 |
| 2007 | 24,621 | 2,709 | 9,651 | 1,407 |
| 2008 | 46,458 | 9,906 | 18,867 | 4,514 |
| 2009 | 1,266 | 172 | 630 | 96 |
| 2010 | 196 | 29 | 0 | 0 |
| All | 158,845 | 19,455 | 42,793 | 7,469 |

* * *

Pursuant to our conversation with you, we understand that this letter and the enclosed documents stamped JPM-FCIC 00005918 through JPM-FCIC 00005981 (the "Confidential Materials") will be maintained in strict confidence by the Commission and be used solely for purposes of the Commission's inquiry. Accordingly, the Confidential

Confidential Treatment Requested by JPMorgan

Gary J. Cohen, Esq.

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Materials have been marked "Confidential Treatment Requested by JPMorgan," and JPMorgan is producing the Confidential Materials pursuant to this understanding.

The Confidential Materials concern customarily non-public, confidential, and privileged business, commercial, and/or personal information regarding JPMorgan and/or its personnel, as well as those with which JPMorgan has done or is doing business. The Confidential Materials are thus not "agency records" within the meaning of the Freedom of Information Act, 5 U.S.C. § 552(b) ("FOIA"), and/or the Privacy Act of 1974, 5 U.S.C. § 552a ("Privacy Act"). Further, the Confidential Materials are exempt from disclosure under various provisions of FOIA; the Privacy Act; the Trade Secrets Act, 18 U.S.C. § 1905; and/or other applicable provisions of law, regulations, and statutes.

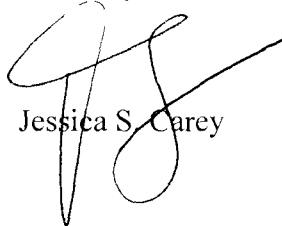
Any production of information herein that is subject to a claim of attorney-client privilege, attorney work product, or any other ground upon which production of such documents or information should not be made to the Commission, is inadvertent. JPMorgan requests that any such production in no way prejudice or otherwise constitute a waiver of, or estoppel as to, any claim of privilege, work product, or other ground for withholding production to which JPMorgan would otherwise be entitled. If a claim of inadvertent production is made with respect to information then in the custody of the Commission, JPMorgan requests that the Commission promptly return such information to JPMorgan and not use such information for any purpose.

If any person not a member of the Commission or its staff (including, without limitation, any government employee) should request an opportunity to inspect or copy the letter, or if you or any member of the Commission or its staff contemplates disclosure of the letter or its contents to any other person, JPMorgan requests that the Commission promptly notify Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019 (attn: Brad S. Karp) and JPMorgan, 270 Park Avenue, New York, NY 10017 (attn: Stephen M. Cutler).

* * *

Please do not hesitate to contact me if you have any questions.

Sincerely,



Jessica S. Carey



The Chase Manhattan Corporation
270 Park Avenue
New York, NY 10017-2070

News Release

For Immediate Release

Contact: Charlotte Gilbert-Biro
212-270-7455

Chase Announces \$4.8 Billion First Year Results Of Five-Year \$18.1 Billion Community Investment Commitment

New York, March 20, 1997 --The Chase Manhattan Corporation today announced that in 1996, the first year of a five-year \$18.1 billion commitment, it made \$4.8 billion of community investments nationwide. "We are pleased with our strong first year results, especially in the area of community development lending and investments," said Carol Parry, Chase Executive Vice President.

The major components of the commitment include:

- **\$1.2 billion** in loans and investments for affordable housing and commercial development to benefit low-and moderate-income communities and households;
- **\$3.4 billion** in loans and investments to assist small businesses with annual revenues of less than \$1 million and small not-for-profit organizations. \$1 billion of this is targeted at small businesses located in low-and moderate-income communities;
- **\$13.5 billion** in affordable mortgages nationwide; affordable mortgages generally are income limited, with low down payments and flexible underwriting standards, and include products such as: FannieMae Community Homebuyer Loans, Freddie Mac Affordable Loans, FHA, VA, Mortgage Revenue Bonds, Farmers Home and special products designed by Chase for lower income borrowers and retained in the Chase mortgage portfolio; and,
- **\$70 million** in grants to smaller not-for-profit organizations serving low-and moderate-income communities and organizations focusing on community development.

(More)

Of the total \$18.1 billion, \$4.2 billion was targeted to go to New York State, with \$3.2 billion for New York City.

The Chase five-year commitment also includes a number of innovative programs and banking initiatives including the development of two new branches in low-income areas of New York City.

First Year Results

Community Development Loans and Investments

In 1996, Chase provided **\$463.6** million in loans and investments for the development of real estate-based projects in low-and moderate-income communities, including housing and commercial developments, as well as child care centers and AIDS facilities. This amount includes \$376.8 million in direct financing for 7,824 units of housing, (6,216 of rental housing and 1,608 of for-sale housing), and over 700,000 square feet of commercial space for projects in New York, New Jersey, Connecticut and Texas. In addition, Chase made \$86.8 million of investments in low-income housing tax credits for the development of housing which is affordable to low-and moderate-income households in New York, New Jersey, Connecticut, Texas, Delaware, Florida and California.

Examples of Community Development Financing

In 1996, Chase was the largest private financier of affordable housing in New York City and a significant community development real estate lender in other major Chase markets. In recent years Chase development financing has expanded to include more commercial development projects and to address other community needs, such as child care centers and AIDS facilities. Some examples follow:

Kensington Square Limited Partnerships I & II -- In February 1996, Chase provided \$4.3 million in construction and bridge financing to Kensington Square Limited Partnerships I & II. The proceeds financed the redevelopment of a six-block area of downtown New Haven, Connecticut known as Kensington Square. The redevelopment resulted in the rehabilitation of 216 residential units in 41 buildings. Due to the fact that the original mortgage was held by the U.S. Department of Housing and Urban Development, this project became one of the first HUD "re-engineering" efforts in the country.

Chase brought its expertise in community development and tax credit projects to the development team and was able to devise a creative structure that addressed the complexities of the Kensington Square redevelopment. The success of this project was due to the cooperation and collaboration of financial institutions, not-for-profit groups, neighborhood organizations, academia and municipal government.

(More)

Las Haciendas -- In Dallas, Texas, Texas Commerce Bank provided \$4.5 million in financing for the development of 411 new single family homes with sale prices starting at \$62,000. Las Haciendas, located in South Oak Cliff section of Dallas is the first development of single family homes in southwest Dallas in over 25 years.

The Renaissance Center --This new commercial shopping center located in Houston's Third Ward was financed with \$4.2 million provided by Texas Commerce Bank working closely with the Center's not-for-profit owners, The McGregor Area Community Development Corporation and the Third Ward Redevelopment Corporation. The Center is nearly 100% occupied and its anchor tenant is a 25,000 square-foot H.E.B. grocery store.

Saint Benedict's Day Nursery -- Working with the Harlem Community Development Corporation, Chase provided a \$500,000 construction loan to the St. Benedict's Day Nursery to renovate its facilities. The nursery, which is owned and operated by the Franciscan Handmaids of the Most Pure Heart of Mary, has been providing child care services for more than 73 years. This mainstay for working parents in Harlem will now be able to care for 95 children.

Small Business Loans and Investments

During 1996, Chase provided loans and investments of **\$839.3** million to 12,723 small businesses and not-for-profit organizations in New York, New Jersey, Connecticut, and Texas. Of this amount, **\$207.7** million benefited 2,921 businesses and not-for-profit organizations located in low-and moderate-income communities in these states. Small Business Administration ("SBA") guaranteed loans are an important component of Chase's program, and Chase originates SBA loans in the New York tri-state area and Texas. In New York, The Chase Manhattan Bank originated more loans than any other lender. As a result, Chase was awarded the New York SBA's first Pinnacle Award. In 1996, Chase was also the recipient of the SBA's Pacesetter Award for excellence in lending performance to minority and women-owned businesses. In Texas, Texas Commerce Bank made more SBA loans to women and minority borrowers than any other lender.

Affordable Mortgage Loans

Nationwide, Chase originated 38,142 affordable mortgages totaling **\$3.46** billion. 30% of these mortgages were made to minority borrowers, many of whom were first-time home buyers. As part of its public commitment, Chase supported mortgage counseling programs in 25 locations across the country that in total assisted almost 22,000 prospective home buyers.

(More)

Grants

Chase provides grants to not-for-profit organizations that focus on the housing, economic development and human services needs of lower-income communities and families. During 1996, Chase provided **\$18.1 million** to 2,598 organizations nationwide. The Chase community investment grants program accounted for 45% of Chase's \$40 million 1996 global philanthropic program.

The charts below detail these results by geographic area.

COMMUNITY INVESTMENT RESULTS BY GEOGRAPHIC AREA

| <i>\$ Millions</i> | <i>NYS</i> | <i>NJ</i> | <i>CT</i> | <i>TX</i> | <i>OTHER STATES</i> | <i>TOTAL</i> |
|---|------------------|----------------|----------------|----------------|---------------------|------------------|
| Community Development | 351.7 | 21.8 | 16.8 | 66.0 | 7.3 | 463.6 |
| Small Business | 461.8 | 29.3 | 13.6 | 334.6 | N/A | 839.3 |
| <i>In Low & Moderate Income Communities</i> | 104.8 | 3.9 | 4.2 | 94.8 | N/A | 207.7 |
| Affordable Mortgages | 204.8 | 72.0 | 98.7 | 172.4 | 2,917.4 | 3,465.3 |
| Grants | 12.8 | 0.9 | 0.7 | 1.6 | 2.1 | 18.1 |
| TOTAL | \$1,031.1 | \$124.0 | \$129.8 | \$574.6 | \$2,926.8 | \$4,786.3 |

New York City Only

| <i>\$ Millions</i> | <i>NYC</i> |
|---|----------------|
| Community Development | 250.7 |
| Small Business | 263.1 |
| <i>In Low & Moderate Income Communities</i> | 72.5 |
| Affordable Mortgages | 126.6 |
| Grants | 11.1 |
| TOTAL | \$651.5 |

1996 Initiatives to Assist Not-for-Profit Organizations and Small Businesses

Launched the Chase Not-for-Profit Resource Center. In 1996, Chase opened the Not-for-Profit Resource Center as part of its public commitment to assist not-for-profit organizations. The Center serves the needs of organizations with annual operating budgets of \$5 million or less which are located in New York, New Jersey and Connecticut. The Center, which can be reached through a toll-free number, 1-888-CHASE-11, offers technical assistance, loan referrals, grants, volunteers, seminars on critical issues, board training, a speakers bureau and in-kind contributions.

(More)

In its first year, the new Center has served 1,500 organizations, including the South East Asian Center in Syracuse, New York where Chase has provided bi-lingual home ownership seminars. Chase has also provided the Southeast Asian Center with a scholarship for its Associate Director to attend the Chase sponsored Credit Institute for Economic Development, a \$5,000 contribution to its Bilingual Management Counseling program, on-going technical assistance and product updates. Another organization served by the Chase Not-For Profit Resource Center is the Beacon School Community Collaborative, located in the Upper Manhattan Empowerment Zone. The Chase Not-for-Profit Resource Center is providing 720 refurbished computers to the Beacon School for placement in the homes of the children enrolled in their program.

Opened a Second Chase Business Resource Center. Chase opened the first bank-owned small business resource center in New York City in May, 1994, to provide free financial technical assistance to existing and aspiring small business owners. Building on the success of the first center, located at 1411 Broadway at 39th Street in Manhattan, and fulfilling its commitment to open a second small business resource center, Chase opened its second Business Resource Center at 4 Metro Tech Center, Brooklyn in November of 1996.

Since it opened, the Brooklyn Center has counseled 200 small businesses and Chase has provided \$1 million in loans to ten of these companies. Both the Brooklyn and Manhattan Centers are staffed by seasoned Chase commercial credit officers who are available for individual appointments with small business owners. Combined, the two centers have counseled 2,600 business owners and Chase has provided \$15 million in loans to 200 entrepreneurs who received free technical assistance from Chase. Approximately 54% of the customers served by Chase's Business Resource Centers are women or minority-owned businesses. 47% of the businesses served are located in low- and moderate-income communities.

Expanded the Small Retailers Loan Program. Recognizing the difficulty that small retail establishments, such as food and clothing stores located in low-income communities experience in accessing financing, Chase created a program in 1994 to reach this hard-to-finance industry. The program uses flexible credit standards and relies heavily on character references. In 1996, in the New York tri-state area, Chase made 43 loans totaling \$2.1 million to small retailers in lower income communities, with an average loan size of \$50,000. Since the program began in 1994, 98 loans for \$7.5 million have been made. Eighty-one percent of these borrowers received their first bank loans through this program and 73% of these retailers are women or minorities.

(More)

Expanded the Chase Minority and Women Business Development Program.

During 1996, Chase continued to expand its Minority and Women Business Development Program, which provides minority and women business entrepreneurs with an equal opportunity to compete for Chase contracting opportunities as well as offering technical assistance and providing loans where appropriate. In 1996, Chase contracted for \$154 million in goods and services from 833 certified businesses, increasing the total Chase purchases to \$270 million since the program was launched in 1994.

Initiatives that Support Home Ownership

Chase Supported Nationwide Mortgage Counseling Programs in 25 locations in the U.S., working with community counseling agencies including ACORN, Consumer Credit Counseling Services, Neighborhood Housing Services, the New York Mortgage Coalition, the Urban Leagues of Syracuse, N.Y. and Essex County, N.J., and Metropolitan Ecumenical Ministries (Newark, N.J.). Chase received 902 mortgage applications from these counseling groups in 1996.

Chase is a founding member of The American Home Ownership Institute, a coalition of lenders, secondary market entities, insurance companies, real estate brokers, and not-for-profits, formed to advance the mortgage counseling movement throughout the U.S.

Chase is the largest single funder and one of the founding banks for the New York Mortgage Coalition, which is comprised of New York banks and community-based organizations, and provides outreach and counseling for prospective low-and moderate-income home owners. In 1996, the Mortgage Coalition provided services to 1,770 prospective home buyers.

One example of how Chase works with community organizations is its long-standing partnership with ACORN to provide mortgages to first-time home buyers in many communities around the country. One such success story was in New Jersey where ACORN, aware of a Spanish-speaking applicant's lack of credit history, helped her to understand the mortgage process in her language. ACORN referred the applicant to Chase because of its unique 5% down mortgage for three family homes. Using flexible underwriting standards that allow for applicants without traditional credit histories, Chase was able to make the mortgage for the woman's home in Jersey City.

Another critical mortgage counseling partnership for Chase is with Consumer Credit Counseling Services (CCCS), the largest not-for-profit credit and debt counseling agency in the U.S. Chase is working with CCCS in 10 cities, providing seminars for prospective home buyers, providing individual counseling to applicants that are not yet ready to buy a home, and, if necessary, providing debt management or credit recovery services to these individuals. Chase is also referring to CCCS applicants who come directly to Chase and are not yet ready to buy a home.

(More)

Community Development Financial Institutions and Financial Intermediaries

Chase committed to provide over \$25 million in the form of loans, investments and deposits to community development financial institutions and other financial intermediaries over five years. In 1996, Chase provided \$13.2 million in the form of loans, grants and equity investments to 49 organizations. \$1.5 million of this was in the form of Recoverable Grants, an innovative financing technique that provides zero interest loans to not-for-profits for community development purposes.

The Recoverable Grant program, which began in 1986, is primarily used to provide zero interest loans to not-for-profit developers for predevelopment expenses. The Recoverable Grants were used in 1996 for a range of community development projects from low- and moderate-income special needs housing in New York to funding for a micro-business loan pool in San Diego. In 1996, a total of \$1.85 million in recoverable grants were made to 11 organizations, primarily in the New York tri-state area.

Chase Employment, Training and Job Experience Initiatives

As part of its original \$18.1 billion commitment, Chase said it would provide \$3 million over three years to assist training and employment programs that are targeted to residents of low- and moderate-income communities. To date, Chase has committed to three major programs:

Chase will contribute \$1 million over two years to a private-public partnership with the Rockefeller Foundation and the U.S. Department of Housing and Urban Development (HUD) to fund welfare-to-work efforts in lower-income neighborhoods around the country. This program, "**The Neighborhood Jobs Initiative**," which President Clinton announced at the White House on January 30, 1997, will operate both in the NY metropolitan area as well as in several large cities in other areas of the country.

The second commitment is to The Enterprise Foundation Community Employment Alliance. In December, 1996, Chase made a pledge totaling \$450,000 over three years to the Foundation to help establish the "**Community Employment Alliance**," a groundbreaking program aimed at creating employment opportunities and stimulating business development in selected inner city communities in New York, Texas, New Jersey and Florida.

(More)

The third program is "**Chase Job Start**," a new and innovative grant initiative which will provide \$1.5 million over three years to not-for-profit employment and training agencies around the country. Each agency receives a \$50,000 grant to establish no-interest loan funds to help individuals meet the transitional expenses of getting and staying employed. These expenses can include such items as carfare to job interviews, fees for job-related drivers licenses, purchase of appropriate work clothing, and payment for daycare necessary while going on job interviews or while waiting for the first paycheck. Without funds to cover these essential items, it is more difficult for employment applicants to get and keep their jobs.

Chase also committed to expand the "**Chase Smart Start**" scholarship program that pays college tuition, provides part-time jobs during the school year and full-time jobs during the summer for New York City high school students who attend local colleges. In addition to the eighty students currently in the program, forty will begin the program in the summer of 1997, and forty will be added each year for the next three years after that, bringing the total in the program to 160.

Chase committed to maintain its involvement in the "**INROADS**" program. In the summer of 1996, Chase provided jobs for 55 INROADS Interns. In total, 432 high school and college students were provided with summer internships by Chase 1996. In 1997, Chase plans to sponsor 511 summer interns, an increase of 18% over 1996.

Innovative Retail Banking Services

Checks to Cash

Chase committed to expand its "**Checks-to-Cash**" Club. In 1994, Chase launched its "Checks-to-Cash" Club, an innovative program which provides payroll and government check services to customers who do not have depository relationships with the Bank. In 1996, Chase added three new "Checks-to-Cash" Club locations in Manhattan, the Bronx and Long Island. In February, 1997 two more sites had been added for a total of 16 "Checks-to-Cash" Club locations, of which seven are located in low- and moderate-income neighborhoods.

(More)

New Branches in Low-Income Communities

Chase committed to open two new branches in East Harlem and the South Bronx. In the summer of 1997, Chase will open a **new branch at 1755 University Avenue in the South Bronx** to serve the commercial strip between 176th Street and West Tremont Avenue, as well as residents of this community. The neighborhood, which has no other bank branches, will now have a Chase full-service branch. It is also anticipated that the new branch will result in an improvement in the appearance of the commercial strip, which will attract new businesses and bring increased value to this commercial strip. This is an important step towards the stabilization of the community. Chase is working closely with the Northwest Bronx Community & Clergy Coalition on the design of this branch.

Also in the summer of 1997, ground will be broken for the development of the new Pathmark shopping complex in East Harlem on 125th Street between Lexington and Third Avenues, which will house a Chase branch. Chase has assisted in the development of this project for the past six years and is providing the financing for its development. The new complex, developed by two community organizations, Abyssinian Development Corporation and East Harlem Triangle, will provide 200 permanent jobs, 200 construction jobs and a modern 62,000 square-foot shopping center for the community.

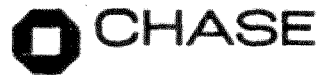
Expansion of 24-Hour ATMs

Chase committed to the installation of 46 new 24-hour ATMs in Chase branches located in low- and moderate-income communities. During 1996, Chase completed the installation of 27 of these new 24-hour ATMs. In 1997 and 1998, Chase plans to add another 19 24-hour ATMs in branches in low-and moderate-income communities bringing the total to 46.

Beginning in the first week in April, Chase will hold a number of forums in low- and moderate-income communities to review the specific results for this first year in those communities.

Chase also noted that in the Riverdale area of the Bronx it had previously announced that the branch located at 5581 Broadway would consolidate into another Chase branch located diagonally across the street at 5560 Broadway. Upon further evaluation, Chase has determined that its branch at 5581 Broadway could better serve Chase customers, after renovation. Chase plans \$1 million in renovations, which will be completed by August, 1997, when the branches are consolidated.

Attached to this press release are additional details on projects, programs and organizations that benefited from Chase's \$18.1 billion commitment.



Community Development Projects - New York City

| <u>ADDRESS</u> | <u>CITY</u> | <u>PROJECT TYPE</u> |
|---------------------------------------|------------------|---------------------|
| 1305 Interval Avenue | Bronx | For Sale Home |
| 1740 Grand Concourse | Bronx | Rental Housing |
| 1765-69 Davidson Avenue | Bronx | Rental Housing |
| 183rd Street & Washington Avenue | Bronx | For Sale Home |
| 643-47 Cauldwell Avenue | Bronx | Rental Housing |
| Clinton & Crotona Avenues | Bronx | For Sale Home |
| East 182nd Street | Bronx | For Sale Home |
| Fox Street & Longwood Avenue | Bronx | For Sale Home |
| Hunts Point Avenue & Lafayette Avenue | Bronx | Rental Housing |
| Vyse Avenue & Hornaday Avenue | Bronx | For Sale Home |
| 1175 Gates Avenue | Brooklyn | Daycare |
| 1544 Park Place | Brooklyn | Rental Housing |
| 165 Woodruff Avenue | Brooklyn | Rental Housing |
| 199 Washington Avenue | Brooklyn | For Sale Home |
| 200 Central Avenue | Brooklyn | Daycare |
| 236 Greene Avenue | Brooklyn | Rental Housing |
| 243-249 13th Street | Brooklyn | Rental Housing |
| 250-270 Clarkson Avenue | Brooklyn | Rental Housing |
| 2626 Pitkin Avenue | Brooklyn | Rental Housing |
| 281 Quincy Street | Brooklyn | Rental Housing |
| 316 Carlton Avenue | Brooklyn | For Sale Home |
| 505 Street Marks Avenue | Brooklyn | Daycare |
| 693 Franklin Avenue & Prospect Place | Brooklyn | Rental Housing |
| 701 64th Street | Brooklyn | Commercial |
| 808 Bergen Street | Brooklyn | Rental Housing |
| 835 Herkimer Street | Brooklyn | Health Care |
| 922 42nd Street | Brooklyn | Rental Housing |
| Atlantic Avenue & Flatbush Avenue | Brooklyn | For Sale Home |
| Broadway & Grove Street | Brooklyn | For Sale Home |
| Luk-Ren Renaissance | Brooklyn | Commercial |
| 13849 Barclay Avenue | Flushing | Rental Housing |
| 11031 Merrick Blvd. | Jamaica | Church |
| 38-20 Review Avenue | Long Island City | Commercial |
| 145 E. 23 Street | Manhattan | Rental Housing |
| 223 East 6th Street | Manhattan | Rental Housing |
| 224-26-28 W. 140 Street | Manhattan | Rental Housing |
| 345 West 145 Street | Manhattan | For Sale Home |



| <u>ADDRESS</u> | <u>CITY</u> | <u>PROJECT TYPE</u> |
|--------------------------------|---------------|---------------------|
| 617 West 141st Street | Manhattan | Rental Housing |
| 11 Broadway Terrace | Manhattan | Rental Housing |
| 141 Fifth Avenue | Manhattan | Nonresidential |
| 1572 Lexington Avenue | Manhattan | Rental Housing |
| 203-15 W 140th Street | Manhattan | Rental Housing |
| 21 W 124th Street | Manhattan | Daycare |
| 220 Bradhurst Avenue | Manhattan | Rental Housing |
| 275 7th Avenue | Manhattan | Nonresidential |
| 317 Bowery | Manhattan | Health Care |
| 466 West 150th Street | Manhattan | Rental Housing |
| 507 West 145th Street | Manhattan | Health Care |
| 535 East 13th Street | Manhattan | Rental Housing |
| Madison Avenue & 123rd Street | Manhattan | For Sale Home |
| 352 Malcolm X Blvd | Manhattan | Rental Housing |
| 348 Beach Street & 71st Street | Queens | Church |
| LISC - NYEF 1995-I Bridge Loan | City-Wide | Loan Fund - Housing |
| Hudson Street | Staten Island | Social Service |

Community Development Projects - New York State (excluding New York City)

| | | |
|------------------------------|--------------|---------------------|
| 73 Verity Lane | Baldwin | For Sale Home |
| 10 Symphony Circle | Buffalo | Health Care |
| Community Lending Corp. | Buffalo | Loan Fund - Housing |
| 235 North Main Street | Canandaiagua | Rental Housing |
| 7851 Route 298 | Cicero | Rental Housing |
| The Meadows at Mitchel Field | Hempstead | For Sale Home |
| Schunnemunk Road | Kiryas Joel | Rental Housing |
| 601 Burnside Avenue | Long Island | Commercial |
| 775 Main Street | New Rochelle | Rental Housing |
| 1090 Street Paul Blvd. | Rochester | Rental Housing |
| 175 Genesee Street | Rochester | Church |
| 2260 Lake Avenue | Rochester | Rental Housing |
| 282 Sanford Street | Rochester | Rental Housing |
| 505 Mount Hope | Rochester | Rental Housing |
| West Main Street | Rochester | Commercial |
| Westfall Rd. | Rochester | For Sale Home |



| <u>ADDRESS</u> | <u>CITY</u> | <u>PROJECT TYPE</u> |
|------------------------------------|---------------|----------------------------|
| 25 Oak Hill Rd. | Syracuse | For Sale Home |
| 2410 Oneida Street | Utica | Rental Housing |
| Ganada | Wayne County | Rental Housing |
| Montauk Highway & Rollstone Avenue | West Sayville | Rental Housing |
| 18 Osborne Street | White Plains | Rental Housing |
| 21 Park Avenue | Yonkers | Rental Housing-Health Care |

Community Development Projects - New Jersey

| | | |
|----------------------------------|--------------|---------------|
| South Pierson Road & Valley Road | Maplewood | For Sale Home |
| 1 Newark Center | Newark | Other |
| 223 Slater Street | Paterson | Commercial |
| 40 Hille Place | Ridgefield | For Sale Home |
| 24 Colgate Avenue | South Orange | For Sale Home |

Community Development Projects - Connecticut

| | | |
|-----------------------------------|------------|----------------|
| 401 Park Street | Bridgeport | Rental Housing |
| 20 Battles Street | Hartford | Church |
| 1335 Chapel Street | New Haven | Commercial |
| Kensington Square | New Haven | Rental Housing |
| 80 Spruce Street | Stamford | Rental Housing |
| Woodland Avenue & Atlantic Avenue | Stamford | Rental Housing |
| 255 Main Street | West Haven | For Sale Home |

Community Development Projects - Other States

| | | |
|-------------------------------------|----------------|-----------|
| Delaware Community Investment Corp. | Wilmington, DE | Loan Fund |
|-------------------------------------|----------------|-----------|



Community Development Projects - Texas

| <u>ADDRESS</u> | <u>CITY</u> | <u>PROJECT TYPE</u> |
|--------------------------|---------------|---------------------|
| 505 S. Greenville Avenue | Allen | For Sale Home |
| 1308 S. Westader Drive | Arlington | Rental Housing |
| 100 Congress Avenue | Austin | For Sale Home |
| 4201 Monterey Oaks Blvd | Austin | For Sale Home |
| 2416 E. 6th Street | Austin | NonResidential |
| 5401 North Interstate | Austin | NonResidential |
| 2003 N. Lamar | Austin | Rental Housing |
| 3180 Washington Blvd | Beaumont | For Sale Home |
| 420 Mary Street | Beaumont | For Sale Home |
| 730 Jackson Street | Beaumont | For Sale Home |
| 750 Jackson Street | Beaumont | For Sale Home |
| 33 Creekbend | Brownsville | For Sale Home |
| 4 Calle Cenizo | Brownsville | For Sale Home |
| 514 East Charles Street | Brownsville | NonResidential |
| 2503 Martin Luther King | Dallas | For Sale Home |
| 2948 N. Stemmons Fwy | Dallas | For Sale Home |
| 3014 Pennsylvania | Dallas | For Sale Home |
| 14001 Dallas Parkway | Dallas | Rental Housing |
| 2415 Bahama Drive | Dallas | Rental Housing |
| 5929 & 5951 Melody Lane | Dallas | Rental Housing |
| 6011 Gaston Avenue | Dallas | Rental Housing |
| 6127 Gaston Avenue | Dallas | Rental Housing |
| 7540 Mason Dells Drive | Dallas | Rental Housing |
| 1001 Live Oak Drive | Desoto | For Sale Home |
| 2600 Bolton Avenue | Desoto | Rental Housing |
| 9500 Almeda Avenue | El Paso | For Sale Home |
| 1317 Montana | El Paso | Rental Housing |
| 1871 Saul Kleinfeld | El Paso | Rental Housing |
| 600 Redd Road | El Paso | Rental Housing |
| 627 Fonseca | El Paso | Rental Housing |
| 7646 Kingman | El Paso | Rental Housing |
| 7710 N Loop Drive | El Paso | Rental Housing |
| 8800 Yermoland Suite A | El Paso | Rental Housing |
| 708 Candlewood | Fort Worth | Rental Housing |
| 309 SW 5th Street | Grand Prairie | Rental Housing |
| 1109 Wilson | Houston | For Sale Home |



Community Development Projects - Texas

| <u>ADDRESS</u> | <u>CITY</u> | <u>PROJECT TYPE</u> |
|------------------------------|---------------|---------------------|
| 211 Kilts Drive | Houston | For Sale Home |
| 2500 Raymondville | Houston | For Sale Home |
| 5119 Kingsbury | Houston | For Sale Home |
| 7400 Stella Link Road | Houston | NonResidential |
| 1510 Pannell | Houston | Rental Housing |
| 1510 Pannell | Houston | Rental Housing |
| 5353 Desota Drive | Houston | Rental Housing |
| 5600 Market Street | Houston | Rental Housing |
| 6912 Hirsh Road | Houston | Rental Housing |
| 7670 Woodway at San Felipe | Houston | Rental Housing |
| 100 Decker Ct Ste 280 | Irving | For Sale Home |
| 9410 Wildflower Lane | Kaufman | For Sale Home |
| 2214 Pleasant Creek | Kingwood | For Sale Home |
| 1200 La Vista | Mcallen | For Sale Home |
| 986 Loop 337 North | New Braunfels | For Sale Home |
| 521 Tx Avenue (N) | Odessa | NonResidential |
| 4620 Fairmont Pky, Suite 201 | Pasadena | For Sale Home |
| 1506 Mid Cities Drive | Pharr | Rental Housing |
| 3105 North Chadbourne | San Angelo | Rental Housing |
| 2131 Calle Del Sol | San Antonio | For Sale Home |
| 7475 Callaghan #201 | San Antonio | NonResidential |
| 1105 N. 11th Street | Silsbee | For Sale Home |



Nationwide Mortgage Counseling Programs - 1996

| ACORN | Consumer Credit Counseling Services | Neighborhood Housing Services | Metro Ecumenical Ministries | Urban League | NY Mortgage Coalition |
|---|--|--|-----------------------------|----------------------------------|--|
| Denver, CO Los Angeles, CA Miami, FL New Orleans, LA New York, NY Jersey City, NJ Bridgeport, CT Dallas, TX Houston, TX Austin, TX | Atlanta, GA Chicago, IL Philadelphia, PA Tampa, FL Washington, DC Los Angeles, CA San Diego, CA Miami, FL Northern NJ Oakland, CA | Chicago, IL Los Angeles, CA Buffalo, NY New York, NY Rochester, NY Syracuse, NY | Newark, NJ | Essex County, NJ Syracuse, NY | New York, NY Westchester, NY Long Island, NY |



In 1996, Chase provided loans, investments, grants and recoverable grants to the following community development financial institutions and financial intermediaries:

New York City

Homesteaders Federal Credit Union (New York, NY)
Low Income Housing Fund (New York, NY)
Lower East Side People's Federal Credit Union (New York, NY)
NonProfit Facilities Fund (New York, NY)
Parodneck Foundation (New York, NY)
Manhattan Neighborhood Renaissance LDC (New York, NY)
ACCION International, for ACCION New York (New York, NY)
Regional Economic Development Assistance Corporation (New York, NY)
Trickle Up (New York, NY)
Fund for the City of New York (New York, NY)
New York Community Investment Corporation (New York, NY)
REDAC (New York, NY)
New York National Bank (New York, NY)
Bethex Federal Credit Union (Bronx, NY)
University Neighborhood Housing Program (Bronx, NY)
Central Brooklyn Federal Credit Union (Brooklyn, NY)
Bedford Stuyvesant Restoration Corporation (Brooklyn, NY)
LEAP (Brooklyn, NY)
Greater Jamaica Local Development Corporation (Queens, NY)

New York

Community Development Corporation of LI (Nassau-Suffolk, NY)
Roosevelt Federal Credit Union (Long Island, NY)
Long Island Lighting Company (Nassau/Suffolk, NY)
Westchester Tri-City Development Corporation (Westchester, NY)
Leviticus 25:33 Alternative Fund (Westchester, New York)
Rural Opportunities (Rochester, New York)
Progressive Federal Credit Union (Rochester, NY)
Rochester Economic Development Corporation (Rochester, NY)
BHA Residents Community Development FCU (Binghamton, NY)
Capital District Community Loan Fund (Albany, NY)
Syracuse Area Small Business Loan Program (Onandaga County, NY)

New Jersey

Community Loan Fund of New Jersey (Mercer County, NJ)
New Community Corporation (Newark, NJ)
New Community Federal Credit Union (Essex County, NJ)
Bergen County Small Business Economic Development Corp. (Bergen County, NJ)
New Jersey Fund for Economic Development (NJ)
Union County Economic Development Corporation (Union County, NJ)



Connecticut

Equity Bridge Fund of Connecticut (Bridgeport/Hartford, CT)
Community Economic Development Fund (Bridgeport, CT)
New Haven Development Corporation (New Haven, CT)

Texas

Austin Community Development Corporation (Austin, TX)
Greater Brownsville Community Development Corporation (Brownsville, TX)
Southern Dallas Development Corporation (Dallas, TX)
Alliance Capital (Houston, TX)
William Mann, Jr. Community Development Corporation (Fort Worth, TX)
Rock Island Hillside Associates, L.P. (Fort Worth, TX)
San Antonio Business Development Fund (San Antonio, TX)

California

California Community Reinvestment Corporation
Accion San Diego

Delaware

Delaware Community Investment Corporation



Organizations that received Recoverable Grants from Chase in 1996

New York City

The Low-Income Housing Fund

MBD Community Housing Corporation

Metropolitan New York Coordinating Council on Jewish Poverty

New Destiny Housing Corporation

The Nonprofit Facilities Fund

Parodneck Foundation for Self-Help Housing and Community Development

South Bronx 2000 Local Development Corporation, Inc.

University Neighborhood Housing Program, Inc.

California

ACCION San Diego

New Jersey

Community Loan Fund of New Jersey

Paterson Coalition for Housing, Inc.



Chase installed 27 new 24-hour ATMs in the following branches located in low or moderate income census tracts in 1996:

| BRANCH NAME | STREET ADDRESS | COUNTY |
|--------------------|-------------------------|---------------|
| Boynton Ave | 1536 Westchester Ave | Bronx |
| Burnside | 5 W Burnside Ave | Bronx |
| Castle Hill | 784 Castle Hill Ave | Bronx |
| Brownsville | 1797 Pitkin Ave | Brooklyn |
| Utica Ave | 257 Utica Ave | Brooklyn |
| DeKalb Avenue | 975 Bedford Ave | Brooklyn |
| 51st St | 5101 4th Ave | Brooklyn |
| New Lots | 2084 Linden Bl | Brooklyn |
| W 144th St | 3515 Broadway | New York |
| Washington Heights | 1421 St Nicholas Ave | New York |
| Inwood | 513 W 207th St | New York |
| Astoria | 21-21 Broadway | Queens |
| Downtown Flushing | 39-01 Main St | Queens |
| Riverhead | 300 E Main St, NE Maple | Suffolk |
| Wyandanch | 1466 Straight Path Rd | Suffolk |

In 1997-1998, Chase plans to install 19 new 24-hour ATMs in the following branches located in low or moderate income census tracts:

| BRANCH NAME | STREET ADDRESS | COUNTY |
|--------------------|----------------------------------|---------------|
| University Heights | 1755 University Avenue | Bronx |
| Kingsbridge | 2 E Kingsbridge Rd | Bronx |
| Fordham Road | 2 W Fordham Rd | Bronx |
| Thirteenth Avenue | 4901 13th Ave | Brooklyn |
| Brighton Beach | 722 Brighton Beach Ave | Brooklyn |
| Pathmark Harlem | 125th Street Between Lex & Third | New York |
| Jamaica | 159-17 Jamaica Ave | Queens |
| MacArthur Airport | 4250 Veterans Memorial Hwy | Suffolk |

Chase Invests \$5 Billion in Second Year Of Five-Year \$18.1 Billion Community Investment Commitment.

Date: May 13, 1998

Words: 3402

Publication: Business Wire

NEW YORK--(BUSINESS WIRE)--May 13, 1998--

Small Business Lending Increases 35%

The Chase Manhattan Corporation today announced that in 1997, the second year of a five-year \$18.1 billion community investment commitment, it made over \$5 billion in community investments nationwide. This number is up from \$4.82 billion reported for 1996, the first year of the commitment. The combined two year nationwide total is now \$9.85 billion. The major achievements in 1997 were:

-- \$1.13 billion in loans and investments to assist small businesses

with annual revenues of less than \$1 million and small

not-for-profit organizations - a growth of 35% over 1996; \$245

million of the \$1.13 billion was targeted to small businesses

located in low- and moderate-income communities;

-- Over \$500 million in loans and investments for affordable housing

and commercial developments to benefit low- and moderate-income

communities and households;

-- \$3.37 billion in affordable mortgages nationwide; affordable

mortgages generally are income-limited, with low down payments

and flexible underwriting standards, and include products such

as: the FannieMae Community Homebuyer Loans, Freddie Mac

Affordable Loans, FHA, VA, Mortgage Revenue Bonds, Farmers Home

and special products designed by Chase for lower-income borrowers

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and retained in Chase's mortgage portfolio; and,

-- \$26 million in grants to not-for-profit organizations serving

low- and moderate-income communities and organizations focusing

on community development.

Of the total \$5 billion invested in 1997, \$1.1 billion was invested in New York State, and \$775 million in New York City.

"We are very pleased with our second year's results and look forward to another strong year in 1998," said Carol J. Parry, executive vice president in charge of the Chase Community Development Group. "Small business lending was way up and we feel confident that our communities have benefited in many ways including local job creation, commercial development and enhanced retail services."

Second Year Results

Small Business Loans and Investments

During 1997, Chase provided loans and investments of \$1.13 billion to small businesses and not-for-profit organizations in New York, New Jersey, Connecticut and Texas. This represents an increase of 35% in small business lending and investments from 1996. Of this amount, \$245 million benefited businesses and not-for-profit organizations located in low-and moderate-income communities in these states. In total, Chase made 23,363 small business loans, up from 14,195 in 1996. This increase in volume is evidence of Chase's continuing commitment to small businesses. Further evidence of Chase's commitment to service the smallest companies is that the average loan size in 1997 was \$39,000 in 1997 vs. \$59,000 in 1996.

An important component of Chase's program is Small Business Administration ("SBA") loans which are originated by The Chase Manhattan Bank and Chase Bank of Texas (formerly Texas Commerce Bank). In New York, The Chase Manhattan Bank originated more than 430 loans during the SBA's 1997 fiscal year - more SBA loans than any other lender in the SBA's New York district. As a result, Chase was awarded the SBA's Pinnacle Award for the second consecutive year. Chase was also the recipient of the SBA's Pacesetter Award for excellence in lending performance to minority and women-owned businesses for the second consecutive year.

Chase's growth in small business lending was a result of aggressive outreach strategies to the small business market in 1997, including the launch of direct mail campaigns to the small business sector as well as "Rolling Thunder," an aggressive sales call campaign that touched all geographies in the tri-state area. Rolling Thunder was tailored to enhance the knowledge of Chase's branch banking staff regarding the needs of the small business customer as well as the array of products offered by Chase. The initiative in Upstate New York alone resulted in more than 7,500 small business calls.

Credit scoring and the 24 to 72 hour turn-around in which decisions are made for small to medium-size business loans also played an important role in increasing Chase's small business loan volume. In 1997, Chase was able to use credit scoring to underwrite over 16,000 loans to companies with sales of \$1 million or less, or approximately 63% of total loans booked through the credit scoring process.

Chase's increased success in 1997 can also be attributed to the high priority placed on rapidly growing segments of the small business market -- including minority- and women-owned businesses. Strategic

alliances were formed with Women's Incorporated, the National Association of Women Business Owners, the Financial Women's Association, Coalition of 100 Black Women, Coalition of 100 Hispanic Women and Asian Women in Business. Chase also created a phone center dedicated call line that assists women business owners to obtain information about Chase programs and applying for credit by phone.

In an additional effort to promote continued growth by minority women business owners and entrepreneurs, Chase hosted its third annual "Women of Color Symposium" under the 1997 theme of "Roadmap to Financial Success." The forum, which was sponsored by Chase along with The New York Coalition of 100 Black Women, 100 Hispanic Women and Asian Women in Business, provided information, support and assistance to minority women business owners through roundtable discussions with subject matter experts focusing on such topics as financing for growth, niche marketing, investments and technology. Over 125 minority women business owners attended.

One of the many small business owners who benefited from Chase's commitment to this market is Pedro Zapata, who in 1997 sought help from Chase to purchase the Spanish American Deli Grocery Store located in a lower-income section of Stamford, Connecticut. Mr. Zapata and his wife had both worked two jobs to save for the purchase of this business and the multi-use building it is housed in. Chase provided a loan to complete the financing for the purchase of the building and the business. The thriving store is now providing a vital service to the Latino community in Stamford.

In Texas, many small business and minority entrepreneurs, including Harlon Brooks and Delores Guerrero, have found success in the growing airport restaurant market while securing small business financing from Chase Bank of Texas. The success of these small businesses has led to the expansion of their restaurants to other airports in 1997. Based on the success of Harlon Brooks' barbecue operations in Texas' Houston and Metroplex airports, his business has now expanded to the Las Vegas airport and his total number of employees has grown to 170. Mr. Brooks received from Chase Bank of Texas the largest SBA loan to an African American-owned business in the SBA's Southwest District.

In addition to its small business lending, Chase plays a critical role in meeting the credit needs of non-profit institutions. On Long Island, the Chase Community Development Group provided financing for Miss Shelly's Upward Prep, an educational and day care facility serving infants, toddlers and children through the eighth grade from the communities of Roosevelt and Freeport. Over 475 children are served. During the summer months a day camp program is also offered. Chase's financing included a line of credit as well as a commercial mortgage, enabling Miss Shelly's to renovate and upgrade the day care facility and create a computer learning center.

Chase plays an active role in small business development on the local level including the creation and launch of the first storefront Small Business Development Center (SBDC), in Paterson, New Jersey which is designed to assist in the creation and growth of new or existing businesses. The SBDC, an initiative of Paterson, New Jersey's Urban Enterprise Zone Program, offers a full range of technical and financial assistance to business owners and entrepreneurs. Chase is a lead partner and provided \$50,000 in grants as well as in-kind services to the SBDC. A year after the opening, which took place on April 2, 1997, the SBDC has assisted over 400 clients, both start-ups and established businesses, with counseling, business plans, access to capital and marketing strategies.

Community Development Loans and Investments

In 1997, Chase provided \$501 million in loans and investments for the development of projects in low- and moderate-income communities, including housing and commercial developments, child care and health care centers, supermarkets and small retail strips in lower-income communities. \$445.3 million was provided in direct financing for 7,779 units of affordable housing (5,019 of rental housing and 2,760

of for-sale housing) and for 403,891 square feet of commercial space in New York, New Jersey, Connecticut and Texas, Puerto Rico, and the US Virgin Islands. In addition, Chase invested \$77 million in low-income housing tax credits for the development of housing which is affordable to low-income households in New York, New Jersey, Connecticut, Texas, Delaware, Florida and California, where Chase has branch banking offices.

Examples of Community Development Financing

In 1997 Chase continued its leadership position by remaining the top lender for affordable housing and commercial development in New York State and Texas. Chase continued to expand its lending to commercial development projects and enhanced branch services in low- and moderate-income communities. Chase is the lead bank for the financing of the new 50,300 square foot Pathmark supermarket in East Harlem, New York, providing the private financing for the \$15.1 million project. Chase will also have a full service branch located inside the store. The project will generate 200 permanent jobs for local residents.

Another example of Chase's commitment to provide financing to help meet the retail needs of communities is the Partnership Plaza "Anchor Program." In conjunction with the City of New York and The New York City Partnership, which sponsors the Anchor Program, Chase provided a \$2.6 million construction loan for this 19,000 square foot project which will be built in the East Bedford Stuyvesant section of Brooklyn, New York. The development will provide access to retail services for the residents of this low- and moderate-income community. Tenants include a Rite Aid Pharmacy, State Farm Insurance Agency and local small businesses.

In Texas, the Pleasant Hill Apartments is a 165-unit independent living apartment complex for senior citizens in Houston's distressed fifth ward. Chase Bank of Texas provided financing in the amount of \$5.4 million for this model project with additional financing provided by Fannie Mae, the City of Houston and another local bank. The 130,000 square foot complex opened in January, 1998 and is already over 50% occupied.

In rural Upstate New York, Chase provided a \$782,000 construction loan to finance the gut rehabilitation of Heritage Meadows. Located between Rochester and Buffalo in Orleans County, the project will provide for 25 units of affordable farm worker housing with a recreational area that includes basketball courts and a playground for children. This is the first deal closed in 1997 by the newly formed Upstate New York Community Development Group Real Estate Lending team.

Affordable Mortgage Loans

Chase's national affordable mortgage lending continued to be strong. In 1997, 34,985 affordable mortgages were originated totaling \$3.37 billion with 30.5% of these loans going to minority borrowers. Chase's affordable mortgages primarily benefit first-time homeowners, many of whom participated in mortgage counseling programs funded by Chase in 24 cities across the country. These counseling programs assisted over 15,000 prospective homebuyers. One of the counseling initiatives is the historic partnership created in 1997 between Chase, the Los Angeles Urban League and Operation Hope to attract potential first time homebuyers. The Los Angeles Urban League sponsors this initiative by offering free seminars and workshops to prepare individuals for homeownership, and Operation Hope provides one-on-one homeownership and credit counseling.

Initiatives that Support Home Ownership

Chase's support for nationwide mortgage counseling programs included working with the following

community agencies: The National Association of Real Estate Brokers, Consumer Credit Counseling Services, Metropolitan Ecumenical Ministries in New Jersey, The New York Mortgage Coalition, ACORN, various chapters of the Urban League in California and New York and Neighborhood Housing Services chapters for New York City and Upstate New York. Through the efforts of these organizations 15,000 individuals attended Chase sponsored homebuyer seminars. This includes those who attended the 115 seminars offered by The Chase Manhattan Mortgage Corporation and other Chase programs including branch-based seminars and enhanced outreach efforts offered by Chase's Community Development Group. Of those 15,000 who attended the Chase sponsored homebuyer seminars, in excess of 8,500 went on to one-on-one counseling with the ultimate goal of becoming homeowners through Chase mortgage products.

Because of a major affinity relationship between Chase and Local 1199 of the National Health and Human Service Employees, AFL-CIO, the Laing family are now proud homeowners and residing in South Orange, New Jersey. A lifelong dream of the Laing's since leaving their native country of Jamaica was to own a home. Through Chase's Community Home Buyer Program - a flexible mortgage loan which requires minimum down payment, the family was able to attain their dream of homeownership.

In Rochester, New York, Luis Perez also attained the dream of homeownership and purchased a one-family home by using the DreamMaker(R) program requiring only a 3% down payment. Mr. Perez also received critically needed closing cost assistance from Chase and was assisted by a Chase partner - Neighborhood Housing Services of Rochester with mortgage counseling services.

Grants

Chase provided grants to not-for-profit organizations that focus on the housing, economic development, educational and human services needs of low- and moderate-income communities and individuals. During 1997, Chase's philanthropic units made over \$26 million in grants - over 80% of its direct giving - to these community-based organizations.

Innovative 1997 Initiatives to Assist Not-for-Profit Organizations and Small Businesses

Continued to Serve the Small Business Community through the Chase Business Resource Centers. As reported earlier, in 1994 Chase opened the first bank-owned small business resource center in New York City, to provide free financial technical assistance to existing and aspiring small business owners. Building on the success of the first center, Chase opened its second Business Resource Center in Brooklyn in 1996. Combined, the two centers have counseled 4,400 business owners and Chase has provided \$25 million in loans to 350 entrepreneurs who received free technical assistance from Chase. Approximately 55% of the customers served by Chase's Business Resource Centers are women- or minority-owned businesses and 50% of the businesses served are located in low- and moderate-income communities.

During 1997, Chase continued to enhance the Minority and Women Business Development Program. The Minority and Women Business Development Program provides minority and women business entrepreneurs with an equal opportunity to compete for Chase contracting opportunities, as well as offering these entrepreneurs technical assistance and providing loans where appropriate. In 1997, Chase contracted for \$162.4 million in goods and services from close to 850 certified businesses, increasing the total Chase purchases to over \$432 million since the program was launched in 1994.

Chase Community Development Financial Institutions and Financial Intermediaries

Chase committed to provide over \$25 million in the form of loans, investments and deposits to

Community Development Financial Institutions and other financial intermediaries over five years. In 1997, Chase provided \$33.5 million in the form of loans, grants and equity investments to 67 organizations located in Connecticut, New Jersey, New York City, Long Island, Westchester, Upstate New York, Texas, Delaware, Florida and California, bringing the two year total to \$46.7 million, almost twice the total five-year commitment.

Chase Employment Initiatives

As part of its original \$18.1 billion commitment, Chase committed \$3 million over 3 years to assist training and employment programs that are targeted to residents of low- and moderate-income communities. The Chase program includes:

The Neighborhood Jobs Initiative - a \$1 million over two years joint venture with the Rockefeller Foundation and local community organizations, which will be implemented in six cities around the country. Currently the Initiative has been launched in New York City, Washington, D.C. and Hartford, Connecticut.

The Community Employment Alliance - brings Chase and The Enterprise Foundation together in New York City, Dallas and San Antonio, to create strategic partnerships between government, local businesses, educational organizations and community development groups and to increase the economic vitality of low-income neighborhoods. Chase has committed \$450,000 over three years for this program.

Chase Job Start, which to date has provided \$700,000 in grants to fifteen not-for-profit employment and training agencies nationwide for zero-interest loans to help individuals meet the transitional expenses of finding and keeping jobs. In 1997 alone, eight not-for-profits in seven communities (Bridgeport, Connecticut; Houston, Texas; Los Angeles, California; Newark, New Jersey; 2 New York City locations: Rochester, New York and Wilmington, Delaware) received Chase Job Start grants.

In addition to these unique programs, Chase has launched its own pilot recruitment program to facilitate the hiring of people currently on welfare. Chase is partnering with community agencies in the job training and placement area as part of this recruitment program.

Recognizing that information exchange is vital in the welfare reform area, in 1997 Chase held the first in a series of forums to open discussion and assist in problem solving between the corporate, government and not-for-profit sectors.

As part of Chase's public policy grantmaking program, the bank targeted \$130,000 to six national organizations for their work in welfare reform research and policy development, including the Community Service Society of New York, Committee for Economic Development, National Council of La Raza, National Center for Children in Poverty, Urban Institute and the Welfare Law Center.

Innovative Retail Banking Services

As part of the bank's public commitment, Chase committed to open two new branches in East Harlem and the South Bronx. In the summer of 1997, Chase opened a new branch at 1755 University Avenue in the Bronx to serve the commercial strip between 176th Street and Kings Landing as well as residents of this community. The neighborhood, which has no other bank branches, now offers a conveniently located bank providing full banking services and products. It is anticipated that this branch will result in an improvement in the appearance of the commercial strip, and the attraction of new businesses will bring increased value to this strip, an important step towards the stabilization of the community. Chase

worked closely with the Northwest Bronx Community & Clergy Coalition on the design of this branch, and present at the ribbon-cutting were New York State Assemblywoman Aurelia Greene and Bronx Borough President Fernando Ferrer.

Also in the summer of 1997, ground was broken for the Pathmark shopping complex which will also house a Chase branch bringing added services to this East Harlem community.

Community Outreach Efforts

In 1997, Chase continued to provide aggressive local outreach efforts throughout the nation including Community Forums that were developed to report on the Chase five-year commitment on an annual basis. Commencing in 1997, over 60 community forums were convened in the five boroughs of New York City, as well as in Long Island, Upstate New York, New Jersey and Connecticut. Over 1,300 individuals attended representing approximately 1,000 nonprofits and community-based organizations. Business and civic leaders, in addition to Chase Community Development staff were featured speakers. The Chase Community Forums will continue this year as Chase reports in greater detail on its second year results. The forums will begin in May.

Below are charts detailing the results by geographic area and attached to this press release are additional details on projects, programs and organizations that benefited from the second year of Chase's \$18.1 billion commitment. -0-

Two-Year Results vs. Five-Year Nationwide Goals
\$ Millions

| | 1996 | 1997 | 2 Year Total | 5 Year Plan |
|--|----------------|----------------|----------------|-----------------|
| Community Development | \$ 463 | \$ 501 | \$ 964 | \$ 1,200 |
| Small Business | 839 | 1,131 | 1,970 | 3,400 |
| Small Business in Low & Moderate-Income Areas | 208 | 245 | 453 | 1,000 |
| Affordable Mortgages | 3,500 | 3,372 | 6,872 | 13,500 |
| Grants | 18 | 26 | 44 | 70 |
| TOTAL | \$4,820 | \$5,030 | \$9,850 | \$18,170 |

-0-

1997 Results by Geographic Area
\$ Millions

| | Tri-State | Texas | Other States | Total |
|---|-----------|-------|-----------------|--------|
| Community Development | \$ 310 | \$ 73 | \$ 118 | \$ 501 |
| Small Business | 660 | 471 | N/A | 1,131 |
| Small Business in Low & Moderate-Income Areas | 128 | 117 | N/A | 245 |

| | | | | |
|----------------------|-----------------|---------------|-----------------|-----------------|
| Affordable Mortgages | 361 | 142 | 2,869 | 3,372 |
| Grants | 21 | 2 | 3 | 26 |
| TOTAL | \$ 1,352 | \$ 688 | \$ 2,990 | \$ 5,030 |

-0-

New York State Only

| \$ Millions | New York State |
|---|----------------|
| Community Development | \$ 293 |
| Small Business | 584 |
| Small Business in Low & Moderate-Income Areas | 113 |
| Affordable Mortgage | 239 |
| Grants | 17 |
| TOTAL | \$1,133 |

-0-

New York City Only

| \$ Millions | New York City |
|---|---------------|
| Community Development | \$ 215 |
| Small Business | 359 |
| Small Business in Low & Moderate-Income Areas | 87 |
| Affordable Mortgages | 188 |
| Grants | 14 |
| TOTAL | \$ 776 |

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To: NCS Managers
cc:
Subject: Press Release



For Immediate Release
Roy

Contact: Katy

212-270-2270

***Chase Invests Over \$6 Billion in Third Year Of Five-Year \$18.1 Billion
Community Investment Commitment***

-- Bank Expects To Surpass Five-Year Commitment in Less Than Four Years --

New York, May 24, 1999 -- The Chase Manhattan Corporation (NYSE: CMB) announced that in 1998, the third year of a five-year \$18.1 billion community investment commitment, it made over \$6 billion in community investments nationwide. This number is up significantly from last year's \$5 billion investment, and the bank now expects to surpass its five-year commitment in less than four years.

"When Chase first announced its commitment in 1995, we said it was a 'floor,' not a 'ceiling.' And if the demand in the market were there, we would make every loan that met our credit standards. We can say now that we're running well ahead of plan, having already reached a total of \$15.95 billion, and we expect to surpass our plan in less than four years," said Carol Parry, Chase Executive Vice President, Community Development Group. "What's more," she added, "Chase's commitment is unique in that we provide innovative solutions that address the specific needs of the diverse communities we serve -- going beyond credit -- to include employment training and assistance, a wide range of technical support to community groups, and vital programs for small businesses, especially businesses owned by women and minorities."

The next two pages list 1998's major accomplishments, which are divided into four categories: Small Business, Affordable Housing and Commercial Development, Affordable Mortgages and Grants. Attached is a more detailed description of 1998's initiatives, including specific examples.

1998 Highlights

\$573 million in community development loans and investments were made to finance affordable housing and commercial properties to benefit low- and moderate-income communities and households. Of this amount, \$470 million was provided in direct financing resulting in 4,471 units of affordable housing and 423,000 square feet of commercial space in New York, New Jersey, Connecticut, and Texas.

-- more --

- **\$1.296 billion in loans and investments were made to small businesses** with annual revenues of less than \$1 million and small not-for-profit organizations. Nearly a quarter of the \$1.296 billion -- \$291 million -- went to small businesses located in low and moderate-income neighborhoods.

- **\$4.2 billion in affordable mortgages** nationwide were closed. This includes 41,373 mortgages loans, 26.3% of which went to minority borrowers. Affordable mortgages are generally income-limited, with low down payments and flexible underwriting criteria.

- **\$24 million in grants** were contributed to 3,151 not-for-profit organizations that focus on the housing, economic development, educational and human services needs of low- and moderate-income communities and individuals.

Chase continued to serve small businesses through a variety of innovative initiatives and technical assistance programs. Last year, the bank opened a business resource center at 2 West Fordham Road in the Bronx, marking the third Chase Business Resource Center following the previous openings at 1411 Broadway in Manhattan and 4 Metrotech Center in Brooklyn. The center provides small business owners and entrepreneurs with personalized, free service, along with a wide array of useful information, research tools and advice pertaining to all stages of business planning and operation. Combined, Chase's three centers have counselled 4,075 entrepreneurs, over 60% of whom were women and minority business owners. Three additional new small business endeavors in 1998 include:

- ***Community Business Partners*** -- A unique pilot partnership with 12 financial intermediaries called Community Development Financial Institutions (CDFIs) to purchase participations in small business loans originated by Chase. The partnership enables CDFIs to earn interest income on loans without incurring the costs of originating the loans, and allows Chase to increase the number of its small loans.

- ***Get Connected*** -- A ground-breaking program which provides post-closing technical assistance to selected borrowers in conjunction with outside technical assistance (TA) providers.

- ***BusinessLINC*** --a national coalition to connect large companies with small firms for strategic alliances, including mentoring, especially in economically distressed areas. Chase was one of seven leading corporations invited to attend a national roundtable chaired by Vice President Gore on this subject, and reviewed the BusinessLINC report prepared by the U.S. Treasury and Small Business Administration.

-- more --

Chase's small business track record may also be illustrated by its Small Business Administration ("SBA") lending. In the New York District alone during 1998, Chase originated nearly 970 loans, worth \$62.1 million, making it the top lender, and earning for the third consecutive year both the Pinnacle Award, for highest volume lender, and Pacesetter Award, for excellence in lending to minority- and women-owned businesses. In Texas, Chase also made 142 SBA guaranteed small business loans worth \$21 million during 1998.

Last year, Chase stepped up its already aggressive efforts to encourage job placement through its own programs as well as outside partnerships. In 1998, the bank successfully hired former welfare recipients through *Chase Transitions Program* and hosted two Welfare To Work Forums to share public policy research and to encourage the development of connections between training organizations and the business community.

Chase's outside employment initiatives include *Chase Job Start* – a program to provide grants of up to \$50,000 to employment agencies to help individuals meet the transitional expenses of getting and staying employed – which made \$475,000 in grants to 10 agencies nationwide, bringing the total since inception to \$850,000. Chase also provided \$1.5 million over three years to a joint venture with the Rockefeller Foundation called The Neighborhood Jobs Initiative (NJI) to teach community-based organizations in five cities how to help low-skilled workers find and retain jobs. Similarly, the bank has also given \$450,000 to date -- and another \$300,000 committed over the next three years -- to a joint effort with The Enterprise Foundation called The Community Employment Allowance (CEA). CEA creates strategic local partnerships to help the unemployed and underemployed find jobs.

Chase's lending and grantmaking to houses of worship expanded its reach last year. Recognizing that religious institutions play crucial roles as anchors of their communities, Chase became the first bank to create a nationwide contributions program called the *Faith-Based Community Development Initiative*, providing both grants and loans to faith-based institutions. Through 1998, Chase provided over \$1 million in grants to 50 institutions, and nearly \$23 million in loans to 18 different houses of worship that are involved with community development initiatives.

Committed to financial literacy, in 1998 Chase continued its many financial education initiatives to deepen consumer and small business knowledge, including mortgage and credit counseling, as well as personal finance and banking seminars. In 1998 alone, Chase held 278 mortgage seminars, reaching 17,558 individuals, an estimated 2,000 of whom went on for one-on-one mortgage counseling. In the area of basic banking and financial education, Chase conducted a number of workshops for low-income, welfare-to-work individuals involved in an entrepreneur-training program, as well as to small business owners, including one in conjunction with the Westchester Hispanic Chamber of Commerce.

-- more --

As the lead financier of many major community development projects in inner-city areas across the country, in 1998 Chase financed a number of key projects, including, for example: a \$47.7 million construction loan for the development of Harlem USA, the 276,000 square foot retail entertainment complex in Harlem; a \$3.5 million construction loan and a \$790,000 permanent mortgage loan for Washington Park Association for the rehabilitation of 35 units in 10 buildings in Bridgeport, Connecticut; and a \$5.9 million construction loan for Maxey Village for the rehabilitation of a 398-unit apartment community in East Houston, Texas. Beyond loans, through low-income housing tax credit investments, Chase invested \$102 million in low-income housing in several projects in seven states, including New York, New Jersey, Connecticut, Texas, Delaware, Florida and California.

Through Chase's Community Development Group, Chase delivers innovative financial solutions to help stabilize and strengthen diverse communities by providing unique programs, products and services and by forging strong local partnerships. Chase is a leading provider of consumer financial services nationally and commercial and investment banking globally. Chase, with over \$360 billion in assets, has relationships with more than 30 million consumers in the United States and with more than 5,000 major corporations and institutions in 180 countries. Chase can be reached on the web at www.chase.com.

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Special Edition

IN THE COMMUNITY

Community Development Group

CHASE INVESTS OVER \$6 BILLION IN THIRD YEAR OF FIVE-YEAR \$18.1 BILLION COMMUNITY INVESTMENT COMMITMENT

BANK EXPECTS TO SURPASS FIVE-YEAR COMMITMENT IN LESS THAN FOUR YEARS

The Chase Manhattan Corporation recently announced that in 1998, the third year of a five-year \$18.1 billion community investment commitment, it made over \$6 billion in community investments nationwide. This number is up significantly from last year's \$5 billion investment, and the bank now expects to surpass its five-year commitment in less than four years.

"When Chase first announced its commitment in 1995, we said it was a 'floor,' not a 'ceiling.' And if the demand in the market were there, we would make every loan that met our credit standards. We can say now that we're running well ahead of plan, having already reached a total of \$15.95 billion, and we expect to surpass our plan in less than four years," said Mark Willis, Chase Senior Vice President and Community Development Group (CDG) Executive. "What's more," he added, "Chase's commitment is unique in that we provide innovative solutions that address the specific needs of the diverse communities we serve — going beyond credit — to include employment training and assistance, a wide range of technical support to community groups, and vital programs for small businesses, especially businesses owned by women and minorities."

Major accomplishments in 1998 include:

- **\$573 million in community development loans and investments were made to finance affordable housing and commercial properties** to benefit low- and moderate-income communities and households. Of this amount, \$470 million was provided in direct financing resulting in 4,471 units of affordable housing and 423,000 square feet of commercial space in New York, New Jersey, Connecticut, and Texas.



David Watson (third from left), CDG Real Estate Lending, meets with Jonathan Rogers, McDillon Real Estate Services and members of Washington Park Association.

Photo: Roger Salls

Last year Chase led the financing of many major community development projects. Some key examples are:

Harlem USA, New York, New York — Chase originated a \$47.7 million construction loan for a 276,000 square foot retail/entertainment complex in Harlem called *Harlem USA*. Upon opening this winter, the new complex will provide much-needed quality retail services to Harlem, while attracting shoppers and tourists to the community who will also help local economic development efforts. Retailers include Old Navy and The Disney Store, as well as a state-of-the-art Chase Manhattan Bank branch. Harlem USA is creating 200 local construction jobs, and when completed, over 500 full- and part-time permanent jobs for area residents.

Washington Park, Bridgeport, Connecticut — Once a flourishing neighborhood, Washington Park suffered from community blight and crime throughout the 1980s. In addition to providing a three-year grant to the Washington Park Association formed by a group of local residents, Chase is now working hand in hand with the community to develop a viable finance structure to tackle the abandoned historic homes surrounding the park. Chase recently provided a \$3.5 million construction loan.

COMMUNITY INVESTMENT COMMITMENT CONT'D

to rehabilitate 35 units of affordable rental housing in 10 buildings. Upon completion of the project, Chase has also committed \$790,000 to finance the permanent mortgage loan.

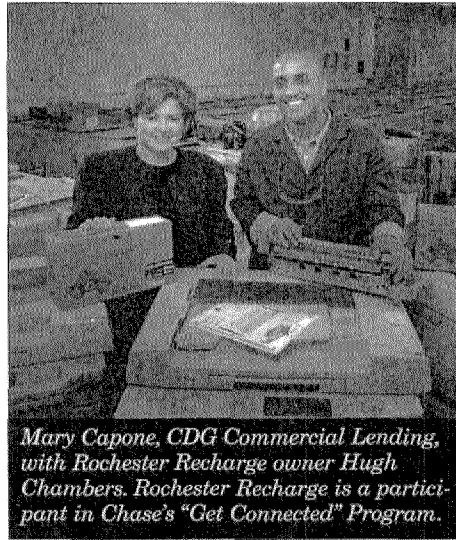
Maxey Village, East Houston, Texas – Chase originated a \$5.9 million construction loan enabling a minority developer of affordable housing to rehabilitate a 398-unit apartment community in East Houston. Approximately 40% of the units will be available for low-income families.

In addition to loans, one technique by which Chase supports affordable housing is through low-income housing tax credit investments. In 1998, Chase invested \$102 million in the development of low-income housing in New York, New Jersey, Connecticut, Texas, Delaware, Florida and California. As of year-end 1998, Chase had invested a total of \$346.3 million in tax credit investments. Following are a few projects that have been developed by funds in which Chase has invested:

Coachman's Manor Associates LLC, Newcastle, Delaware – Coachman's Manor is a 132-unit garden apartment project located in Newcastle, Delaware. Coachman's Manor will be gut rehabilitated into one, two and three bedroom units that will be rented to qualifying low- and moderate-income families and individuals. Chase owns a 25% partnership interest as a direct investor in Coachman's and approximately 15.5% through its investment in Delaware Equity Fund.

Palm Villas, Florida City, Florida – The Palm Villas development provides 91 units of affordable housing through the reconstruction of severely hurricane-damaged buildings on two adjacent sites in Florida City. The project offers a mix of one to four bedroom apartments, targeted primarily towards lower-income farm workers and their families.

Harrison Hotel, Oakland California – The Harrison Hotel provides 81 units of affordable single room occupancy (SRO) housing in a seven-story elevator building in downtown Oakland. Of these units, 21 are fully accessible to people with physical disabilities.



Mary Capone, CDG Commercial Lending, with Rochester Recharge owner Hugh Chambers. Rochester Recharge is a participant in Chase's "Get Connected" Program.

Photo: Gary Whelpley

- **\$1.296 billion in loans and investments were made to small businesses** with annual revenues of less than \$1 million and small not-for-profit organizations. Nearly a quarter of the \$1.296 billion — \$291 million — went to small businesses located in low- and moderate-income neighborhoods.

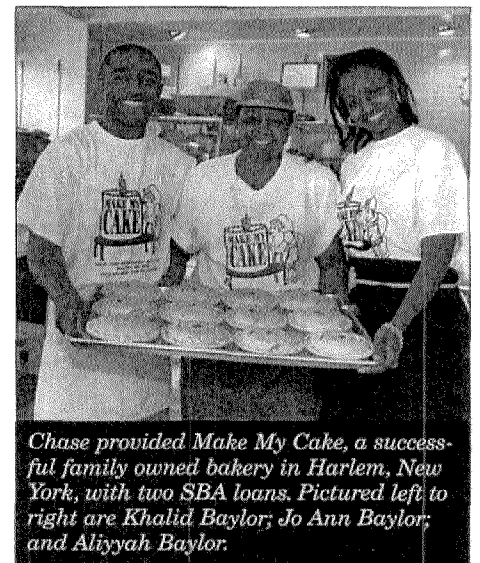
Chase continued to serve small businesses through a variety of innovative initiatives and technical assistance programs. Last year, the bank opened a third business resource center at 2 West Fordham Road in the Bronx. The center provides small business owners and entrepreneurs with personalized, free service, along with a wide array of useful information, research tools and advice pertaining to all stages of business planning and operation. Combined, Chase's three centers have counselled 4,075 entrepreneurs, over 60% of whom were women and minority business owners. Three additional new small business endeavors in 1998 include:

- **Community Business Partners** – A unique pilot partnership with 12 financial intermediaries called Community Development Financial Institutions (CDFIs) to purchase participations in small business loans originated by Chase. The partnership enables CDFIs to earn interest income on loans without incurring the costs of originating the

loans, and allows Chase to increase the number of its small loans.

- **Get Connected** – A ground-breaking program which provides post-closing technical assistance to selected borrowers in conjunction with outside technical assistance (TA) providers.
- **BusinessLINC** – a national coalition to connect large companies with small firms for strategic alliances, including mentoring, especially in economically distressed areas. Chase was one of seven leading corporations invited to attend a national roundtable chaired by Vice President Gore on this subject, and reviewed the BusinessLINC report prepared by the U.S. Treasury and Small Business Administration.

Chase also opens doors to small businesses through specialized seminars such as its workshops conducted in Spanish for Westchester-area Hispanic small business owners. In response to a Hispanic merchant, who was concerned that many newly-immigrated Hispanic entrepreneurs were frustrated with dealing with banks, Chase partnered with the Westchester Hispanic Chamber of Commerce to launch "How to Grow, Finance and Manage a Small Business." The seminars were offered in New Rochelle, Yonkers and Port Chester, New York, and provided small business



Chase provided Make My Cake, a successful family owned bakery in Harlem, New York, with two SBA loans. Pictured left to right are Khalid Baylor; Jo Ann Baylor; and Aliyyah Baylor.

Photo: Michael DiVito

owners with expert information on how to market and promote their companies, as well as how to secure financing.

Chase's small business track record may also be illustrated by its Small Business Administration (SBA) lending. In the New York District alone during 1998, Chase originated nearly 970 loans, worth \$62.1 million, making it the top lender, and earning for the third consecutive year both the Pinnacle Award, for highest volume lender, and Pacesetter Award, for excellence in lending to minority- and women-owned businesses. In Texas, Chase also made 142 SBA guaranteed small business loans worth \$21 million during 1998.

In addition to opening doors for small business owners through business resource centers and unique pilot programs, Chase also expanded its *Minority- and Women-Owned Business Development* program. This initiative provides small minority- and women-owned companies with opportunities to compete for contracts, technical assistance, and loans. In 1998 alone, Chase contracted for more than \$200 million in goods and services from firms registered in this program, increasing the total Chase purchases to over \$637 million from over 1,000 minority- and women-owned businesses since the 1994 program launch.

■ **\$4.2 billion in affordable mortgages** nationwide were closed. This includes 41,373 mortgage loans, 26.3% of which went to minority borrowers. Affordable mortgages are generally income-limited, with low down payments and flexible underwriting criteria.

Chase is dedicated to helping people realize the American dream of homeownership by providing affordable mortgage programs to low- and moderate-income households. Through its many initiatives and partnerships with community organizations, the successes continue to grow. Last year, Chase originated over 41,000 affordable mortgages nationwide for a total of \$4.2 billion. In the Tri-State area alone, Chase held 278 homebuyer seminars at local bank branches to teach prospective first-time homebuyers the basics of shopping for a home, saving for a down payment and qualifying for a mortgage, as well as budgeting and credit building skills. Seminars were conducted in Spanish, Creole, Chinese and Russian. Chase's homebuyer seminars reached approximately 17,558 individuals. Of these seminar attendees, an estimate of



Pictured are members from Chase's Community Development Group at a press conference to launch "Opening Doors to Home Ownership" in New Jersey.

Photo: Allen Morgan

over 2,000 went on for one-on-one counseling with the goal of becoming a homeowner through Chase mortgage products.

Another Chase initiative in 1998 aimed at increasing homeownership in New York City was the launch of **Opening Doors to Homeownership**, an aggressive campaign in conjunction with The New York Urban League. The program offered premier services and products and included consumer education, credit counseling and ongoing homebuyer education. Chase provided a wide variety of affordable mortgage products as well as closing cost assistance of \$500 for each eligible loan.

Beyond New York City, Chase continued its relationships with over 20 community-based organizations in more than 30 cities located in 15 states and the District of Columbia to provide home ownership counseling. Through these partnerships, over 50,000 people received financial education to help them better understand the mortgage process and the responsibilities of owning a home.

In early 1999, Chase launched the FNMA HomeChoice mortgage program, which provides financing for the purchase of one-unit property for those low- to moderate-income individuals with disabilities. The program features low down payment requirements and flexible underwriting criteria and individuals residing with a disabled family member are also eligible for financing. FNMA HomeChoice is offered in partnership with various state and local agencies, and community-based organizations.

■ **\$24 million in grants** were contributed to 3,151 not-for-profit organizations that focus on the housing, economic development, educational and human services

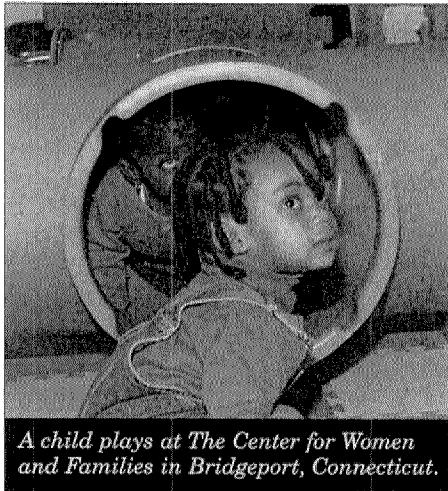
needs of low- and moderate-income communities and individuals.

Chase's total philanthropic giving for 1998, including in-kind donations and philanthropic sponsorships, was more than \$51 million. This amount includes contributions of over \$4.5 million to the United Way, to which Chase employees also contributed \$8 million in 1998.

Last year, Chase actively supported after school programs in the Tri-State area. One major example is a \$1 million pledge over five years made to community-based organizations that work with children who have no resources for positive activities in the hours between the end of the school day and the evening. The first \$200,000 was awarded to Phipps Community Development Corporation, the Sports and Arts in Schools Foundation, and the Institute for Student Achievement. These programs provide a mix of academic reinforcement, arts and recreation and are offered at Theodore Roosevelt High School in the Bronx; Middle School 127 in the Bronx; and Junior High School 117 in Bedford-Stuyvesant, Brooklyn.

In 1998, Chase also provided grants for programs that assist families. Chase provided a \$100,000 grant, to be distributed over a four year period, to Newark Emergency Services to help fund the renovation of a building in downtown Newark into a one-stop human services plaza called Newark Emergency Services for Families. Chase's grant will specifically support the site's Education and Job Training Center which will house 30 state-of-the-art computer workstations and provide extensive job training programs.

1998. LISC in turn committed \$50,000 to the new child care center in Bridgeport, Connecticut. The Center for Women and Families and The Child Care Center and Career Resources are now working together to bring child care services to 63 children and their families as well as employment training to 40 former welfare recipients.



A child plays at The Center for Women and Families in Bridgeport, Connecticut.

Photo: Roger Salls

Sharing Its Public Commitment Results

Last year, Chase convened 22 community forums that were attended by over 1,400 individuals representing approximately 300 not-for-profits and community-based organizations. Forums will continue in 1999 as Chase enters its fourth year of the \$18.1 billion commitment. These forums will report on Chase's performance against its public commitment as well as provide historical data related to community development activities.

Three-Year Results vs. Five-Year Nationwide Goals

\$ Millions

| | 1996 | 1997 | 1998 | 3 Year Total | 5 Year Plan |
|---|-----------------|-----------------|-----------------|------------------|------------------|
| Community Development | \$ 463 | \$ 501 | \$ 573 | \$ 1,537 | \$ 1,200 |
| Small Business | 839 | 1,131 | 1,296 | 3,266 | 3,400 |
| <i>Small Business in Low- & Moderate-Income Areas</i> | 208 | 245 | 291 | 744 | 1,000 |
| Affordable Mortgages | 3,500 | 3,372 | 4,203 | 11,075 | 13,500 |
| Grants | 18 | 26 | 24 | 68 | 70 |
| TOTAL | \$ 4,820 | \$ 5,030 | \$ 6,096 | \$ 15,946 | \$ 18,170 |

1998 Results by Geographic Area

\$ Millions

| | Tri-State | Texas | Other States | Total |
|---|-----------------|---------------|-----------------|-----------------|
| Community Development | \$ 366 | \$ 56 | \$ 151 | \$ 573 |
| Small Business | 908 | 388 | N/A | 1,296 |
| <i>Small Business in Low- & Moderate-Income Areas</i> | 187 | 104 | N/A | 291 |
| Affordable Mortgages | 430 | 153 | 3,620 | 4,203 |
| Grants | 18 | 2 | 4 | 24 |
| TOTAL | \$ 1,722 | \$ 599 | \$ 3,775 | \$ 6,096 |

New York State Only

\$ Millions

| | New York State |
|---|-----------------|
| Community Development | \$ 314 |
| Small Business | 781 |
| <i>Small Business in Low- & Moderate-Income Areas</i> | 153 |
| Affordable Mortgages | 269 |
| Grants | 15 |
| TOTAL | \$ 1,379 |

New York City Only

\$ Millions

| | New York City |
|---|---------------|
| Community Development | \$ 263 |
| Small Business | 500 |
| <i>Small Business in Low- & Moderate-Income Areas</i> | 116 |
| Affordable Mortgages | 195 |
| Grants | 12 |
| TOTAL | \$ 970 |

Chase Surpasses Its Five-Year \$18.1 Billion Community Investment Commitment in Four Years, With Results of \$21.7 Billion.

Date: Aug 2, 2000

Words: 472

Publication: Business Wire

Business Editors

NEW YORK--(BUSINESS WIRE)--August 2, 2000

-- Chase Invests Over \$5.7 Billion in 1999 --

The Chase Manhattan Corporation (NYSE:CMB) announced that it had surpassed its five-year \$18.1 billion community investment commitment in only four years, with results of \$21.7 billion. In 1999, the fourth year of the commitment, it made over \$5.7 billion in community investments nationwide.

"Chase first announced its 5-year community investment commitment in 1995, describing it as a 'floor,' not a 'ceiling.' At that time we said we would make every loan that we could to help strengthen our communities--and we did. In fact, we have now surpassed our original goal by 20 percent in only four years--one full year ahead of schedule--and we will keep on going," said Mark Willis, Chase Executive Vice President and head of Chase's Community Development Group. "Expanding access to capital, leadership by example and mobilizing the resources of Chase, are key components to Chase's commitment to community development."

1999 Highlights

-- \$ 518 million in community development loans and investments were made to finance affordable housing and commercial properties to benefit low-and-moderate-income communities and households. Of this amount, \$292 million was provided in direct financing resulting in 6,654 units of affordable housing and 298,000 square feet of commercial space in New York, New Jersey, Connecticut and Texas.

-- \$ 1.4 billion in loans and investments were made to small businesses with annual revenues of less than \$1 million and small not-for-profit organizations. Nearly 24 percent of the \$1.4 billion -- \$338 million - went to small businesses located in low and moderate income neighborhoods.

-- \$ 3.85 billion in affordable mortgages nationwide were closed.

This includes 37,197 mortgage loans, 30 percent of which went to

minority borrowers. Affordable mortgages are generally income-limited, with low down payments and flexible underwriting criteria.

-- \$ 25 million in grants were contributed to 3,266 not-for-profit organizations that focus on the housing, economic, development, educational and human services needs of low-and-moderate-income communities and individuals.

Chase's Community Development Group will continue to use its community forums to talk more about the results of Chase's public commitment. The forum series, now in its fourth year, provides a unique opportunity for local community leaders to learn more about Chase's community commitment, and to continue a dialogue about how these leaders can partner with Chase on future projects. This year, Chase will also be introducing a credit education component to its forum series. Chase sees this as a critical need and it is ready to address that need.

The Chase Manhattan Corporation (www.chase.com) is a premier global financial services firm with assets in excess of \$390 billion. Chase combines the best of commercial and investment banking, offers world-class information and transaction processing services, and has a leading U.S. consumer franchise that serves 30 million customers.

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Chase commits \$500 billion in home financing by end of decade to minority and underserved markets

Commitment is largest ever made by any lender for single-family home financing to these segments

New York, NY, January 30, 2003 - Chase Home Finance, the mortgage division of JPMorgan Chase Bank, announced at a press conference today the Chase Dream Maker Commitment -- an unprecedented \$500 billion commitment through 2010, providing increased home financing to minority borrowers across the full economic spectrum, low-to-moderate income borrowers and new immigrant families nationwide.

As the largest commitment of its kind ever made by a lending institution, the Chase Dream Maker Commitment answers President Bush's call to the mortgage industry to make homeownership accessible to all members of our society. The funds will go toward single family home financing for home purchases, refinances or home equity loans and lines of credit.

"Chase has an ongoing, serious commitment to meeting the home financing needs of traditionally underserved borrowers. To raise the bar, we are answering President Bush's call and making it our mission to help close the homeownership gap in America," said Stephen J. Rotella, chief executive officer of Chase Home Finance. "By the end of this decade we expect to help millions of families from underserved segments with the American dream of homeownership. This is not our first step, but it's our biggest step."

"The Bush Administration is committed to adding at least 5.5 million new minority homeowners by the end of the decade because of the tremendous value that homeownership has for families, communities and the nation as a whole," said HUD Secretary Mel Martinez. "We applaud JPMorgan Chase for sharing in this commitment and for pledging to help bridge the homeownership gap. We look forward to a successful partnership with them."

Recognizing that making the dream of homeownership a reality requires more than just a financial commitment, Chase has laid the foundation with an increasingly diverse sales and support staff, mortgage offices, strategic partners as well as education and outreach programs to ensure the program's success.

For example:

<http://www.jpmorgan.com/cm/cs?pagename=Chase/Href&urlname=jpmc/community/cdg...> 11/29/2010

Increase Sales Staff

Chase has more than doubled its sales force over the first two years of this initiative with an emphasis on diversity. We plan to continue to increase our sales force as we grow this business.

Open New Retail Offices

Chase plans to increase its presence on a national basis by opening additional mortgage offices in key markets such as, New York, California, Texas, Illinois, Georgia, Pennsylvania, and Washington D.C.

Offer Flexible Solutions

Chase has developed products, services and programs to meet the specific needs of minority and underserved borrowers across the full economic spectrum, such as products with: simplified documentation, substantial down payments with limited credit history, consideration of both verified and stated income, low or no closing costs and low or no down payments.

Chase National Housing Advisory Council

To give the initiative immediate traction nationwide, Chase has created a National Housing Advisory Council, comprised of influential leaders representing underserved segments, including African American, Asian, Hispanic and Gay and Lesbian communities. The purpose of this Council is to provide guidance that will assist Chase Home Finance identify issues, brainstorm solutions and support the work of our strategic alliances.

The National Housing Advisory Council members are:

- Asian Americans for Equality, Chris Kui, President
- Congressional Black Caucus Foundation, Weldon J. Rougeau, President
- Congressional Hispanic Caucus Institute, Ingrid Duran, Executive Director
- Labor Council for Latin American Advancement, Milton Rosado, President
- National Association of Realtors, Bruce Downs, Chairman of the Diversity Council
- National Association of Real Estate Brokers, Ed London, President & CEO
- National Association of Hispanic Real Estate Professionals, Gary Acosta, CEO
- National Council of La Raza, Raul Yzaguirre, President & CEO
- National Urban League, Hugh Price, President
- Human Rights Campaign, Kim Mills, Education Director
- Union Privilege AFL-CIO, Leslie Tolf, President

Increase Focus on Strategic Alliances

- Chase has established strong partnerships with Fannie Mae and the Congressional Black Caucus Foundation as well as other housing finance partners such as Freddie Mac, Ginnie Mae, FHA, VA, Rural Housing Service and the Federal Home Loan Bank. For example, Chase partnered with the Congressional Black Caucus at the inception of its With Ownership, Wealth (WOW) initiative, which strives to create a million new African American homeowners by the

end of 2005.

- Chase is also expanding existing relationships with other strategic alliances with member-based organizations, such as AFL-CIO, 100 Black Men of Atlanta, National Council of La Raza and National Urban League. For example, Chase will build upon its six-year, exclusive relationship with the Union Plus Mortgage Program of Union Privilege, the benefit arm of the AFL-CIO. To date, this partnership has provided nearly \$2 billion in mortgages to union members through special products.

Level the Field with Financial Literacy

Chase will help to level the playing field for borrowers by increasing partnership programs with educational and counseling providers to help borrowers understand and select the best options available to them. Examples include:

- National Affordable Housing Seminars - Chase has partnered with many community-based organizations to provide homeownership counseling in more than 30 cities located in 15 states and the District of Columbia. These organizations include ACORN, the National Urban League and the National Council of LaRaza.
- Early Intervention Prevention Program - The Early Prevention Program helps borrowers who fall behind in their payments stay in their homes by developing payment solutions.
- Protection from Predatory Lending - Chase provides this protection through several vehicles, such as educational articles in ethnic and general market publications, the Chase Web site and one-on-one counseling sessions with our educational partners.
- In-Language Capabilities - Chase also provides in-language-marketing materials to ensure that individuals can fully understand the home buying process in the language with which they are most comfortable. We have ensured that we have multi-lingual capabilities at our origination and servicing centers.
- Establish a Nationwide Referral System - Chase is also developing a nationwide system to identify and refer applicants who are not yet mortgage-ready to housing and credit counseling agencies.

For more information about how to qualify for home financing, please visit any Chase office, log on to the Web site at www.chase.com or call 1-800-678-1051.

The Chase Home Finance business is headquartered in Edison, New Jersey. It is one of the largest residential mortgage lenders and employs nearly 14,000 people in major servicing and operations sites and has more than 300 offices across the country.

Chase Manhattan Mortgage Corporation is the mortgage subsidiary of JPMorgan Chase Bank, a division of J.P. Morgan Chase & Co (NYSE: JPM). JPMorgan Chase is a leading global

financial services firm with assets of \$759 billion and operations in more than 50 countries. The firm is a leader in investment banking, asset management, private banking, private equity, custody and transaction services, and retail and middle market financial services. A component of the Dow Jones Industrial Average, JPMorgan Chase is headquartered in New York and serves more than 30 million consumer customers and the world's most prominent corporate, institutional and government clients. Information about JPMorgan Chase is available on the internet at www.jpmorganchase.com.

#

CEO SOURCE

(printer-friendly article)

\$500 billion commitment to increase home ownership

A press conference held on January 30 marked the launch of the Chase Dream Maker Commitment – a \$500 billion commitment through 2010, providing increased home financing to minority borrowers across the full economic spectrum, low-to-moderate income borrowers and new immigrant families nationwide.

"JPMorgan Chase's \$500 billion commitment is a strong and powerful one that makes the American dream of homeownership a reality. Thank you for joining the Bush administration in its effort to transform America through homeownership."

Mel Martinez, U.S. Secretary of Housing and Urban Development

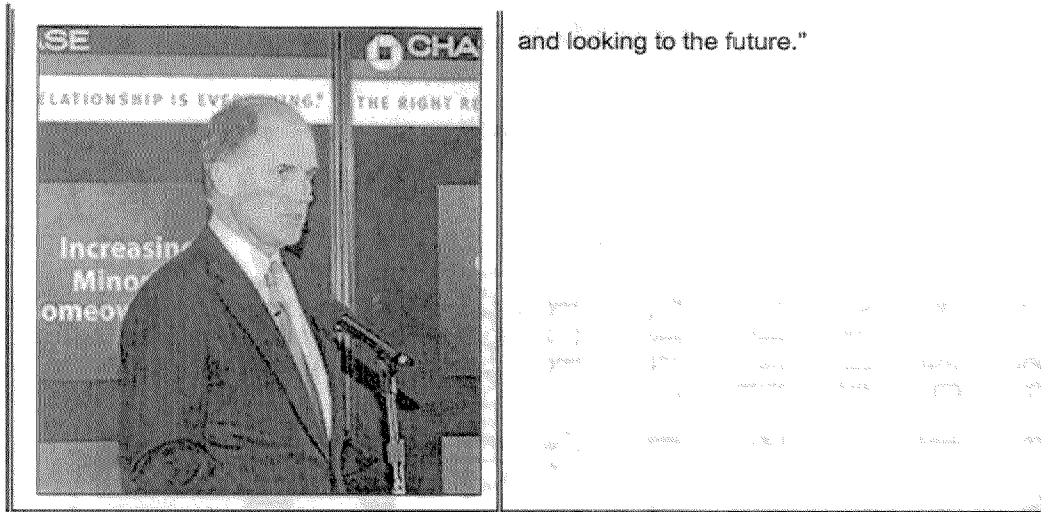


As the largest commitment of its kind ever made by a lending institution, the Chase Dream Maker Commitment answers President Bush's call to the mortgage industry to make homeownership accessible to all members of American society. The funds will go toward single family home financing for home purchases, refinances or home equity loans and lines of credit.

Among those attending the press conference were Mel Martinez, Secretary of Housing and Urban Development; Tom Dorr, Undersecretary of Agriculture; Welden Rougeau, president and CEO of the Congressional Black Caucus Foundation; Special Assistant to the President and Congressman Vito Fossella. Paul Mullings, senior champion for the Chase Home Finance initiative, opened the press conference and introduced Bill Harrison, who spoke about the firm's commitment to the Dreammaker initiative. Harrison was followed by Steve Rotella, head of Chase Home Finance. Other speakers included Secretary Martinez, Welden Rougeau and Congressman Fossella.

Here are excerpts from Harrison's remarks:

"Above all, this is a market-based initiative. Not only does it enlist the private sector, ourselves included; even more fundamentally, it aims to unlock the extraordinary power of capitalism as it applies to hard-working people across the economic spectrum who are raising families



"There is no more enduring problem in communities large and small than that of providing decent housing for all people. Inadequate housing for multitudes of people is a problem that is as old as civilization itself. No advanced society – including our own – has found the right answer," said Harrison.

"That's why President Bush's initiative is so important. It works on multiple levels to address specific concerns in construction, lending practices and other areas. At the same time, this is a program that is highly focused. It has one great overriding objective – ending the "homeownership gap" that exists between minorities and others in our society.

"Above all, this is a market-based initiative. Not only does it enlist the private sector, ourselves included; even more fundamentally, it aims to unlock the extraordinary power of capitalism as it applies to hard-working people across the economic spectrum who are raising families and looking to the future. As Secretary Martinez has put it so well, "When it comes to creating and spreading wealth, homeownership is a force like no other."

"As a broad-based financial firm, we are strongly committed to strengthening the communities we serve in all of their diversity. Minorities comprise the fastest-growing groups within our great country. By expanding access to capital for low- and moderate-income, and minority and new immigrant borrowers across the economic spectrum, we hope and expect to strengthen communities across America... making them better places to live and work... and better places to start and grow a business."

"It is within our means – as a nation – to make the dream of homeownership a reality for the great majority of Americans."

>>Chase Dream Maker press release

News release: IMMEDIATE

JPMORGAN CHASE, BANK ONE COMMIT TO INVESTING \$800 BILLION IN COMMUNITIES

**Biggest Commitment Ever Focuses on Housing,
Small Businesses and Community Development**

New York and Chicago, April 15, 2004 – Expanding their proud traditions of civic leadership and support, J.P. Morgan Chase & Co. and Bank One Corporation today committed to investing \$800 billion in communities across the country over the next 10 years. The pledge, which is the biggest ever by a financial services company, focuses on three areas crucial to American families and cities: mortgages, small business lending and community development lending.

“This unprecedented public commitment and the related innovative initiatives re-affirm our leadership in community development lending and economic development across all the communities we serve,” said JPMorgan Chase Chairman and CEO William B. Harrison, who will hold the same positions in the combined company. “We will marshal bankers and resources from across the company to increase our efforts to support the credit and capital needs of underserved markets. It also re-affirms our commitment to an ‘Outstanding’ CRA rating and strong fair lending programs.”

“Both companies believe strongly in responsible corporate citizenship,” said Bank One Chairman and CEO James Dimon, who will be President and Chief Operating Officer of the combined company. “That’s why it’s so important to create vibrant, healthy companies that are able to give back to their communities and continue the combined firm’s commitment to ‘Outstanding’ CRA ratings.”

JPMorgan Chase and Bank One are expected to merge later this year, pending shareholder and regulatory approvals, including from the Federal Reserve.

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Community relationship officers of the companies developed lending, educational and community development initiatives after meeting with more than 700 community-based organizations across the country, especially in the 17 states where the combined company will have consumer branches and in Delaware, the headquarters of the credit card business.

Key aspects of the \$800 billion public commitment include:

- \$675 billion in mortgages nationwide for both minority and lower income communities and borrowers, an expansion of credit and mortgage counseling programs frequently in partnership with community-based organizations, and a national community mortgage lending unit that will work with community groups to help lower income consumers buy their first home.
- \$90 billion in loans and investments to assist small businesses and community-based non-profit organizations. In addition, the new JPMorgan Chase will open more Business Resource Centers to provide technical assistance to small businesses across the combined franchise, and will expand the SBA Community Express program.
- \$35 billion in loans and investments for affordable housing and commercial and economic development in low- and moderate-income communities. This also includes \$1 billion for Community Development Financial Institutions (CDFIs).
- A Homeownership Preservation Office that will work with community groups to help keep people in their homes.
- A Financial Education Partnership Office that will sponsor financial education and social entrepreneurship programs, work with mortgage counseling groups, develop new anti-predatory lending programs, work with branches to develop bank programs targeted to new immigrants, teach credit fundamentals to not-for-profit personnel through a "Credit Institute," and expand the JPMorgan Chase Community Development Competition to more colleges and universities.

The new firm will also continue to work hand-in-hand with our Community Advisory Board and Ministerial Advisory Board, which both provide excellent ideas about meeting the needs of communities.

The combined company will have consumer banking branches in Arizona, Colorado, Connecticut, Florida, Illinois, Indiana, Kentucky, Louisiana, Michigan, New Jersey, New York, Ohio, Oklahoma, Texas, West Virginia, Wisconsin and Utah.

JPMorgan Chase has distinguished itself as an innovative lender for large, complex transactions that result in affordable housing for low- and moderate-income households as well as economic development transactions that result in new jobs and revitalized communities. Additionally, JPMorgan Chase has been a market-leading home mortgage and small business lender, which has provided innovative products for first-time homeowners and new business entrepreneurs. JPMorgan Chase Bank recently earned its seventh consecutive “Outstanding” CRA rating – the highest possible –spanning more than 14 years of performance.

Bank One has been a civic leader and major contributor in markets across the 14 states its consumer branches serve, contributing more than \$40 million annually to economic empowerment, youth education, arts and culture and other philanthropic efforts.

JPMorgan Chase is a leading global financial services firm with assets of \$771 billion and operations in more than 50 countries. The firm is a leader in investment banking; financial services for consumers and businesses, financial transaction processing, investment management, private banking and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase is headquartered in New York and serves more than 30 million consumer customers nationwide, and many of the world’s most prominent corporate, institutional and government clients. Information about JPMorgan Chase is available on the internet at www.jpmorganchase.com.

Bank One is the nation’s sixth-largest bank holding company, with assets of \$325 billion. Bank One currently has more than 51 million credit cards issued, and serves nearly 7 million retail households and more than 20,000 middle market customers. It also manages \$175 billion of clients’ investment assets. Bank One can be found on the internet at www.bankone.com.

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News release: IMMEDIATE RELEASE

JPMorgan Chase Takes Significant Steps to Fulfill \$800 Billion Commitment
Firm Lends and Invests \$69 Billion in first year of 10-year plan

NEW YORK, June 27, 2005 – JPMorgan Chase & Co. (NYSE: JPM) today said the firm provided \$69 billion in community development investments and loans to families and businesses located primarily in low- and moderate-income communities in 2004. This was the first year of a 10-year, \$800 billion commitment JPMorgan Chase made after announcing its merger with Bank One Corp.

“We are well on our way toward meeting our 10-year commitment,” said William B. Harrison, Jr., Chairman and Chief Executive Officer. “Thanks to the merger, we now have a much more powerful distribution network and a broader set of products to meet the needs of consumers and small businesses. We are particularly proud of the work we are doing to strengthen lower-income neighborhoods through community development loans and investments.”

In 2004, JPMorgan Chase made significant progress on each of its commitments:

Home Mortgage

- Originated \$54.6 billion in mortgages in low- and moderate-income neighborhoods and to lower-income and minority borrowers, a good start on the \$675 billion committed to home mortgages in the 10-year commitment.
- Established the Homeownership Preservation Office to work with legal aid groups and housing advocates to help keep Chase Home Finance customers in their homes. The office also provides seminars to help community groups work with clients in mortgage default.
- Launched a neighborhood-based program of mortgage loan officers who work directly with community organizations and mortgage-counseling groups to help lower-income, first-time home buyers achieve their goals. These loan officers, who do not work on commission, serve in the 17 states where Chase and Bank One have bank branches.

Small Business and Financial Education

- Originated \$10.9 billion in loans to small businesses, a strong start to the \$90 billion, 10-year commitment.
- Established the Financial Education Partnership Office to help consumers and small businesses. Chase and Bank One reached more than 10,500 consumers and small businesses through workshops such as Basic Banking, Credit and Debt Management, Understanding the Mortgage Process and Personal Financial Management. The office also launched Chase

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Financial Education Library on Chase.com, where educational workbooks can be downloaded in multiple languages.

Community Development

- Provided \$3.7 billion in community development loans and investments, another strong start on the \$35 billion, 10-year commitment.
- Committed \$1 billion to certified Community Development Financial Institutions. Chase provided \$122 million in loans and investments in 2004 to the institutions, which make loans to construct and rehabilitate affordable housing, and construct primary health-care facilities, charter schools and other nonprofit facilities. The institutions also provide small business and micro-loans to entrepreneurs in low-income communities and help bridge businesses and agencies while they await payments from government contracts.

“These accomplishments reflect the bank’s ongoing commitment to excellence in lending and investing and to the creation of innovative programs to help strengthen communities,” said Mark Willis, Executive Vice President of the Community Development Group for JPMorgan Chase. All JPMorgan Chase subsidiary banks have received the highest CRA rating possible – Outstanding – in the most recent reviews by their federal regulators.

Chase continues to make its biggest impact in states where it has bank branches, currently operating under the Chase or Bank One brand. In addition to direct loans and investments, Chase makes community development loans and investments to multi-state and national funds that serve multiple markets, including nearly \$1 billion in loans and investments to financial intermediaries in 2004.

About Chase and JPMorgan Chase

Chase and Bank One serve consumers and small businesses through more than 2,500 bank branches, 6,600 ATMs and 225 mortgage offices as well as through relationships with over 15,000 auto dealerships, 2,500 schools and universities, and 2,100 insurance agencies. The brands also serve more than 25,000 commercial banking clients, including corporations, municipalities, financial institutions and not-for-profit entities with annual revenues generally ranging from \$10 million to \$2 billion.

Parent company JPMorgan Chase & Co., with assets of \$1.2 trillion and operations in more than 50 countries, is also a leader in investment banking, financial transaction processing, asset and wealth management, and private equity. A component of the Dow Jones Industrial Average, the firm serves many of the world's most prominent corporate, institutional and government clients. Information about the firm is available at www.jpmorganchase.com

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| JPMorgan Chase 2004 Community Lending & Investment (dollar amounts in millions) | | | | |
|--|-----------------|-----------------------|----------------------------------|-----------------|
| State | Mortgage | Small Business | Community Development | Total |
| Arizona | \$760 | \$299 | \$79 | \$1,138 |
| Colorado | 918 | 226 | 36 | 1,179 |
| Connecticut | 729 | 202 | 11 | 943 |
| Delaware | 306 | 18 | 12 | 336 |
| Florida | 6,034 | 215 | 70 | 6,319 |
| Illinois | 2,070 | 707 | 228 | 3,005 |
| Indiana | 277 | 344 | 131 | 752 |
| Kentucky | 228 | 152 | 12 | 392 |
| Louisiana | 498 | 334 | 35 | 866 |
| Michigan | 1,063 | 626 | 207 | 1,896 |
| New Jersey | 2,582 | 420 | 18 | 3,020 |
| New York | 6,182 | 2,931 | 683 | 9,796 |
| Oklahoma | 310 | 67 | 24 | 400 |
| Ohio | 745 | 600 | 98 | 1,442 |
| Texas | 2,843 | 1,676 | 367 | 4,886 |
| Utah | 234 | 65 | - | 299 |
| West Virginia | 89 | 76 | - | 164 |
| Wisconsin | 459 | 299 | 20 | 778 |
| Nationwide & Other States | 28,263 | 1,594 | 1,681 | 31,538 |
| Total | \$54,586 | \$10,852 | \$3,712 | \$69,149 |



News release: IMMEDIATE RELEASE

JPMorgan Chase Invests \$153 billion
In low- and moderate-income families, communities and small businesses
Company steps up in first two years of 10-year, \$800 billion commitment

NEW YORK, Sept. 19, 2006 -- JPMorgan Chase & Co. announced today that it has invested \$153 billion in mortgages to minority and lower-income households, loans to small businesses, and community development loans and investments in 2004 and 2005 -- the first two years of its 10-year, \$800 billion commitment.

In 2005, JPMorgan Chase increased its lending and investment 20.6 percent to a total of \$83.8 billion.

"We substantially increased our mortgage and small business lending from 2004 while we continued to be a major community development lender and investor," said Charlie Scharf, chief executive officer of Retail Financial Services, which uses the Chase brand. "This overall performance reflects our commitment to serve the needs of low- and moderate-income communities."

During 2004 and 2005 combined, Chase made loans and investments in low- and moderate-income families and neighborhoods and small businesses totaling:

- \$122 billion in mortgages. The 2005 total of \$67.7 billion reflects a 24.2 percent increase from 2004.
- \$22 billion in small businesses. The 2005 total of \$12.1 billion reflects an 11 percent increase from 2004
- \$8 billion in community development. The 2005 total of \$4.0 billion reflects a 3 percent decline from 2004

"We continue to provide leadership and innovative financing to community development banking markets, and have been able to harness the financial expertise of our firm by delivering products as varied as new markets tax credits to syndicated construction finance to affordable mortgages," said Mark Willis, Community Development Executive.

Media contact: Thomas Kelly, (312) 732-7007, Thomas.a.Kelly@chase.com

| 2004-05 Investment in Families, Businesses (in millions) | | | | |
|---|------------------|-----------------------|--------------------------|------------------|
| State | Mortgage | Small Business | Comm. Development | Total |
| Arizona | \$3,424 | \$703 | \$76 | \$4,203 |
| Colorado | 2,027 | 515 | 94 | 2,636 |
| Connecticut | 1,728 | 414 | 17 | 2,158 |
| Delaware | 684 | 38 | 21 | 743 |
| Florida | 14,210 | 552 | 143 | 14,905 |
| Illinois | 5,440 | 1,548 | 402 | 7,390 |
| Indiana | 1,077 | 742 | 405 | 2,223 |
| Kentucky | 640 | 326 | 115 | 1,080 |
| Louisiana | 1,228 | 700 | 65 | 1,993 |
| Michigan | 2,911 | 1,266 | 854 | 5,030 |
| New Jersey | 5,712 | 841 | 50 | 6,603 |
| New York | 14,029 | 5,558 | 1,641 | 21,228 |
| Ohio | 2,451 | 1,331 | 246 | 4,029 |
| Oklahoma | 691 | 178 | 88 | 957 |
| Texas | 5,794 | 3,208 | 664 | 9,666 |
| Utah | 562 | 180 | 16 | 758 |
| West Virginia | 261 | 154 | 7 | 422 |
| Wisconsin | 1,146 | 621 | 110 | 1,877 |
| Subtotal All Footprint states | \$64,013 | \$18,874 | \$5,015 | \$87,902 |
| All Other states | 58,263 | 4,088 | 3,110 | 65,462 |
| Total | \$122,276 | \$22,963 | \$8,125 | \$153,364 |

About Chase

Chase is the U.S. consumer and commercial banking brand of JPMorgan Chase & Co. (NYSE: JPM). Chase has 136 million credit cards issued and serves consumers and small businesses through more than 2,600 bank branches, 7,700 ATMs and 280 mortgage offices as well as through relationships with 15,600 auto dealerships and 2,500 schools and universities. It also serves more than 25,000 commercial banking clients, including corporations, municipalities, financial institutions and not-for-profit entities. More information about Chase is available at www.chase.com.

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JPMorgan Chase invests \$241 billion in low- and moderate-income families, communities and small businesses

Momentum continues in third year of \$800 billion commitment

NEW YORK, Aug. 20, 2007 -- JPMorgan Chase announced today that it has invested more than \$241 billion in low- and moderate-income families, neighborhoods and small businesses across the country in the first three years of its 10-year, \$800 billion commitment.

"Our loans and investments provide the capital that is essential to low- and moderate-income families and communities," said Charlie Scharf, chief executive officer of Retail Financial Services. "Our bankers and loan officers work hard in low- and moderate-income neighborhoods to help businesses grow and families buy homes."

From 2004 through 2006, Chase has achieved 30 percent of its 10-year goal by generating strong results in three areas crucial to American families and cities:

- \$188 billion in mortgage lending in low- and moderate-income neighborhoods and to lower-income and minority borrowers

- \$40 billion in small business lending, and

- \$12 billion in community development lending and investment.

"We are proud of our ability to deliver financial expertise - and concrete solutions -- from across our firm to help strengthen our communities," said Mark Willis, Community Development Executive. "We work with community leaders to understand what is important to them."

Chase has supported communities through a broad range of programs, including two that warrant special attention:

Certified Community Development Institutions. Chase has loaned and invested more than \$440 million in certified Community Development Financial Institutions since 2004. These intermediaries help Chase extend its reach exponentially in low- and-moderate income communities.

Chase's Homeownership Preservation Office. Created in 2004, the Office works with community leaders, housing advocates, public officials and investors to help homeowners stay in their homes.

The Office provides:

- A toll-free hotline for non-profit community groups providing in-depth counseling to Chase mortgage customers who are delinquent or at risk of foreclosure

- Foreclosure-prevention workshops for non-profit counselors. Chase has trained more than 1,800 staff members of community groups through 50 sessions

- Local market initiatives aimed at foreclosure prevention

- A targeted program to donate or sell distressed properties at reduced prices, in designated areas, to community groups and non-profit housing providers

The Homeownership Preservation Office has worked on industry-wide foreclosure prevention initiatives in Chicago, Atlanta, Detroit, New York City, Indianapolis, Dallas and Houston as well as Colorado and Ohio.

| 2004-06 Investment in Families, Businesses (in millions) | | | | |
|---|------------------|-----------------------|------------------------------|------------------|
| State | Mortgage | Small Business | Community Development | Total |
| Arizona | \$6,084 | \$1,441 | \$207 | \$7,733 |
| Colorado | 2,935 | 1,012 | 165 | 4,113 |
| Connecticut | 2,573 | 638 | 31 | 3,241 |
| Delaware | 1,029 | 75 | 31 | 1,136 |
| Florida | 23,045 | 1,250 | 177 | 24,473 |
| Illinois | 9,683 | 2,692 | 762 | 13,138 |
| Indiana | 1,841 | 1,192 | 760 | 3,794 |
| Kentucky | 999 | 541 | 157 | 1,698 |
| Louisiana | 2,153 | 1,151 | 229 | 3,533 |
| Michigan | 4,375 | 2,134 | 1,092 | 7,602 |
| New Jersey | 8,787 | 1,470 | 158 | 10,416 |
| New York | 21,536 | 7,546 | 2,537 | 31,619 |
| Ohio | 3,852 | 2,234 | 377 | 6,465 |
| Oklahoma | 1,026 | 363 | 176 | 1,566 |
| Texas | 8,729 | 4,876 | 1,046 | 14,651 |
| Utah | 820 | 380 | 16 | 1,216 |
| West Virginia | 418 | 260 | 9 | 688 |
| Wisconsin | 1,729 | 1,038 | 221 | 2,989 |
| Subtotal All Footprint states | \$101,621 | \$30,299 | \$8,158 | \$140,080 |
| All Other states | 86,978 | 9,812 | 4,212 | 101,003 |
| Total | \$188,600 | \$40,111 | \$12,370 | \$241,083 |

About Chase

Chase is the U.S. consumer and commercial banking brand of JPMorgan Chase & Co. (NYSE: JPM). Chase has 150 million credit cards issued and serves consumers and small businesses through more than 3,000 bank branches, 8,500 ATMs and 280 mortgage offices as well as through relationships with 15,000 auto dealerships and 4,300 schools and universities. It also serves more than 30,000 commercial banking clients, including corporations, municipalities, financial institutions and not-for-profit entities. More information about Chase is available at www.chase.com.

Chase Invests \$338 Billion in Low and Moderate-Income Families, Communities and Small Businesses in Four Years

Firm remains on track in \$800 billion commitment

New York, May 13, 2008 - Supporting low- and moderate-income families, communities and small businesses, Chase announced today that it has invested more than \$338 billion in the first four years of its 10-year, \$800 billion commitment.

"Helping families buy a home they can afford over the long term remains a crucial part of our commitment to communities," said Charlie Scharf, chief executive officer of Retail Financial Services. "We have helped buyers better understand the responsibilities they are taking on and we have helped many homeowners facing financial challenges."

In 2004, parent company JPMorgan Chase pledged to invest \$800 billion over 10 years in communities across the country, which continues to be a major commitment to community development lending and economic development.

Chase already has invested 42 percent of that in three areas crucial to families and communities across the country:

\$258 billion in mortgages in low and moderate-income neighborhoods and to lower-income and minority borrowers

\$63 billion in small business lending, and

\$17 billion in community development lending and investment.

"Our capital, our leadership, our banking services and our people are making many communities across the country stronger," said William Daley, Head of JPMorgan Chase's Office of Corporate Responsibility.

Chase supports families and communities through a broad range of programs, including the following:

The Homeownership Preservation Office

Chase's Homeownership Preservation Office helps families stay in their homes whenever possible by connecting homeowners with counselors through a national help line and leading foreclosure-prevention workshops and local training programs for community leaders, housing advocates, public officials and investors.

Case managers on the toll-free help line received more than 7,600 calls from non-profits, generating 2,900 new cases.

Chase worked with foreclosure-prevention programs in Chicago, Cleveland, Dallas and Detroit as well as Colorado, Indiana and New York. It has conducted dozens of workshops and trained more than 2,600 counselors, advocates and public officials.

The Homeownership Preservation Office served as a model for the national HOPE NOW Alliance, which reaches out to connect struggling homeowners with housing counselors and mortgage servicers.

Small Business Administration Loans

Chase made over 8,500 Small Business Administration loans in fiscal year 2007, ranking second nationally in number of loans. Chase was the largest SBA lender in Arizona, Illinois, Louisiana, Michigan and in New York City, Dallas, and Houston.

Certified Community Development Institutions

More than \$670 million of loans and investments went to certified community development financial institutions - two-thirds of JPMorgan Chase's 10-year goal of \$1 billion. In turn, the institutions made loans to construct and rehabilitate affordable housing, build health-care facilities, and provide small business and micro-loans to entrepreneurs in lower-income communities.

Results by state are shown below:

JPMorgan Chase \$800 billion 10-year (2004-2013) Public Commitment
Results from January 1, 2004 - December 31, 2007
\$ Millions

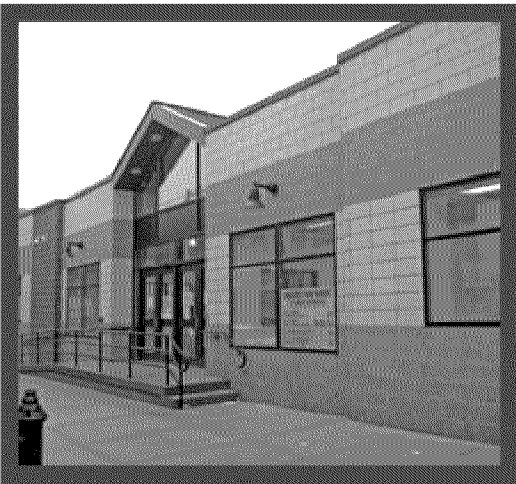
| State | Mortgage | Small business | Community Development | Total |
|-------------------------------|-----------|----------------|-----------------------|-----------|
| Arizona | \$8,207 | \$2,351 | \$341 | \$10,898 |
| Colorado | \$3,874 | \$1,676 | \$238 | \$5,787 |
| Connecticut | \$3,427 | \$949 | \$49 | \$4,425 |
| Delaware | \$1,317 | \$121 | \$71 | \$1,509 |
| Florida | \$32,794 | \$2,210 | \$263 | \$35,268 |
| Illinois | \$14,198 | \$4,201 | \$1,097 | \$19,496 |
| Indiana | \$2,408 | \$1,758 | \$1,432 | \$5,599 |
| Kentucky | \$1,319 | \$781 | \$269 | \$3,268 |
| Louisiana | \$3,000 | \$1,737 | \$838 | \$5,575 |
| Michigan | \$5,895 | \$3,137 | \$1,133 | \$10,165 |
| New Jersey | \$12,062 | \$2,396 | \$200 | \$14,658 |
| New York | \$29,249 | \$10,675 | \$3,200 | \$43,123 |
| Ohio | \$5,005 | \$3,339 | \$459 | \$8,804 |
| Oklahoma | \$1,318 | \$588 | \$224 | \$2,131 |
| Texas | \$13,052 | \$7,089 | \$1,498 | \$21,639 |
| Utah | \$1,121 | \$598 | \$22 | \$1,741 |
| West Virginia | \$522 | \$376 | \$21 | \$918 |
| Wisconsin | \$2,250 | \$1,538 | \$321 | \$4,109 |
| Subtotal All Footprint States | \$141,018 | \$45,519 | \$11,676 | \$198,214 |
| All Other States | \$117,586 | \$17,504 | \$5,490 | \$140,579 |
| Total | \$258,604 | \$63,023 | \$17,166 | \$388,974 |

About Chase

Chase is the U.S. consumer and commercial banking brand of JPMorgan Chase & Co. (NYSE: JPM). Chase has 156 million credit cards issued and serves consumers and small businesses through 3,150 bank branches, 9,200 ATMs and 290 mortgage offices as well as through relationships with 14,500 auto dealerships and 5,200 schools and universities. It also serves more than 30,000 commercial banking clients, including corporations, municipalities, financial institutions and not-for-profit entities. The company invests in education, economic opportunity, development and environmental programs that enable people and communities to thrive. More information about Chase is available at www.chase.com.

IN THE COMMUNITY

Community Development Newsletter

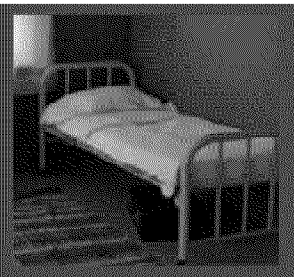


Susan's Place, Bronx, New York

Susan's Place

Helping Homeless Women Rebuild Their Lives

With the help and financial support of Chase, homeless single women will soon have a safe haven in the Bronx. Susan's Place, which was financed by a \$9.7 million construction loan from Chase, will provide transitional housing and support services to mentally ill and medically frail homeless women, one of the most rapidly expanding segments of homeless populations.



The project was developed and will be managed by Care for the Homeless, a not-for-profit organization in New York City that supports the health and well-being of homeless men, women and children. Susan's Place was named in memory of Susan L. Neibacher, the late founding Executive Director of Care for the Homeless.

The funding that Chase provided helped finance the rehabilitation of a vacant one-story building on Jerome Avenue in the Bronx, into 180 beds of transitional housing and a clinic with primary care, dentistry, podiatry, and a psychiatrist. This new transitional center will help the women transition from homelessness to long-term housing by providing a safe environment along with training, counseling and health services.

Chase's support of this project is a response to the significant need to improve services for homeless women. A recent census revealed that there are more than 2,000 homeless women in NYC who are alone, with no family and who suffer disproportionately from drug/alcohol abuse, mental illness, physical health problems along with debilitating poverty and are often victims of domestic abuse.

Chase's Community Development banker Susan Hyman and underwriter Sharmi Sobhan worked closely with Care for the Homeless and the NYC Department of Homeless Services over several years, helping to structure the deal, close the transaction, and make the facility a reality.

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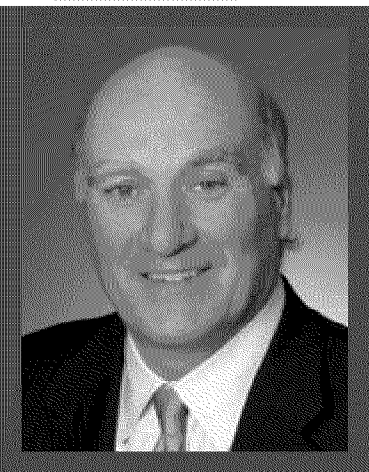
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A Message from Bill Daley – Head of Corporate Responsibility, JPMorgan Chase

Responding to Community Needs

Welcome to the inaugural electronic version of *In the Community*. This e-newsletter highlights some of JPMorgan Chase's¹ (Chase) community development initiatives and related events across the communities we serve. It is one of the many communication tools we are planning to use throughout the year to help keep you informed. And, in keeping with our firm's commitment to the environment, we have opted to "go green" by publishing an electronic-only version.

At Chase, responding to community needs is at the core of our Corporate Responsibility strategy. We are committed to building vibrant communities, preserving the environment, and promoting sound public policies and regulations that benefit the firm's customers, employees, shareholders, neighbors and future generations. As the Head of Corporate Responsibility, a key part of my role is to work with all of the firm's lines of business to ensure that all programs, investments, and initiatives are coordinated and have a meaningful and sustainable impact on the communities where we have a significant presence.

Community development, of course, is an important component of our Corporate Responsibility strategy. It is an integral part of the way we conduct business and is executed with a strong sense of commitment and shared responsibility across the firm's many lines of business. The firm's businesses are committed to enhancing the quality of the local communities we serve by providing loans, investments, grants, and community development services as well as leadership, guidance, and expertise.

In this edition of *In the Community*, you'll see glimpses of how we are working with our community-based partners to build vibrant communities and respond to the local community development needs. For example, in support of Neighborhood Housing Services of Chicago, we sponsored neighborhood revitalization efforts in North Lawndale as part of the Chicago Greystone Historic Initiative. In Milwaukee, Wisconsin, we helped finance affordable energy-efficient housing for seniors. In the Bronx, New York, we financed Susan's Place, a safe haven for single homeless women. In Phoenix, Arizona, we partnered with Local Initiatives Support Corporation (LISC) to provide below-market financing to Boys and Girls Clubs of Metropolitan Phoenix for the construction of three new clubhouses for disadvantaged youth. In response to the sub-prime mortgage crisis, Chase's Homeownership Preservation Office has been at the forefront of foreclosure prevention efforts, both at the local and national levels. And in neighborhoods all across our bank footprint, Chase is partnering with community-based organizations to develop and support programs aimed at improving the educational opportunities for youth and adults.

These are just some of the examples of what we are doing to make a positive impact. We hope you find the information in this e-newsletter informative and interesting, and a useful and convenient way to learn about how we are working with our community-based partners around the country and investing in innovative programs and initiatives to respond to the needs of our local communities.

¹JPMorgan Chase refers to JPMorgan Chase & Co. and any of its subsidiaries or affiliates.

FEATURE STORY

Preserving Homeownership

Chase takes leadership role in foreclosure prevention initiatives

Chase recognizes that no one benefits when families lose their homes. Our mission is to help customers both achieve and sustain homeownership. As one of the nation's largest servicers and originators of mortgages, the firm is committed to helping its customers thrive in communities across the country.

Homeownership Preservation Office

Chase's Homeownership Preservation Office (HPO), under the direction of Donna Sheline, is dedicated to assisting customers who may be at risk of losing their homes to foreclosure. The mission of the HPO is to ensure that Chase helps families sustain homeownership, by working with community leaders, housing advocates, public officials, investors and others to develop policies, practices and solutions aimed at homeownership preservation.

The HPO has been at the forefront of many foreclosure prevention initiatives and offers many solutions and options to support homeownership sustaining efforts, including:

Toll-Free Hotline: The HPO supports a dedicated toll-free hotline for housing counseling agencies. In 2007, the hotline received more than 7,670 calls from non-profit housing counselors working with Chase mortgage customers.

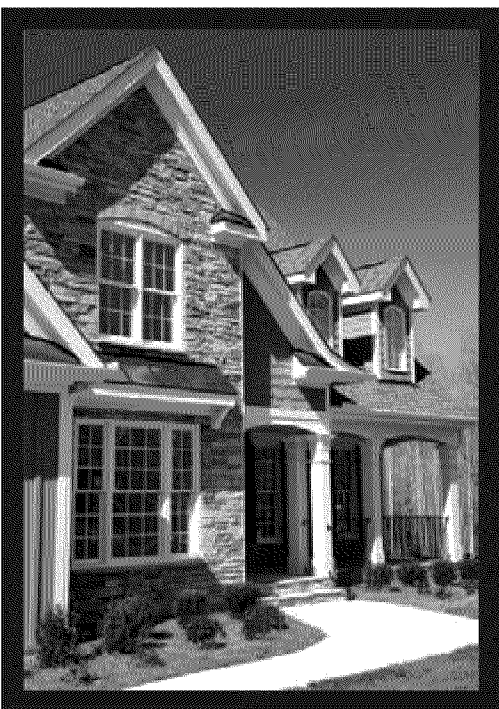
Training for Counselors: Through collaborative initiatives with partners, the HPO has facilitated more than 79 foreclosure prevention training sessions for non-profit agencies counselors, housing advocates and public officials, and trained more than 2,780 non-profit counselors in 22 cities, helping to sustain the dream of homeownership for hundreds of people and their families.

Strategic Partnerships: Recent involvement in partnerships includes participation in the following:

- **National "Nothing is Worse than Doing Nothing" Campaign:** a joint foreclosure prevention effort with Neighbor Works of America, the Homeownership Preservation Foundation and the Ad Council. The HPO has represented Chase on the steering committee since the inception of the campaign.
- **HOPE Now Alliance:** a national alliance that works to bring together leading mortgage servicers, counselors, investors and other mortgage market participants to build on existing individual efforts, creating a unified, coordinated plan to reach and help as many at-risk homeowners as possible. The HPO has been an active participant of the Alliance since its inception, participating on the Working Group and Co-Chairing the Operating Efficiency Subgroup.
- **Local Partnerships:** The HPO participates in a number of foreclosure prevention taskforces which bring together key community partners, lenders and local government. The HPO has been actively participating in the following markets: Atlanta, Chicago, Detroit, Dallas, Houston, Indianapolis, St. Louis and New York City, as well as statewide in Colorado and Ohio.

REO Gifting Program: As appropriate opportunities arise, the HPO works with non-profits to donate or sell Chase-owned Real Estate Owned (REO) properties in LMI neighborhoods to non-profits. In 2007, the firm donated nine properties, including properties in Bridgeport (CT), Buffalo, Cincinnati, Cleveland, Dallas, Detroit, Elyria (OH), Indianapolis, and New Orleans.

The support, initiatives and leadership of the HPO demonstrate some of the ways Chase is working to help sustain homeownership and maintain the stability and vibrancy of our local communities.



HOMEOWNERSHIP
PREVENTION FOUNDATION'S
NATIONAL HOTLINE:

888-995-HOPE

The hotline is available 24/7 with HUD approved counselors who are trained to provide free advice and education to homeowners.



Meet Martin Cox

Community Development Banking Executive

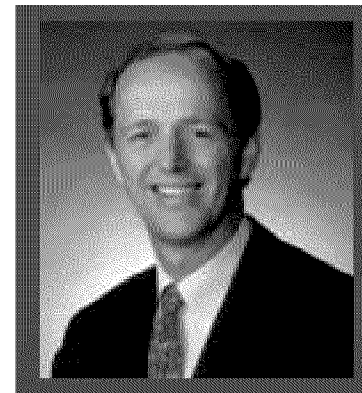
Martin Cox is the executive in charge of Community Development Banking (CDB) which includes community development lending and investing activities throughout the firm's markets. Martin manages CDB in addition to his responsibilities as head of Chase Equipment Leasing.

According to Martin, "The opportunity in front of CDB today is to maintain Chase's reputation as a leader in the area of community development. CDB remains committed to meeting the needs of the community and to providing customers with access to the full range of resources and expertise of the bank."

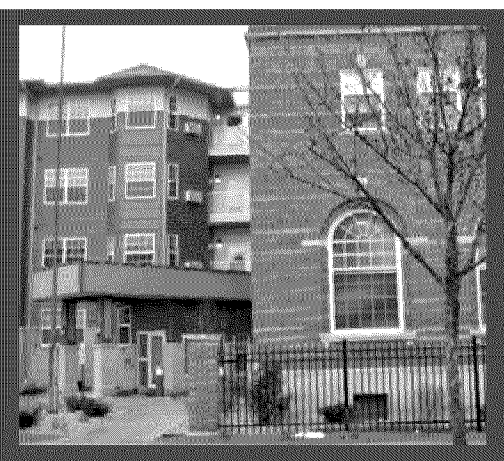
Martin began his career with Texas Commerce Bank (now Chase) in 1980 in Houston. He moved to New York in 1982 where he managed the bank's Loan Production Office, then relocated to Texas in 1985 to lead the Dallas Corporate Banking business. In 1993, Martin moved to Commercial Banking, and served as Dallas Market President from 1997 to 2004. Since the JPMorgan Chase/Bank One merger in 2004, Martin has headed Chase's National Equipment finance business.

Martin received his B.S. in Anthropology and Economics from Southern Methodist University (SMU) in 1975 and in 1978 earned his MBA from SMU.

Martin has been actively involved in the community for a number of years. Currently, he serves on the Board of Trustees of the Dallas Museum of Art, the Board of Directors for the Southern Methodist University Tate Lecture Series, and the Finance Committee of the Susan G. Komen Foundation.



Chase Finances Energy Efficient Living Community in Milwaukee



Dr. Wesley Scott Senior Living Community

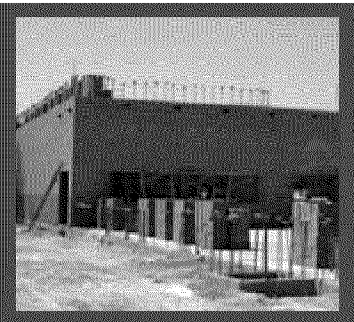
There is much to celebrate about the Dr. Wesley Scott Senior Living Community in Milwaukee, Wisconsin, a new housing development for Milwaukee senior citizens. Not only does the facility provide 80 units of attractive, affordable rental housing, but it also boasts the use of renewable energy resources, including solar powered heating and electric systems. Community Development Banking, with the assistance and leadership of Chase bankers Michael Rhodes and Ben Glispie, provided \$8.4 million in financing for the development of the facility.

The development sponsors, Gorman & Company and the Milwaukee Urban League, worked with Focus on Energy to incorporate renewable energy into the living center. Ralph Hollmon, president of the Milwaukee Urban League, is a member of the JPMorgan Chase Community Advisory Board. The three-story former headquarters of the Milwaukee Urban League was renovated along with new construction of an adjacent four story building. Amenities include underground parking, a community room, craft room, and chapel. The property, named after Dr. Wesley Scott, longtime executive director of the Milwaukee Urban League, is located in the Metcalf Park area on the northwest side of Milwaukee.

New Market Tax Credits help Phoenix Boys and Girls Clubs



Thousands more children will be served by the Boys and Girls Clubs of Metropolitan Phoenix, thanks to the addition of three new clubhouses, financed by Chase and the Local Initiatives Support Corporation. Financing for the new clubhouses was made possible under the New Markets Tax Credits Program, a highly competitive federal tax credit allocation program that allows lenders, such as Chase, to provide low-cost capital directly to high-impact projects in low-income communities that otherwise could not be done. Chase bankers Matt Reilein, Jennifer Lawson and Patty Feeney worked closely with LISC and the Boys and Girls Clubs to help make financing for this project a reality. The New Markets Tax Credit program was created in 2000 to encourage private capital to invest into commercial enterprises in low-income communities.



Construction underway at the Glendale Boys & Girls Clubs in Phoenix

Since the program's inception, Chase has been awarded \$185 million in new markets tax credits, including a recent \$60 million award in 2007. Chase also partners with other allocatees of the New Markets Tax Credits, such as the Local Initiatives Support Corporation, to provide below-market financing, as it did with this project in Phoenix.

By taking advantage of New Market Tax Credit financing, the Boys and Girls Clubs were able to begin construction fairly promptly and did not have to delay the project while waiting on the collection of pledges from the capital campaign. And with construction underway sooner rather than later, the Boys and Girls Clubs of Metropolitan Phoenix was able to more quickly focus its attention on what it does best: improving the lives of children and families in the Phoenix area.

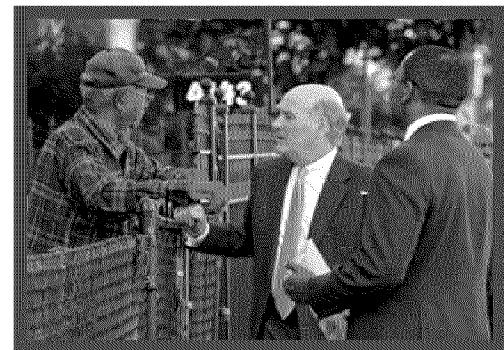
Chase Supports Greystone Initiative in Chicago

Thanks to a \$145,000 grant from Chase to Neighborhood Housing Services (NHS) of Chicago in support of Chicago's Historic Greystone Initiative, North Lawndale homeowners could afford to rehabilitate and preserve their homes. The Greystone Initiative aims to preserve, restore and modernize Chicago's greystones. The rehabilitation of the limestone-clad homes will help build neighborhood pride and encourage local residents to invest in their community and spur further investments in the neighborhood.

With Chase's support, NHS was able to provide twenty grants of \$5,000 each to greystone owners in K-Town, an area in North Lawndale with one of the highest concentrations of these historic buildings in Chicago. The Chase grants were for exterior improvements made to porches, façade cleaning, tuckpointing, masonry repairs, and repairs or replacements of windows and/or decorative cornices. NHS was also able to help the owners select reputable contractors.

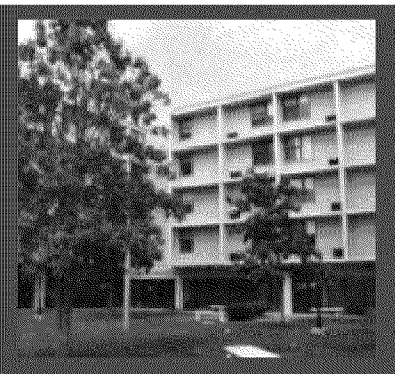
"Chase is proud to make this brick-and-mortar commitment to make visible improvements to Lawndale," said Bill Daley, head of Corporate Responsibility. "When one homeowner improves his or her home, the folks up and down the block notice and think about doing the same."

The support provided by Chase, along with the City of Department of Housing and other partners has helped to strengthen and preserve the historic community in Chicago.



Bill Daley, Head of Corporate Responsibility, tours North Lawndale.

Building Housing for Seniors



*Annunciation Inn,
New Orleans, Louisiana*

In December 2007, Chase provided \$15.8 million in construction loan financing for the acquisition and rehabilitation of The Nazareth Inn I (150 units), Nazareth Inn II (120 units), and Annunciation Inn Apartments (106 units), which represent three of six existing senior housing properties located in New Orleans, Louisiana that are being acquired and redeveloped by Providence Community Housing. Providence is a post-Hurricane Katrina initiative of community-based organizations that have come together to help address the need for affordable and supportive housing in Southern Louisiana. Chase bankers Pauline Allen and Gary Hollier worked closely with Providence Housing to secure the financing for this project.

All six properties which are being acquired and redeveloped are currently vacant and non-operational due to damages sustained during hurricane Katrina in August 2005. The projects will provide a total of 716 replacement housing units restricted to seniors at or below 50% of the area median income.

The closing of these construction loans and the beginning of the rehabilitation of the properties are considered a significant victory to Providence as it commences its efforts to bring hundreds of displaced seniors home. These projects are the first of several projects the organization plans to acquire and rehabilitate.



*Linda McMahon, Community
Development Banking Southwest
Regional Manager, at ground breaking
ceremony for Annunciation Inn.*

Chase Competition Supports Rebuilding Efforts in New Orleans



*Chase's John Kallenborn (fifth from left) with the
winning team from the Massachusetts Institute of
Technology and Washington University in St. Louis.*

University students who devised a detailed plan to restore a historic New Orleans building and turn it into a business incubator have earned the top prize in the 2008 Chase Community Development Competition. Students from the Massachusetts Institute of Technology and Washington University in St. Louis partnered with the Good Work Network of New Orleans on a strategy to restore the Franz Building at 2016 O.C. Haley Boulevard. The project is designed to provide support services for 500 local businesses each year, as well as provide storefront space for local entrepreneurs.

"This project not only will help transform O.C. Haley into a vibrant arts, cultural, and retail district, it will also make business incubation a permanent asset in the neighborhood," said Phyllis Cassidy, executive director of Good Work Network, which receives the \$25,000 prize to help fund the development.

College and graduate students partnered with local non-profits to develop real estate plans that are buildable and sustainable and that meet a prevalent community need in low-and moderate-income areas. There were nine university-non profit teams, each with a different project and different neighborhood within New Orleans.

The second prize of \$15,000 was awarded to Volunteers of America Greater New Orleans, based on its project design with the New School (New York). The third prize of \$10,000 was awarded to the Pontilly Development Association on its senior living facility project with Tulane University. Other competing schools were Harvard University, Loyola of Louisiana, DePaul University, the University of New Orleans, the University of Minnesota and Hunter College.

Chase and Education



At Chase, Corporate Responsibility encompasses how we operate as a business and how we help our neighborhoods thrive. Through Global Philanthropy, Chase invests in programs that support education, arts and culture, community development, economic self sufficiency and the environment so that individuals and communities can achieve their full potential.

As one of the world's largest financial institutions, we recognize that improving education opportunities for youth and adults is critical to maintaining vibrant communities and ensuring the long-term viability of their economies. Through arts and culture, science and math, and technology education partnership programs, we are working to improve student performance and open new doors of opportunity.

Most importantly, we understand that increasing financial literacy can help break cycles of poverty. Chase sponsors financial literacy programs such as that of Operation HOPE to help individuals understand how to manage their finances and build assets. Chase helps consumers understand their choices and make good decisions on everything from a savings account and financing a college education to buying a home and saving for retirement.

Our commitment to education is based on four principles:

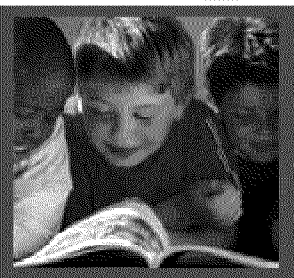
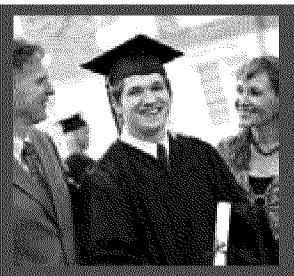
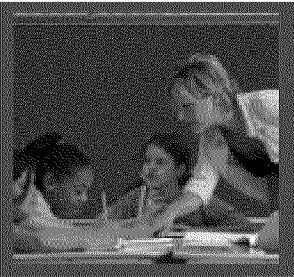
- 1) directing our resources and expertise to partnerships that further opportunities for learning
- 2) early childhood literacy and school readiness
- 3) building capacity in schools
- 4) and providing access to college and career options to under-served student populations in the communities where we have a presence.

Chase programs that promote education and build capacity in schools include the following:

- Through New York City's PENCIL (Public Education Needs Civic Involvement in Learning), we are helping to transform schools by partnering with principals and teachers to inspire innovation in the classroom. Our senior executives and managers share expertise with educators in practices that help improve the classroom.
- In partnership with Syracuse University, we are creating a financial service technology curriculum and training program, which will include collaborative research and development activities. Through distance learning opportunities and other classroom and research exercises, students from colleges and universities across New York State will be able to access the program. The partnership aims to extend its science, math and technology training into the local school district and school system for students K-12. We anticipate that hundreds of new technology-based jobs will be created in the region as part of this partnership.
- Through Bank on College, we are piloting an innovative incentive-driven college scholarship program in three Chicago high schools that will provide low-income students and their families the opportunity to earn money for college by participating in a variety of academic and parent engagement activities. Students are awarded scholarship dollars each semester based on academic performance, staying academically "on track", and participating in academic support and college access programs.

For more information about the firm's education and philanthropy programs go to www.chase.com/giving.

"Through arts and culture, science and math, and technology education partnership programs, we are working to improve student performance and open new doors of opportunity."



\$800 Billion Public Commitment Results

January 2004-December 2007

In 2004, expanding its proud traditions of civic leadership and support, Chase committed to investing \$800 billion in communities across the country over the next 10 years. The pledge focused on three areas crucial to American families and cities: mortgages, small business lending, and community development lending.

In the first three years of its 10-year, \$800 billion public commitment, Chase has invested \$339 billion (42% of the 10-year goal) in low- and moderate-income families, neighborhoods, and small businesses across the country. Specifically:

- Mortgage Lending is at \$259 billion (38% of goal)
- Small Business Lending is at \$63 billion (70% of goal); the firm also ranked #2 in number of SBA loans nationally for fiscal year '07, and #1 in a number of district offices including Arizona, Illinois, Louisiana, Michigan, and New York as well as Dallas and Houston
- Community Development Lending and Investing results are at \$17 billion (49% of goal)

| | 10 Year Goal | 2004 Results | 2005 Results | 2006 Results | 2007 Results | Commitment Results to date | % of 10 Year Goal |
|---|--------------|--------------|--------------|--------------|--------------|----------------------------|-------------------|
| | \$B | \$B | \$B | \$B | \$B | \$B | % |
| Mortgages¹ | 675 | 55 | 68 | 66 | 70 | 259 | 38 |
| Small Business Loans² | 90 | 11 | 12 | 17 | 23 | 63 | 70 |
| CD Loans & Investments | 35 | 4 | 4 | 4 | 5 | 17 | 49 |
| Total | 800 | 70 | 84 | 88 | 98 | 339 | 42 |

¹Mortgages in low- and moderate-income neighborhoods and to lower income and minority borrowers

²Small Businesses <= \$1 MM in revenues

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