

Press Releases

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OTS 08-046 - Washington Mutual Acquired by JPMorgan Chase

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Washington, DC — Washington Mutual Bank, the \$307 billion thrift institution headquartered in Seattle, was acquired today by JPMorgan Chase, the Office of Thrift Supervision (OTS) announced.

The change will have no impact on the bank's depositors or other customers. Business will proceed uninterrupted and bank branches will open on Friday morning as usual.

Washington Mutual, or WaMu, specialized in providing home mortgages, credit cards and other retail lending products and services. WaMu became an OTS-regulated institution on December 27, 1988 and grew through acquisitions between 1996 and 2002 to become the largest savings association supervised by the agency. As of June 30, 2008, WaMu had more than 43,000 employees, more than 2,200 branch offices in 15 states and \$188.3 billion in deposits.

"The housing market downturn had a significant impact on the performance of WaMu's mortgage portfolio and led to three straight quarters of losses totaling \$6.1 billion," noted OTS Director John Reich.

Pressure on WaMu intensified in the last three months as market conditions worsened. An outflow of deposits began on September 15, 2008, totaling \$16.7 billion. With insufficient liquidity to meet its obligations, WaMu was in an unsafe and unsound condition to transact business. The OTS closed the institution and appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. The FDIC held the bidding process that resulted in the acquisition by JPMorgan Chase.

Customer questions regarding the institution, including questions about federal deposit insurance coverage, should be directed to the FDIC at 1-877-ASK-FDIC. WaMu customers with questions can also call the bank's service center at 1-800-788-7000.

Attachment: Fact Sheet

To download the audio file of the September 26, 2008 OTS News Conference call, right click the link below and choose "Save Target As."

Audio recording (<http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2008-46a.mp3>) of OTS news conference September 26, 2008

Related Files

- **WaMu Acquisition Fact Sheet** - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2008-46b.pdf>