



**Judicial
Watch™**
*Because no one
is above the law!*

July 8, 2008

The Honorable Barbara Boxer, Chairman
The Honorable John Cornyn, Vice Chairman
The Honorable Mark Pryor, Member
The Honorable Ken Salazar, Member
The Honorable Pat Roberts, Member
The Honorable Sherrod Brown, Member
The Honorable Johnny Isakson, Member
United States Senate Select Committee on Ethics
220 Hart Senate Office Building
Washington, DC 20510

Re: Ethics Complaint Against Senator Barack Obama

Dear Senators:

Judicial Watch, Inc. (hereinafter “Judicial Watch”), in the public interest, hereby files this formal complaint, under the provisions of the Senate Ethics Manual, Appendix C (Rules of Procedure, Senate Ethics Committee), Part II (Supplementary Procedural Rules), Rule 2 (Procedures for Complaints, Allegations or Information), against Senator Barack Obama of Illinois for improper conduct that reflects upon the U.S. Senate and the general principles of public service (See Senate Ethics Manual, Appendix E).

This complaint concerns a favorable and unusually large “super super jumbo” mortgage loan received by Barack Obama through Northern Trust shortly after he assumed his election as the freshman Democratic senator for Illinois.¹ As reported in *The Washington Post*, he secured a loan of \$1.32 million at a rate of 5.625 percent, although the average going rate on that day according to two different surveys was between 5.93 and 6 percent.² Unlike what was reportedly available for the general

¹ See Exhibit 1, Joe Stephens, “Obama Got Discount on Home Loan,” *The Washington Post*, July 2, 2008 (http://www.washingtonpost.com/wp-dyn/content/article/2008/07/01/AR2008070103008_pf.html); “Jumbo loans are for amounts up to \$650,000, but the Obamas’ \$4.32 million loan was so large that few comparables are available.”

² *Ibid.*

consumer, this special below market rate was secured without an origination fee or discount points.³


It appears that due to his position as a United States Senator, Barack Obama received improper special treatment from Northern Trust resulting in an illicit "gift" which has a value of almost \$125,000 in interest savings.

Northern Trust has supported Barack Obama's political campaigns for elected office since 1990. According to the Center for Responsive Politics, cited by *The Washington Post*, Northern Trust employees have donated \$71,000.⁴ The Northern Trust political action committee gave \$1,250 to Senator Obama's 2004 campaign for the United States Senate.⁵ This relationship between Senator Obama and Northern Trust also suggests that Northern Trust's discounted mortgage loan was, in fact, a disguised campaign contribution in violation of federal laws that prohibit corporate contributions for any local, state, or federal election.⁶

Judicial Watch therefore respectfully requests a full investigation into whether the special Northern Trust mortgage received by Senator Barack Obama constitutes a gift that is prohibited by Senate ethics rules.

Thank you for your prompt attention to this matter.

Sincerely,



Thomas Fitton
President

Enclosures: Exhibits 1, 2, and 3
By: Fax (w/o Exhibits) and Mail
cc: The Honorable Barack Obama

³ See Exhibit 2, *Obama 08*, "Explore the Answer Center"; **House Purchase Documents**; "HUD-1 Settlement Statement Worksheet" and "Final Truth-In-Lending Disclosure prepared 6/14/2005" (http://answercenter.barackobama.com/cgi-bin/barackobama.cfg/php/enduser/std_alp.php?p_sid=NiCHJR7j&p_lva=&p_li=&p_accessibility=0&p_redirect=&p_page=1&p_cv=&p_pv=&p_prods=&p_cats=0&p_hidden_prods=&cat_lv11=0&p_search_text=home+loan&srch_btn_submit=%C2%A0%C2%A0%C2%A0Search%C2%A0%C2%A0%C2%A0&p_new_search=1).

⁴ See Exhibit 1, *supra*.

⁵ See Exhibit 3, "Northern Trust Contributions to Federal Candidates – 2004 Cycle," OpenSecrets.org (Center for Responsive Politics) (<http://www.opensecrets.org/pacs/pacgot.php?cmte=C00024935&cycle=2004>).

⁶ See 11 C.F.R. § 114.2(a).