



# Memorandum

To: Medallion Loan Participant

From: Thomas J. O'Shea, President/CEO 

Date: July 13, 2017

Re: Medallion Market Update

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## Medallion Values

Medallion Transfers for May and June 2017:

May and June were active months for Medallion Transfers. There were 17 medallions involved in transfers in May and 22 transferred in June. On a per-medallion basis, excluding medallions transferred for \$0 or \$1, May values ranged from a high of \$325,000 to a low of \$200,000. In June values ranged from \$475,000 all the way down to \$150,000. Unfortunately, by most appearances very few if any of these transfers were arms-length transactions. Eleven of these twenty-for transactions were foreclosures.

The Econometrician at Windels, Marx made the following observations:

### A. General

- Excluding sales at artificially low prices (\$0/\$1), special circumstance transactions such as estate, partnership split and stock transfers, there are only **17 medallion transactions** in the first six months of 2017
- Out of these 17 transactions, there are **14 independent** and **3 corporate** medallion asset sales (sold in pairs – 6 medallions total)

### B. Independent Medallion

- The average price of the independent medallion is **\$297,893**
- This is **45 % lower** than the average price in 2016 (\$545,342). Note: There were 24 independent medallion sales in 2016

### C. Corporate (Mini-fleet) Medallion

- The average price of a corporate medallion is **\$666,667** (or **\$333,333** for a single corporate medallion)
- This is **48% lower** than the average in 2016 (\$1,286,809). Note: There were 15 corporate medallion (sold in pairs – 30 medallions total) sales in 2016

We have reduced our value to **\$440,000** based on our updated valuation model. Since all New York medallions have the same economic opportunity, we use the average of the Corporate and Individual Medallion values (see chart below). The methodology we are using takes into account actual transfers and Broker Price Quotes, along with factoring in two Income Approaches using a Capitalization Model and a Discounted Cash Flows Model. These four approaches are combined into a weighted average to derive a composite value. The model includes valuations for Chicago, Boston, Cambridge, NYC and Philadelphia (non-WAV). Here's a snapshot from the Teraverde Management Advisors, June 2017, QE valuation report with the values across each approach and market:

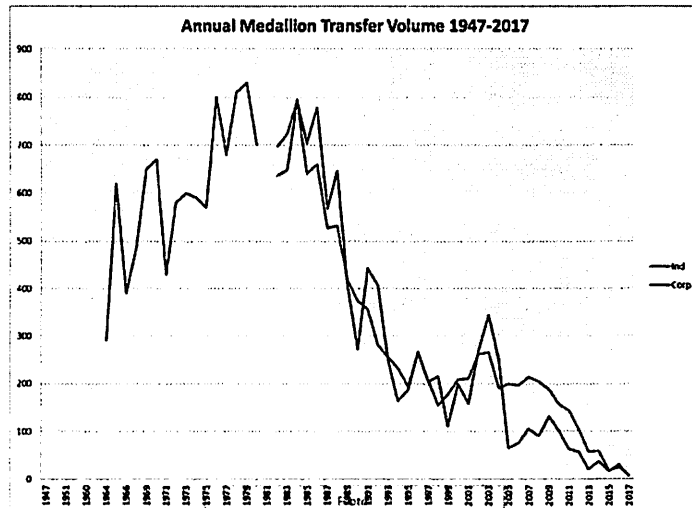
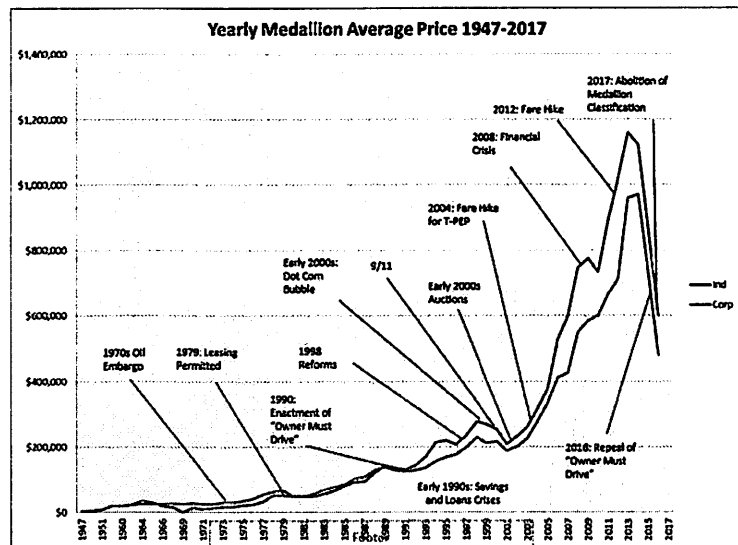
Valuation Technique	Income Approach	Market Approach	Market Approach	Income Approach	
	Capitalization		Broker Price	Discounted Cash	
Technique applied	model	Sales Transactions	Quotes	Flows	Composite Total
Boston	\$236,453	\$282,500	\$122,688	\$206,400	\$214,274
Cambridge	\$257,120	\$110,000	\$47,772	\$202,240	\$181,698
Chicago	\$154,843	\$50,000	\$52,083	\$78,514	\$93,171
NYC-Corporate	\$553,733	\$375,000	\$390,625	\$426,200	\$451,444
NYC-Individual	\$553,733	\$302,000	\$309,925	\$426,200	\$428,389
Philly (non-WAV)	\$191,329	\$65,000	\$67,708	\$213,943	\$162,882

A copy of the full 32-page June 2017 report is available for sale at the special reduced rate of \$750.00. If you would like a complimentary sample copy of their March 2017 report please contact John Millman at [JMillman@aspirefunding.com](mailto:JMillman@aspirefunding.com). The report is produced quarterly and the methodology is comprehensive.

On June 21<sup>st</sup> Capital One Taxi Medallion Finance auctioned 32 medallions, according to the Chicago Dispatcher. Five were auctioned at prices between \$44,000 and \$45,000 with the remaining 27 medallions being acquired by Capital One. There were 16 medallions trading hands in Chicago in June at values ranging from \$100,000 to \$45,000 (not including the Capital One sales which will probably close in July). The average was \$64,470 per medallion.

Windels, Marx prepared the attached slides for a medallion conference that was held earlier this month.

Between January and December 2016 independent medallions have dropped by 22.7% and corporates by 26.2% in value. Through May 2017 prices have dropped 34.8% for independents and 48.2% for corporates compared to the average last year.



The number of transactions has fallen even more than the drop in prices. Over the past two years, the majority of medallion transfers are non-arms-length deals, such as foreclosure-induced transfers with 100% financing.

## NYC Taxi & Limousine Commission

On June 27th the University Transportation Research Center at the New York Institute of Technology hosted a conference entitled "Disrupted by Technology & Politics! The Future of the Taxi Medallion System & For-Hire Ground Transportation Industry". We participated on a panel discussion to provide the lenders perspective. The opening keynote was by the Honorable Ydanis Rodriguez, NYC Council Member and Transportation Committee Chair. Speaking at the conference as the closing keynote speaker was Nora Constance Marino, NYC TLC Commissioner representing Queens New York. Both speakers were very supportive of the Taxi Medallion industry and recognize its significance in NYC and the need to make changes to both laws and regulations to ensure a strong and vibrant medallion

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system. They both realize that the industry is going through a very disruptive time and they each need to do their part to help medallion owners and drivers through this time and into the 'new normal'

### ***Back to Reality...***

As you are no doubt aware, the NCUA has conserved LOMTO Credit Union and Melrose Credit Union in New York City. These were both major medallion lenders with large books of business in NY and Chicago. Attached you will find three recent newspaper articles about the tactics taken by these credit unions under NCUA conservatorship in dealing with hardship and loan extension requests. While there is a lot of pushback from the borrowers (protests, etc.), one of the key takeaways is that if you want to keep the borrower engaged, if you want to improve the chances that you will see a return of your principal & capital and have a performing loan on your books, it's important to work with the borrower. In recent ***Updates*** we've discussed rate reductions, A-B Notes and Foreclosures (are only realistic options). NCUA's aggressive tactics are resulting in the unnecessary foreclosure of many, many medallions from hardworking immigrants striving for the American Dream. This has been difficult for us and well as these cab drivers - we all need to work together to chart our way through this. We can take the same aggressive approach as NCUA; however you need to be prepared for the fallout and shelf full of taxi medallions, further depressed values and depleted capital at our credit unions.

The next issue of ***Update*** is scheduled for publication in September. Enjoy your summer!

Thank you.

# Cab drivers and owners get caught in the headlights of a troubled taxi lender

As Melrose Credit Union looks to seize assets instead of refinancing medallion loans, individual owners fear for their future



By Matthew Flamm

July 9, 2017



Photo: Buck Ennis

**THE ROAD AHEAD** Drivers such as Medina are weighing whether to stay in the business.

Conrado Medina woke up April 22 to a taxi driver's nightmare. The medallion attached to his 2012 Toyota Camry yellow cab had been removed as the car sat overnight in his driveway in Jackson Heights, Queens.

The worst part was that he knew who did it: his lender, Melrose Credit Union. Already hit with millions of dollars in losses due to bad loans, Melrose had toughened its stance on the terms it was willing to offer Medina to refinance.

It didn't matter that he'd never missed a payment. If he didn't put his house up as collateral, the lender would foreclose.

## ADVERTISING

"They said, 'We're going to repossess the medallion in 10 days if you don't put up the house,'" Medina said. "They didn't care that this has been my job for 30 years."

To fend off the lender, which has continued to demand payment, Medina has decided to file for Chapter 7 bankruptcy protection. But without his medallion, he can no longer drive his cab.

## WILLIAM GARFIELD, GREEN-CAB OWNER/DRIVER

A livery-cab driver for 14 years, William Garfield bought one of the first green-cab permits in 2013, allowing him to pick up street-hails outside Manhattan's core business district.

**EARLY DAYS** He grossed "\$300 and change" in six hours.

**NOW** "You can make \$90 in a day."

**BLAMES** Livery and ride-hail drivers who make illegal street-hail pickups, Uber for flooding the streets and the city for not limiting the number of ride-hail vehicles.

**Why he doesn't pick up Uber riders** (The Uber app is available to green-cab drivers to pick up fares.) "If I take a fare into the city, it can take me half the day to get back. It's not Manhattan island. Call it Traffic Island."

**HOW HE SURVIVES** A livery app supplies local trips in Queens. He also picks up people for medical appointments.

**MONTHLY GROSS** About \$4,000 from street hails and prearranged livery and medical trips.

**WEEKLY NET (NOT COUNTING PERSONAL TAXES)** \$550, or \$11 an hour, after \$450 in expenses.

**THE FUTURE** "I do want to hold on to this permit, but some months I make more money outside the meter. Is it worth it? I've got to figure out something else."



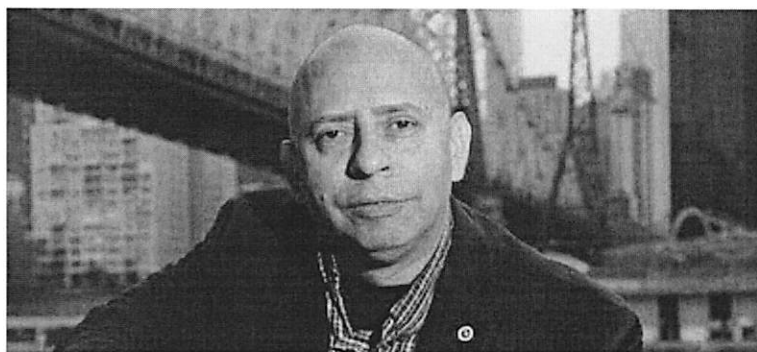
These are rough times for taxi drivers but even rougher for drivers who borrowed from Melrose to buy their medallion, a piece of metal screwed onto the hood of every yellow cab that gives its owner the exclusive right to pick up street hails throughout the city. That right once made it a precious commodity. Medina paid \$135,000 for his in 1990. As demand for taxis grew and the number of medallions stayed relatively flat, its value skyrocketed to more than \$1 million by 2014.

Then San Francisco-based Uber began gaining traction in late 2014, using bonuses to lure drivers as well as cheap fares and an easy-to-use app to attract customers. The competition from more than 50,000 Uber drivers has ravaged medallion values. Two sold recently for less than \$250,000 apiece. Revenue has dropped for owners, leaving many lenders with delinquent loans.

Medallion owners have complained for months about inflexible treatment at the hands of Melrose. The change began in February, when the lender was seized by the state's Department of Financial Services and placed into conservatorship under its federal regulator, the National Credit Union Administration.

At stake, industry observers say, is more than just the livelihood of owners. Melrose, based in Briarwood, Queens, has provided financing for more than 3,000 medallions—almost a quarter of the city's 13,587—to the tune of around \$1.5 billion. As of March 31, the credit union reported nearly 500 "troubled debt restructures," totaling more than \$250 million.

The long-term fear is that, by foreclosing on more medallions than it can find buyers for, Melrose—or its regulator—will further undermine the asset.



## **FREDY TELLO, OWNER, SEMPERIDE**

A veteran of the U.S. Marines, Fredy Tello drove for Uber while building his own black-car service, which he started in 2013. His 13-car fleet includes a wheelchair-accessible vehicle.

One of his aims is to serve disabled veterans.

**EARLY DAYS** "I found a very small ad on Craigslist when Uber was just beginning. It said, 'If you've got a car, you can drive.' You could easily make \$400 on a Friday or Saturday night."

**NOW** "You struggle to break \$200. They flooded the system with so many cars. But I didn't want to just be a driver. I wanted to own a company."

**HOW HE COMPETES** "My prices are traditional black-car prices, for nice, refined, reliable service. I also get contracts for medical transportation. And I've built up a business renting my cars to drivers for Uber. A lot of drivers cannot go out and buy a car. They work for me and for Uber. That has kept me afloat."

**THE FUTURE** "I'm trying to grow on multiple fronts. Semperide has been certified as a disabled veteran-owned business. That helps me compete for government-contract jobs. You have to be creative to stay in this business."



In the worst-case scenario, the credit union will unload repossessed medallions in a fire sale. And its recent behavior has some predicting that the credit union now believes the yellow-cab industry will never get out of the red.

### **Up in arms**

Taxi owner-drivers have protested their treatment outside City Hall and sent a letter asking Gov. Andrew Cuomo to intervene but to little avail. In the meantime, Melrose has been going after assets including bank accounts and homes.

"The other lenders are working with borrowers on an individual basis," said David Beier, president of the Committee for Taxi Safety, which represents medallion leasing managers. "Melrose is taking a cookie-cutter approach and demanding the same thing from everybody, no matter if you've got a great payment record. They're saying, 'We need your house as collateral. We need your spouse to co-sign as a guarantor.' And they are forcing borrowers into bankruptcy."

In recent weeks Beier has been hearing about fewer medallion seizures—a sign, he said, that the lender recognizes there are not enough buyers to resell them to and that it makes more sense to go after whatever else the borrower owns.

Medina, like many owner-drivers, had borrowed against his medallion over the years and currently owes \$587,000. At the same time, his taxi-driving grosses fell by 40% from their \$10,000-a-month peak, and he struggled to meet his \$3,586 monthly payment despite working 14-hour days. Often he used the rent money he receives from a tenant in his two-family house to cover the payments. Taxi-industry loans typically have 20-year amortizations but are renewed under new terms every three to five years. When his three-year agreement expired in January, he was hoping to work out a modification that would have let him continue payments at a lower rate. Melrose had other plans.

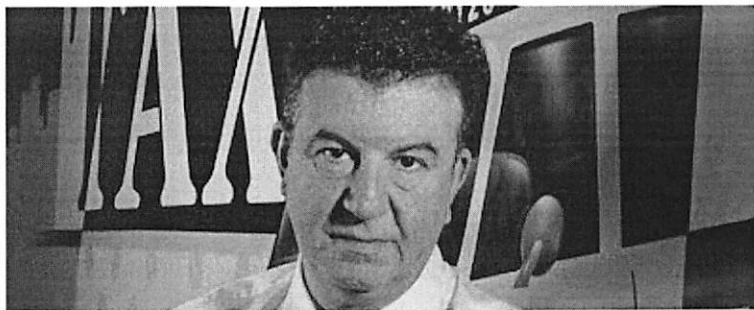
### **BASIL MESSADOS, CEO, QUEENS MEDALLION LEASING**

Shortly after starting out as a cab driver in 1985, Basil Messados began leasing cabs and medallions to other drivers. He gradually built a lease-management company whose holdings now include 150 medallions.

**EARLY DAYS** In 2014 drivers paid Queens Medallion \$1,450 a week to lease one of its 560 cabs.

**NOW** Cab drivers are harder to attract. A lease now averages \$950 per week. The company

charges both driver-owners and medallion owners a percentage for managing their operations, but





"the spread gets smaller as the business gets diluted."

**FINANCES** Profits are down 20% to 30% since 2014.

**BLAMES** Lenders—specifically Melrose Credit Union—that are taking a tougher line on loan modifications as well as the city for not limiting the number of Uber vehicles. "One side is regulated down to the floor, and the other side has no regulations," he said.

**HOW HE SURVIVES** "The only way to deal with dilution is to put more cars on the road, even if you make less per car."

**THE FUTURE** "It's always in your head. We have children that we bought medallions for as an investment. Today they're facing bankruptcy. You hope regulators will at least cap the number of vehicles on the road."

"These guys at Melrose said if I put up the house, they're going to give me a very good deal," Medina said. "And I said, 'I don't have a house. The house belongs to my wife. And my wife is not going to do it.'" The house has belonged to his wife since its purchase 19 years ago.

According to Beier, many lenders working with clients are sometimes splitting loans in two and deferring payment on one of them. Or they might extend a loan's amortization to 40 years and lower the interest rate to 2.5% from 4%. They are also doing deals such as transferring medallions to borrowers who can afford the payments.

Melrose, by contrast, has been threatening to raise interest rates to as much as 8% and asking for large lump-sum payments, in addition to its other demands.

Some insiders believe that the National Credit Union Administration's hard line reflects an assumption that medallion loans are not worth restructuring. Instead, the goal is to isolate the damage and move on. That stands in contrast to the more moderate approach the regulator had when it took over Montauk Credit Union in late 2015 and merged it with Bethpage Federal Credit Union last year. (The agency recently put a third taxi lender, LOMTO Federal Credit Union of Woodside, Queens, into conservatorship.)

"I'm seeing a very different approach from a year ago," said a finance-industry expert familiar with the situation at Melrose. "They're saying things aren't the same as they used to be."

That has led regulators to make it "very hard to modify these loans," the expert added. "They're forcing these people to more or less give up."

### **Yellow lights**

A spokesman for the National Credit Union Administration said the agency could not comment on any individual's finances but stressed that it was working with Melrose to improve operations.

## ELVIN MARTE, PRESIDENT, RIVERSIDE CAR & LIMO

The son of a co-founder of Washington Heights-based Riverside Car & Limo, Elvin Marte started driving a livery cab in 1992. He has been president since 2003.



**EARLY DAYS** In 2014 Riverside had a 365-vehicle fleet. Each driver paid weekly dues up to \$80 for radio assignments.

**NOW** The fleet is down to 306 cars. "Uber offers incentives," he said. "You get a lot of drivers switching."

**HOW HE COMPETES** Drivers get fares via its app, plus face-to-face support. "We have a network of 150 car services. If you call one and they don't have a car, one of mine can pick you up."

**FINANCES** "Revenue is down 15% to 20% over the past three years." Profits are down even more. "Before, we had a two-way radio, which was inexpensive. Now we have all this technology."

**BLAMES** Regulations that give ride-hail competitors an edge. "They get cheaper insurance [thanks to Uber drivers receiving workers' compensation through the Black Car Fund]. They have surge pricing—drivers like that. They don't have to put emergency lights on the back of the vehicle or a camera inside the car."

**THE FUTURE** "I'm trying to get Medicaid and health care work [for drivers]. We don't know what's going to happen five years from now."

"The credit union's current management has both the responsibility to serve its members and conduct the credit union's business in a safe and sound manner," he said. "NCUA has the additional responsibility of protecting 108 million credit union accounts insured by the Share Insurance Fund. All these responsibilities play a role in the decision-making over Melrose's operations."

There is some debate in the industry over whether the regulator is simply engaging in negotiation tactics.

"I think Melrose is just playing hardball to see what they can get," said Andrew Murstein, president of taxi lender Medallion Financial.

As evidence, he cites his own role advising private-equity firms that see opportunity in the taxi industry's troubles. Once prices fell low enough, they would buy up medallions and run them as a business.

Murstein thinks that Melrose sees enough of a future in the business that its executives are not yet willing to let go of their holdings.

"I have approached the [interim] CEO of Melrose [Steven Krauser] and told him we stand ready to buy both medallion loans and actual medallions from them and that the private-equity firms we are working with have several billion dollars available for such purposes," Murstein said, adding that the CEO sent "a letter back [saying] they aren't interested in selling."

Even without a fire sale, however, medallion prices could continue to decline. The average daily fare-box total for the first three months of this year was down 29%, to \$4.5 million, from the same period in 2013, according to the Taxi and Limousine Commission. Taxi-medallion prices, which peaked at \$1.3 million in 2014, hit a new low, \$200,000, in May, albeit for an all-cash deal, which insiders don't consider representative.

## **TASH UBER BLACK/SUV DRIVER**

Tash, who preferred to use his nickname, was a field technician for Time Warner Cable when his wife, a health care aide, was put on bed rest during a pregnancy. To make up for her lost income, he began driving part time for Uber in 2013 and became a full-time driver in 2015.

**EARLY DAYS** He grossed \$8,000 to \$11,000 monthly, working 36 to 40 hours a week. "Uber gave me flexibility," he said. "I was working all the time, but I wasn't complaining."

**NOW** "You've got to work harder for the same amount."

**MONTHLY GROSS** About \$7,200 working 40 to 45 hours a week.

Weekly net: \$592, or \$13 to \$15 an hour, after a 20% commission, sales tax and contributing to the Black Car Fund for workers' comp, plus \$650 in expenses, including gas. "Six hundred is a good week."

**BLAMES** "Uber cut the fares and overflowed the market with so many drivers."

**THE FUTURE** "I am going to get back to what I know: being a cable tech. I stuck around this business thinking it was going to change in a positive way. But I'm not optimistic."

Sutirtha Bagchi, an economics professor at Villanova University who recently conducted a study on medallion prices, estimates the asset's value at \$400,000. His calculations combine data on fare-box totals, medallion-loan interest rates, labor costs and Google Trends search results, which he used to track Uber's growth.

Thomas O'Shea, CEO of Aspire Federal Credit Union, puts a medallion's value at \$450,000 to \$550,000. But the estimates are almost academic because there is essentially no market for the asset.

"This is the 2008 of the taxi-medallion industry," said Richard Feinsilver, a bankruptcy lawyer with offices in Queens and Nassau County, referring to the housing mortgage crisis. During the past six months, he has met with more than 200 medallion owners and worked out personal bankruptcy filings for around 100 of them. In the past month, almost 50% of the owners he's met with have been Melrose clients.

"Everybody got caught with their pants down when Uber came in," he said. "No one anticipated the behemoth it would become."

He added that Chapter 7 bankruptcy protection does not work for everyone, but that it has given his clients a fresh start. Many of them still drive a cab but lease rather than own.

"They realized they've got to change their business model," Feinsilver said. "Those loans weren't worth it anymore."

But the loss is hard to swallow nonetheless. Medina has painted his yellow Camry gray and turned it into a personal car. He has also begun driving a friend's cab, paying \$110 for each 12-hour daytime shift.

"I would like to change to something else," he said, "but this is the only thing I know."



## Uber, Lyft take down not just cab drivers, but also lenders

- Three New York-based credit unions that specialized in loaning money against taxi cab medallions have been placed into conservatorship.
- New York City has the nation's largest taxi industry, with more than 13,000 medallions.

Saturday, 15 Jul 2017 | 7:34 AM ETThe Associated Press

Ride-hailing apps such as Uber and Lyft have been so disruptive to New York City's taxi industry, they are causing lenders to fail.

Three New York-based credit unions that specialized in loaning money against taxi cab medallions, the hard-to-get licenses that allow the city's traditional cab fleet to operate, have been placed into conservatorship as the value of those medallions has plummeted.



Just three years ago, cab owners and investors were paying as much as \$1.3 million for a medallion. Now they are worth less than half that, and some medallion owners owe more on their loans than the medallions are worth.

"You've got borrowers who are under water. This is just like the subprime loan crisis," said Keith Leggett, a credit union analyst and former senior economist at the American Bankers Association.

LOMTO Federal Credit Union, which was founded by taxi drivers in 1936 for mutual assistance, was placed into conservatorship by the National Credit Union Administration on June 26 "because of unsafe and unsound practices."

New York City has the nation's largest taxi industry, with more than 13,000 medallions.

Marcelino Hervias bought his medallion in 1990 for about \$120,000 and thought its value would hit \$2 million by the time he was ready to retire.

Instead, the 58-year-old said he owes \$541,000 and is driving 12 to 16 hours a day to make ends meet.

"I celebrate my kids' birthdays over the phone. Why?" Hervias said.

While some medallions are held by large owners with fleets, owning a single medallion was long seen as a ticket to the middle class for immigrants like Hervias, who is from Peru.

Many of them now owe more on their medallion loans than they originally paid for the medallions **because they used their equity in the medallion for a home, a child's education or other expenses.**

Hervias said he **borrowed against his medallion to pay for medical care for his mother, a new car and a visit to his homeland.**

"Every time we want to go on vacation or do something, where do we go? **To the equity of the medallion,**" he said.

Other medallion owners tell similar stories.

Constant Granvil bought his medallion for \$102,000 in 1987 and said he now owes more than \$300,000 to his lender. He could have sold the medallion for two or three times that a few years ago, "but I said no, I'm not going to sell it," said Granvil, who is 76. "And then I got caught."

The value of Granvil's medallion is hard to pinpoint because 2017 sale prices have varied from the \$200,000s to the \$500,000s depending on whether lenders are willing to finance the purchase.

Meanwhile, Granvil, who no longer drives because of poor health and uses a broker to hire a driver, said **he is facing threats from the lender, Melrose Credit Union, to foreclose on not just his medallion, but also his house.**

"How am I going to live?" he said. "And now Melrose wants to take my house?"

The New York State Department of Financial Services took possession of Melrose Credit Union in February and appointed the NCUA as conservator.

**Critics say the federal agency is playing hardball with medallion owners like Granvil, who have been making their payments, by demanding that they pay off their loans in full or face foreclosure.**

**"They're approaching it with this cookie-cutter idea," said David Beier, head of the Committee for Taxi Safety, an association of taxi leasing agents. "They want you to mortgage your house to them as collateral. It's forcing borrowers into bankruptcy."**

John Fairbanks, a spokesman for the NCUA, said that the agency has hired a management team to run Melrose and that it would be inappropriate to comment on the management team's actions.

Supporters of the yellow cab industry have sued and pushed for city legislation to try to level the playing field between taxis and ride-hailing apps, which they say enjoy advantages like not paying a public transportation improvement surcharge that's levied on yellow cabs and not having to outfit a percentage of cars with disabled-access features.

City Council member Ydanis Rodriguez, who chairs the council's transportation committee, called this week for a panel to investigate the fall in medallion values.

According to a Morgan Stanley report, there were 11.1 million yellow cab trips in the city in April 2016, compared with 4.7 million Uber trips and 750,000 Lyft trips. The 11.1 million taxi rides were 9 percent fewer than the April 2015 number.

Some observers believe that the yellow cab's market share will continue to shrink and that the value of a medallion won't recover.

"This is a commodity that has been fundamentally disrupted," said Leggett, who has written about medallion loans in his online newsletter Credit Union Watch. "I don't see the value of the medallions getting close to what they were."





## Cab Drivers Protest Outside Offices Of CU's Attorney

07/19/2017 08:02 pm

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CHICAGO—Dozens of Chicago cab drivers took to the streets outside the offices of an attorney who represents a credit union here as part of a protest related to the foreclosures on taxi medallion loans, the values for which have plummeted as ride sharing services have emerged.

The cab drivers held their protest outside the West Loop offices of Frank Andreou, an attorney who represents New York City-based LOMTO Federal Credit Union, which primarily makes taxi medallion loans, according to the Chicago Tribune.



The \$237-million **LOMTO** was placed into conservatorship in June by NCUA, as *CUToday.info* reported [here](#).

"The taxi owner-operators carried signs, chanted and asked that 'aggressive' foreclosure tactics cease until the city of Chicago eases regulations and the industry stabilizes," the Tribune reported.

A letter to Andreou from Cab Drivers United, a union representing Chicago taxi drivers, was also delivered.

"Over the past year LOMTO has filed more foreclosure lawsuits against Chicago taxi medallion owners than any other lender," the letter claimed. It also asked for a moratorium on foreclosure lawsuits to give drivers time to modify their loans, the Tribune said.

According to the union, approximately 900 taxi medallion owners have received a medallion foreclosure notice from lenders in the past three years. In Chicago, 6,999 medallions have been issued by the city. The Tribune noted that medallions that were selling for approximately \$300,000 several years ago, are now selling for approximately \$50,000. The

average income per medallion has declined 39% since 2014, according to union-supplied data, the Tribune said.

Several taxi drivers interviewed by the Tribune indicated they were no longer making payments on their medallion loans, but continued to drive their cabs. **The drivers said they are seeking loan modifications, not repossessions.**