

Office of
Mortgage Settlement
Oversight

Final Crediting Report

The National Mortgage Settlement Monitor's Final Crediting Report



March 18, 2014

On March 18, 2014, I filed reports with the United States District Court for the District of Columbia confirming that Bank of America, CitiMortgage, JPMorgan Chase and Wells Fargo have all satisfied their consumer relief and refinancing relief obligations under the National Mortgage Settlement. The ResCap Parties, the fifth servicer subject to the Settlement, had already satisfied their consumer relief and refinancing obligations.

In total, the servicers have provided more than \$50 billion of gross dollar relief, which translates into more than \$20 billion in credited relief under the Settlement's scoring system. More than 600,000 families received some form of relief under the Settlement. Aggregate credited relief includes:

- \$7,589,277,740, or 37 percent of total credited relief, of first lien principal forgiveness.
- \$3,105,152,359, or 15 percent of total credited relief, of second lien forgiveness.
- \$3,587,672,814, or 17 percent of total credited relief, of refinancing assistance.
- \$6,410,554,173, or 31 percent of total credited relief, of other forms of relief, including, but not limited to, assistance related to short sales and deeds in lieu of foreclosure.

Seventy-six percent of such relief is related to loans owned by the servicers rather than serviced for other investors.

In addition to a more detailed presentation of the relief summarized above, this report to the public includes:

- A discussion of the servicers' relief obligations under the Settlement.
- An overview of the process through which my colleagues and I reviewed and confirmed the servicers' relief activities.
- A report of my conclusions regarding the servicers' satisfaction of their consumer relief and refinancing assistance obligations.

My team and I have thoroughly reviewed and tested the consumer relief and refinancing assistance activities discussed in this report. As a result, I am confident in concluding that the servicers have satisfied their obligations with regard to such activities.

I will continue monitoring and reporting on the servicers' performance in meeting their commitments regarding the servicing standards, or business practice reforms, required by the Settlement.

Sincerely,



Joseph A. Smith, Jr.

Introduction

As Monitor of the National Mortgage Settlement (NMS or Settlement), I have filed reports with the United States District Court for the District of Columbia (the Court) certifying that each servicer party to the NMS has fulfilled its consumer relief and refinancing obligations.¹ These reports provide the results of my review of the asserted consumer relief and refinancing activities (collectively, relief) for the final periods during which Bank of America, CitiMortgage (Citi), JPMorgan Chase (Chase) and Wells Fargo (Wells) completed their relief obligations. Copies of these reports are available [here](#). The ResCap Parties (ResCap) completed their relief obligations previously; my reports with respect to ResCap may be found [here](#).

I previously filed [interim reports](#) with the Court detailing my review of the servicers' relief activities through December 31, 2012. In addition, per the servicer's request, I previously filed an [interim report](#) detailing my review of Wells' relief activities through March 31, 2013. To provide a comprehensive overview of all the relief activity under the NMS, this summary discusses the total amount of relief provided by the servicers.

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

Conclusion

¹ I filed reports for Bank of America, CitiMortgage, JPMorgan Chase and Wells Fargo on March 18, 2014. I previously filed a report on the ResCap Parties on February 12, 2013 that included a finding of partial satisfaction of ResCap's relief obligations under the NMS. I then filed a report on January 23, 2014 that certified ResCap had fulfilled its solicitation requirements and thus completed its relief obligations under the NMS.

Structure of Relief under the Settlement

Under the Settlement, the servicers were required to provide relief to distressed borrowers within a three-year period, commencing March 1, 2012. The servicers' relief obligations comprise the following:

- Consumer relief – such as principal forgiveness, loan modifications and short sale assistance – for distressed borrowers who meet the Settlement's eligibility criteria.
- Refinancing assistance for certain borrowers who are current on their payments but who would not qualify for traditional refinancing because their loan-to-value ratios are too high.

Types of Relief

First and second lien modifications	Loan modifications, including principal reduction, for borrowers who are in default or at risk of default
Enhanced borrower transitional funds	Payments above \$1,500 made to borrowers in connection with a short sale or deed-in-lieu of foreclosure
Facilitation of short sales or deeds-in-lieu	Forgiveness of remaining balances on first or second lien mortgages or payments to unrelated second lien holders to facilitate short sales or deeds-in-lieu of foreclosure and releases of liens
Deficiency waivers	Waiver of loan amounts that remain due following a foreclosure on a first or second lien mortgage and release of liens
Forbearance for unemployed borrowers	Forgiveness of overdue payments on behalf of unemployed borrowers, and funds for traditional forbearance programs designed to keep unemployed borrowers in their homes until they can resume payments
Anti-bligh activities	Payments to demolish real-estate owned property to prevent blight, donations of such property to municipalities, nonprofits, disabled service members, or families of deceased service members or principal forgiveness in lieu of foreclosure.
Benefits for members of the armed services	Enhanced benefits for service members, including short-sale agreements and waivers of loan amounts due following a short sale
Refinancing programs	Rate-reduction assistance for homeowners who cannot refinance to lower rates because they would not have qualified for a refinance under the bank's generally available refinance programs as of September 30, 2011

The servicers' respective obligations are as follows:

<i>Servicer</i>	<i>Consumer Relief Obligations</i>	<i>Refinancing Obligations</i>	<i>Total Relief Obligations</i>
Bank of America	\$7,626,200,000	\$948,000,000	\$8,574,200,000
Chase	\$3,675,400,000	\$537,000,000	\$4,212,400,000
Citi	\$1,411,000,000	\$378,000,000	\$1,789,000,000
ResCap Parties	\$185,000,000	\$15,000,000	\$200,000,000
Wells Fargo	\$3,434,000,000	\$903,000,000	\$4,337,000,000

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

Conclusion

Credit for Consumer Relief

The Settlement defined various forms of consumer relief for which the servicers could receive credit. The servicers had some discretion as to the provision of these different kinds of relief to meet their overall obligations, although the Settlement established caps and minimums on certain types of relief.²

The Settlement requires that the servicer's first lien mortgage modifications credit equal at least 30 percent of its total consumer relief requirement and that the combination of first and second lien modifications equal at least 60 percent, which can be reduced by 10 percent of overall consumer relief funds for excess refinancing. Under the Settlement, no more than 12.5 percent, 5 percent, 10 percent and 12 percent of the servicer's total consumer relief funds may be through forgiveness of forbearance amounts on existing modifications, enhanced borrower transitional funds, deficiency waivers and anti-blight loss mitigation activities, respectively. Additionally, the Settlement requires that 85 percent of the first lien mortgages on occupied properties for which the servicer may get credit for first lien mortgage modifications have an unpaid principal balance before capitalization at or below the highest GSE conforming loan limit caps as of January 1, 2010.³

Furthermore, the servicers receive different amounts of credit depending on the type of consumer relief activity performed. Credit ranges from one dollar of credit for one dollar of certain types of first lien loan modifications to five cents of credit for a dollar of certain forbearance activities. This scoring system explains the difference between gross relief and credited relief under the NMS.

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

Conclusion

² The Settlement, Exhibit D-1.

³ The Settlement, Exhibit D, 1.b. GSE conforming loan limit caps as of January 1, 2010 are: 1 Unit, \$729,750; 2 Units, \$934,200; 3 Units, \$1,129,250; and 4 Units, \$1,403,400.

Credit for Refinancing Programs

Servicers could receive credit for refinancing first lien mortgages the servicer owns where the loan-to-value ratio is greater than 80 percent, provided that the borrower would not have qualified for a refinance under the servicer's generally available refinance programs as of September 30, 2011. The amount of credit for refinancing was based on how much and for how long the homeowner's interest payments were reduced.⁴

Bonuses and Penalties

The Settlement provided servicers a bonus credit of 25 percent for any first or second lien principal reduction or refinancing implemented on or before February 28, 2013. It also provided penalties from 125 percent to 140 percent of the unmet obligation if relief was not completed by the established deadlines.

Non-Creditable Requirements

The Settlement also imposed several non-creditable consumer relief requirements on each servicer, including that the servicer:

- Not implement any consumer relief “through policies that are intended to (i) disfavor a specific geography within or among states that are a party to [the Settlement] or (ii) discriminate against any protected class of borrowers;”
- Not require borrowers to waive or release legal claims and defenses as a condition of approval for loss mitigation;
- Modify second lien mortgages when a servicer party to the Settlement modifies a first lien mortgage;
- Extinguish certain second liens;
- Reduce credits claimed for consumer relief by the amount of state or federal incentive payments when they are the source of the claimed credit;
- Implement a refinancing program for all borrowers who meet specified minimum eligibility criteria;
- Identify and solicit active service members who have loans in the servicer's own portfolio and qualify for refinancing; and
- Waive any deficiency amount remaining on loans in its own portfolio after certain short sales when the seller is an eligible service member.

⁴ Credit for refinancing is based on the reduction in the monthly interest rate multiplied by the unpaid principal balance of the loan times a multiplier reflecting the term of the interest rate reduction. If the new rate applies for the life of the loan, the multiplier is eight for loans with a remaining term greater than 15 years, six for loans with a remaining term of 10 to 15 years, and five for loans with a remaining term less than 10 years. If the new rate applies for at least five years, but less than the remaining term of the loan, the multiplier is five.

Assertion and Testing of Relief

Crediting required the following actions by three distinct entities:

- **The servicer** performed the relief activities and reported to the state parties and me quarterly (State Reports). For testing and validation, it also reported its activities to its Internal Review Group (IRG), a group of servicer's employees or contractors that is independent of the servicer's mortgage loan servicing operations.
- **The IRG** tested and confirmed the eligibility of the servicer's relief activities and the amount of credited relief, and reported to me at the end of each calendar year (and more frequently under certain circumstances) and when the servicer asserted that it had satisfied its relief obligations.
- **As Monitor**, I ultimately determined whether and when a servicer satisfied its obligations. I worked with my primary professional firm (PPF), BDO Consulting, to review the IRG's satisfaction reports and conduct other procedures to determine whether the reports were correct and complete. My PPF also compared the relief information previously provided in the servicers' State Reports with the information the servicers reported to their IRGs to determine whether there were any material inaccuracies, identify any apparent differences, and inquire with the servicers and IRGs to understand those differences. Finally, my PPF and I determined whether the servicers complied with the Settlement's non-creditable requirements. After completing this work, the NMS required me to file reports with the Court detailing my conclusions on the servicer's performance.

Each IRG, my colleagues and I used methods outlined in a work plan to determine that all or a portion of the servicer's obligations had been performed or satisfied. These work plans were negotiated by the servicers and me and were reviewed by the Settlement's Monitoring Committee, which is comprised of representatives of the U.S. Department of Housing and Urban Development, the U.S. Department of Justice, and 15 states.

In October 2013, I filed interim reports with the Court outlining the progress of four of the servicers toward their relief obligations through December 31, 2012.⁵ Once each servicer was confident it had completed its total relief requirements, it reported its activities to its IRG. The IRG then reviewed the servicer's report and asserted to me the servicer's progress toward its obligations. I received these reports from the IRGs of Bank of America and Chase in spring 2013 and from Citi and Wells in summer 2013. My PPF then reviewed the IRGs' satisfaction reports and retested their testing samples to determine compliance.

Including the relief testing from all the interim and final reports, my team, comprising 65 individuals, spent more than 36,000 hours evaluating the five servicers' cumulative relief activities under the NMS.

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

Conclusion

⁵ I had earlier filed an interim report for ResCap in February 2013. I filed its final report in January 2014.

Determination of Performance

Based on the procedures outlined above, I have determined that the servicers have fully satisfied their relief obligations.

I have certified credited relief of more than \$20 billion out of more than \$50 billion of total gross dollar relief. As previously discussed, the amount of credit the servicers earned toward their obligations differs depending on the type of relief activity performed. I have also concluded that all the servicers complied with the Settlement's caps and minimums regarding the types of relief provided.

Relief Amounts

<i>Servicer</i>	<i>Number of Loans</i>	<i>Total Gross Dollar Relief</i> ⁶	<i>Total Credited Relief</i>	<i>Total Relief Obligations</i>
Bank of America	317,028	\$27,344,833,073	\$9,610,418,492	\$8,574,200,000
Chase	125,553	\$11,124,434,955	\$4,463,524,210	\$4,212,400,000
Citi	58,822	\$3,515,708,965	\$1,792,967,705	\$1,789,000,000
ResCap	7,434	\$554,086,749	\$257,411,785	\$200,000,000
Wells Fargo	122,719	\$7,923,863,398	\$4,568,334,894	\$4,337,000,000
Total	631,556	\$50,462,927,140	\$20,692,657,086	\$19,112,600,000

The gross dollar relief summarized above is slightly different than the gross dollar relief the servicers previously reported in their State Reports, which I summarized in *Final Progress Report*. Following exchanges between the IRGs and my PPF, my PPF and I have not identified any material inaccuracies in the servicers' State Reports. Differences occurred when I determined that certain loans were not eligible for credit or the servicers decided not to seek credit for particular loans.

Additionally, on the basis of the review conducted by my PPF and other professionals, I have no reason to believe that any of the servicers failed to comply with the non-creditable consumer relief requirements previously discussed.

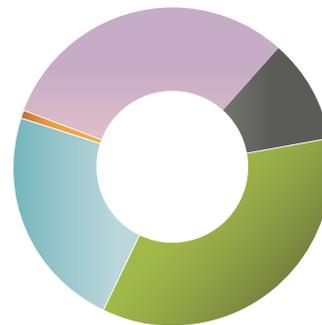
⁶ For refinanced loans, Total Gross Dollar Relief is the sum of the estimated benefit to borrowers from refinancing. The estimated benefit to a borrower whose loan was refinanced is determined by first calculating the product of the reduction of the interest rate and the unpaid principal balance of the loan and then multiplying that amount by a multiplier of 7.85, which represents the average period in which the reduced interest rate will be in effect. This multiplier is consistent with what some of the servicers have reported in their filings with the U.S. Securities and Exchange Commission.

Bank of America Results

I have confirmed that Bank of America met its consumer relief and refinancing obligations and is entitled to claim credit in the amount of \$9,610,418,492. Bank of America's report to the Court can be found [here](#). Bank of America has additional solicitation requirements that I am reviewing and will report on in the coming months.

- More than 35 percent of Bank of America's total earned credit from relief activities was through first lien mortgage modifications, and approximately 11 percent was through refinancing relief.
- Second lien portfolio modifications made up approximately 23 percent of Bank of America's total earned credit.
- Short sales and other types of consumer relief made up approximately 31 percent of Bank of America's total earned credit.
- Approximately 61 percent of the total earned credit was a result of relief afforded to borrowers on loans in Bank of America's mortgage loan portfolio that is held for investment; and the remainder was a result of relief afforded to borrowers on loans that Bank of America was servicing for other investors.

Total Credited Relief Bank of America - \$9,610,418,492



- **First lien modifications**
\$3,365,196,272
- **Second lien modifications**
\$2,210,934,257
- **Enhanced borrower transitional funds**
\$68,349,672
- **Short sales/Deeds-in-lieu**
\$2,952,168,609
- **Refinances**
\$1,013,769,682

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

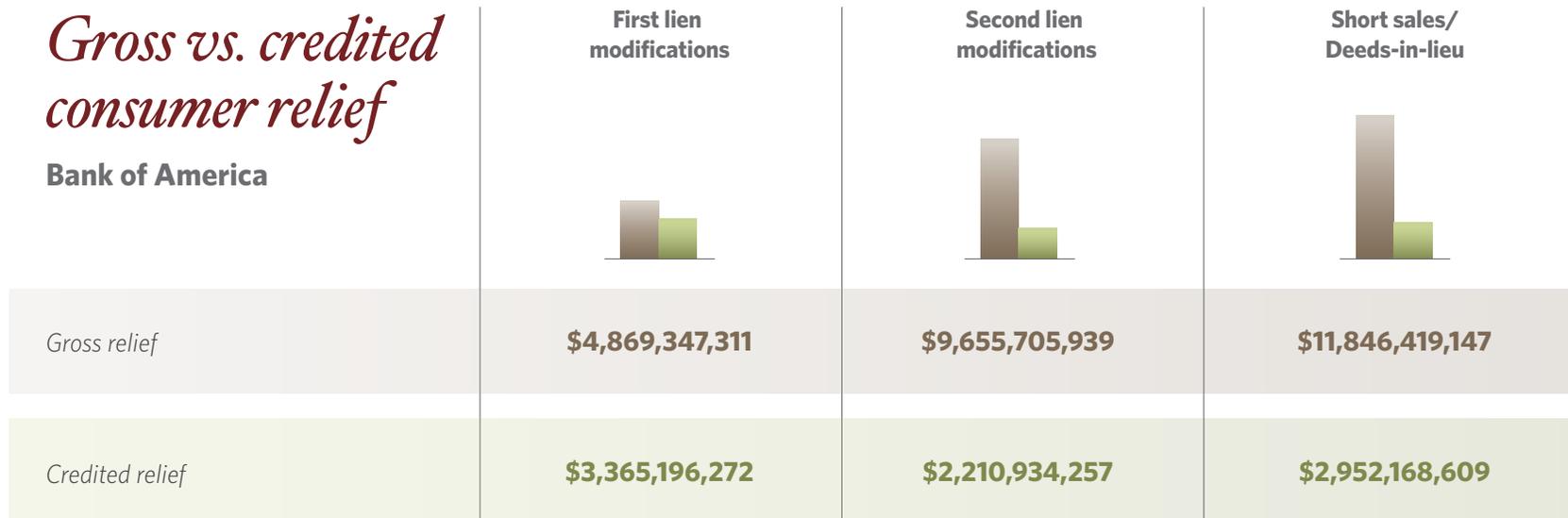
ResCap Results

Wells Results

Conclusion

A breakdown of the total relief credit, by type of relief, earned by Bank of America is set forth below:

<i>Type of Relief</i>	<i>Number of Loans</i>	<i>Total Gross Dollar Relief</i>	<i>Total Credited Relief</i>
First Lien Mortgage Modifications	32,858	\$4,869,347,311	\$3,365,196,272 ⁷
Second Lien Portfolio Modifications	141,539	\$9,655,705,939	\$2,210,934,257
Refinancing Program	20,247	\$811,006,154	\$1,013,769,682
Other Creditable Items	122,384	\$12,008,773,669	\$3,020,518,281
- Enhanced Borrower Transitional Funds	23,525	\$162,354,522	\$68,349,672
- Short Sales/Deeds-in-Lieu	98,859	\$11,846,419,147	\$2,952,168,609
Total Relief Programs	317,028	\$27,344,833,073	\$9,610,418,492



⁷ Bank of America exceeded by more than \$850,000,000 its minimum first lien mortgage modification requirement of \$2,287,860,000. As a result, Bank of America is relieved of the obligation set forth in the Settlement to make a deferred payment of that amount.

Chase Results

I have confirmed that Chase completed \$4,463,524,210 in total credited relief and has therefore completed its relief obligations. Chase's report to the Court can be found [here](#).

- More than 41 percent of Chase's total earned credit from relief activities was through first lien mortgage modifications, and approximately 14 percent was through refinancing relief.
- Second lien portfolio modifications made up approximately 7 percent of Chase's total earned credit.
- Short sales and other types of consumer relief made up approximately 38 percent of Chase's total earned credit.
- Approximately 71 percent of the total earned credit was a result of relief afforded to borrowers on loans in Chase's mortgage loan portfolio that is held for investment, and the remainder was a result of relief afforded to borrowers on loans that Chase was servicing for other investors.

Total Credited Relief Chase - \$4,463,524,210



- **First lien modifications**
\$1,851,496,721
- **Second lien modifications**
\$308,672,792
- **Enhanced borrower transitional funds**
\$136,957,159
- **Short sales/Deeds-in-lieu**
\$1,495,692,789
- **Anti-blight activities**
\$37,499,126
- **Refinances**
\$623,424,705
- **Payments to unrelated second lien holders**
\$9,780,918

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

Conclusion

A breakdown of the total relief credit, by type of relief, earned by Chase is set forth below:

<i>Type of Relief</i>	<i>Number of Loans</i>	<i>Total Gross Dollar Relief</i>	<i>Total Credited Relief</i>
First Lien Mortgage Modifications	26,422	\$2,914,871,594	\$1,851,496,721
Second Lien Portfolio Modifications	30,287	\$2,234,144,451	\$308,672,792
Refinancing Program	12,688	\$492,247,276	\$623,424,705
Other Creditable Items	56,156	\$5,483,171,634	\$1,679,929,992
- Enhanced Borrower Transitional Funds	9,525	\$170,177,249	\$136,957,159
- Payment to an Unrelated 2 nd Lien Holder	1,750	\$15,962,950	\$9,780,918
- Short Sales/Deeds-in-Lieu	44,324	\$5,259,532,309	\$1,495,692,789
- REO Properties Donated	557	\$37,499,126	\$37,499,126
Total Relief Programs	125,553	\$11,124,434,955	\$4,463,524,210

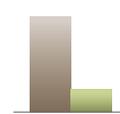
Gross vs. credited consumer relief

Chase

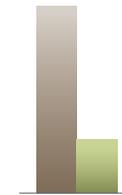
First lien modifications



Second lien modifications



Short sales/ Deeds-in-lieu



Gross relief

\$2,914,871,594

\$2,234,144,451

\$5,259,532,309

Credited relief

\$1,851,496,721

\$308,672,792

\$1,495,692,789

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

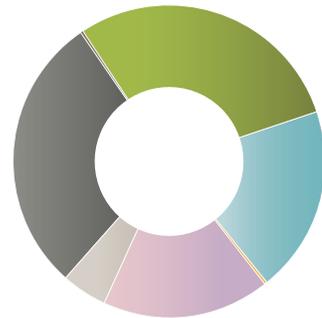
Conclusion

Citi Results

I have confirmed that Citi completed \$1,792,967,705 in total credited relief and has therefore completed its relief obligations. Citi's report to the Court can be found [here](#).

- More than 29 percent of Citi's total earned credit from relief activities was through first lien mortgage modifications, and approximately 29 percent was through refinancing relief.
- Second lien portfolio modifications made up approximately 20 percent of Citi's total earned credit.
- Short sales and other types of consumer relief made up approximately 22 percent of Citi's total earned credit.
- Approximately 99.6 percent of the total earned credit was a result of relief afforded to borrowers on loans in Citi's mortgage loan portfolio that is held for investment. The remainder was a result of relief afforded to borrowers on loans that Citi was servicing for other investors.

Total Credited Relief Citi - \$1,792,967,705



■	First lien modifications	\$524,062,757
■	Second lien modifications	\$348,564,573
■	Enhanced borrower transitional funds	\$842,377
■	Short sales/Deeds-in-lieu	\$316,159,020
■	Anti-blight activities	\$82,625,807
■	Refinances	\$519,098,690
■	Payments to unrelated second lien holders	\$1,614,481

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

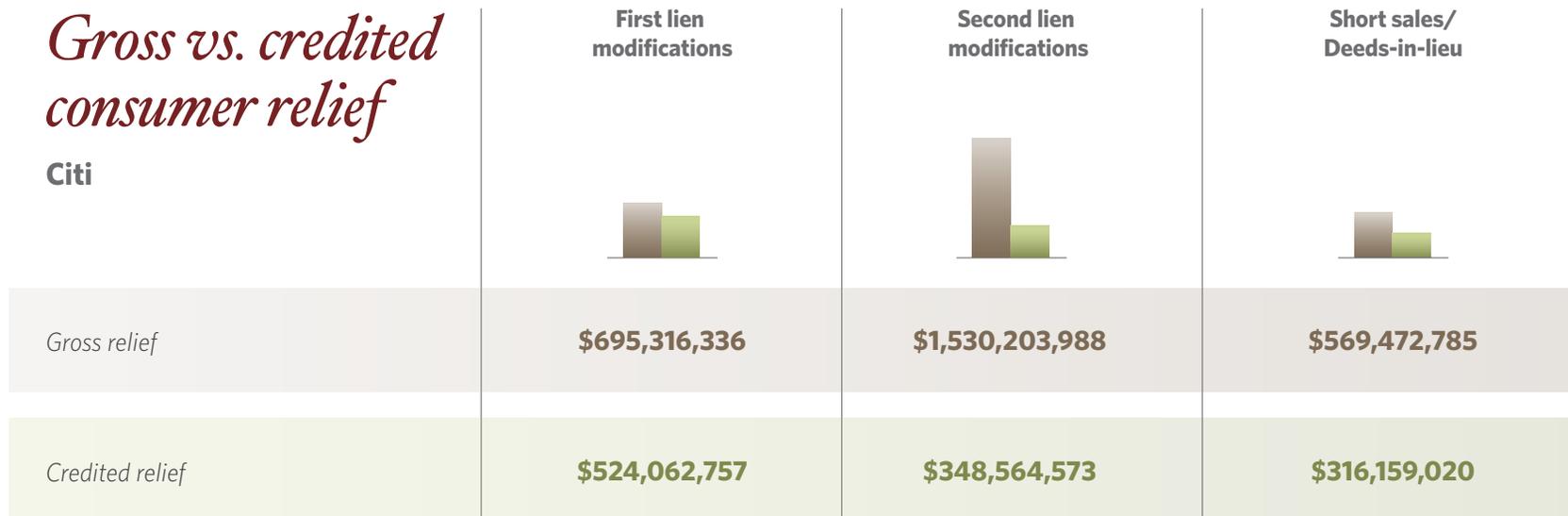
ResCap Results

Wells Results

Conclusion

A breakdown of the total relief credit, by type of relief, earned by Citi is set forth below:

<i>Type of Relief</i>	<i>Number of Loans</i>	<i>Total Gross Dollar Relief</i>	<i>Total Credited Relief</i>
First Lien Mortgage Modifications	10,617	\$695,316,336	\$524,062,757
Second Lien Portfolio Modifications	23,098	\$1,530,203,988	\$348,564,573
Refinancing Program	13,407	\$404,795,612	\$519,098,690
Other Creditable Items	11,700	\$885,393,029	\$401,241,685
- Enhanced Borrower Transitional Funds	178	\$1,253,377	\$842,377
- Payment to an Unrelated 2 nd Lien Holder	289	\$1,853,943	\$1,614,481
- Short Sales/Deeds-in-Lieu	6,712	\$569,472,785	\$316,159,020
- Forgiveness in Lieu of Foreclosure	4,521	\$312,812,924	\$82,625,807
Total Relief Programs	58,822	\$3,515,708,965	\$1,792,967,705



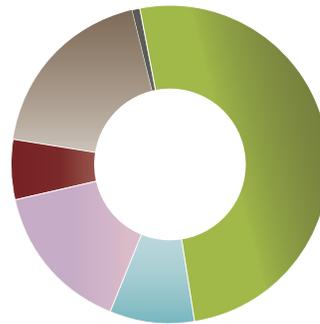
- Introduction
- Structure of Relief under the Settlement
- Assertion and Testing of Relief
- Determination of Performance
- Bank of America Results
- Chase Results
- Citi Results**
- ResCap Results
- Wells Results
- Conclusion

ResCap Results

I have confirmed that ResCap completed \$257,411,785 in total credited relief, thus satisfying its relief obligations under the Settlement. ResCap's report to the Court can be found [here](#). My report on ResCap's completion of its solicitation requirements can be found [here](#).

- More than 50 percent of ResCap's total earned credit from relief activities was through first lien mortgage modifications, and approximately 19 percent was through refinancing relief.
- Second lien portfolio modifications made up approximately 9 percent of ResCap's total earned credit.
- Short sales and other types of consumer relief made up approximately 22 percent of ResCap's total earned credit.
- Approximately 84 percent of the total earned credit was a result of relief afforded to borrowers on loans in the ResCap mortgage loan portfolio that is held for investment, and the remainder was a result of relief afforded to borrowers on loans that ResCap was servicing for other investors.

Total Credited Relief ResCap - \$257,411,785



- **First lien modifications**
\$130,324,492
- **Second lien modifications**
\$22,589,924
- **Short sales/Deeds-in-lieu**
\$39,425,927
- **Deficiency waivers**
\$15,121,743
- **Refinances**
\$48,349,699
- **Contribution to Hope Loan Portal**
\$1,600,000

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

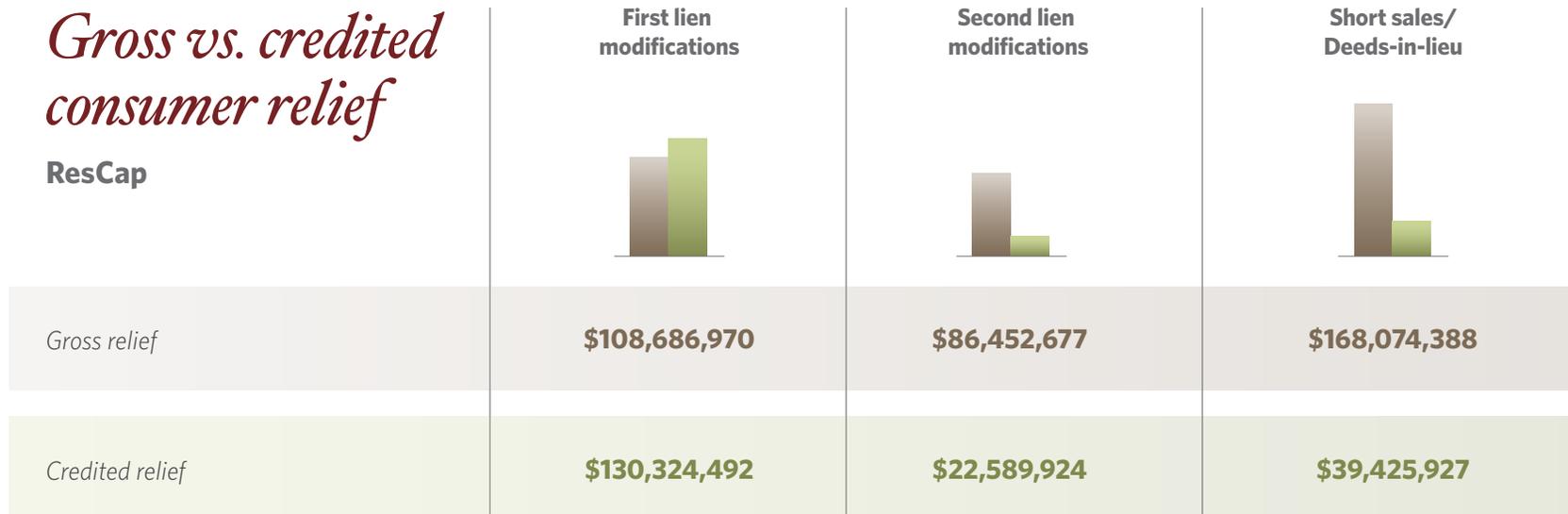
ResCap Results

Wells Results

Conclusion

A breakdown of the total relief credit, by type of relief, earned by ResCap is set forth below:

Type of Relief	Number of Loans	Total Gross Dollar Relief	Total Credited Relief
First Lien Mortgage Modifications	1,149	\$108,686,970	\$130,324,492
Second Lien Portfolio Modifications	1,582	\$86,452,677	\$22,589,924
Refinancing Program	594	\$38,055,289	\$48,349,699
Other Creditable Items	4,109	\$320,891,813	\$56,147,670
- Short Sales/Deeds-in-Lieu	1,719	\$168,074,388	\$39,425,927
- Deficiency Waivers	2,390	\$151,217,425	\$15,121,743
- Contribution to Borrower HOPE Loan Portal	n/a	\$1,600,000	\$1,600,000
Total Relief Programs	7,434	\$554,086,749	\$257,411,785



Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

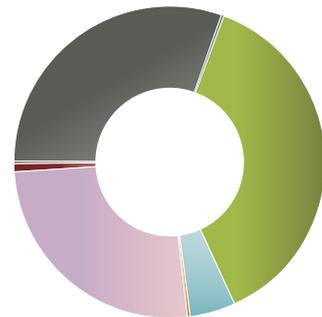
Conclusion

Wells Results

I have confirmed that Wells completed \$4,568,334,894 in total credited relief, thus fulfilling its relief obligations under the Settlement. Wells' report to the Court can be found [here](#).

- Approximately 38 percent of Wells' total earned credit from relief activities was through first lien mortgage modifications, and approximately 30 percent was through refinancing relief.
- Second lien portfolio modifications made up approximately 5 percent of Wells' total earned credit.
- Short sales and other types of consumer relief made up approximately 27 percent of Wells' total earned credit.
- All but \$51,202 of Wells' \$4,568,334,894 credit was the result of relief afforded to borrowers on loans in its mortgage loan portfolio that are held for investment.

Total Credited Relief Wells - \$4,568,334,894



■	First lien modifications	\$1,718,197,498
■	Second lien modifications	\$214,390,813
■	Enhanced borrower transitional funds	\$12,675,400
■	Short sales/Deeds-in-lieu	\$1,186,566,813
■	Deficiency waivers	\$39,397,160
■	Anti-blight activities	\$4,943,461
■	Refinances	\$1,383,030,038
■	Payments to unrelated second lien holders	\$9,133,711

Introduction

Structure of Relief under the Settlement

Assertion and Testing of Relief

Determination of Performance

Bank of America Results

Chase Results

Citi Results

ResCap Results

Wells Results

Conclusion

A breakdown of the total relief credit, by type of relief, earned by Wells is set forth below:

<i>Type of Relief</i>	<i>Number of Loans</i>	<i>Total Gross Dollar Relief</i>	<i>Total Credited Relief</i>
First Lien Mortgage Modifications	24,010	\$1,762,406,092	\$1,718,197,498
Second Lien Portfolio Modifications	23,864	\$1,616,236,125	\$214,390,813
Refinancing Program	25,981	\$1,107,251,002	\$1,383,030,038
Other Creditable Items	48,864	\$3,437,970,179	\$1,252,716,545
- Enhanced Borrower Transitional Funds	7,445	\$12,675,400	\$12,675,400
- Short Sales/Deeds-in-Lieu	32,833	\$3,017,246,010	\$1,186,566,813
- Payments to Unrelated 2 nd Lien Holders	1,358	\$9,133,711	\$9,133,711
- Payments of Cash for Demolition of Property	20	\$82,463	\$82,463
- REO Properties Donated	236	\$4,860,998	\$4,860,998
- Deficiency Waivers	6,972	\$393,971,597	\$39,397,160
Total Relief Programs	122,719	\$7,923,863,398	\$4,568,334,894

- Introduction
- Structure of Relief under the Settlement
- Assertion and Testing of Relief
- Determination of Performance
- Bank of America Results
- Chase Results
- Citi Results
- ResCap Results
- Wells Results**
- Conclusion



Conclusion

The crediting reports I have just filed with the Court confirm that the servicers have satisfied their relief obligations under the NMS. This milestone allows me to make several conclusions. First, this bipartisan settlement among 49 states, the federal government and mortgage servicers resulted in an unprecedented amount of consumer relief. Further, the Settlement incentivized the servicers to provide relief early, which meant distressed borrowers benefited from the relief within 18 months of the Settlement’s effective date. The Settlement parties negotiated a strong agreement that allowed me to implement a rigorous review process, keeping the servicers accountable to their obligations and, I hope, inspiring confidence in the government parties and the public that the servicers in fact satisfied their consumer relief and refinancing obligations.

My team and I continue to test certain servicers’ consumer relief work for the separate agreements they have with particular states, along with Bank of America’s mandatory solicitation obligations. We also are monitoring the servicers’ compliance with the Settlement’s servicing rules, and I look forward to sharing my next compliance reports with the Court and public later this spring.

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Conclusion

