

Office of
Mortgage Settlement
Oversight

Continued Oversight

A Report from the Monitor of the National Mortgage Settlement



December 16, 2014

The following summary is an overview of the fourth set of compliance reports that I have filed with the United States District Court for the District of Columbia (the Court) as Monitor of the National Mortgage Settlement. The summary includes:

- An overview of the process through which my colleagues and I have reviewed the servicers' performance on the Settlement's servicing reforms
- An update on the servicers' plans to correct issues outlined in this and prior reports
- Summaries of each servicer's compliance for the first and second calendar quarters of 2014, including compliance with the four new additional metrics I issued in October 2013
- An analysis of complaints received from distressed borrowers and the professionals who represent them



I reported a total of three potential violations in the first two quarters of this year, the relevant test periods for this report. In the first quarter of 2014, Bank of America failed Metrics 7 and 19 and Citi failed Metric 20. There were no reported fails in the second quarter of 2014.

In May of 2014, I reported that Green Tree failed eight metrics in the fourth quarter of 2013 and had much work to do. I have since reviewed the corrective action plans Green Tree proposed to address the root causes of these fails and summarized them in this report. Green Tree reported, and I confirmed, that the servicer passed Metrics 10 and 12 in the second quarter of 2014, two of the metrics it previously failed. The six other previously failed metrics will be tested in subsequent test periods.

I filed with the Court an interim report on Ocwen's progress for the relevant test periods. In May 2014, an Ocwen employee contacted a member of the Monitoring Committee and alleged serious deficiencies in the internal review group (IRG) process, which called into question the IRG's independence and the integrity of the IRG's operations. Based on these allegations, I launched an investigation into the claims. After my team and I reviewed numerous documents and interviewed several Ocwen personnel, I concluded that I could not rely on the work of Ocwen's IRG for the first half of 2014. Therefore, I exercised my authority under the Settlement and tasked McGladrey, an independent accounting firm, to retest Ocwen's performance on a number of metrics.

Additionally, after reviewing a letter issued by the New York Superintendent of Financial Services, which indicated that the date on certain correspondence from Ocwen to its consumers was incorrect, I directed Ocwen to scope, correct and remediate this letter dating problem. Again, I engaged McGladrey to perform additional work to confirm that Ocwen is complying with the Settlement. McGladrey's work on both issues is ongoing, and I will report to the Court when it has been completed.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Smith".

Joseph A. Smith, Jr.

Introduction

As required by the National Mortgage Settlement (Settlement or NMS), I have filed compliance reports with the United States District Court for the District of Columbia (the Court) for each servicer that is a party to the Settlement. The servicers include four of the original parties – Bank of America, N.A. (Bank of America), J.P. Morgan Chase Bank, N.A. (Chase), CitiMortgage, Inc. (Citi) and Wells Fargo & Company (Wells Fargo). Essentially all of the servicing assets of the fifth original servicer party, the ResCap Parties, were sold to and divided between Ocwen Financial Corporation (Ocwen) and Green Tree Servicing, LLC (Green Tree) pursuant to a Feb. 5, 2013, bankruptcy court order. Accordingly, Ocwen and Green Tree are now subject to the NMS for the portions of their portfolios acquired from the ResCap Parties estate.¹

These reports provide the results of my testing on compliance with the NMS servicing standards during the first and second calendar quarters of 2014, or test periods seven and eight of the NMS. They are the fourth set of reports on the original four servicers, the third for Ocwen and the second on Green Tree. Copies of all the reports filed with the Court are available on my website, mortgageoversight.com.

¹ The Court separately entered a consent judgment between Ocwen and government parties on Feb. 26, 2014, as part of the NMS, thereby subjecting Ocwen's entire portfolio to the Settlement's requirements. Accordingly, beginning the third quarter of 2014, Ocwen's entire portfolio is subject to the Settlement's requirements.

Oversight Process

As Monitor, I continue to work closely with a team of professional firms to oversee the servicers' compliance with the servicing standards. BDO Consulting, a division of BDO USA, LLP (BDO), serves as my primary professional firm (PPF). My team also consists of five secondary professional firms (SPFs); each one is assigned to a servicer. These firms continue to assist me in providing rigorous oversight of the servicers. For more information about the professional firms I work with, please see my previous reports.

To assess how the servicers adhered to the 304 servicing standards, or rules, outlined in the NMS, the servicers were evaluated using 29 metrics, or tests, enumerated in the Settlement and the four additional metrics I later negotiated with the servicers and the Monitoring Committee. The Monitoring Committee is composed of representatives from 15 states, the United States Department of Housing and Urban Development, and the United States Department of Justice.

The servicers each follow work plans approved by me and not objected to by the Monitoring Committee, in which an internal review group (IRG) determines whether the servicer's activities comply with the Settlement terms. More information on the IRG and work plans can be found in my previous reports. I then work with my PPF and my respective SPF to review the work of each servicer's IRG. I determine if the IRG's work is satisfactory and report my findings to the Court and the public.

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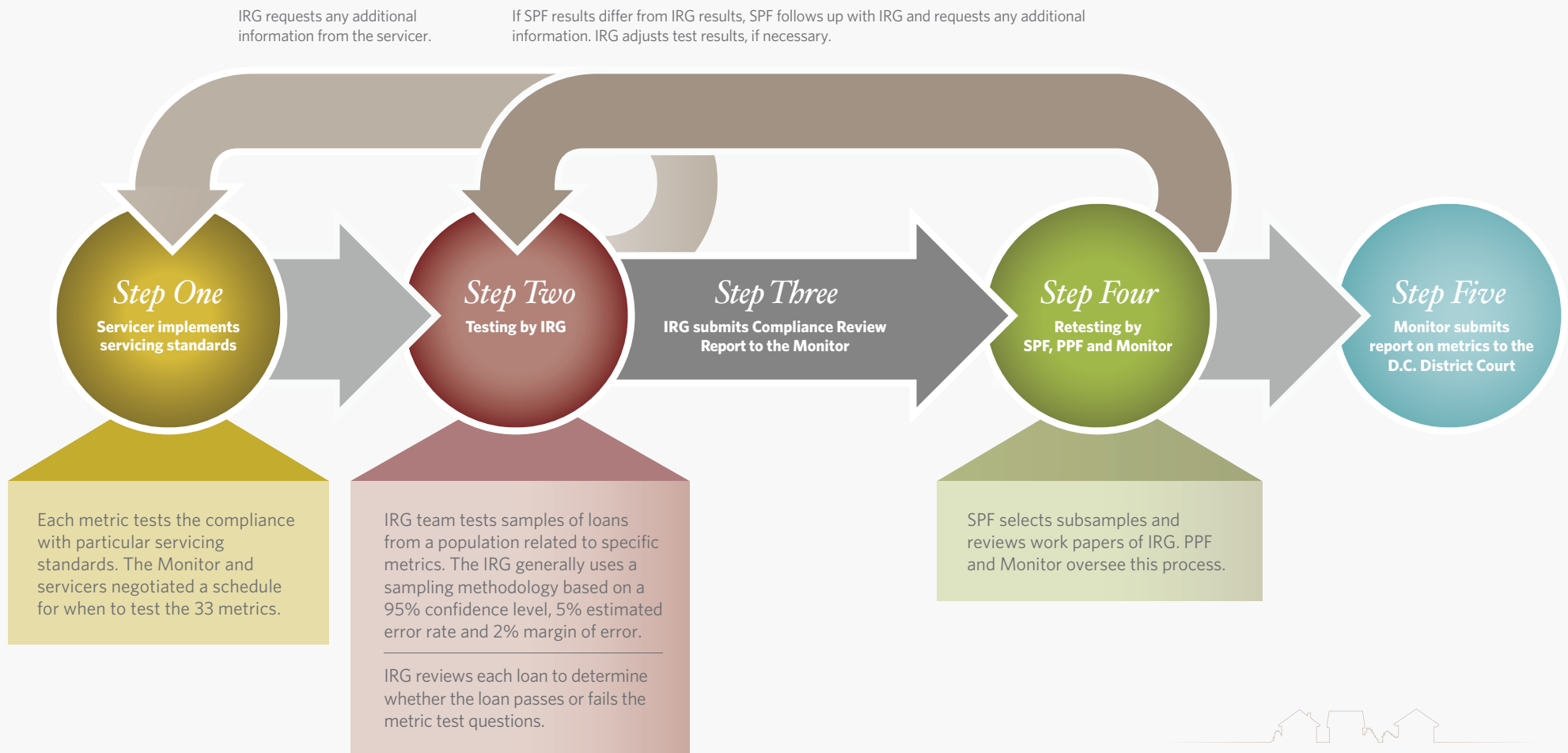
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MONITOR'S ROLE:

Testing a Metric

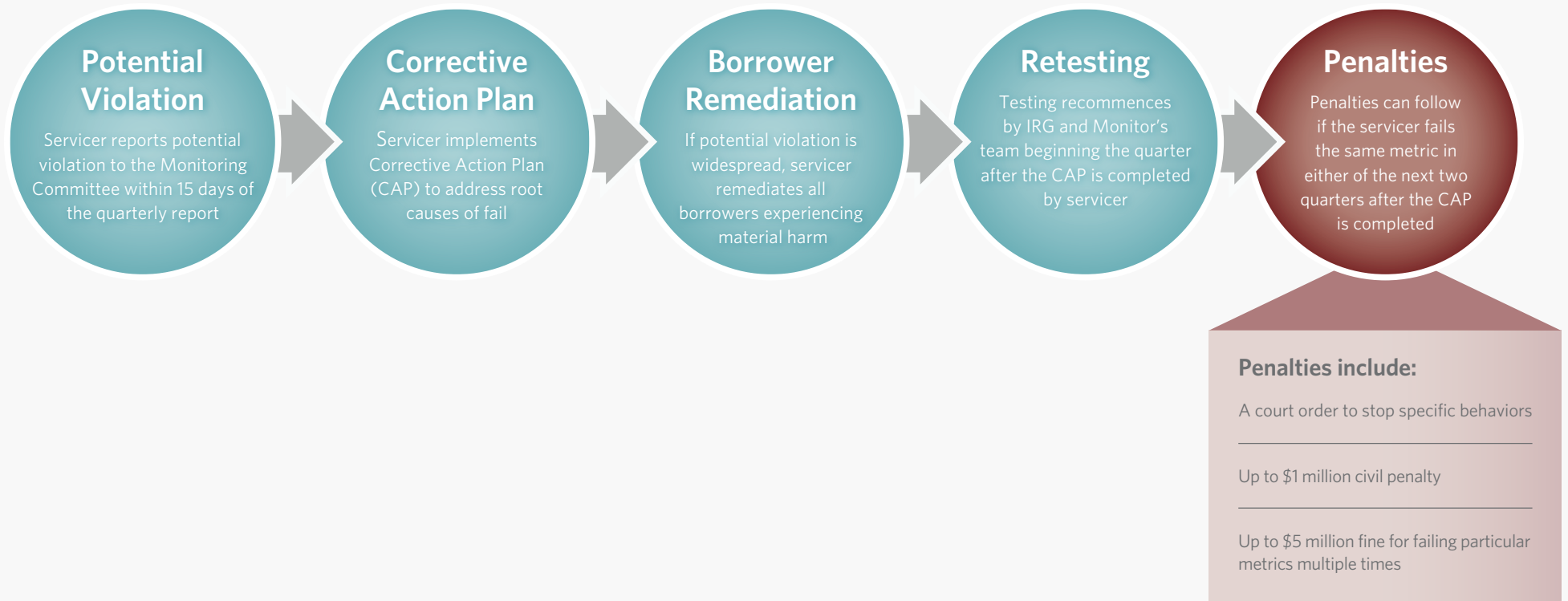
The Internal Review Groups tested, and my professional firms retested, the servicers' performance on each metric. The graphic below illustrates the process by which the metrics for each servicer were tested.



FAILS:

What's Next?

The NMS deems a failed metric as a potential violation that the servicer can cure. The servicer must develop and implement a corrective action plan (CAP) to address the root causes of the fail. The quarter after I approve the CAP and determine it complete, the servicer's IRG resumes testing. Penalties can follow if the servicer fails the same metric again in either of the next two quarters after a CAP is completed. For more information on what happens when a servicer fails a metric, see the graphic below. I also included information on fails and CAPs in my previous reports, available at mortgageoversight.com.



This report covers test periods seven and eight (see below). During these periods, my professionals and I tested each servicer except Ocwen on up to 29 of the original metrics and all four of the new metrics.² See the metric testing timeline in Appendix i for details on the metrics we used to test each servicer.

The work to test the six servicers in test periods seven and eight involved 335 professionals, including my PPF, SPFs and other professionals who dedicated approximately 100,640 hours over a six-month period.

NMS Test Period	1	2	3	4
Calendar Quarter	Q3 2012	Q4 2012	Q1 2013	Q2 2013
	5	6	7	8
	Q3 2013	Q4 2013	Q1 2014	Q2 2014

Metric Testing Timeline

The Internal Review Groups tested, and my professional firms related, the servicers on the servicing standards associated with the metrics. The table below illustrates the time periods in which the metrics for each servicer were tested.

Office of Mortgage Settlement Oversight

METRIC NO.	TITLE/DESCRIPTION	TEST PERIOD 7 (January 1, 2014 - March 31, 2014)				TEST PERIOD 8 (April 1, 2014 - June 30, 2014)					
		B OF A	CHASE	CITI	GREEN TREE	WELLS	B OF A	CHASE	CITI	GREEN TREE	WELLS
1	Foreclosure sale in error (1.A)	●	●	●	●	●	●	●	●	●	
2	Interest modification denial (1.B)	●	●	●	●	●	●	●	●	●	
3	Affidavit of Indebtedness (AOI) preparation (2.A)	●	●	●	●	●	●	●	●	●	
4	Proof of Claim (POC) (2.B)	●	●	●	●	●	●	●	●	●	
5	Motion for Relief from Stay (MRS) affidavits (2.C)	●	●	●	●	●	●	●	●	●	
6	Pre-foreclosure initiation (3.A)	●	●	●	●	●	●	●	●	●	
7	Pre-foreclosure initiation notifications (3.B)	●	●	●	●	●	●	●	●	●	
8	Fee adherence to guidance (4.A)	●	●	●	●	●	●	●	●	●	
9	Adherence to customer payment processing (4.B)	●	●	●	●	●	●	●	●	●	
10	Reconciliation of certain waived fees (4.C)	●	●	●	●	●	●	●	●	●	
11	Late fees adherence to guidance (4.D)	●	●	●	●	●	●	●	●	●	
12	Third-party vendor management (5.A)	●	●	●	●	●	●	●	●	●	
13	Customer portal (5.B)	●	●	●	●	●	●	●	●	●	
14	Single Point of Contact (SPOC) (5.C)	●	●	●	●	●	●	●	●	●	
15	Workforce management (5.D) ^{**}	●	●	●	●	●	●	●	●	●	
16	Affidavit of Indebtedness (AOI) integrity (5.E) ^{**}	●	●	●	●	●	●	●	●	●	
17	Account status activity (5.F) ^{**}	●	●	●	●	●	●	●	●	●	
18	Complaint response timeliness (6.A)	●	●	●	●	●	●	●	●	●	
19	Loan modification document collection timeliness compliance (6.B)	●	●	●	●	●	●	●	●	●	
20	Loan modification decision/notification timeliness compliance (6.B.I)	●	●	●	●	●	●	●	●	●	
21	Loan modification appeal timeliness compliance (6.B.II)	●	●	●	●	●	●	●	●	●	
22	Short sale decision timeliness compliance (6.B.II)	●	●	●	●	●	●	●	●	●	
23	Short sale document collection timeliness compliance (6.B.IV)	●	●	●	●	●	●	●	●	●	
24	Charge of application fees for loss mitigation (6.B.V)	●	●	●	●	●	●	●	●	●	
25	Short sale inclusion notice for deficiency (6.B.VI)	●	●	●	●	●	●	●	●	●	
26	Dual track referred to foreclosure (6.B.VII)	●	●	●	●	●	●	●	●	●	
27	Dual track failure to postpone foreclosure (6.B.VIII)	●	●	●	●	●	●	●	●	●	
28	Force-placed insurance timeliness of notices (6.C)	●	●	●	●	●	●	●	●	●	
29	Force-placed insurance termination (6.C.I)	●	●	●	●	●	●	●	●	●	
30	Loan Modification Process (7.A)	●	●	●	●	●	●	●	●	●	
31	Loan Modification Denial Notice Disclosure (7.B)	●	●	●	●	●	●	●	●	●	
32	SPOC Implementation and Effectiveness (7.C)	●	●	●	●	●	●	●	●	●	
33	Billing Statement Accuracy (7.D)	●	●	●	●	●	●	●	●	●	
TOTALS		27	28	28	18	28	29	30	29	24	30

^{**} Policy and procedure metrics that is tested once a year.
^{**} The Servicer reported to the Monitoring Committee and me that a Potential Violator occurred for this Metric in a previous test period.
 As a result, this metric is currently under a Corrective Action Plan (CAP) and will be tested again until the CAP has been satisfactorily completed.

See **Appendix i** for larger version

²This report does not cover Ocwen's progress during test periods seven and eight. See the Ocwen section for more information.

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Additional Metrics

This is the first report to include testing on the four additional metrics I negotiated to address concerns related to issues involving the loan modification process, single points of contact and billing statement accuracy.

After my professionals' review, I found that all servicers tested on these new metrics passed them. I began to test the servicers on two of these metrics in the first quarter of 2014. These metrics were created to ensure that servicers:

- Provide customers with contact information for new single points of contact and implement procedures that evaluate and remediate single points of contact performance
- Use accurate, detailed information in monthly billing statements to customers

I started testing the servicers on the other two metrics during the second quarter of 2014. These metrics are related to the loan modification process and were created to:

- Test key aspects of servicers' communications with borrowers whose loan modification application was ultimately declined due to missing or incomplete documents
- Ensure that loan modification applications are not prematurely denied and that foreclosure proceedings are delayed to allow appropriate time for distressed borrowers to provide additional documentation
- Confirm that servicers communicate relevant information to borrowers in loan modification denial notice disclosures

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Bank of America Results

In test period seven, Bank of America's IRG identified potential violations for Metrics 7 and 19. Cure period testing of Metric 5 resumed in test period eight, and the IRG reported that the servicer passed. Descriptions of Bank of America's CAPs for Metrics 5, 7 and 19 are below.

Metric 5 evaluates whether the servicer accurately stated amounts due from borrowers in affidavits filed in support of motions for relief from stay in bankruptcy proceedings. I determined that Bank of America completed its CAP. Cure period testing of Metric 5 resumed in test period eight. The IRG reported, and I confirmed, that Bank of America passed.

Metric 7 evaluates the timeliness, accuracy and completeness of pre-foreclosure initiation notification (PFN) letters. I determined that Bank of America completed its CAP. The IRG will resume cure period testing in test period ten.

Metric 19 tests whether the servicer notified the borrower of any missing or incomplete documents in a loan modification application within five days of the receipt. I determined that Bank of America completed its CAP. The IRG will resume cure period testing in test period nine.

SCORECARD: Bank of America					Office of Mortgage Settlement Oversight				
The Monitor's Secondary Professional Firm (SPF) assigned to Bank of America, Cross Horwath LLP, tested 27 metrics during test period seven and 29 metrics during test period eight. The chart below displays the results of the IRG's tests.									
METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD	REPLY PERIOD	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD	REPLY PERIOD
Debit card sale error	12.01	10/1/14	100%	Pass	Consumer response feedback	12.01	10/1/14	100%	Pass
Debit card modification denial	12.02	10/1/14	100%	Pass	Loan modification document collection/transfer compliance	12.01	10/1/14	100%	Pass
Affidavit of Indebtedness (AOI) compliance	12.03	10/1/14	100%	Pass	Loan modification document verification/compliance	12.01	10/1/14	100%	Pass
Proof of Claim (POC)	12.04	10/1/14	100%	Pass	Loan modification	12.01	10/1/14	100%	Pass
Motion for Relief from Stay (MRS) affidavits	12.05	10/1/14	100%	Pass	Report borrower compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation	12.06	10/1/14	100%	Pass	Start date document	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.07	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.08	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.09	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.10	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.11	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.12	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.13	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.14	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.15	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.16	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.17	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.18	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.19	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.20	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.21	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.22	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.23	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.24	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.25	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.26	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.27	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.28	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.29	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass
Pre-foreclosure initiation notification	12.30	10/1/14	100%	Pass	Start date document collection/transfer compliance	12.01	10/1/14	100%	Pass

BANK OF AMERICA Corrective Action Plan (CAP) for Metric 5

Bank of America developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Enhancing the quality assurance by implementing a 100 percent review of pre-foreclosure initiation notification (PFN) letters prior to mailing.
- Implementing various systemic coding changes to remedy the fail's root causes.
- Enhancing the loan for loss mitigation workflow to include borrowers with payment modifications who were referred to normal servicing while delinquent.
- Implementing other special procedures to handle cases that the system will not be able to process, including a manual PFN letter process for generating Loss Mitigation Statements.

THE CAP INCLUDED:

- Enhancing quality and developing enhanced training for associates involved in the new process.
- Enhancing the accuracy of the system of Record (SOR) to improve accuracy of interest calculations.

Process Flow: Bank of America failed Metric 5 → Notify Monitoring Committee → Develop Corrective Action Plan (CAP) → Implement CAP → CAP complete and testing resumed.

Timeline: Bank of America failed Metric 5 in 2014. As a result, the MRS required Bank of America to develop a CAP to ensure future compliance with the metric, which requires whether the servicer accurately stated amounts due from borrowers in affidavits filed in support of motions for relief from stay in bankruptcy proceedings.

Approval: Bank of America met with the Monitoring Committee to report that it failed Metric 5. The Monitor approved the CAP, and Bank of America implemented the plan.

Completion: The Monitor determined that the CAP was complete. Cure period testing of Metric 5 resumed during test period eight. Bank of America reported, and the Monitor confirmed, that the bank passed Metric 5 during its cure period.

See **Appendix ii** for larger version

See **Appendix iii** for larger version

BANK OF AMERICA Corrective Action Plan (CAP) for Metric 7

Bank of America developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Enhancing the quality assurance by implementing a 100 percent review of pre-foreclosure initiation notification (PFN) letters prior to mailing.
- Implementing various systemic coding changes to remedy the fail's root causes.
- Enhancing the loan for loss mitigation workflow to include borrowers with payment modifications who were referred to normal servicing while delinquent.
- Implementing other special procedures to handle cases that the system will not be able to process, including a manual PFN letter process for generating Loss Mitigation Statements.

Process Flow: Bank of America failed Metric 7 → Notify Monitoring Committee → Develop Corrective Action Plan (CAP) → Implement CAP → CAP complete and testing resumed.

Timeline: Bank of America failed Metric 7 in 2014. As a result, the MRS required Bank of America to develop a CAP to ensure future compliance with the metric, which includes the timeliness, accuracy, and completeness of PFN letters sent to borrowers.

Approval: Bank of America met with the Monitoring Committee to report that it failed Metric 7. The Monitor approved the CAP, and Bank of America implemented the plan.

Completion: The Monitor determined that the CAP was complete. Cure period testing of Metric 7 will resume during test period nine.

See **Appendix iv** for larger version

BANK OF AMERICA Corrective Action Plan (CAP) for Metric 19

Bank of America developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Enhancing the quality assurance by implementing a 100 percent review of pre-foreclosure initiation notification (PFN) letters prior to mailing.
- Implementing various systemic coding changes to remedy the fail's root causes.
- Enhancing the loan for loss mitigation workflow to include borrowers with payment modifications who were referred to normal servicing while delinquent.
- Implementing other special procedures to handle cases that the system will not be able to process, including a manual PFN letter process for generating Loss Mitigation Statements.

Process Flow: Bank of America failed Metric 19 → Notify Monitoring Committee → Develop Corrective Action Plan (CAP) → Implement CAP → CAP complete and testing resumed.

Timeline: Bank of America failed Metric 19 in 2014. As a result, the MRS required Bank of America to develop a CAP to ensure future compliance with the metric, which requires whether the servicer accurately stated amounts due from borrowers in affidavits filed in support of motions for relief from stay in bankruptcy proceedings.

Approval: Bank of America met with the Monitoring Committee to report that it failed Metric 19. The Monitor approved the CAP, and Bank of America implemented the plan.

Completion: The Monitor determined that the CAP was complete. Cure period testing of Metric 19 will resume during test period nine.

See **Appendix v** for larger version

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Chase Results

In test periods seven and eight, neither the IRG nor my professionals found evidence of a potential violation of any metric tested.

SCORECARD:					Office of Mortgage Settlement Oversight				
<i>Chase</i>									
The Monitor's Secondary Professional Firm (SPF) assigned to Chase, Grant Thornton LLP, tested 28 metrics during test period seven and 30 metrics during test period eight. The chart below illustrates the results of the IRG's tests.									
METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	100%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	Pass
		8	100%	Pass			8	5.00%	Pass
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	7	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	7	100%	Pass
		8	5.00%	Pass			8	100%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D) **	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Account status activity	17 (5.F) **	7	N/A	X					
		8	N/A	X					

*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only.
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

See **Appendix vi** for larger version

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Citi Results

In test period seven, Citi's IRG identified a potential violation for Metric 20. Metric 20 tests whether the servicer approves or denies a first lien loan modification application within 30 days of receipt of all necessary documents and whether the servicer communicates a denial decision to the borrower within 10 days of the decision. I determined that Citi has implemented and completed a CAP. Cure period testing of Metric 20 will resume in test period ten.

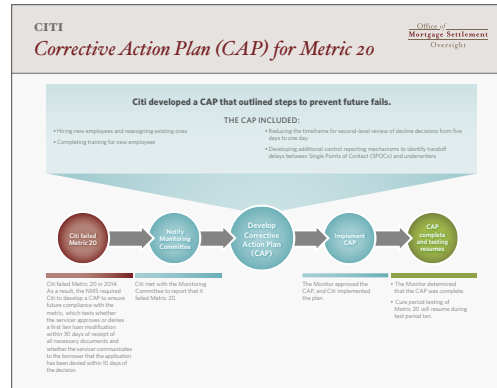
SCORECARD: *Citi* Office of Mortgage Settlement Oversight

The Monitor's Secondary Professional Firm (SPF) assigned to Citi, BDO, LLP, tested 28 metrics during test period seven and 29 metrics during test period eight. The chart below displays the results of the BDO's tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD SCORE RATE	REALLY ACHIEVED RATE % FAILED	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD SCORE RATE	REALLY ACHIEVED RATE % FAILED
Documentation to assist					Consultant response timeliness	19.01.01	Q1 2018	100%	100%
Document modification denial	21.06	Q1 2018	100%	100%	Loan modification document collection timeliness compliance	19.01.02	Q1 2018	100%	100%
Refusal of modification (MDO) presentation	22.04	Q1 2018	100%	100%	Loan modification decision/ notification timeliness compliance	20.01.01	Q1 2018	100%	100%
Proof of Claim (POC)	6.01	Q1 2018	100%	100%	Loan modification appeal timeliness compliance	21.01.01	Q1 2018	100%	100%
Notice to Borrower from CDO (MDO) activities	1.01(1)	Q1 2018	100%	100%	Short Sale document collection timeliness compliance	22.01.01	Q1 2018	100%	100%
Pre-foreclosure initiation	6.01(2)	Q1 2018	100%	100%	Change of application fees for loan application	23.01.01	Q1 2018	100%	100%
Pre-foreclosure initiation confirmation	7.01(2)	Q1 2018	100%	100%	Short Sale inclusion notice for delinquency	20.01.02	Q1 2018	100%	100%
Fee adherence to guidance	6.01(3)	Q1 2018	100%	100%	Short Sale inclusion in foreclosure	20.01.03	Q1 2018	100%	100%
Foreclosure to foreclosure document processing	7.01(3)	Q1 2018	100%	100%	Short Sale inclusion in post-foreclosure	21.01.01	Q1 2018	100%	100%
Reimbursement of certain related fees	8.01(1)	Q1 2018	100%	100%	Foreclosure document timeliness compliance	22.01.02	Q1 2018	100%	100%
Loan loss admission to guidance	9.01(1)	Q1 2018	100%	100%	Foreclosure document timeliness compliance	23.01.01	Q1 2018	100%	100%
Third party vendor management	10.01(1)	Q1 2018	100%	100%	Foreclosure document timeliness compliance	24.01.01	Q1 2018	100%	100%
Customer portal	11.01(1)	Q1 2018	100%	100%	Loan Modification Denial Notice Disclosure	25.01.01	Q1 2018	100%	100%
Single Point of Contact (SPOC)	12.01(1)	Q1 2018	100%	100%	SPOC Implementation and Effectiveness**	26.01.01	Q1 2018	100%	100%
Resolution Management	13.01(1)	Q1 2018	100%	100%	Missed Document Acknowledgment	27.01.01	Q1 2018	100%	100%
Refusal of foreclosure (MDO) category	14.01(1)	Q1 2018	100%	100%					
Revised rules activity	15.01(1)	Q1 2018	100%	100%					

* The threshold is 100% unless otherwise indicated. ** The Current 100% MDO. The threshold is 100% unless otherwise indicated.

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Green Tree Results

As I stated in my previous compliance report, Green Tree reported to the Monitoring Committee and me that it failed Metrics 4, 5, 6, 7, 10, 12, 18 and 19 in test period six. Green Tree implemented CAPs to remedy the root causes of these fails, which are described below. In test periods seven and eight, neither the IRG nor my professionals found evidence of a potential violation of any metric tested.

Metric 4 evaluates the accuracy of the amounts the servicer claims are due from borrowers in proofs of claim (POCs) it files in bankruptcy proceedings. I approved Green Tree's CAP and determined that it is complete. Cure period testing of Metric 4 will resume in test period nine.

SCORECARD:

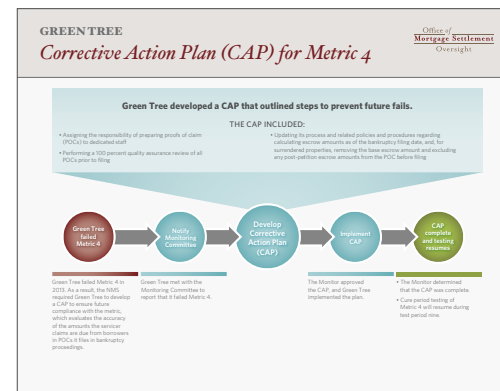
Green Tree

The Monitor's Secondary Professional Firm (SPF) assigned to Green Tree, Baker Tilly Virchow Krause, LLP tested 18 metrics during test period seven and 24 metrics during test period eight. The chart below illustrates the results of the IRG's tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD	REPEAT ERROR RATE IF FAILED	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD	REPEAT ERROR RATE IF FAILED
Accounting practices	1	7	100%	Yes	Compliance training	18	7	100%	Yes
Business modification	2	7	100%	Yes	Learn modification document	19	7	100%	Yes
Business modification audit	3	7	100%	Yes	Learn modification document	20	7	100%	Yes
Accuracy of individualized CAPs	4	7	100%	Yes	Learn modification document	21	7	100%	Yes
Proof of Claim (POC)	5	7	100%	Yes	Learn modification document	22	7	100%	Yes
Motion for Relief from Stay (MRF) initiation	6	7	100%	Yes	Learn modification document	23	7	100%	Yes
Pay-Reschedule initiation	7	7	100%	Yes	Learn modification document	24	7	100%	Yes
Pay-Reschedule initiation	8	7	100%	Yes	Learn modification document	25	7	100%	Yes
Pay-Reschedule initiation	9	7	100%	Yes	Learn modification document	26	7	100%	Yes
Fee adherence to guidance	10	7	100%	Yes	Learn modification document	27	7	100%	Yes
Address resolution	11	7	100%	Yes	Learn modification document	28	7	100%	Yes
Address resolution	12	7	100%	Yes	Learn modification document	29	7	100%	Yes
Address resolution	13	7	100%	Yes	Learn modification document	30	7	100%	Yes
Address resolution	14	7	100%	Yes	Learn modification document	31	7	100%	Yes
Address resolution	15	7	100%	Yes	Learn modification document	32	7	100%	Yes
Address resolution	16	7	100%	Yes	Learn modification document	33	7	100%	Yes
Address resolution	17	7	100%	Yes	Learn modification document	34	7	100%	Yes
Address resolution	18	7	100%	Yes	Learn modification document	35	7	100%	Yes
Address resolution	19	7	100%	Yes	Learn modification document	36	7	100%	Yes
Address resolution	20	7	100%	Yes	Learn modification document	37	7	100%	Yes
Address resolution	21	7	100%	Yes	Learn modification document	38	7	100%	Yes
Address resolution	22	7	100%	Yes	Learn modification document	39	7	100%	Yes
Address resolution	23	7	100%	Yes	Learn modification document	40	7	100%	Yes
Address resolution	24	7	100%	Yes	Learn modification document	41	7	100%	Yes
Address resolution	25	7	100%	Yes	Learn modification document	42	7	100%	Yes
Address resolution	26	7	100%	Yes	Learn modification document	43	7	100%	Yes
Address resolution	27	7	100%	Yes	Learn modification document	44	7	100%	Yes
Address resolution	28	7	100%	Yes	Learn modification document	45	7	100%	Yes
Address resolution	29	7	100%	Yes	Learn modification document	46	7	100%	Yes
Address resolution	30	7	100%	Yes	Learn modification document	47	7	100%	Yes
Address resolution	31	7	100%	Yes	Learn modification document	48	7	100%	Yes
Address resolution	32	7	100%	Yes	Learn modification document	49	7	100%	Yes
Address resolution	33	7	100%	Yes	Learn modification document	50	7	100%	Yes
Address resolution	34	7	100%	Yes	Learn modification document	51	7	100%	Yes
Address resolution	35	7	100%	Yes	Learn modification document	52	7	100%	Yes
Address resolution	36	7	100%	Yes	Learn modification document	53	7	100%	Yes
Address resolution	37	7	100%	Yes	Learn modification document	54	7	100%	Yes
Address resolution	38	7	100%	Yes	Learn modification document	55	7	100%	Yes
Address resolution	39	7	100%	Yes	Learn modification document	56	7	100%	Yes
Address resolution	40	7	100%	Yes	Learn modification document	57	7	100%	Yes
Address resolution	41	7	100%	Yes	Learn modification document	58	7	100%	Yes
Address resolution	42	7	100%	Yes	Learn modification document	59	7	100%	Yes
Address resolution	43	7	100%	Yes	Learn modification document	60	7	100%	Yes
Address resolution	44	7	100%	Yes	Learn modification document	61	7	100%	Yes
Address resolution	45	7	100%	Yes	Learn modification document	62	7	100%	Yes
Address resolution	46	7	100%	Yes	Learn modification document	63	7	100%	Yes
Address resolution	47	7	100%	Yes	Learn modification document	64	7	100%	Yes
Address resolution	48	7	100%	Yes	Learn modification document	65	7	100%	Yes
Address resolution	49	7	100%	Yes	Learn modification document	66	7	100%	Yes
Address resolution	50	7	100%	Yes	Learn modification document	67	7	100%	Yes
Address resolution	51	7	100%	Yes	Learn modification document	68	7	100%	Yes
Address resolution	52	7	100%	Yes	Learn modification document	69	7	100%	Yes
Address resolution	53	7	100%	Yes	Learn modification document	70	7	100%	Yes
Address resolution	54	7	100%	Yes	Learn modification document	71	7	100%	Yes
Address resolution	55	7	100%	Yes	Learn modification document	72	7	100%	Yes
Address resolution	56	7	100%	Yes	Learn modification document	73	7	100%	Yes
Address resolution	57	7	100%	Yes	Learn modification document	74	7	100%	Yes
Address resolution	58	7	100%	Yes	Learn modification document	75	7	100%	Yes
Address resolution	59	7	100%	Yes	Learn modification document	76	7	100%	Yes
Address resolution	60	7	100%	Yes	Learn modification document	77	7	100%	Yes
Address resolution	61	7	100%	Yes	Learn modification document	78	7	100%	Yes
Address resolution	62	7	100%	Yes	Learn modification document	79	7	100%	Yes
Address resolution	63	7	100%	Yes	Learn modification document	80	7	100%	Yes
Address resolution	64	7	100%	Yes	Learn modification document	81	7	100%	Yes
Address resolution	65	7	100%	Yes	Learn modification document	82	7	100%	Yes
Address resolution	66	7	100%	Yes	Learn modification document	83	7	100%	Yes
Address resolution	67	7	100%	Yes	Learn modification document	84	7	100%	Yes
Address resolution	68	7	100%	Yes	Learn modification document	85	7	100%	Yes
Address resolution	69	7	100%	Yes	Learn modification document	86	7	100%	Yes
Address resolution	70	7	100%	Yes	Learn modification document	87	7	100%	Yes
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Address resolution	72	7	100%	Yes	Learn modification document	89	7	100%	Yes
Address resolution	73	7	100%	Yes	Learn modification document	90	7	100%	Yes
Address resolution	74	7	100%	Yes	Learn modification document	91	7	100%	Yes
Address resolution	75	7	100%	Yes	Learn modification document	92	7	100%	Yes
Address resolution	76	7	100%	Yes	Learn modification document	93	7	100%	Yes
Address resolution	77	7	100%	Yes	Learn modification document	94	7	100%	Yes
Address resolution	78	7	100%	Yes	Learn modification document	95	7	100%	Yes
Address resolution	79	7	100%	Yes	Learn modification document	96	7	100%	Yes
Address resolution	80	7	100%	Yes	Learn modification document	97	7	100%	Yes
Address resolution	81	7	100%	Yes	Learn modification document	98	7	100%	Yes
Address resolution	82	7	100%	Yes	Learn modification document	99	7	100%	Yes
Address resolution	83	7	100%	Yes	Learn modification document	100	7	100%	Yes

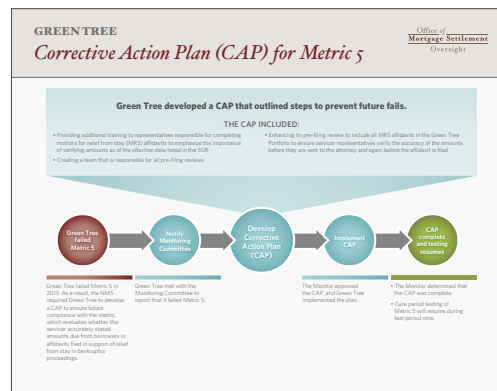
The asterisk (*) indicates a potential metric that caused one or more "Bad Question" fails. The asterisk (*) indicates a potential metric that caused one or more "Bad Question" fails. The asterisk (*) indicates a potential metric that caused one or more "Bad Question" fails.

See **Appendix ix** for larger version

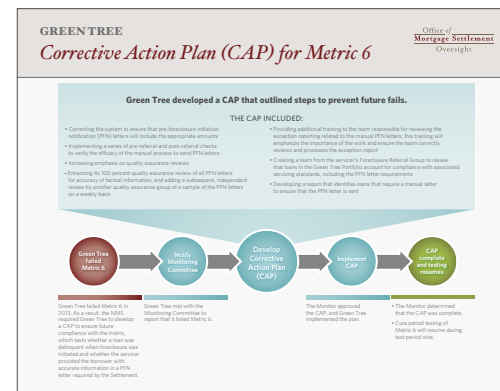


See **Appendix x** for larger version

Metric 5 tests whether the servicer accurately stated amounts due from borrowers in affidavits filed in support of motions for relief from stay in bankruptcy proceedings. I approved Green Tree's CAP and determined that it is complete. Cure period testing of Metric 5 will resume in test period nine.



See **Appendix xi** for larger version



See **Appendix xii** for larger version

Metric 6 tests whether loans were delinquent when foreclosure was initiated and whether the servicer provided the borrower with accurate information in a PFN letter. I approved Green Tree's CAP and determined that it is complete. Because this error was widespread, Green Tree also submitted a remediation plan to ensure that it provides appropriate relief to harmed borrowers. I am reserving judgment on whether the remediation plan has been implemented pending the IRG's testing. Cure period testing of Metric 6 will resume in test period nine.

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Metric 7 evaluates the timeliness, accuracy and completeness of PFN letters sent to borrowers.

I approved Green Tree's CAP and determined that it is complete. Cure period testing of Metric 7 will resume in test period nine.

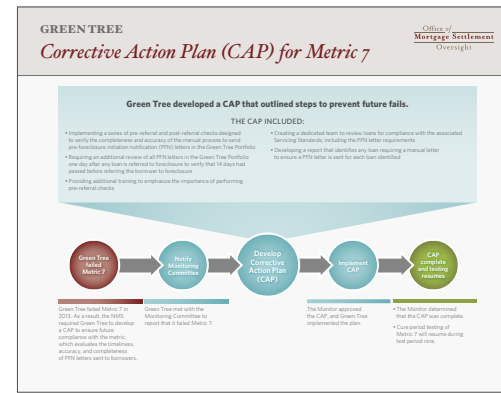
Metric 10 tests whether the servicer followed Settlement timing requirements and filed appropriate documents with the court and trustee to disclose certain post-petition fees, expenses or charges while the borrower was in bankruptcy or waived such post-petition fees, charges or expenses.

I confirmed that Green Tree completed its CAP and passed Metric 10 during its cure period, which was test period eight. Because this error was widespread, Green Tree also submitted a remediation plan to ensure that it provides appropriate relief to harmed borrowers. I am reserving judgment on whether the remediation plan has been implemented pending the IRG's testing.

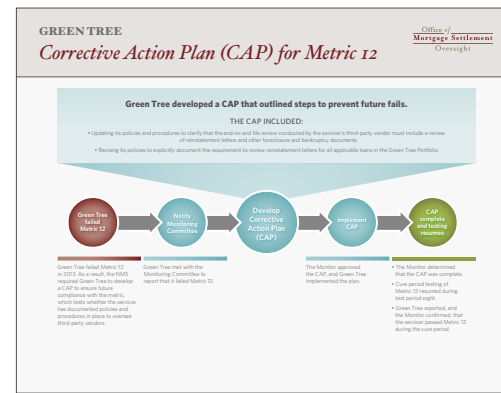
Metric 12 tests whether the servicer has documented policies and procedures in place to oversee third-party vendors. I confirmed that Green Tree completed its CAP and passed Metric 12 during its cure period, which was test period eight.

Metric 18 tests whether the servicer responded to government-submitted complaints from borrowers within 10 business days and provided an update within 30 days. I approved Green Tree's CAP and determined that it is complete. Cure period testing on Metric 18 will resume in test period nine.

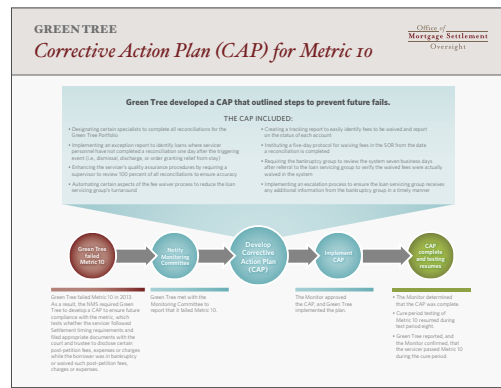
Metric 19 tests whether the servicer is complying with the requirement to notify borrowers of any missing or incomplete documents in a loan modification application within five days of receipt. I approved Green Tree's CAP and determined that it is complete. Because this error was widespread, Green Tree also submitted a remediation plan to ensure that it provides appropriate relief to harmed borrowers. I am reserving judgment on whether the remediation plan has been implemented pending the IRG's testing. Cure period testing on Metric 19 will resume in test period nine.



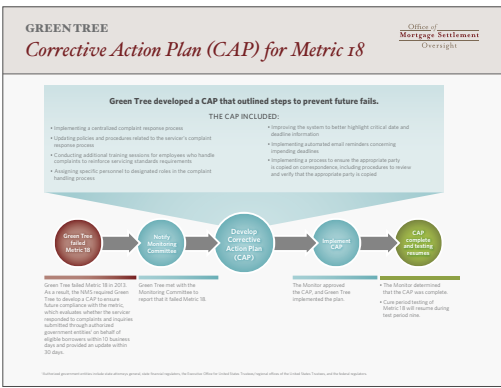
See **Appendix xiii** for larger version



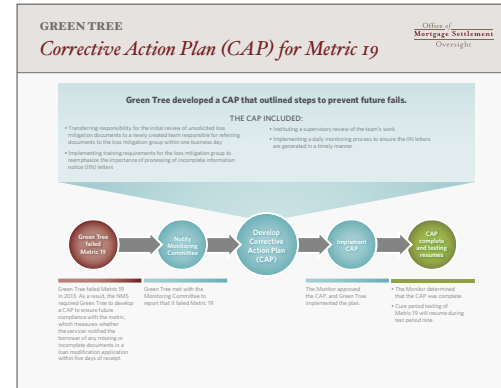
See **Appendix xv** for larger version



See **Appendix xiv** for larger version



See **Appendix xvi** for larger version



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Wells Fargo Results

In test periods seven and eight, neither Wells Fargo's IRG nor my professionals found evidence of a potential violation for any metric tested.

SCORECARD:					Office of Mortgage Settlement Oversight				
<i>Wells Fargo</i>									
The Monitor's Secondary Professional Firm (SPF) assigned to Wells Fargo, McGladrey LLP, tested 28 metrics during test period seven and 30 metrics during test period eight. The chart below illustrates the results of the IRG's tests.									
METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	1.00%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	Pass
		8	1.00%	Pass			8	5.00%	Pass
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	7	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	7	1.00%	Pass
		8	5.00%	Pass			8	1.00%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D)**	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E)**	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Account status activity	17 (5.F)**	7	N/A	X					
		8	N/A	X					

*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only. N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

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At present, I am not in a position to report on Ocwen’s progress during test periods seven and eight. When I am, I will promptly file a report with the Court.

IRG Issues

In May 2014, an Ocwen employee contacted a member of the Monitoring Committee and alleged serious deficiencies in the IRG process at Ocwen, which called into question the IRG’s independence and the integrity of the IRG’s operations. Based on these allegations, I launched an investigation into the claims. My team and I reviewed thousands of documents and interviewed nine Ocwen personnel. Based on this investigation, I concluded that I could not rely on Ocwen’s IRG’s work. Therefore, I exercised my authority under the Settlement and directed McGladrey, an independent accounting firm, to retest Ocwen’s performance on a number of metrics in test periods seven and eight. This work is ongoing, and I will report on Ocwen’s performance in these test periods when the work has been completed. Ocwen has been cooperative throughout the investigation and during the ongoing supplemental work.

As a result of this development, I adopted the following enhancements to my review of the qualifications, performance and independence of the IRG at all six servicers:

- In addition to interviewing the IRG Executive, my team and I have interviewed at least one subordinate manager, two or three metric testers, members of the technology staff and the IRG Executive’s superior with regard to the conduct and integrity of the servicer’s IRG process.
- I have reviewed the corporate charter, policies and procedures or other corporate authorizations under which the IRG is established, with particular attention to that authority’s maintenance of the IRG’s independence.
- The SPF and PPF will receive and review information regarding the population and samples selected for each metric prior to the testing of such metric by the IRG, rather than receiving such information after the completion of such testing.
- I have received confirmation from each servicer that its respective systems of record have been periodically independently reviewed for accuracy and completeness by an independent auditor.
- I established an Ethics Hotline and communicated it to each IRG Executive for distribution to all respective IRG employees of each servicer so any IRG employee can quickly and anonymously inform me of any concerns.

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Letter Dating Issue

On Oct. 21, 2014, the New York State Superintendent of Financial Services released publicly a letter raising the issue that the date on certain correspondence from Ocwen to its consumers was incorrect. Given that several servicing standards and metrics under the NMS require the servicers to comply with timeline requirements, many of which are measured by the date on correspondence to consumers, I immediately communicated to Ocwen that it must provide a full explanation of the letter dating issue and any possible effects on its compliance with the NMS. I made clear that resolving this issue as quickly as possible is imperative.

Ocwen has undertaken or will undertake the following remedial actions:

- Has retained independent outside counsel to determine the extent of the letter dating issue and will share the results of this investigation with me
- Will establish a claims process through which any potentially harmed consumer can seek remediation
- Will create a master corrective action plan to address the letter dating issue and a remediation plan for all potentially affected metrics, all of which will be subject to my oversight
- Will consent to extending the term of my reviews of its compliance of the potentially affected metrics for at least two additional test periods
- Has provided for my review past independent audit reports of its systems of record and will provide future independent audit reports until the end of the Settlement

I have also charged McGladrey with additional supplemental work to determine independently the scope of the letter dating issue, to assess the reliability of the systems of record, and to retest certain timeline metrics potentially impacted by the letter dating issue. As with the IRG issue, my work on the letter dating issue is ongoing, and I will report further in future reports.

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In addition to testing compliance with the servicing standards through the 29 original metrics and four additional metrics, my colleagues and I receive information on servicer conduct in the marketplace through a variety of channels.

Each servicer must submit to me Executive Office complaints, which are complaints that the offices of government agencies or elected officials forward on behalf of their constituents to the servicers. From Jan. 1, 2014, to June 30, 2014, my professionals and I received and analyzed 51,646 Executive Office complaints. In aggregate, I have received and analyzed 211,879 Executive Office complaints since October 2012.

In addition, my colleagues and I receive complaints directly from borrowers and state attorneys general offices and have access to complaints submitted to the Consumer Financial Protection Bureau (CFPB) and the National Association of Consumer Advocates (NACA). We compare these complaints to those I receive from the servicers to ensure that we are apprised of all relevant complaints.

We also review complaints submitted to my office by borrowers and professionals who work on borrowers' behalf. These complaints provide an independent source of information to supplement what I receive from the servicers, attorneys general, borrowers, NACA and the CFPB. From Jan. 1, 2014, to June 30, 2014, I received 256 complaints from professionals. Since May 2012, I have received and analyzed 3,607 complaints from these sources.

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EXECUTIVE OFFICE COMPLAINTS: Top Ten Complaints

Office of Mortgage Settlement Oversight
Jan. 1, 2014 - June 30, 2014

RANK	DESCRIPTION	NUMBER OF HITS
1	Servicer did not take appropriate action to remediate inaccuracies in borrower's account	13,048
2	A Single Point of Contact (SPOC) was not provided, was difficult to deal with or difficult to reach	13,863
3	Servicer failed to update borrower's correct information and/or account balance	13,000
4	Servicer failed to correct account information	13,274
5	Servicer failed to correct inaccurate reports to consumer credit reporting agencies	6,162
6	The SPOC was unresponsive	6,761
7	Servicer did not accept payments or income applied thereon	5,105
8	Servicer did not follow appropriate loss mitigation procedures	5,334
9	The borrower was "hard treated." In other words, borrower submitted an application for loss mitigation and although it was in process or pending, the borrower was foreclosed upon	4,655
10	Servicer failed to provide adequate information on monthly billing or other account statements in clear language	4,201

51,646 TOTAL EXECUTIVE OFFICE COMPLAINTS FOR ALL SERVICERS

One complaint submission can include multiple issues, or "hits." This explains why there are more hits than complaints.

See **Appendix xix** for larger version

PROFESSIONALS' COMPLAINTS: Top Ten Complaints

Office of Mortgage Settlement Oversight
Top ten complaints received from professionals through mortgageoversight.com and the National Association of Consumer Advocates (NACA).
Jan. 1, 2014 - June 30, 2014

RANK	DESCRIPTION	NUMBER OF HITS
1	A Single Point of Contact (SPOC) was not provided, was difficult to deal with or difficult to reach	70
2	Borrower was "hard treated." In other words, borrower submitted an application for loss mitigation and although it was in process or pending, borrower was foreclosed upon	65
3	The completed first loss mitigation request was not responded to within 30 days	53
4	The SPOC did not communicate loss mitigation options available to borrower or the actions that borrower had to take to be considered for these options	41
5	SPOC was not knowledgeable about the current status of borrower's loss mitigation or borrower's situation	40
6	The terms of contract with the SPOC was not clear, not provided or borrower was assigned to another SPOC who was more difficult to deal with	36
7	Servicer did not notify borrower of available loss mitigation options prior to foreclosure referral	35
8	SPOC was not knowledgeable about the current status of the borrower's loan	35
9	Servicer did not take appropriate action to remediate inaccuracies in borrower's account	31
10	Borrower received requests for financial statements that he or she had already provided	29

256 TOTAL PROFESSIONALS' COMPLAINTS FOR ALL SERVICERS

One complaint submission can include multiple issues, or "hits." This explains why there are more hits than complaints.

See **Appendix xx** for larger version

Conclusion

My findings suggest that while the servicers' performance must continue to improve, the Settlement is holding servicers accountable to the reforms they agreed to in the NMS. Overall, my work has shown that the servicers have made improvements, and the Settlement is working to provide borrowers with better experiences. I have also found that the servicers' corrective action plans appear to have fixed the root causes of their prior fails.

That said, the complexity of data systems in mortgage servicing presents an ongoing challenge and one I hope the servicers will continue to address so that consumers experience smoother, more constructive relationships with their servicers. I will continue to rigorously monitor the NMS in pursuit of that goal.

I take seriously the issues surrounding Ocwen's compliance with the Settlement and will continue to ensure that Ocwen takes appropriate action to address these problems. I am hopeful that, through corrective action, Ocwen will restore the integrity of its IRG and improve its processes related to drafting correspondence to borrowers. My next compliance report will address Ocwen's performance in the first and second quarters of this year, once the supplemental work I required has been completed to my satisfaction.

I will report on the other servicers' performance in the third and fourth calendar quarters of 2014 in approximately six months. I look forward to sharing those results next year.

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Appendix

Metric Testing Timeline

The Internal Review Groups tested, and my professional firms retested, the servicers on the servicing standards associated with the metrics. The table below illustrates the time periods in which the metrics for each servicer were tested.

METRIC NO.	TITLE/DESCRIPTION	TEST PERIOD 7 (January 1, 2014 - March 31, 2014)					TEST PERIOD 8 (April 1, 2014 - June 30, 2014)				
		B OF A	CHASE	CITI	GREEN TREE	WELLS	B OF A	CHASE	CITI	GREEN TREE	WELLS
1	Foreclosure sale in error (1.A)	●	●	●	●	●	●	●	●	●	●
2	Incorrect modification denial (1.B)	●	●	●	●	●	●	●	●	●	●
3	Affidavit of Indebtedness (AOI) preparation (2.A)	●	●	●	●	●	●	●	●	●	●
4	Proof of Claim (POC) (2.B)	●	●	●	**	●	●	●	**	●	●
5	Motion for Relief from Stay (MRS) affidavits (2.C)	**	●	●	**	●	●	●	**	●	●
6	Pre-foreclosure initiation (3.A)	●	●	●	**	●	●	●	**	●	●
7	Pre-foreclosure initiation notifications (3.B)	●	●	●	**	●	**	●	**	●	●
8	Fee adherence to guidance (4.A)	●	●	●	●	●	●	●	●	●	●
9	Adherence to customer payment processing (4.B)	●	●	●	●	●	●	●	●	●	●
10	Reconciliation of certain waived fees (4.C)	●	●	●	**	●	●	●	●	●	●
11	Late fees adherence to guidance (4.D)	●	●	●	●	●	●	●	●	●	●
12	Third-party vendor management (5.A)	●	●	●	**	●	●	●	●	●	●
13	Customer portal (5.B)	●	●	●	●	●	●	●	●	●	●
14	Single Point of Contact (SPOC) (5.C)	●	●	●	●	●	●	●	●	●	●
15	Workforce management (5.D)*										
16	Affidavit of Indebtedness (AOI) integrity (5.E)*						●				
17	Account status activity (5.F)*										
18	Complaint response timeliness (6.A)	●	●	●	**	●	●	●	**	●	●
19	Loan modification document collection timeline compliance (6.B.i)	●	●	●	**	●	**	●	**	●	●
20	Loan modification decision/notification timeline compliance (6.B.ii)	●	●	●	●	●	●	**	●	●	●
21	Loan modification appeal timeline compliance (6.B.iii)	●	●	●	●	●	●	●	●	●	●
22	Short sale decision timeline compliance (6.B.iv)	●	●	●	●	●	●	●	●	●	●
23	Short sale document collection timeline compliance (6.B.v)	●	●	●	●	●	●	●	●	●	●
24	Charge of application fees for loss mitigation (6.B.vi)	●	●	●	●	●	●	●	●	●	●
25	Short sale inclusion notice for deficiency (6.B.vii.a)	●	●	●	●	●	●	●	●	●	●
26	Dual track referred to foreclosure (6.B.viii.a)	●	●	●	●	●	●	●	●	●	●
27	Dual track failure to postpone foreclosure (6.B.viii.b)	●	●	●	●	●	●	●	●	●	●
28	Force-placed insurance timeliness of notices (6.C.i)	●	●	●	●	●	●	●	●	●	●
29	Force-placed insurance termination (6.C.ii)	●	●	●	●	●	●	●	●	●	●
30	Loan Modification Process (7.A)						●	●	●	●	●
31	Loan Modification Denial Notice Disclosure (7.B)						●	●	●	●	●
32	SPOC Implementation and Effectiveness (7.C)	●	●	●		●	●	●	●	●	●
33	Billing Statement Accuracy (7.D)	●	●	●		●	●	●	●	●	●
TOTALS		27	28	28	18	28	29	30	29	24	30

*Policy and procedure metric that is tested once a year.

**The Servicer reported to the Monitoring Committee and me that a Potential Violation occurred for this Metric in a previous test period. As a result, this metric is currently under a Corrective Action Plan (CAP) and will not be tested again until the CAP has been satisfactorily completed.

SCORECARD:

Bank of America

The Monitor's Secondary Professional Firm (SPF) assigned to Bank of America, Crowe Horwath LLP, tested 27 metrics during test period seven and 29 metrics during test period eight. The chart below illustrates the results of the IRG's tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	1.00%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	Pass
		8	1.00%	Pass			8	5.00%	Pass
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	Fail - 14.65%
		8	5.00%	Pass			8	5.00%	X
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	7	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	X	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	Fail - 10.28%	Charge of application fees for loss mitigation	24 (6.B.vi)	7	1.00%	Pass
		8	5.00%	X			8	1.00%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D) **	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Account status activity	17 (5.F) **	7	N/A	X					
		8	N/A	X					

*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only.
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

Corrective Action Plan (CAP) for Metric 5

Bank of America developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Halting or withdrawing all potentially affected motions for relief from stay (MRS)
- Replacing a defective automated MRS referral process with manual referral and validation processes
- Instituting multiple levels of manual review and quality assurance designed to ensure accuracy of MRS affidavits
- Increasing staffing and developing enhanced training for associates involved in the new processes
- Enhancing the escrow module on its System of Record (SOR) to improve accuracy of escrow calculations



Bank of America failed Metric 5 in 2013. As a result, the NMS required Bank of America to develop a CAP to ensure future compliance with the metric, which evaluates whether the servicer accurately stated amounts due from borrowers in affidavits filed in support of motions for relief from stay in bankruptcy proceedings.

Bank of America met with the Monitoring Committee to report that it failed Metric 5.

The Monitor approved the CAP, and Bank of America implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 5 resumed during test period eight.
- Bank of America reported, and the Monitor confirmed, that the bank passed Metric 5 during its cure period.

Corrective Action Plan (CAP) for Metric 7

Bank of America developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Enhancing its quality assurance by implementing a 100 percent in-line review of pre-foreclosure initiation notification (PFN) letters prior to mailing
- Halting referrals to foreclosure for borrowers who were mailed defective PFN letters
- Implementing various systemic coding changes to remedy the fail's root causes
- Revising the queue for loss mitigation routines to include borrowers with permanent modifications who were returned to normal servicing while delinquent
- Implementing other special procedures to handle cases that the system is not able to address, including a manual PFN letter process for generating Loss Mitigation Statements



Bank of America failed Metric 7 in 2014. As a result, the NMS required Bank of America to develop a CAP to ensure future compliance with the metric, which evaluates the timeliness, accuracy, and completeness of PFN letters sent to borrowers.

Bank of America met with the Monitoring Committee to report that it failed Metric 7.

The Monitor approved the CAP, and Bank of America implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 7 will resume during test period ten.

Corrective Action Plan (CAP) for Metric 19

Bank of America developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

Instituting process and systemic changes to the System of Record that will correct the root cause of the errors¹



Bank of America failed Metric 19 in 2014.² As a result, the NMS required Bank of America to develop a CAP to ensure future compliance with the metric, which measures whether the servicer notified borrowers of missing or incomplete documents in a loan modification application within five days of receipt.

Bank of America met with the Monitoring Committee to report that it failed Metric 19.

The Monitor approved the CAP, and Bank of America implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 19 will resume during test period nine.

¹Because nearly all of the delays in the production of five-day letters were incidental to Bank of America's efforts to be compliant with the new CFPB rules, a one-time event, no further corrective action was required and the failure was determined not to be widespread.

²Bank of America had previously failed Metric 19 in the first quarter of 2013 (test period three) and had subsequently cured the initial failure in the third quarter of 2013 (test period five). Because Bank of America had passed Metric 19 for both the cure period for the initial failure (test period five) and the following quarter (test period six), Bank of America was not subject to other enforcement actions for the second failure of Metric 19.

SCORECARD:

Chase

The Monitor’s Secondary Professional Firm (SPF) assigned to Chase, Grant Thornton LLP, tested 28 metrics during test period seven and 30 metrics during test period eight. The chart below illustrates the results of the IRG’s tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	1.00%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	Pass
		8	1.00%	Pass			8	5.00%	Pass
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	7	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	7	1.00%	Pass
		8	5.00%	Pass			8	1.00%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D) **	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Account status activity	17 (5.F) **	7	N/A	X					
		8	N/A	X					

*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only.
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

SCORECARD:



The Monitor's Secondary Professional Firm (SPF) assigned to Citi, BKD, LLP, tested 28 metrics during test period seven and 29 metrics during test period eight. The chart below illustrates the results of the IRG's tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	1.00%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	Pass
		8	1.00%	Pass			8	5.00%	Pass
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Fail - 11.11%
		8	5.00%	Pass			8	10.00%	X
Proof of Claim (POC)	4 (2.B)	7	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	7	1.00%	Pass
		8	5.00%	Pass			8	1.00%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D) **	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Account status activity	17 (5.F) **	7	N/A	X					
		8	N/A	X					

*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only.
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

Corrective Action Plan (CAP) for Metric 20

Citi developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Hiring new employees and reassigning existing ones
- Completing training for new employees
- Reducing the timeframe for second-level review of decline decisions from five days to one day
- Developing additional control reporting mechanisms to identify handoff delays between Single Points of Contact (SPOCs) and underwriters



Citi failed Metric 20 in 2014. As a result, the NMS required Citi to develop a CAP to ensure future compliance with the metric, which tests whether the servicer approves or denies a first lien loan modification within 30 days of receipt of all necessary documents and whether the servicer communicates to the borrower that the application has been denied within 10 days of the decision.

Citi met with the Monitoring Committee to report that it failed Metric 20.

The Monitor approved the CAP, and Citi implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 20 will resume during test period ten.

SCORECARD:

Green Tree

The Monitor's Secondary Professional Firm (SPF) assigned to Green Tree, Baker Tilly Virchow Krause, LLP, tested 18 metrics during test period seven and 24 metrics during test period eight. The chart below illustrates the results of the IRG's tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	1.00%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	X
		8	1.00%	Pass			8	5.00%	X
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	X
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	7	5.00%	X	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	X			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	X	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	X			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	X	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	X			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	X	Charge of application fees for loss mitigation	24 (6.B.vi)	7	1.00%	Pass
		8	5.00%	X			8	1.00%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	X	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	5.00%	X	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D) **	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	X
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	X
		8	N/A	X			8	5.00%	Pass
Account status activity	17 (5.F) **	7	N/A	X					
		8	N/A	X					

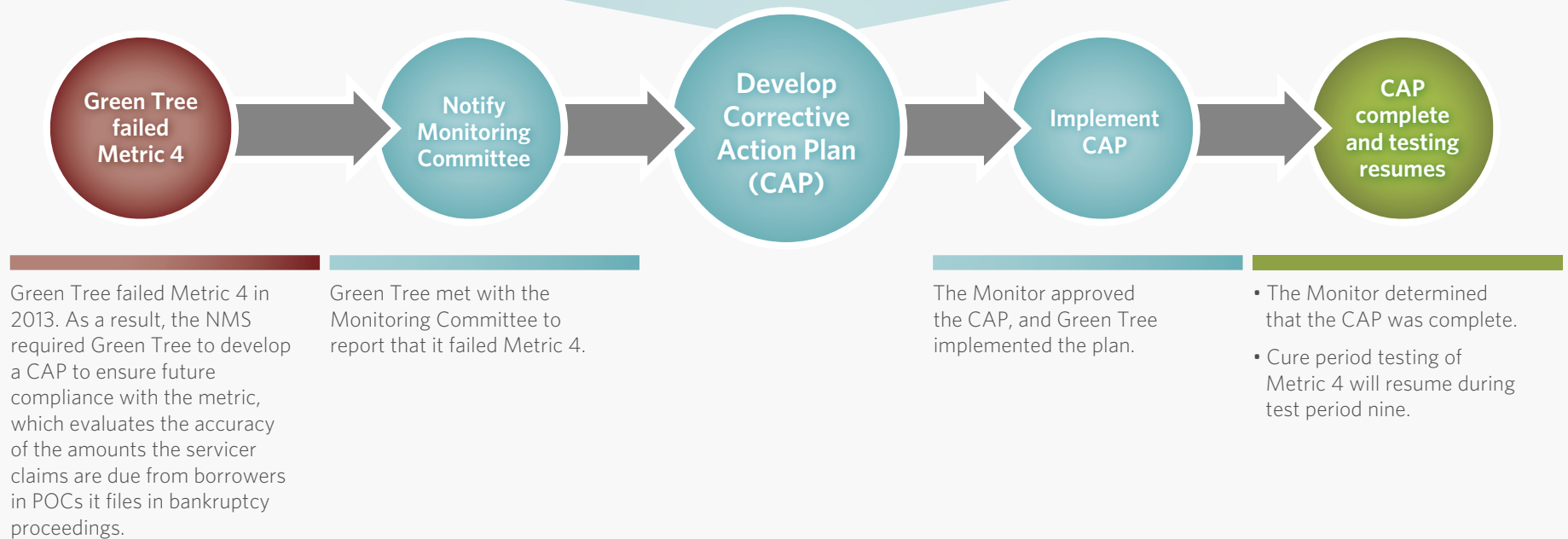
*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only.
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

Corrective Action Plan (CAP) for Metric 4

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Assigning the responsibility of preparing proofs of claim (POCs) to dedicated staff
- Performing a 100 percent quality assurance review of all POCs prior to filing
- Updating its process and related policies and procedures regarding calculating escrow amounts as of the bankruptcy filing date, and, for surrendered properties, removing the base escrow amount and excluding any post-petition escrow amounts from the POC before filing

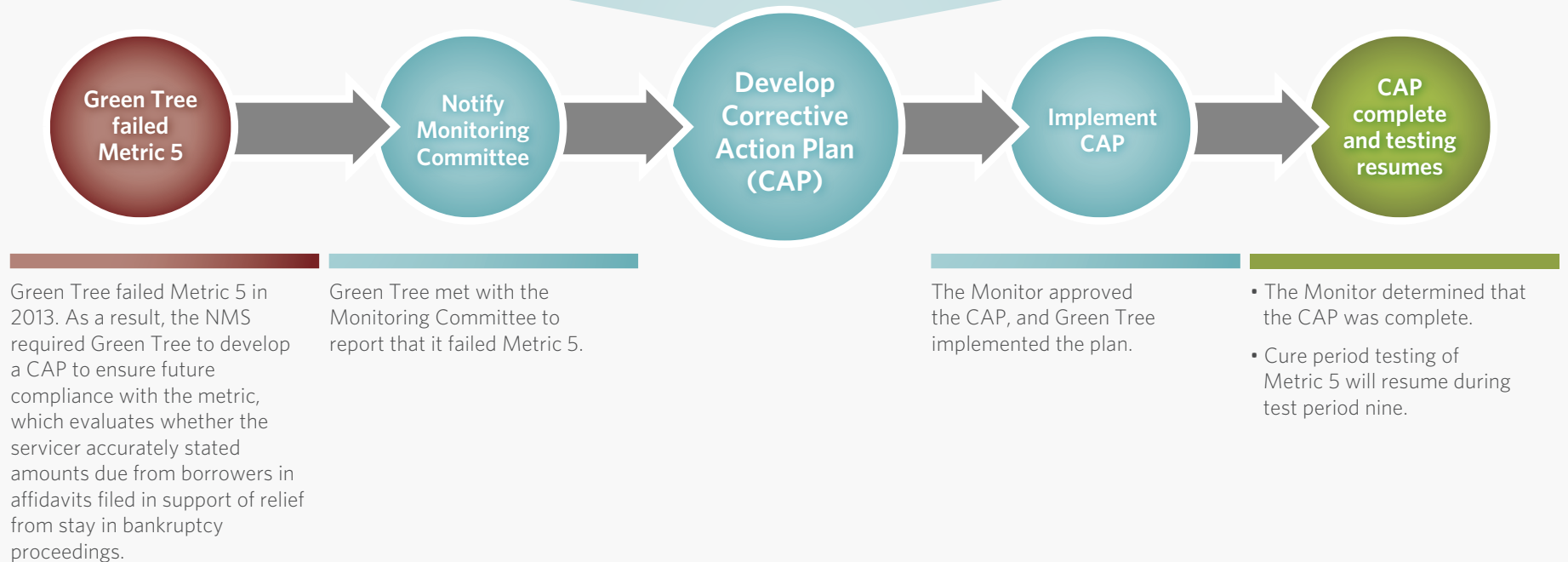


Corrective Action Plan (CAP) for Metric 5

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Providing additional training to representatives responsible for completing motions for relief from stay (MRS) affidavits to emphasize the importance of verifying amounts as of the effective date listed in the SOR
- Creating a team that is responsible for all pre-filing reviews
- Enhancing its pre-filing review to include all MRS affidavits in the Green Tree Portfolio to ensure servicer representatives verify the accuracy of the amounts before they are sent to the attorney and again before the affidavit is filed



Corrective Action Plan (CAP) for Metric 6

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Correcting the system to ensure that pre-foreclosure initiation notification (PFN) letters will include the appropriate amounts
- Implementing a series of pre-referral and post-referral checks to verify the efficacy of the manual process to send PFN letters
- Increasing emphasis on quality assurance reviews
- Enhancing its 100 percent quality assurance review of all PFN letters for accuracy of factual information, and adding a subsequent, independent review by another quality assurance group of a sample of the PFN letters on a weekly basis
- Providing additional training to the team responsible for reviewing the exception reporting related to the manual PFN letters; this training will emphasize the importance of the work and ensure the team correctly reviews and processes the exception report
- Creating a team from the servicer’s Foreclosure Referral Group to review that loans in the Green Tree Portfolio account for compliance with associated servicing standards, including the PFN letter requirements
- Developing a report that identifies loans that require a manual letter to ensure that the PFN letter is sent



Green Tree failed Metric 6 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which tests whether a loan was delinquent when foreclosure was initiated and whether the servicer provided the borrower with accurate information in a PFN letter required by the Settlement.

Green Tree met with the Monitoring Committee to report that it failed Metric 6.

The Monitor approved the CAP, and Green Tree implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 6 will resume during test period nine.

Corrective Action Plan (CAP) for Metric 7

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Implementing a series of pre-referral and post-referral checks designed to verify the completeness and accuracy of the manual process to send pre-foreclosure initiation notification (PFN) letters in the Green Tree Portfolio
- Requiring an additional review of all PFN letters in the Green Tree Portfolio one day after any loan is referred to foreclosure to verify that 14 days had passed before referring the borrower to foreclosure
- Providing additional training to emphasize the importance of performing pre-referral checks
- Creating a dedicated team to review loans for compliance with the associated Servicing Standards, including the PFN letter requirements
- Developing a report that identifies any loan requiring a manual letter to ensure a PFN letter is sent for each loan identified



Green Tree failed Metric 7 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which evaluates the timeliness, accuracy, and completeness of PFN letters sent to borrowers.

Green Tree met with the Monitoring Committee to report that it failed Metric 7.

The Monitor approved the CAP, and Green Tree implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 7 will resume during test period nine.

Corrective Action Plan (CAP) for Metric 10

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Designating certain specialists to complete all reconciliations for the Green Tree Portfolio
- Implementing an exception report to identify loans where servicer personnel have not completed a reconciliation one day after the triggering event (i.e., dismissal, discharge, or order granting relief from stay)
- Enhancing the servicer’s quality assurance procedures by requiring a supervisor to review 100 percent of all reconciliations to ensure accuracy
- Automating certain aspects of the fee waiver process to reduce the loan servicing group’s turnaround
- Creating a tracking report to easily identify fees to be waived and report on the status of each account
- Instituting a five-day protocol for waiving fees in the SOR from the date a reconciliation is completed
- Requiring the bankruptcy group to review the system seven business days after referral to the loan servicing group to verify the waived fees were actually waived in the system
- Implementing an escalation process to ensure the loan servicing group receives any additional information from the bankruptcy group in a timely manner



Green Tree failed Metric 10 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which tests whether the servicer followed Settlement timing requirements and filed appropriate documents with the court and trustee to disclose certain post-petition fees, expenses or charges while the borrower was in bankruptcy or waived such post-petition fees, charges or expenses.

Green Tree met with the Monitoring Committee to report that it failed Metric 10.

The Monitor approved the CAP, and Green Tree implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 10 resumed during test period eight.
- Green Tree reported, and the Monitor confirmed, that the servicer passed Metric 10 during the cure period.

Corrective Action Plan (CAP) for Metric 12

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Updating its policies and procedures to clarify that the end-to-end file review conducted by the servicer's third-party vendor must include a review of reinstatement letters and other foreclosure and bankruptcy documents
- Revising its policies to explicitly document the requirement to review reinstatement letters for all applicable loans in the Green Tree Portfolio



Green Tree failed Metric 12 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which tests whether the servicer has documented policies and procedures in place to oversee third-party vendors.

Green Tree met with the Monitoring Committee to report that it failed Metric 12.

The Monitor approved the CAP, and Green Tree implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 12 resumed during test period eight.
- Green Tree reported, and the Monitor confirmed, that the servicer passed Metric 12 during the cure period.

Corrective Action Plan (CAP) for Metric 18

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Implementing a centralized complaint response process
- Updating policies and procedures related to the servicer’s complaint response process
- Conducting additional training sessions for employees who handle complaints to reinforce servicing standards requirements
- Assigning specific personnel to designated roles in the complaint handling process
- Improving the system to better highlight critical date and deadline information
- Implementing automated email reminders concerning impending deadlines
- Implementing a process to ensure the appropriate party is copied on correspondence, including procedures to review and verify that the appropriate party is copied



Green Tree failed Metric 18 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which evaluates whether the servicer responded to complaints and inquiries submitted through authorized government entities¹ on behalf of eligible borrowers within 10 business days and provided an update within 30 days.

Green Tree met with the Monitoring Committee to report that it failed Metric 18.

The Monitor approved the CAP, and Green Tree implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 18 will resume during test period nine.

¹ Authorized government entities include state attorneys general, state financial regulators, the Executive Office for United States Trustees/regional offices of the United States Trustees, and the federal regulators.

Corrective Action Plan (CAP) for Metric 19

Green Tree developed a CAP that outlined steps to prevent future fails.

THE CAP INCLUDED:

- Transferring responsibility for the initial review of unsolicited loss mitigation documents to a newly created team responsible for referring documents to the loss mitigation group within one business day
- Implementing training requirements for the loss mitigation group to reemphasize the importance of processing of incomplete information notice (IIN) letters
- Instituting a supervisory review of the team's work
- Implementing a daily monitoring process to ensure the IIN letters are generated in a timely manner



Green Tree failed Metric 19 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which measures whether the servicer notified the borrower of any missing or incomplete documents in a loan modification application within five days of receipt.

Green Tree met with the Monitoring Committee to report that it failed Metric 19.

The Monitor approved the CAP, and Green Tree implemented the plan.

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 19 will resume during test period nine.

SCORECARD:

Wells Fargo

The Monitor’s Secondary Professional Firm (SPF) assigned to Wells Fargo, McGladrey LLP, tested 28 metrics during test period seven and 30 metrics during test period eight. The chart below illustrates the results of the IRG’s tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ERROR RATE	RESULT (ERROR RATE IF FAILED)
Foreclosure sale in error	1 (1.A)	7	1.00%	Pass	Complaint response timeliness	18 (6.A)	7	5.00%	Pass
		8	1.00%	Pass			8	5.00%	Pass
Incorrect modification denial	2 (1.B)	7	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	7	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	7	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	7	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	7	10.00%	Pass
		8	5.00%	Pass			8	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	7	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	7	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	7	1.00%	Pass
		8	5.00%	Pass			8	1.00%	Pass
Fee adherence to guidance	8 (4.A)	7	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	7	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	7	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	7	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	7	5.00%	Pass
		8	5.00%	Pass			8	5.00%	Pass
Third-party vendor management	12 (5.A)	7	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	7	5.00%	Pass
		8	N/A	Pass			8	5.00%	Pass
Customer portal	13 (5.B)	7	N/A	Pass	Loan Modification Process	30 (7.A)	7	5.00%	X
		8	N/A	Pass			8	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	7	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	7	5.00%	X
		8	5.00%	Pass			8	5.00%	Pass
Workforce Management	15 (5.D) **	7	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	7	N/A	X	Billing Statement Accuracy	33 (7.D)	7	5.00%	Pass
		8	N/A	X			8	5.00%	Pass
Account status activity	17 (5.F) **	7	N/A	X					
		8	N/A	X					

*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only.
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

EXECUTIVE OFFICE COMPLAINTS:

Top Ten Complaints

Jan. 1, 2014 - June 30, 2014

RANK	DESCRIPTION	NUMBER OF HITS
1	Servicer did not take appropriate action to remediate inaccuracies in borrower's account	17,048
2	A Single Point of Contact (SPOC) was not provided, was difficult to deal with or difficult to reach	13,863
3	Servicer failed to update borrower's contact information and/or account balance	13,500
4	Servicer failed to correct account information	13,274
5	Servicer failed to correct inaccurate reports to consumer credit reporting agencies	6,165
6	The SPOC was nonresponsive	5,761
7	Servicer did not accept payments or incorrectly applied them	5,535
8	Servicer did not follow appropriate loss mitigation procedures	5,334
9	The borrower was "dual-tracked." In other words, borrower submitted an application for loss mitigation and although it was in process or pending, the borrower was foreclosed upon	4,455
10	Servicer failed to provide adequate information on monthly billing or other account statements in clear language	4,291

51,646 TOTAL EXECUTIVE OFFICE COMPLAINTS FOR ALL SERVICERS

One complaint submission can include multiple issues, or "hits." This explains why there are more hits than complaints.

PROFESSIONALS' COMPLAINTS:

Top Ten Complaints

Top ten complaints received from professionals through mortgageoversight.com and the National Association of Consumer Advocates (NACA).

Jan. 1, 2014 - June 30, 2014

RANK	DESCRIPTION	NUMBER OF HITS
1	A Single Point of Contact (SPOC) was not provided, was difficult to deal with or difficult to reach	70
2	Borrower was "dual-tracked." In other words, borrower submitted an application for loss mitigation and although it was in process or pending, borrower was foreclosed upon	55
3	The completed first lien loan modification request was not responded to within 30 days	53
4	The SPOC did not communicate loss mitigation options available to borrower or the actions that borrower had to take to be considered for these options	41
5	SPOC was not knowledgeable about the current status of borrower's loan modification or borrower's situation	40
6	The means of contact with the SPOC was not clear, not provided or borrower was reassigned to another SPOC who was more difficult to deal with	36
7	Servicer did not notify borrower of available loss mitigation options prior to foreclosure referral	35
8	SPOC was not knowledgeable about the current status of the borrower's loan	35
9	Servicer did not take appropriate action to remediate inaccuracies in borrower's account	32
10	Borrower received requests for financial statements that he or she had already provided	31

256 TOTAL PROFESSIONALS' COMPLAINTS FOR ALL SERVICERS

One complaint submission can include multiple issues, or "hits." This explains why there are more hits than complaints.