Office of
Mortgage Settlement
Oversight

Interim Crediting Report

A Report from the Monitor of the National Mortgage Settlement

October 16, 2013

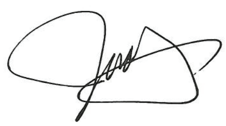
This report to the public summarizes the official reports I have filed with the United States District Court for the District of Columbia. It discusses consumer relief and refinancing assistance the servicers extended to distressed borrowers under the National Mortgage Settlement through December 31, 2012, including:

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

The credited relief discussed in this report indicates the servicers' progress as of year-end 2012. Each servicer's Internal Review Group provided me with information on the servicers' crediting progress in February of this year. Since then, my team and I have thoroughly reviewed, tested and inquired about their activities, and I now make the conclusions found in this report.

As of December 31, 2012 each servicer had made substantial progress toward its required consumer relief and refinancing commitments. Bank of America, Citi, Chase, and Wells Fargo have subsequently asserted to me that they have completed their respective obligations. I have started my review process and will submit final crediting reports to the Court when and if I determine the credited relief meets the Settlement's obligations. I hope and expect to report on each servicer's final satisfaction of its obligations in the coming months.

Sincerely,



Joseph A. Smith, Jr.

Introduction

As required by the National Mortgage Settlement (NMS or Settlement), I have filed consumer relief reports with the United States District Court for the District of Columbia (the Court) for each servicer party to the NMS.[1] These reports provide the results of my review of the servicers' asserted consumer relief and refinancing activities (collectively, relief) through December 31, 2012. Copies of these reports are available here.

Structure of Relief under the Settlement

The servicers' relief obligations are comprised of the following:

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

The servicers' aggregate obligations are as follows:

Servicer	*Consumer Relief Obligations*	*Refinancing Options*
Bank of America	$7,626,200,000	$948,000,000
Chase	$3,675,400,000	$537,000,000
Citi	$1,411,000,000	$378,000,000
ResCap Parties	$185,000,000	$15,000,000
Wells Fargo	$3,434,000,000	$903,000,000

[1] I filed reports for Bank of America, Citibank, JP Morgan Chase and Wells Fargo on October 16, 2013. I previously filed a report on the ResCap Parties (ResCap) on February 12, 2013 that included a finding of partial satisfaction of ResCap's relief obligations under the NMS. I certified to the Court and reported to the public that ResCap had satisfied its minimum consumer relief and refinancing credit requirements but had not yet completed its mandatory solicitation obligations under the NMS. I will review that work shortly.

Credit for Consumer Relief

Consumer relief activities seek to address distressed borrowers' needs in a variety of ways. The forms of consumer relief that have been extended by the servicers are, as follows:

- First Lien Mortgage Modifications
- Second Lien Portfolio Modifications
- Short Sales and Deeds-in-Lieu of Foreclosure
- Other Consumer Relief Programs[2]

The servicers have flexibility as to what types of relief to provide their borrowers within certain guidelines. The Settlement requires, with limited exceptions, that the amount of a servicer's first lien mortgage modification credits equal at least 30 percent of a servicer's total consumer relief credits and the amount of a servicer's first and second lien mortgage modification credits equal at least 60 percent of a servicer's total consumer relief credits. Additionally, at least 85 percent of the first lien mortgages on occupied properties for which the servicer claims credit for first lien mortgage modifications must have an unpaid principal balance before capitalization at or below the highest GSE conforming loan limit caps as of January 1, 2010. Maximums of 12.5 percent of a servicer's credits can be from forbearance conversions, five percent from enhanced borrower transitional funds, 10 percent from deficiency waivers and 12 percent from anti-blight relief.

Credit for Refinancing Programs

Credit for refinancing is available for first lien mortgages the servicer owns where the loan-to-value ratio is greater than 80 percent and the borrower would not have qualified for a refinance under the servicer's generally available refinance programs as of September 30, 2011. Credit for refinancing is based on the reduction in the monthly interest rate multiplied by the unpaid principal balance of the loan times a multiplier reflecting the term of the interest rate reduction.[3]

Bonuses and Penalties

The Settlement provides servicers bonus credit of 25 percent for any first or second lien principal reduction and amounts credited for refinancing before February 28, 2013. It also provides penalties between 125 percent and 140 percent of the unmet obligation if relief is not completed by the established deadlines.

[2] The other Consumer Relief Programs can include enhanced borrower transitional funds paid by servicer, servicer payments to unrelated second lienholder for release of second lien, forbearance for unemployed borrowers, deficiency waivers, forgiveness of principal associated with a property in connection with a decision not to pursue foreclosure, cash costs paid by servicer for demolition of property, and real-estate owned ("REO") properties donated.

[3] If the new rate applies for the life of the loan, the multiplier is eight for loans with a remaining term greater than 15 years, six for loans with a remaining term between 10 and 15 years, and five for loans with a remaining term less than 10 years. If the new rate applies for five years, the multiplier is five.

Non-Creditable Requirements

The NMS also imposes several non-creditable consumer relief requirements on the servicers, including the following obligations:

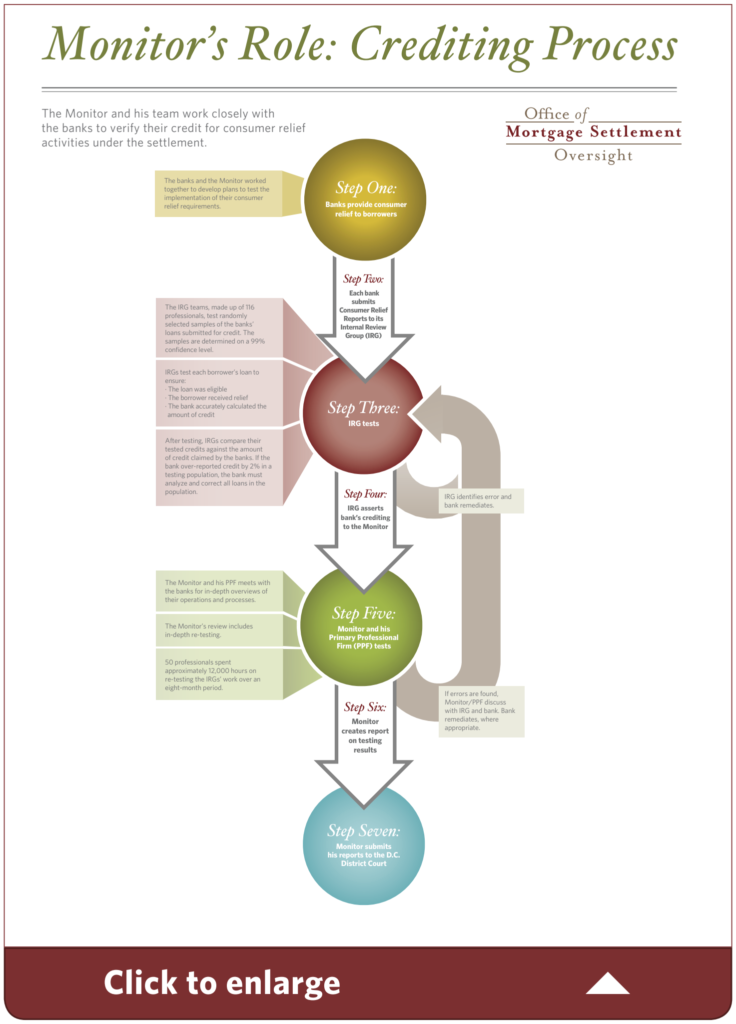
- not to implement any consumer relief "through policies that are intended to (i) disfavor a specific geography within or among the states that are a party [to the consent judgment] or (ii) discriminate against any protected class of borrowers;"
- not to require borrowers to waive or release claims and defenses as a condition of approval for loss mitigation;
- to modify second lien mortgages when a servicer party to the Settlement modifies a first lien mortgage;
- to extinguish certain second liens;
- to reduce credits by the amount of state or federal incentive payments when they are the source of the claimed credit;
- to implement a refinancing program for all borrowers who meet specified minimum eligibility criteria and use reasonable efforts to identify active service members who qualify for refinancing and to solicit them; and
- to waive any deficiency amount remaining after certain short sales when the seller is an eligible service member.

Assertion and Testing of Consumer Relief

Consumer relief crediting is based on the actions of three distinct entities:

- The servicer, which performs the consumer relief activities and reports quarterly.
- The Internal Review Group (IRG), a group of employees or contractors of the servicer that is independent of the servicer's mortgage loan servicing operations. This group confirms the eligibility of the servicer's consumer relief activities, the amount of credited relief, and reports to me at the end of each calendar year (and more frequently under certain circumstances) and when the servicer asserts that it has satisfied its relief obligations.
- The Monitor (my role), who, working with and through my primary professional firm (PPF) BDO Consulting, reviews the satisfaction reports and conducts other procedures as necessary to determine whether the reports are correct and complete. In this role, I ultimately determine whether and when a servicer has satisfied its obligations. The NMS requires me to file reports with the Court detailing my conclusions on the servicer's performance.

Each IRG, my colleagues and I use methods outlined in a work plan to determine that all or a portion of the servicer's obligations have been performed or satisfied. These work plans were negotiated by the servicers and me, and reviewed by the Monitoring Committee, pursuant to the NMS.



In early 2013, the servicers reported to their respective IRGs their consumer relief performance through December 31, 2012. The IRGs then reviewed the servicers' reports and asserted to me the servicers' progress toward their obligations in mid-February. My PPF then devoted more than 12,000 hours in total reviewing the IRGs' satisfaction reports and retesting their testing samples to determine compliance.

To determine whether there were any material inaccuracies in the servicers' State Reports, my PPF compared the State Reports' relief information with the information the servicers reported to their IRGs, identified any apparent differences, and inquired with the servicers and IRGs to understand those differences.

In addition to testing the servicers' performance in meeting their relief obligations, my PPF and I interviewed senior officers from each of the servicers to determine that their servicer complied with the non-creditable requirements of the NMS.

Determination of Performance

Based on the procedures outlined above, I have determined that through December 31, 2012, the servicers have made the following progress toward satisfaction of their obligations:

Servicer	Number of Loans	Total Credited Consumer Relief	Total Consumer Relief Obligations[4]	% Completed Consumer Relief	Total Gross Dollar Consumer Relief
Bank of America	287,906	$7,401,570,384	$7,626,200,000	97%	$25,019,888,318
Chase	73,748	$2,784,330,737	$3,675,400,000	76%	$7,284,906,959
Citi	14,227	$655,103,037	$1,411,000,000	46%	$1,002,245,403
Wells Fargo	45,469	$1,890,708,213	$3,434,000,000	55%	$3,319,024,181
SUBTOTAL	421,350	$12,731,712,371	$16,146,600,000	—	$36,626,064,861
Servicer	*Number of Loans*	*Total Credited Refinancing*	*Total Refinancing Obligation*	*% Completed Refinancing[5]*	*Total Refinancing[6]*
Bank of America	7,514	$392,232,910	$948,000,000	41%	$321,039,294
Chase	12,342	$606,127,639	$537,000,000	113%	$478,574,160
Citi	13,407	$519,098,690	$378,000,000	137%	$404,795,612
Wells Fargo	22,143	$1,105,510,531	$903,000,000	122%	$889,877,903
SUBTOTAL	55,406	$2,622,969,770	$2,766,000,000	—	$2,094,286,969
TOTAL CONSUMER RELIEF AND REFINANCING	**476,756**	**$15,354,682,141**	**$18,912,600,000**	—	**$38,720,351,830**

I have certified credited relief in aggregate of $15.35 billion, which is less than $38.72 billion, the amount of total gross dollar consumer relief for the same period. The amount of credit the servicers earn toward their obligations differs depending on the type of relief activity performed. For instance, certain types of first lien loan modifications earn $1 of credit for $1 of relief. Other activity earns pennies on the dollar. A deficiency waiver on a first or second lien loan, for example, earns a $0.10 credit for each dollar waived.

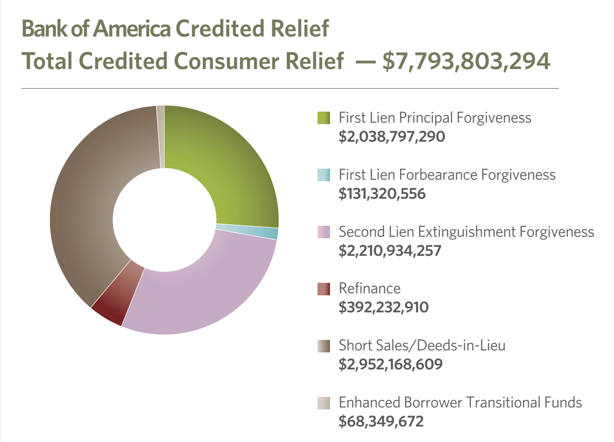
The gross dollar relief summarized above is slightly different than the gross dollar relief the servicers previously reported for the same period in their State Reports, which I summarized in a series of progress reports.[7] My PPF and I have not identified any material inaccuracies in these State Reports. Differences in the amount of relief from the State Reports occurred when I determined that certain loans were not eligible for credit or the servicers decided not to seek credit for particular loans.

I also have no reason to believe that any of the servicers failed to comply with the non-creditable consumer relief requirements.

[4] In this chart, Total Consumer Relief Obligations, Total Credited Consumer Relief and Percent Completed Total Consumer Relief exclude relief amounts as a result of excess refinancing.
[5] The NMS authorizes the servicers to apply some amount of its excess refinancings to its first and second lien principal reduction obligations. See Exhibit D¶ 9.f. and Exhibit D-1, Table 1.
[6] Total Refinancing represents the sum of the estimated total benefit to the borrower from all credited refinancing activity. We determined the estimated benefit to the borrower from each refinanced loan by calculating the product of the reduction in the loan's interest rate times the unpaid principal balance and then multiplying that product by 7.85, which represents the servicers' weighted multiplier under the Settlement per Exhibit D ¶ 9.e.ii.1. and is consistent with what some of the servicers are reporting in their filings with the U.S. Securities and Exchange Commission.
[7] See *First Take*, *Continued Progress*, *Ongoing Implementation*, *Updated Consumer Relief*, and *Final Progress Report*.

Bank of America, N.A.

On October 16, 2013, I filed my report with the Court on Bank of America's consumer relief activities through December 31, 2012. Bank of America's report is available here.



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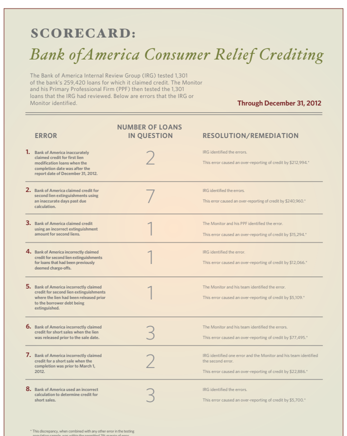
Throughout our testing process, my PPF interacted extensively with the Bank of America IRG to resolve issues requiring additional clarification and evidence.



SCORECARD:

Bank of America Consumer Relief Crediting

The Bank of America Internal Review Group (IRG) tested 1,301 of the bank's 259,420 loans for which it claimed credit. The Monitor and his Primary Professional Firm (PPF) then tested the 1,301 loans that the IRG had reviewed. Below are errors that the IRG or Monitor identified.

Through December 31, 2012

ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1. Bank of America inaccurately claimed credit for first lien modification loans when the completion date was after the report date of December 31, 2012.	2	IRG identified the errors. This error caused an over-reporting of credit by $212,994.*
2. Bank of America claimed credit for second lien extinguishments using an inaccurate days past due calculation.	7	IRG identified the errors. This error caused an over-reporting of credit by $240,960.*
3. Bank of America claimed credit using an incorrect extinguishment amount for second liens.	1	The Monitor and his PPF identified the error. This error caused an over-reporting of credit by $15,294.*
4. Bank of America incorrectly claimed credit for second lien extinguishments for loans that had been previously deemed charge-offs.	1	IRG identified the error. This error caused an over-reporting of credit by $12,066.*
5. Bank of America incorrectly claimed credit for second lien extinguishments where the lien had been released prior to the borrower debt being extinguished.	1	The Monitor and his team identified the error. This error caused an over-reporting of credit by $5,109.*
6. Bank of America incorrectly claimed credit for short sales when the lien was released prior to the sale date.	3	The Monitor and his team identified the errors. This error caused an over-reporting of credit by $77,495.*
7. Bank of America incorrectly claimed credit for a short sale when the completion was prior to March 1, 2012.	2	IRG identified one error and the Monitor and his team identified the second error. This error caused an over-reporting of credit by $22,886.*
8. Bank of America used an incorrect calculation to determine credit for short sales.	3	IRG identified the errors. This error caused an over-reporting of credit by $5,700.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

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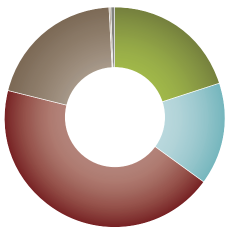
After receiving this information and completing testing, I determined that the IRG correctly validated the credited relief amounts reported by Bank of America.

In my report to the Court, I confirmed that through year-end 2012, Bank of America completed approximately $7.79 billion in credited relief, complied with the non-creditable requirements, and accurately reported gross relief in its State Reports.

CitiMortgage, Inc.

I filed my report with the Court on Citi's consumer relief activities through December 31, 2012 on October 16, 2013. Citi's report can be found here.

Citi Credited Relief
Total Credited Consumer Relief — $1,174,201,727



- First Lien Principal Forgiveness **$238,728,735**
- First Lien Forbearance Forgiveness **$176,374,951**
- Refinance **$519,098,690**
- Short Sales/Deeds-in-Lieu **$237,905,577**
- Enhanced Borrower Transitional Funds **$751,819**
- Payment to Unrelated Second Lien Holder **$1,341,955**

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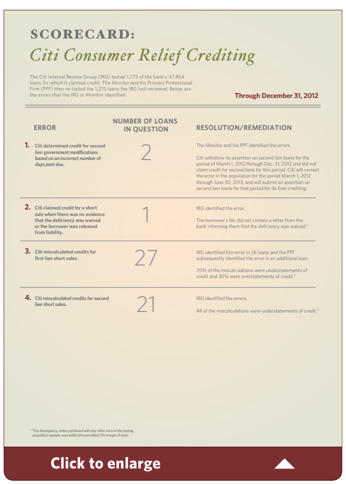
During testing, my PPF identified several issues and worked with the IRG and Citi to resolve or remediate the errors.



SCORECARD:
Citi Consumer Relief Crediting

The Citi Internal Review Group (IRG) tested 1,275 of the bank's 47,854 loans for which it claimed credit. The Monitor and his Primary Professional Firm (PPF) then re-tested the 1,275 loans the IRG had reviewed. Below are the errors that the IRG or Monitor identified.

Through December 31, 2012

ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1. Citi determined credit for second lien government modifications based on an incorrect number of days past due.	2	The Monitor and his PPF identified the errors. Citi withdrew its assertion on second lien loans for the period of March 1, 2012 through Dec. 31, 2012 and did not claim credit for second liens for this period. Citi will correct the error in the population for the period March 1, 2012 through June 30, 2013, and will submit an assertion on second lien loans for that period for its final crediting.
2. Citi claimed credit for a short sale when there was no evidence that the deficiency was waived or the borrower was released from liability.	1	IRG identified the error. The borrower's file did not contain a letter from the bank informing them that the deficiency was waived.*
3. Citi miscalculated credits for first lien short sales.	27	IRG identified this error in 26 loans and the PPF subsequently identified the error in an additional loan. 70% of the miscalculations were understatements of credit and 30% were overstatements of credit.*
4. Citi miscalculated credits for second lien short sales.	21	IRG identified the errors. All of the miscalculations were understatements of credit.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

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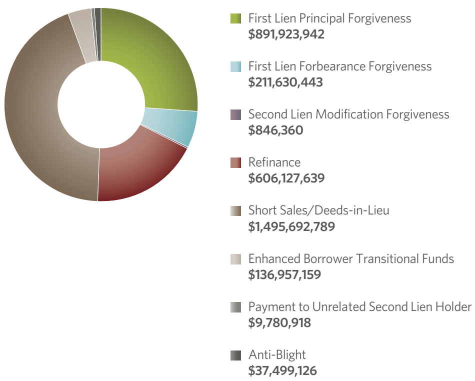
Following remediation of these issues, I determined that the IRG had correctly validated the credited relief amount reported by Citi.

In my report to the Court, I confirmed that Citi completed approximately $1.17 billion in credited relief, complied with the non-creditable requirements, and had no material inaccuracies in its State Reports through year-end 2012.

J.P. Morgan Chase Bank, N.A.

My report on Chase's consumer relief activities through December 31, 2012 was submitted to the Court on October 16, 2013. Chase's report is available here.

Chase Credited Relief
Total Credited Consumer Relief — $3,390,458,376



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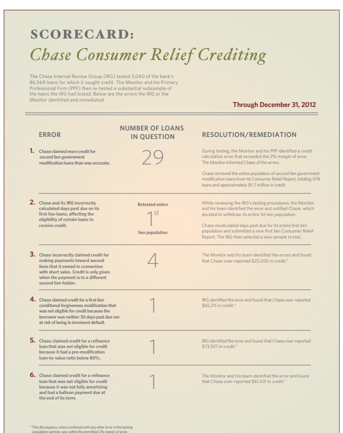
During testing, my PPF identified several issues and worked with the IRG and Chase to resolve or remediate the errors.



SCORECARD:
Chase Consumer Relief Crediting

The Chase Internal Review Group (IRG) tested 3,040 of the bank's 86,569 loans for which it sought credit. The Monitor and his Primary Professional Firm (PPF) then re-tested a substantial subsample of the loans the IRG had tested. Below are the errors the IRG or the Monitor identified and remediated.

Through December 31, 2012

ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1. Chase claimed more credit for second lien government modification loans than was accurate.	29	During testing, the Monitor and his PPF identified a credit calculation error that exceeded the 2% margin of error. The Monitor informed Chase of the errors. Chase removed the entire population of second lien government modification loans from its Consumer Relief Report, totaling 478 loans and approximately $5.7 million in credit.
2. Chase and its IRG incorrectly calculated days past due on its first lien loans, affecting the eligibility of certain loans to receive credit.	Retested entire 1st lien population	While reviewing the IRG's testing procedures, the Monitor and his team identified the error and notified Chase, which decided to withdraw its entire 1st lien population. Chase recalculated days past due for its entire first lien population and submitted a new first lien Consumer Relief Report. The IRG then selected a new sample to test.
3. Chase incorrectly claimed credit for making payments toward second liens that it owned in connection with short sales. Credit is only given when the payment is to a different second lien holder.	4	The Monitor and his team identified the errors and found that Chase over-reported $25,000 in credit.*
4. Chase claimed credit for a first lien conditional forgiveness modification that was not eligible for credit because the borrower was neither 30 days past due nor at risk of being in imminent default.	1	IRG identified the error and found that Chase over-reported $65,211 in credit.*
5. Chase claimed credit for a refinance loan that was not eligible for credit because it had a pre-modification loan-to-value ratio below 80%.	1	IRG identified the error and found that Chase over-reported $73,927 in credit.*
6. Chase claimed credit for a refinance loan that was not eligible for credit because it was not fully amortizing and had a balloon payment due at the end of its term.	1	The Monitor and his team identified the error and found that Chase over-reported $61,431 in credit.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

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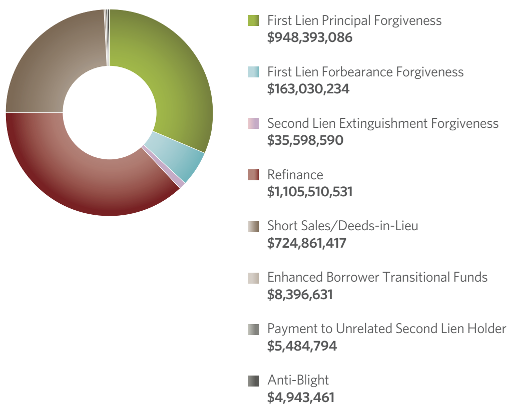
Following remediation, I confirmed that the credit provided was accurate.

In my report to the Court, I confirmed that Chase completed approximately $3.39 billion in credited consumer relief activities and complied with the non-creditable requirements through year-end 2012. I also found that there were no material inaccuracies in Chase's State Reports' reported gross dollar relief.

Wells Fargo & Company

I filed my report with the Court on Wells Fargo's consumer relief activities through December 31, 2012 on October 16, 2013. Wells Fargo's report is available here.

Wells Fargo Credited Relief
Total Credited Consumer Relief — $2,996,218,744



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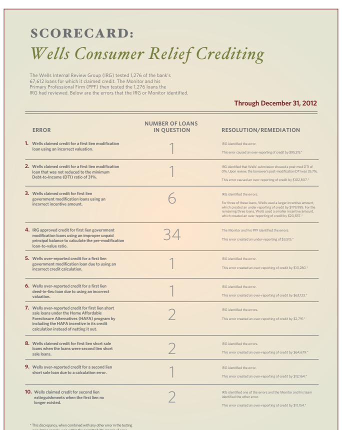
As my PPF conducted its testing, it worked closely with the IRG and Wells Fargo to resolve issues as necessary.



SCORECARD:
Wells Consumer Relief Crediting

The Wells Internal Review Group (IRG) tested 1,276 of the bank's 67,612 loans for which it claimed credit. The Monitor and his Primary Professional Firm (PPF) then tested the 1,276 loans the IRG had reviewed. Below are the errors that the IRG or Monitor identified.

Through December 31, 2012

ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1. Wells claimed credit for a first lien modification loan using an incorrect valuation.	1	IRG identified the error. This error caused an over-reporting of credit by $95,313.*
2. Wells claimed credit for a first lien modification loan that was not reduced to the minimum Debt-to-Income (DTI) ratio of 31%.	1	IRG identified that Wells' submission showed a post-mod DTI of 0%. Upon review, the borrower's post-modification DTI was 35.7%. This error caused an over-reporting of credit by $102,807.*
3. Wells claimed credit for first lien government modification loans using an incorrect incentive amount.	6	IRG identified the errors. For three of these loans, Wells used a larger incentive amount, which created an under reporting of credit by $179,995. For the remaining three loans, Wells used a smaller incentive amount, which created an over-reporting of credit by $20,837.*
4. IRG approved credit for first lien government modification loans using an improper unpaid principal balance to calculate the pre-modification loan-to-value ratio.	34	The Monitor and his PPF identified the errors. This error created an under-reporting of $3,515.*
5. Wells over-reported credit for a first lien government modification loan due to using an incorrect credit calculation.	1	IRG identified the error. This error created an over-reporting of credit by $10,280.*
6. Wells over-reported credit for a first lien deed-in-lieu loan due to using an incorrect valuation.	1	IRG identified the error. This error created an over-reporting of credit by $63,123.*
7. Wells over-reported credit for first lien short sale loans under the Home Affordable Foreclosure Alternatives (HAFA) program by including the HAFA incentive in its credit calculation instead of netting it out.	2	IRG identified the errors. This error created an over-reporting of credit by $2,791.*
8. Wells claimed credit for first lien short sale loans when the loans were second lien short sale loans.	2	IRG identified the errors. This error created an over-reporting of credit by $64,679.*
9. Wells over-reported credit for a second lien short sale loan due to a calculation error.	1	IRG identified the error. This error created an over-reporting of credit by $12,164.*
10. Wells claimed credit for second lien extinguishments when the first lien no longer existed.	2	IRG identified one of the errors and the Monitor and his team identified the other error. This error created an over-reporting of credit by $11,154.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

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After resolving these issues, I certified that the IRG accurately validated credit amounts for Wells Fargo.

In my report to the Court, I confirmed that Wells Fargo completed approximately $3 billion in credited relief, complied with the non-creditable requirements, and accurately reported gross relief in its State Reports through year-end 2012.

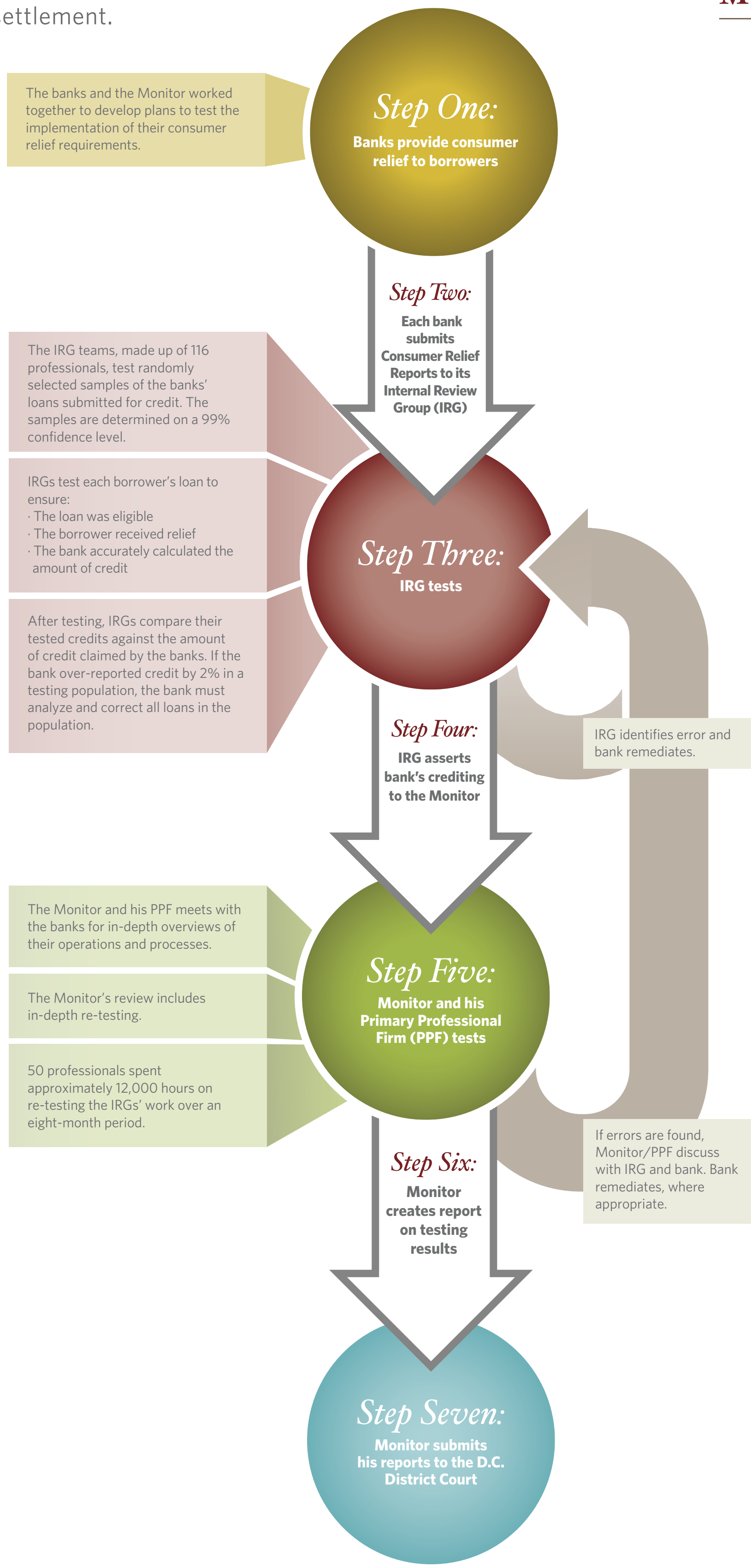
Conclusion

The crediting reports I have just filed with the Court reflect the progress the servicers have made in providing relief to homeowners through year-end 2012, and the thorough review process conducted to validate these activities. The three progress reports I have released this year show that relief activities have continued in 2013. As I mentioned earlier, Bank of America, Citi, Chase, and Wells Fargo have asserted to me that they have now completed their obligations. Once I complete my reviews and determine the accuracy of the remainder of the servicers' consumer relief activities, I will submit final crediting reports to the Court.

Monitor's Role: Crediting Process

Office of Mortgage Settlement Oversight

The Monitor and his team work closely with the banks to verify their credit for consumer relief activities under the settlement.



SCORECARD:

Bank of America Consumer Relief Crediting

The Bank of America Internal Review Group (IRG) tested 1,301 of the bank's 259,420 loans for which it claimed credit. The Monitor and his Primary Professional Firm (PPF) then tested the 1,301 loans that the IRG had reviewed. Below are errors that the IRG or Monitor identified.

Through December 31, 2012

	ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1.	**Bank of America inaccurately claimed credit for first lien modification loans when the completion date was after the report date of December 31, 2012.**	2	IRG identified the errors. This error caused an over-reporting of credit by $212,994.*
2.	**Bank of America claimed credit for second lien extinguishments using an inaccurate days past due calculation.**	7	IRG identified the errors. This error caused an over-reporting of credit by $240,960.*
3.	**Bank of America claimed credit using an incorrect extinguishment amount for second liens.**	1	The Monitor and his PPF identified the error. This error caused an over-reporting of credit by $15,294.*
4.	**Bank of America incorrectly claimed credit for second lien extinguishments for loans that had been previously deemed charge-offs.**	1	IRG identified the error. This error caused an over-reporting of credit by $12,066.*
5.	**Bank of America incorrectly claimed credit for second lien extinguishments where the lien had been released prior to the borrower debt being extinguished.**	1	The Monitor and his team identified the error. This error caused an over-reporting of credit by $5,109.*
6.	**Bank of America incorrectly claimed credit for short sales when the lien was released prior to the sale date.**	3	The Monitor and his team identified the errors. This error caused an over-reporting of credit by $77,495.*
7.	**Bank of America incorrectly claimed credit for a short sale when the completion was prior to March 1, 2012.**	2	IRG identified one error and the Monitor and his team identified the second error. This error caused an over-reporting of credit by $22,886.*
8.	**Bank of America used an incorrect calculation to determine credit for short sales.**	3	IRG identified the errors. This error caused an over-reporting of credit by $5,700.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

SCORECARD:

Chase Consumer Relief Crediting

The Chase Internal Review Group (IRG) tested 3,040 of the bank's 86,569 loans for which it sought credit. The Monitor and his Primary Professional Firm (PPF) then re-tested a substantial subsample of the loans the IRG had tested. Below are the errors the IRG or the Monitor identified and remediated.

Through December 31, 2012

	ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1.	**Chase claimed more credit for second lien government modification loans than was accurate.**	29	During testing, the Monitor and his PPF identified a credit calculation error that exceeded the 2% margin of error. The Monitor informed Chase of the errors. Chase removed the entire population of second lien government modification loans from its Consumer Relief Report, totaling 478 loans and approximately $5.7 million in credit.
2.	**Chase and its IRG incorrectly calculated days past due on its first lien loans, affecting the eligibility of certain loans to receive credit.**	**Retested entire** 1st **lien population**	While reviewing the IRG's testing procedures, the Monitor and his team identified the error and notified Chase, which decided to withdraw its entire 1st lien population. Chase recalculated days past due for its entire first lien population and submitted a new first lien Consumer Relief Report. The IRG then selected a new sample to test.
3.	**Chase incorrectly claimed credit for making payments toward second liens that it owned in connection with short sales. Credit is only given when the payment is to a different second lien holder.**	4	The Monitor and his team identified the errors and found that Chase over-reported $25,000 in credit.*
4.	**Chase claimed credit for a first lien conditional forgiveness modification that was not eligible for credit because the borrower was neither 30 days past due nor at risk of being in imminent default.**	1	IRG identified the error and found that Chase over-reported $65,211 in credit.*
5.	**Chase claimed credit for a refinance loan that was not eligible for credit because it had a pre-modification loan-to-value ratio below 80%.**	1	IRG identified the error and found that Chase over-reported $73,927 in credit.*
6.	**Chase claimed credit for a refinance loan that was not eligible for credit because it was not fully amortizing and had a balloon payment due at the end of its term.**	1	The Monitor and his team identified the error and found that Chase over-reported $61,431 in credit.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

SCORECARD:

Citi Consumer Relief Crediting

The Citi Internal Review Group (IRG) tested 1,275 of the bank's 47,854 loans for which it claimed credit. The Monitor and his Primary Professional Firm (PPF) then re-tested the 1,275 loans the IRG had reviewed. Below are the errors that the IRG or Monitor identified.

Through December 31, 2012

ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1. Citi determined credit for second lien government modifications based on an incorrect number of days past due.	2	The Monitor and his PPF identified the errors. Citi withdrew its assertion on second lien loans for the period of March 1, 2012 through Dec. 31, 2012 and did not claim credit for second liens for this period. Citi will correct the error in the population for the period March 1, 2012 through June 30, 2013, and will submit an assertion on second lien loans for that period for its final crediting.
2. Citi claimed credit for a short sale when there was no evidence that the deficiency was waived or the borrower was released from liability.	1	IRG identified the error. The borrower's file did not contain a letter from the bank informing them that the deficiency was waived.*
3. Citi miscalculated credits for first lien short sales.	27	IRG identified this error in 26 loans and the PPF subsequently identified the error in an additional loan. 70% of the miscalculations were understatements of credit and 30% were overstatements of credit.*
4. Citi miscalculated credits for second lien short sales.	21	IRG identified the errors. All of the miscalculations were understatements of credit.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.

SCORECARD:

Wells Consumer Relief Crediting

The Wells Internal Review Group (IRG) tested 1,276 of the bank's 67,612 loans for which it claimed credit. The Monitor and his Primary Professional Firm (PPF) then tested the 1,276 loans the IRG had reviewed. Below are the errors that the IRG or Monitor identified.

Through December 31, 2012

ERROR	NUMBER OF LOANS IN QUESTION	RESOLUTION/REMEDIATION
1. Wells claimed credit for a first lien modification loan using an incorrect valuation.	1	IRG identified the error. This error caused an over-reporting of credit by $95,313.*
2. Wells claimed credit for a first lien modification loan that was not reduced to the minimum Debt-to-Income (DTI) ratio of 31%.	1	IRG identified that Wells' submission showed a post-mod DTI of 0%. Upon review, the borrower's post-modification DTI was 35.7%. This error caused an over-reporting of credit by $102,807.*
3. Wells claimed credit for first lien government modification loans using an incorrect incentive amount.	6	IRG identified the errors. For three of these loans, Wells used a larger incentive amount, which created an under reporting of credit by $179,995. For the remaining three loans, Wells used a smaller incentive amount, which created an over-reporting of credit by $20,837.*
4. IRG approved credit for first lien government modification loans using an improper unpaid principal balance to calculate the pre-modification loan-to-value ratio.	34	The Monitor and his PPF identified the errors. This error created an under-reporting of $3,515.*
5. Wells over-reported credit for a first lien government modification loan due to using an incorrect credit calculation.	1	IRG identified the error. This error created an over-reporting of credit by $10,280.*
6. Wells over-reported credit for a first lien deed-in-lieu loan due to using an incorrect valuation.	1	IRG identified the error. This error created an over-reporting of credit by $63,123.*
7. Wells over-reported credit for first lien short sale loans under the Home Affordable Foreclosure Alternatives (HAFA) program by including the HAFA incentive in its credit calculation instead of netting it out.	2	IRG identified the errors. This error created an over-reporting of credit by $2,791.*
8. Wells claimed credit for first lien short sale loans when the loans were second lien short sale loans.	2	IRG identified the errors. This error created an over-reporting of credit by $64,679.*
9. Wells over-reported credit for a second lien short sale loan due to a calculation error.	1	IRG identified the error. This error created an over-reporting of credit by $12,164.*
10. Wells claimed credit for second lien extinguishments when the first lien no longer existed.	2	IRG identified one of the errors and the Monitor and his team identified the other error. This error created an over-reporting of credit by $11,154.*

* This discrepancy, when combined with any other error in the testing population sample, was within the permitted 2% margin of error.