

Office of Mortgage Settlement Oversight

For immediate release:
October 2, 2013

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Mortgage Settlement Monitor Creates Four New Enforcement Metrics *Joseph Smith releases additional metrics for testing servicing standards*

RALEIGH, N.C. – Joseph A. Smith, Jr., Monitor of the National Mortgage Settlement, today announced that he has issued four new metrics, or tests, to measure the banks' compliance with the Settlement's servicing standards. He has filed those metrics with the District Court for the District of Columbia. Click on each servicer to view its new metrics: [Bank of America](#), [Chase](#), [Citi](#), [ResCap Parties](#) or [Wells Fargo](#).

Smith released the following statement about the news:

"Over the past year, I have heard from distressed borrowers and the professionals who represent them that there continue to be servicing issues with the banks who are parties to the Settlement. The Settlement anticipated that there may be a need for additional tests and, as such, allows me to create more.

"These four new metrics address a number of persistent issues involving the loan modification process, single points of contact and billing statement accuracy. They will better hold the banks accountable to the commitments they made in the Settlement to improve their operations in these areas. In particular, I have been extremely concerned about ongoing dual tracking issues. One of the metrics will address the issue of when a loan modification application is considered 'complete,' which has led to some of these problems.

"I have met with attorneys general, counselors, other advocates, and distressed borrowers in 10 states over the past year. Time and time again, I have heard their ongoing frustrations with the loan modification process, single points of contact, and billing and account statement issues.

"In addition to these meetings, I have received and analyzed complaints from professional advocates around the country and those processed through the banks' executive offices. This data reinforces what I have heard from the field. Nine of the [top ten complaints](#) my office has received involve the three issues the new metrics address.

"These new metrics, I believe, represent meaningful progress in the effort to protect borrowers and reform the mortgage servicing industry as a whole. I thank the Monitoring Committee, as well as the banks, for their assistance in developing these metrics. I look forward to sharing related compliance results in my future reports."

One of the new metrics tests to ensure that the banks provide customers contact information for new single points of contact (SPOC) and that they implement procedures that evaluate and remediate SPOC performance. A second tests the servicers' monthly billing statements to confirm that accurate, detailed information is provided to borrowers. Compliance testing on these two metrics will begin January 1, 2014.

The other two metrics relate to the loan modification process, as well as certain disclosures made by single points of contact. The metrics will test the banks' communications to borrowers of the requirements of a loan modification application, ensure that the banks do not reject a borrower's loan modification application or proceed with a foreclosure for at least 30 days while the borrower is responding to requests for additional documents, and for those borrowers whose applications are denied, confirm that the banks properly communicate that denial and the loss mitigation alternatives available to the borrower. Compliance testing on these two metrics will begin April 1, 2014.

About the Office of Mortgage Settlement Oversight

More information about the National Mortgage Settlement is available at www.nationalmortgagesettlement.com.

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Further information about Joseph Smith and the Office of Mortgage Settlement Oversight is available at www.mortgageoversight.com.

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