

# 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/REMEDATION
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.