

Office of  
**Mortgage Settlement**  
Oversight

# *Compliance Update*

A Report from the Monitor of the National Mortgage Settlement



June 30, 2015



The following is a summary of the fifth set of compliance reports I have filed with the United States District Court for the District of Columbia as Monitor of the National Mortgage Settlement. This report includes:

- An overview of the process through which my colleagues and I have reviewed the servicers' performances on the Settlement's servicing reforms;
- An update on the servicers' plans to correct issues outlined in this and prior reports; and
- Summaries of each servicer's compliance for the third and fourth calendar quarters of 2014.

This report does not include an update on Ocwen's compliance. My team is still reviewing Ocwen's compliance testing results for the first and second quarters of 2014. A summary of these issues can be found in my previous report, Continued Oversight and my interim report. I will report my findings to the Court and to the public as soon as I am confident they are complete.

My review of Bank of America, Chase, Citi, Wells Fargo and Green Tree uncovered one failed metric in the second half of 2014. Citi failed Metric 30 in the third quarter 2014. This is one of the new metrics the Monitoring Committee and I negotiated related to the loan modification process. I found no evidence of other failed metrics during these testing periods.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Smith", written over a horizontal line.

Joseph A. Smith, Jr.

# Introduction

As required by the National Mortgage Settlement (Settlement or NMS), I 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.<sup>1</sup>

The reports I filed provide the results of my testing on compliance with the NMS servicing standards during the third and fourth calendar quarters of 2014, or test periods nine and ten of the NMS. They are the fifth set of reports on the original four servicers and the third set of reports on Green Tree. Copies of all the reports filed with the Court are available on my website, [mortgageoversight.com](http://mortgageoversight.com).

<sup>1</sup> 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. For more information about these professional firms and their roles in the monitoring process, please see my previous reports.

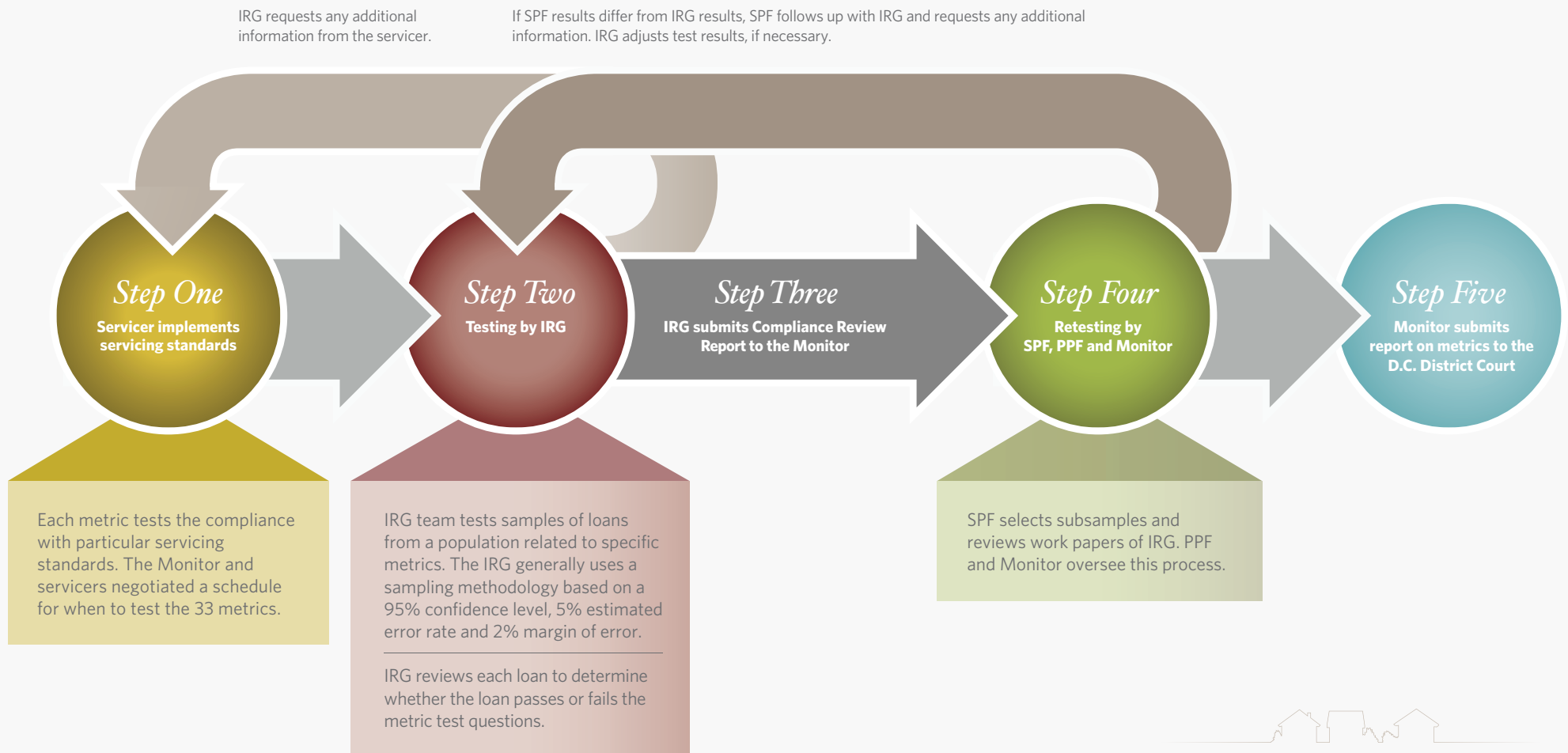
I use 29 metrics, or tests, enumerated in the Settlement and four additional metrics I negotiated with the servicers and the Monitoring Committee to evaluate the servicers. These metrics determine whether the servicers adhered to the 304 servicing standards, or rules, outlined in the NMS. The Monitoring 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 these work plans, an internal review group (IRG) of the servicer 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 professionals 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.

## MONITOR'S ROLE:

# Testing a Metric

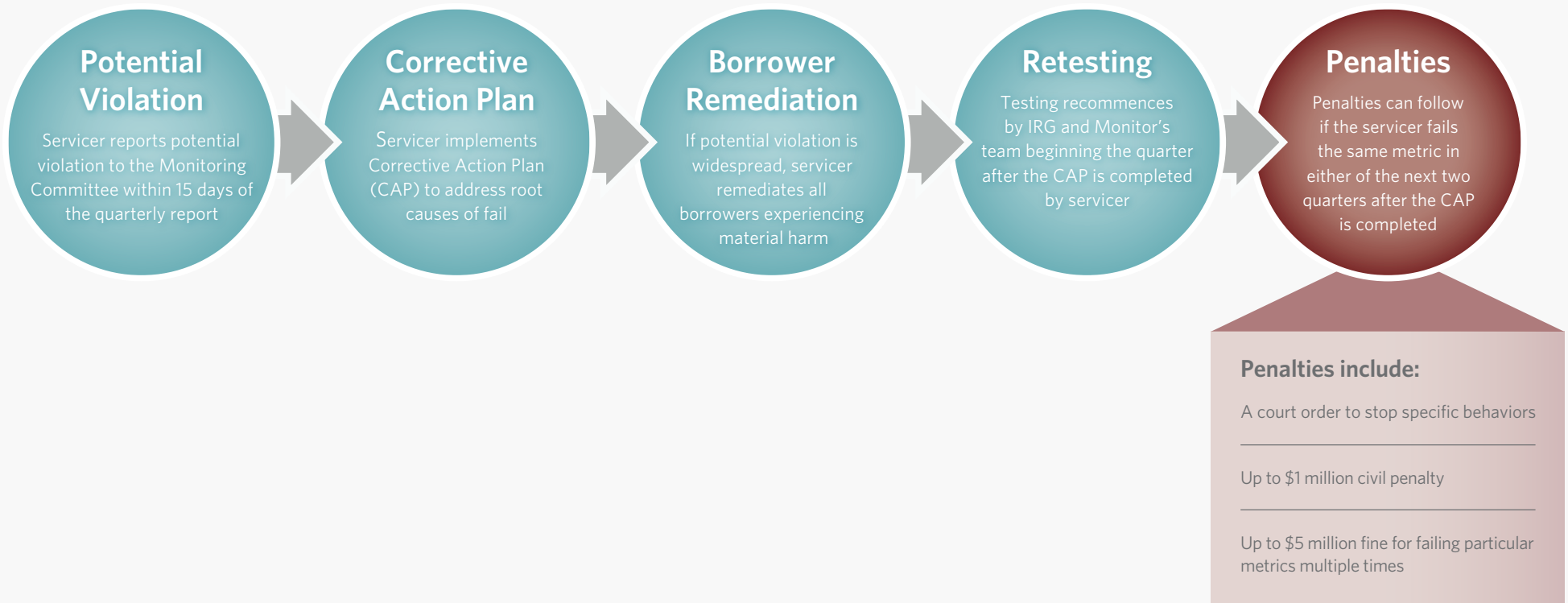
The Internal Review Groups tested, and my professional firms retested, the servicers' performance on each metric. The graphic below illustrates the process by which the metrics for each servicer were tested.



## 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 to be 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](http://mortgageoversight.com).



This report covers the third and fourth quarters 2014, or test periods nine and ten. During these periods, my professionals and I tested each servicer on up to 29 of the original metrics and all four of the new metrics.<sup>2</sup>

The work to test the servicers in test periods nine and ten involved 199 professionals, including my PPF, SPFs and other professionals who dedicated approximately 76,986 hours over a six-month period.

NMS Test Period	1	2	3	4	5	6	7	8	9	10
Calendar Quarter	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014

# Metric Testing Timeline

The Internal Review Groups tested, and my professional firms retested, the servicers on the servicing standards associated with the metrics. The graphic 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 9 (July 1, 2014 - September 30, 2014)					TEST PERIOD 10 (October 1, 2014 - December 31, 2014)					S OF A	CHASE	CITI	GREEN TREE	WELLS		
		S OF A	CHASE	CITI	GREEN TREE	WELLS	S 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 unpaid 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	Workflow 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.i)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
20	Loan modification decision/notification timeliness compliance (6.B.ii)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
21	Loan modification appeal timeliness compliance (6.B.iii)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
22	Short sale decision timeliness compliance (6.B.iv)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
23	Short sale document collection timeliness compliance (6.B.v)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
24	Charge of application fees for loan origination (6.B.vi)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
25	Short sale inclusion notice for deficiency (6.B.vii.a)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
26	Dual track referred to foreclosure (6.B.vii.b)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
27	Dual track failure to postpone foreclosure (6.B.viii)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
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		30	33	31	30	33	31	30	31	33	30							

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

\*\*The Service 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 Continuous Review Plan (CRP) and will be tested again until the CRP has been satisfactorily completed.

See **Appendix i** for larger version

<sup>2</sup>This report does not cover Ocwen's progress during test periods seven, eight, nine and ten. I will report my findings on Ocwen in a subsequent report.

Introduction

Oversight Process

Bank of America

Chase

Citi

Green Tree

Wells Fargo

Conclusion

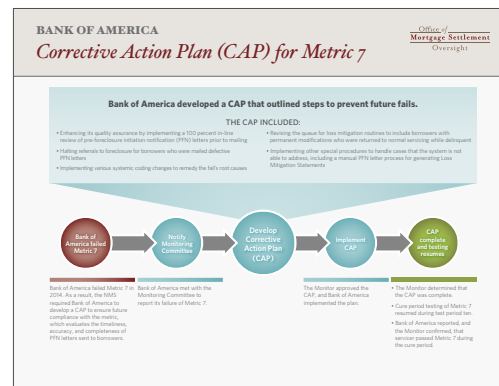
# Bank of America Results

In the third and fourth quarters 2014, neither Bank of America's IRG nor my professionals found evidence of fails in any of the metrics tested.

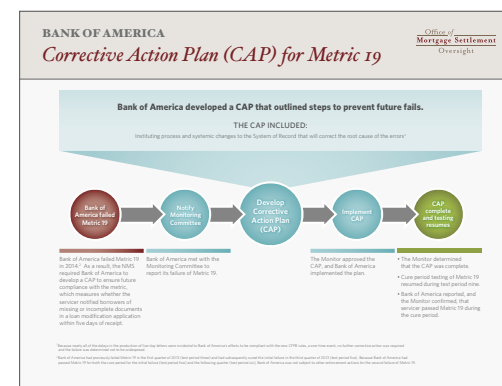
These testing periods include cure period testing for Metrics 7 and 19. Bank of America's IRG and my professionals determined that Bank of America passed each metric when testing resumed and that the previous fails had been cured.

[illegible]

See **Appendix ii** for larger version



See **Appendix iii** for larger version



See **Appendix iv** for larger version

# Chase Results

Neither Chase’s IRG nor my professionals found evidence of fails in any of the metrics tested in the second half of 2014.

SCORECARD:

Chase

The Monitor’s Secondary Professional Firm (SPF) assigned to Chase, Grant Thornton LLP, tested 33 metrics during test period nine and 30 metrics during test period ten. The chart below illustrates the results of the IRG’s tests.

Office of  
Mortgage Settlement  
Oversight

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

Introduction

Oversight  
Process

Bank of  
America

Chase

Citi

Green  
Tree

Wells  
Fargo

Conclusion

# Citi Results

In the third quarter 2014, Citi's IRG determined that Citi failed Metric 30 and passed all other metrics tested, results confirmed by my professionals. Citi's IRG and my professionals found no evidence of fails in the fourth quarter 2014.

Metric 30 evaluates written communications to borrowers whose loan modification application was ultimately declined due to missing or incomplete documents. Citi submitted a CAP that identified and addressed the root cause of the fail. My professionals and I reviewed the CAP and determined that it would sufficiently address the fail. I then determined that Citi had satisfactorily completed its CAP. Citi's IRG and my professionals resumed testing and found that Citi passed Metric 30 in the fourth quarter 2014 and that the fail had been cured.

The fourth quarter 2014 was also the cure period for Citi's previous fail of Metric 20. Citi's IRG and my professionals found that Citi passed Metric 20 when testing resumed and that the fail had been cured.

Introduction

Oversight  
Process

Bank of  
America

Chase

**Citi**

Green  
Tree

Wells  
Fargo

Conclusion

## SCORECARD:

*Citi*

Office of  
Mortgage Settlement  
Overseers

The Monitor's Secondary Professional from (SPF) assigned to Citi, BDO LLP, tested 33 metrics during test period one and 33 metrics during test period two. The chart below illustrates the results of the IRG's tests.

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD	ORIGIN DATE	ORIGIN RATE	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD	ORIGIN DATE	ORIGIN RATE
Development fails to meet						Consistent response timelines					
Document modification denied	21.04	Q3 2014	100%	Pass		Loan modification document	14.01.01	Q3 2014	100%	Pass	
Efficient of modifications	22.01	Q3 2014	100%	Pass		Loan modification document	20.01.01	Q3 2014	100%	Pass	
Proof of Cash (POC)	23.01	Q3 2014	100%	Pass		Loan modification	21.01.01	Q3 2014	100%	Pass	
Refusal to Refill from (POC) efforts	24.01	Q3 2014	100%	Pass		Short Late document	22.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	25.01	Q3 2014	100%	Pass		Short Late document	23.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	26.01	Q3 2014	100%	Pass		Short Late document	24.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	27.01	Q3 2014	100%	Pass		Short Late document	25.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	28.01	Q3 2014	100%	Pass		Short Late document	26.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	29.01	Q3 2014	100%	Pass		Short Late document	27.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	30.01	Q3 2014	100%	Pass		Short Late document	28.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	31.01	Q3 2014	100%	Pass		Short Late document	29.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	32.01	Q3 2014	100%	Pass		Short Late document	30.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	33.01	Q3 2014	100%	Pass		Short Late document	31.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	34.01	Q3 2014	100%	Pass		Short Late document	32.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	35.01	Q3 2014	100%	Pass		Short Late document	33.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	36.01	Q3 2014	100%	Pass		Short Late document	34.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	37.01	Q3 2014	100%	Pass		Short Late document	35.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	38.01	Q3 2014	100%	Pass		Short Late document	36.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	39.01	Q3 2014	100%	Pass		Short Late document	37.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	40.01	Q3 2014	100%	Pass		Short Late document	38.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	41.01	Q3 2014	100%	Pass		Short Late document	39.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	42.01	Q3 2014	100%	Pass		Short Late document	40.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	43.01	Q3 2014	100%	Pass		Short Late document	41.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	44.01	Q3 2014	100%	Pass		Short Late document	42.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	45.01	Q3 2014	100%	Pass		Short Late document	43.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	46.01	Q3 2014	100%	Pass		Short Late document	44.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	47.01	Q3 2014	100%	Pass		Short Late document	45.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	48.01	Q3 2014	100%	Pass		Short Late document	46.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	49.01	Q3 2014	100%	Pass		Short Late document	47.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	50.01	Q3 2014	100%	Pass		Short Late document	48.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	51.01	Q3 2014	100%	Pass		Short Late document	49.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	52.01	Q3 2014	100%	Pass		Short Late document	50.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	53.01	Q3 2014	100%	Pass		Short Late document	51.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	54.01	Q3 2014	100%	Pass		Short Late document	52.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	55.01	Q3 2014	100%	Pass		Short Late document	53.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	56.01	Q3 2014	100%	Pass		Short Late document	54.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	57.01	Q3 2014	100%	Pass		Short Late document	55.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	58.01	Q3 2014	100%	Pass		Short Late document	56.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	59.01	Q3 2014	100%	Pass		Short Late document	57.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	60.01	Q3 2014	100%	Pass		Short Late document	58.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	61.01	Q3 2014	100%	Pass		Short Late document	59.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	62.01	Q3 2014	100%	Pass		Short Late document	60.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	63.01	Q3 2014	100%	Pass		Short Late document	61.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	64.01	Q3 2014	100%	Pass		Short Late document	62.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	65.01	Q3 2014	100%	Pass		Short Late document	63.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	66.01	Q3 2014	100%	Pass		Short Late document	64.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	67.01	Q3 2014	100%	Pass		Short Late document	65.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	68.01	Q3 2014	100%	Pass		Short Late document	66.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	69.01	Q3 2014	100%	Pass		Short Late document	67.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	70.01	Q3 2014	100%	Pass		Short Late document	68.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	71.01	Q3 2014	100%	Pass		Short Late document	69.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	72.01	Q3 2014	100%	Pass		Short Late document	70.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	73.01	Q3 2014	100%	Pass		Short Late document	71.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	74.01	Q3 2014	100%	Pass		Short Late document	72.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	75.01	Q3 2014	100%	Pass		Short Late document	73.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	76.01	Q3 2014	100%	Pass		Short Late document	74.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	77.01	Q3 2014	100%	Pass		Short Late document	75.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	78.01	Q3 2014	100%	Pass		Short Late document	76.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	79.01	Q3 2014	100%	Pass		Short Late document	77.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	80.01	Q3 2014	100%	Pass		Short Late document	78.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	81.01	Q3 2014	100%	Pass		Short Late document	79.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	82.01	Q3 2014	100%	Pass		Short Late document	80.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	83.01	Q3 2014	100%	Pass		Short Late document	81.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	84.01	Q3 2014	100%	Pass		Short Late document	82.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	85.01	Q3 2014	100%	Pass		Short Late document	83.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	86.01	Q3 2014	100%	Pass		Short Late document	84.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	87.01	Q3 2014	100%	Pass		Short Late document	85.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	88.01	Q3 2014	100%	Pass		Short Late document	86.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	89.01	Q3 2014	100%	Pass		Short Late document	87.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	90.01	Q3 2014	100%	Pass		Short Late document	88.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	91.01	Q3 2014	100%	Pass		Short Late document	89.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	92.01	Q3 2014	100%	Pass		Short Late document	90.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	93.01	Q3 2014	100%	Pass		Short Late document	91.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	94.01	Q3 2014	100%	Pass		Short Late document	92.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	95.01	Q3 2014	100%	Pass		Short Late document	93.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	96.01	Q3 2014	100%	Pass		Short Late document	94.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	97.01	Q3 2014	100%	Pass		Short Late document	95.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	98.01	Q3 2014	100%	Pass		Short Late document	96.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	99.01	Q3 2014	100%	Pass		Short Late document	97.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	100.01	Q3 2014	100%	Pass		Short Late document	98.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	101.01	Q3 2014	100%	Pass		Short Late document	99.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	102.01	Q3 2014	100%	Pass		Short Late document	100.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	103.01	Q3 2014	100%	Pass		Short Late document	101.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	104.01	Q3 2014	100%	Pass		Short Late document	102.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	105.01	Q3 2014	100%	Pass		Short Late document	103.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	106.01	Q3 2014	100%	Pass		Short Late document	104.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	107.01	Q3 2014	100%	Pass		Short Late document	105.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	108.01	Q3 2014	100%	Pass		Short Late document	106.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	109.01	Q3 2014	100%	Pass		Short Late document	107.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	110.01	Q3 2014	100%	Pass		Short Late document	108.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	111.01	Q3 2014	100%	Pass		Short Late document	109.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	112.01	Q3 2014	100%	Pass		Short Late document	110.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	113.01	Q3 2014	100%	Pass		Short Late document	111.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	114.01	Q3 2014	100%	Pass		Short Late document	112.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	115.01	Q3 2014	100%	Pass		Short Late document	113.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	116.01	Q3 2014	100%	Pass		Short Late document	114.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	117.01	Q3 2014	100%	Pass		Short Late document	115.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	118.01	Q3 2014	100%	Pass		Short Late document	116.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	119.01	Q3 2014	100%	Pass		Short Late document	117.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	120.01	Q3 2014	100%	Pass		Short Late document	118.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	121.01	Q3 2014	100%	Pass		Short Late document	119.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	122.01	Q3 2014	100%	Pass		Short Late document	120.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	123.01	Q3 2014	100%	Pass		Short Late document	121.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	124.01	Q3 2014	100%	Pass		Short Late document	122.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	125.01	Q3 2014	100%	Pass		Short Late document	123.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	126.01	Q3 2014	100%	Pass		Short Late document	124.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	127.01	Q3 2014	100%	Pass		Short Late document	125.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	128.01	Q3 2014	100%	Pass		Short Late document	126.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	129.01	Q3 2014	100%	Pass		Short Late document	127.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	130.01	Q3 2014	100%	Pass		Short Late document	128.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	131.01	Q3 2014	100%	Pass		Short Late document	129.01.01	Q3 2014	100%	Pass	
Pre-foreclosure initiation	132.01	Q3 201									

# Green Tree Results

In the third and fourth quarters 2014, neither Green Tree’s IRG nor my professionals found evidence of fails in any of the metrics tested.

The third quarter 2014 was the cure period for previous fails for Metrics 4, 5, 6, 7, 18, and 19. Green Tree’s IRG and my professionals found that Green Tree passed each of these metrics when testing resumed and that the previous fails had been cured.

# SCORECARD:

## Green Tree

The Monitor's Secondary Professional Firm (SPF) assigned to Green Tree, Baker Tilly Vintrose Krause, LLP, tested 30 metrics during test period one and 33 metrics during test period two. The chart below illustrates the results of the IRG's tests.

### Office of Mortgage Settlement Oversight

METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ORIGIN DATE	READY ORIGIN DATE	METRIC NAME	METRIC NUMBER	TEST PERIOD	THRESHOLD ORIGIN DATE	READY ORIGIN DATE
Customer care to error	2010	Q3 2014	10/1/2014	10/1/2014	Collect customer comments	18	Q3 2014	10/1/2014	10/1/2014
Insurance modification denial	2011	Q3 2014	10/1/2014	10/1/2014	Complete response timeliness	19	Q3 2014	10/1/2014	10/1/2014
Insurance modification denial	2012	Q3 2014	10/1/2014	10/1/2014	Loan modification document	20	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2013	Q3 2014	10/1/2014	10/1/2014	Loan modification document	21	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2014	Q3 2014	10/1/2014	10/1/2014	Loan modification document	22	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2015	Q3 2014	10/1/2014	10/1/2014	Loan modification document	23	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2016	Q3 2014	10/1/2014	10/1/2014	Loan modification document	24	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2017	Q3 2014	10/1/2014	10/1/2014	Loan modification document	25	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2018	Q3 2014	10/1/2014	10/1/2014	Loan modification document	26	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2019	Q3 2014	10/1/2014	10/1/2014	Loan modification document	27	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2020	Q3 2014	10/1/2014	10/1/2014	Loan modification document	28	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2021	Q3 2014	10/1/2014	10/1/2014	Loan modification document	29	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2022	Q3 2014	10/1/2014	10/1/2014	Loan modification document	30	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2023	Q3 2014	10/1/2014	10/1/2014	Loan modification document	31	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2024	Q3 2014	10/1/2014	10/1/2014	Loan modification document	32	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2025	Q3 2014	10/1/2014	10/1/2014	Loan modification document	33	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2026	Q3 2014	10/1/2014	10/1/2014	Loan modification document	34	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2027	Q3 2014	10/1/2014	10/1/2014	Loan modification document	35	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2028	Q3 2014	10/1/2014	10/1/2014	Loan modification document	36	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2029	Q3 2014	10/1/2014	10/1/2014	Loan modification document	37	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2030	Q3 2014	10/1/2014	10/1/2014	Loan modification document	38	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2031	Q3 2014	10/1/2014	10/1/2014	Loan modification document	39	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2032	Q3 2014	10/1/2014	10/1/2014	Loan modification document	40	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2033	Q3 2014	10/1/2014	10/1/2014	Loan modification document	41	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2034	Q3 2014	10/1/2014	10/1/2014	Loan modification document	42	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2035	Q3 2014	10/1/2014	10/1/2014	Loan modification document	43	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2036	Q3 2014	10/1/2014	10/1/2014	Loan modification document	44	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2037	Q3 2014	10/1/2014	10/1/2014	Loan modification document	45	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2038	Q3 2014	10/1/2014	10/1/2014	Loan modification document	46	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2039	Q3 2014	10/1/2014	10/1/2014	Loan modification document	47	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2040	Q3 2014	10/1/2014	10/1/2014	Loan modification document	48	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2041	Q3 2014	10/1/2014	10/1/2014	Loan modification document	49	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2042	Q3 2014	10/1/2014	10/1/2014	Loan modification document	50	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2043	Q3 2014	10/1/2014	10/1/2014	Loan modification document	51	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2044	Q3 2014	10/1/2014	10/1/2014	Loan modification document	52	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2045	Q3 2014	10/1/2014	10/1/2014	Loan modification document	53	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2046	Q3 2014	10/1/2014	10/1/2014	Loan modification document	54	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2047	Q3 2014	10/1/2014	10/1/2014	Loan modification document	55	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2048	Q3 2014	10/1/2014	10/1/2014	Loan modification document	56	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2049	Q3 2014	10/1/2014	10/1/2014	Loan modification document	57	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2050	Q3 2014	10/1/2014	10/1/2014	Loan modification document	58	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2051	Q3 2014	10/1/2014	10/1/2014	Loan modification document	59	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2052	Q3 2014	10/1/2014	10/1/2014	Loan modification document	60	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2053	Q3 2014	10/1/2014	10/1/2014	Loan modification document	61	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2054	Q3 2014	10/1/2014	10/1/2014	Loan modification document	62	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2055	Q3 2014	10/1/2014	10/1/2014	Loan modification document	63	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2056	Q3 2014	10/1/2014	10/1/2014	Loan modification document	64	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2057	Q3 2014	10/1/2014	10/1/2014	Loan modification document	65	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2058	Q3 2014	10/1/2014	10/1/2014	Loan modification document	66	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2059	Q3 2014	10/1/2014	10/1/2014	Loan modification document	67	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2060	Q3 2014	10/1/2014	10/1/2014	Loan modification document	68	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2061	Q3 2014	10/1/2014	10/1/2014	Loan modification document	69	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2062	Q3 2014	10/1/2014	10/1/2014	Loan modification document	70	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2063	Q3 2014	10/1/2014	10/1/2014	Loan modification document	71	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2064	Q3 2014	10/1/2014	10/1/2014	Loan modification document	72	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2065	Q3 2014	10/1/2014	10/1/2014	Loan modification document	73	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2066	Q3 2014	10/1/2014	10/1/2014	Loan modification document	74	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2067	Q3 2014	10/1/2014	10/1/2014	Loan modification document	75	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2068	Q3 2014	10/1/2014	10/1/2014	Loan modification document	76	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2069	Q3 2014	10/1/2014	10/1/2014	Loan modification document	77	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2070	Q3 2014	10/1/2014	10/1/2014	Loan modification document	78	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2071	Q3 2014	10/1/2014	10/1/2014	Loan modification document	79	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2072	Q3 2014	10/1/2014	10/1/2014	Loan modification document	80	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2073	Q3 2014	10/1/2014	10/1/2014	Loan modification document	81	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2074	Q3 2014	10/1/2014	10/1/2014	Loan modification document	82	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2075	Q3 2014	10/1/2014	10/1/2014	Loan modification document	83	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2076	Q3 2014	10/1/2014	10/1/2014	Loan modification document	84	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2077	Q3 2014	10/1/2014	10/1/2014	Loan modification document	85	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2078	Q3 2014	10/1/2014	10/1/2014	Loan modification document	86	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2079	Q3 2014	10/1/2014	10/1/2014	Loan modification document	87	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2080	Q3 2014	10/1/2014	10/1/2014	Loan modification document	88	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2081	Q3 2014	10/1/2014	10/1/2014	Loan modification document	89	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2082	Q3 2014	10/1/2014	10/1/2014	Loan modification document	90	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2083	Q3 2014	10/1/2014	10/1/2014	Loan modification document	91	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2084	Q3 2014	10/1/2014	10/1/2014	Loan modification document	92	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2085	Q3 2014	10/1/2014	10/1/2014	Loan modification document	93	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2086	Q3 2014	10/1/2014	10/1/2014	Loan modification document	94	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2087	Q3 2014	10/1/2014	10/1/2014	Loan modification document	95	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2088	Q3 2014	10/1/2014	10/1/2014	Loan modification document	96	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2089	Q3 2014	10/1/2014	10/1/2014	Loan modification document	97	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2090	Q3 2014	10/1/2014	10/1/2014	Loan modification document	98	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2091	Q3 2014	10/1/2014	10/1/2014	Loan modification document	99	Q3 2014	10/1/2014	10/1/2014
Refusal of loan modification	2092	Q3 2014	10/1/2014	10/1/2014	Loan modification document	100	Q3 2014	10/1/2014	10/1/2014

The number 0 in the Ready column indicates that the test was not done. \* "Not tested" is only used for metrics that are not applicable to the test. Metrics that are not applicable to the test are not tested.

See **Appendix ix** for larger version

GREEN TREE

Office of  
**MORTGAGE SETTLEMENT**  
Oversight

# 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 notices for relief from stay (RFS) affidavits to emphasize the importance of verifying amounts as of the effective date listed in the SDR
- Creating a team that is responsible for all pre-filing reviews
- Enhancing its pre-filing review to include all RFS affidavits in the Green Tree Portfolio to ensure accurate representations solely the accuracy of the amounts before they are sent to the attorney and again before the affidavit is filed

```
graph LR; A((Green Tree failed Metric 5)) --> B((Notify Monitoring Committee)); B --> C((Develop Corrective Action Plan (CAP))); C --> D((Implement CAP)); D --> E((CAP completed and testing resumes))
```

**Green Tree failed Metric 5 in 2013.** As a result, the RFS required Green Tree to develop a CAP to ensure future compliance with the metric, which involves verifying the accuracy of the amounts stated on affidavits that support relief from stay in bankruptcy proceedings.

Green Tree met with the Monitoring Committee to report that it failed Metric 5.

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

The Monitor determined that the CAP was complete.

- Green Tree reported, and the Monitor confirmed, that no new failed Metric 5 during the cure period.

See **Appendix xi** for larger version

## GREEN TREE

# Corrective Action Plan (CAP) for Metric 4

Office of  
**Mortgage Settlement**  
Oversight

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

### THE CAP INCLUDED:

- Assigning the responsibility of preparing promissory notes (PROMs) to the Monitoring Committee to report that it failed Metric 4.
- Performing a 100 percent quality assurance review of all PROMs prior to filing
- Updating the processes and related policies and procedures regarding calculating excess amounts as of the bankruptcy filing date, and, if warranted, prospectively, increasing the loss excess amount and excluding any post-petition excess amounts from the PROM, before filing.

```

graph LR
    A((Green Tree failed Metric 4)) --> B((Notify Monitoring Committee))
    B --> C((Develop Corrective Action Plan (CAP)))
    C --> D((Implement CAP))
    D --> E((CAP complete and testing ensues))
  
```

Green Tree failed Metric 4 in 2013. As a result, the RFS required Green Tree to develop a CAP to ensure future compliance with the metric, which involves verifying the accuracy of the amounts stated on affidavits that support relief from bankruptcy proceedings.

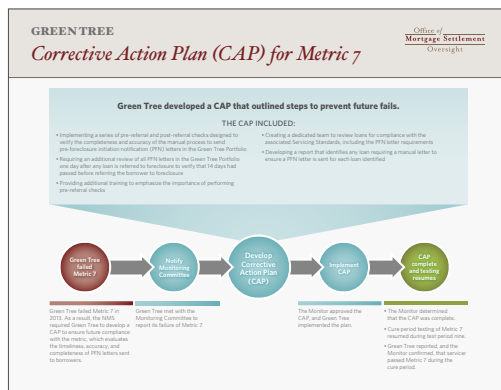
Green Tree met with the Monitoring Committee to report that it failed Metric 4.

Green Tree developed the CAP, and Green Tree implemented the plan.

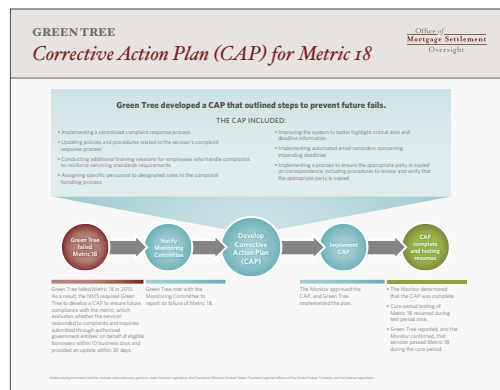
The Monitor approved the CAP, and Green Tree implemented the plan.

The Monitor determined that the CAP was complete. A case panel hearing of Metric 4 occurred during last period.

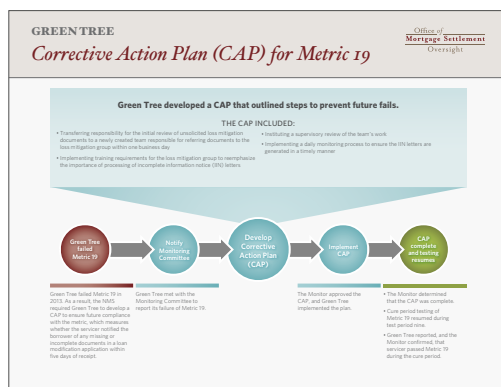
Green Tree reported, and the Monitor confirmed, that the CAP was complete during the cure period.



See **Appendix xiii** for larger version



See **Appendix xiv** for larger version



See **Appendix xv** for larger version

Introduction

Oversight Process

Bank of America

Chase

Citi

Green Tree

Wells Fargo

Conclusion

# Wells Fargo Results

Neither Wells Fargo’s IRG nor my professionals found evidence of fails in any of the metrics tested in the third and fourth quarters 2014.

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

Introduction

Oversight Process

Bank of America

Chase

Citi

Green Tree

Wells Fargo

Conclusion

# Conclusion

My work continues to show that the Settlement is holding the servicers accountable. The second half of 2014 included cure period testing of ten metrics the servicers had previously failed. The cure period is the servicers' chance to remedy their errors and my time to test the effectiveness of their corrective actions. In each instance, the corrective action plans appeared to have addressed prior fails.

I will soon report my findings on Ocwen's compliance for the first and second quarters 2014. The work involved has been extensive, and I will report to the court and the public as soon as I deem the results and findings complete.

I will report on the other servicers' performances for the first and second calendar quarters of 2015 in approximately six months. I look forward to sharing those results at that time.

Introduction

Oversight  
Process

Bank of  
America

Chase

Citi

Green  
Tree

Wells  
Fargo

**Conclusion**

# *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 graphic below illustrates the time periods in which the metrics for each servicer were tested.

METRIC NO.	TITLE/DESCRIPTION	TEST PERIOD 9 (July 1, 2014 – September 30, 2014)					TEST PERIOD 10 (October 1, 2014 – December 31, 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		30	33	31	30	33	31	30	31	33	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 30 metrics during test period nine and 31 metrics during test period ten. The chart below illustrates the results of the IRG's tests.

Office of  
Mortgage Settlement  
Oversight

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

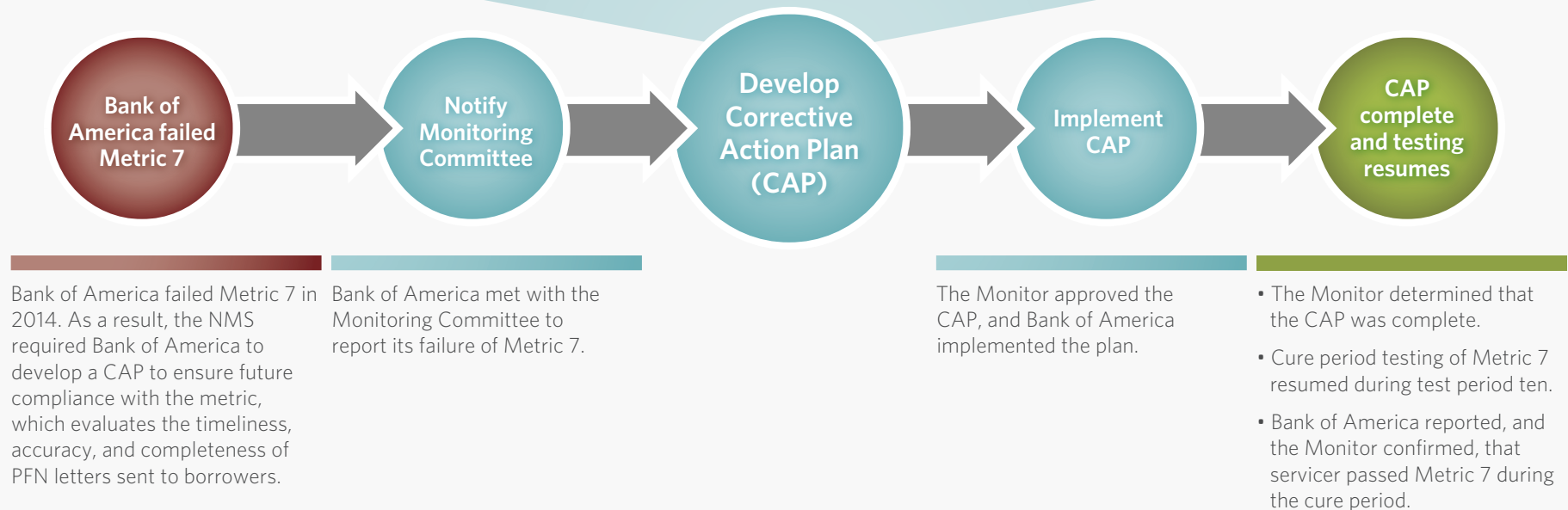
\*Test question 4 only. \*\*Policy and procedure metric that is tested once a year. \*\*\*Test Question 1 only.  
N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

# Corrective Action Plan (CAP) for Metric 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



*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 errors<sup>1</sup>



Bank of America failed Metric 19 in 2014.<sup>2</sup> 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 its failure of 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 resumed during test period nine.
- Bank of America reported, and the Monitor confirmed, that servicer passed Metric 19 during the cure period.

<sup>1</sup> Because 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.

<sup>2</sup> Bank 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

Office of  
**Mortgage Settlement**  
Oversight

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

*Citi*

The Monitor's Secondary Professional Firm (SPF) assigned to Citi, BKD, LLP, tested 31 metrics during test period nine and 31 metrics during test period ten. The chart below illustrates the results of the IRG's tests.

Office of  
Mortgage Settlement  
Oversight

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)	9	1.00%	Pass	Complaint response timeliness	18 (6.A)	9	5.00%	Pass
		10	1.00%	Pass			10	5.00%	Pass
Incorrect modification denial	2 (1.B)	9	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	9	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	9	X	X
		10	5.00%	Pass			10	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	9	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	9	10.00%	Pass
		10	5.00%	Pass			10	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	9	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	9	10.00%	Pass
		10	5.00%	Pass			10	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	9	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	9	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	9	1.00%	Pass
		10	5.00%	Pass			10	1.00%	Pass
Fee adherence to guidance	8 (4.A)	9	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	9	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	9	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	9	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Third-party vendor management	12 (5.A)	9	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	9	5.00%	Pass
		10	N/A	Pass			10	5.00%	Pass
Customer portal	13 (5.B)	9	N/A	Pass	Loan Modification Process	30 (7.A)	9	5.00%	Fail - 10.16%
		10	N/A	Pass			10	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	9	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Workforce Management	15 (5.D) **	9	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	9	5.00%	Pass
		10	N/A	Pass			10	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	9	N/A	Pass	Billing Statement Accuracy	33 (7.D)	9	5.00%	Pass
		10	N/A	X			10	5.00%	Pass
Account status activity	17 (5.F) **	9	N/A	Pass					
		10	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 its failure of 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 resumed during test period ten.
- Citi reported, and the Monitor confirmed, that servicer passed Metric 20 during the cure period.

# *Corrective Action Plan (CAP) for Metric 30*

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

### THE CAP INCLUDED:

- Revising its procedures to include a verification step in servicer's process to review the date on the letters sent to borrowers to ensure that at least 30 days had elapsed prior to determining a borrower was disengaged from the loan modification process
- Providing appropriate coaching to agents, as necessary, to prevent an incorrect assessment of a borrower's account status



Citi failed Metric 30 in 2014. As a result, the NMS required Citi to develop a CAP to ensure future compliance with the metric, which evaluates key aspects of Servicer's written communications to borrowers that were declined in the loan modification application review process for incomplete or missing documents.

Citi met with the Monitoring Committee to report its failure of Metric 30.

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

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 30 resumed during test period ten.
- Citi reported, and the Monitor confirmed, that servicer passed Metric 30 during the cure period.

# SCORECARD:

# Green Tree

The Monitor's Secondary Professional Firm (SPF) assigned to Green Tree, Baker Tilly Virchow Krause, LLP, tested 30 metrics during test period nine and 33 metrics during test period ten. 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)	9	1.00%	Pass	Complaint response timeliness	18 (6.A)	9	5.00%	Pass
		10	1.00%	Pass			10	5.00%	Pass
Incorrect modification denial	2 (1.B)	9	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	9	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	9	10.00%	Pass
		10	5.00%	Pass			10	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	9	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	9	10.00%	Pass
		10	5.00%	Pass			10	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	9	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	9	10.00%	Pass
		10	5.00%	Pass			10	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	9	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	9	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	9	1.00%	Pass
		10	5.00%	Pass			10	1.00%	Pass
Fee adherence to guidance	8 (4.A)	9	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	9	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	9	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	9	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Third-party vendor management	12 (5.A)	9	5.00%	Pass	Force-placed insurance termination	29 (6.C.ii)	9	5.00%	Pass
		10	N/A	Pass			10	5.00%	Pass
Customer portal	13 (5.B)	9	N/A	Pass	Loan Modification Process	30 (7.A)	9	5.00%	Pass
		10	N/A	Pass			10	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	9	5.00%	Pass	Loan Modification Denial Notice Disclosure	31 (7.B)	9	5.00%	Pass
		10	5.00%	Pass			10	5.00%	Pass
Workforce Management	15 (5.D) **	9	N/A	X	SPOC Implementation and Effectiveness***	32 (7.C)	9	5.00%	Pass
		10	N/A	Pass			10	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	9	N/A	X	Billing Statement Accuracy	33 (7.D)	9	5.00%	Pass
		10	N/A	Pass			10	5.00%	Pass
Account status activity	17 (5.F) **	9	N/A	X					
		10	N/A	Pass					

\*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



Green Tree failed Metric 4 in 2013. As a result, the NMS required Green Tree to develop a CAP to ensure future compliance with the metric, which evaluates the accuracy of the amounts the servicer claims are due from borrowers in POCs it files in bankruptcy proceedings.

Green Tree met with the Monitoring Committee to report that it failed Metric 4.

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

- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 4 resumed during test period nine.
- Green Tree reported, and the Monitor confirmed, that servicer passed Metric 4 during the cure period.

# *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
- 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
- Creating a team that is responsible for all pre-filing reviews



Green Tree failed Metric 5 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 accurately stated amounts due from borrowers in affidavits filed in support of relief from stay in bankruptcy proceedings.

Green Tree met with the Monitoring Committee to report that it failed Metric 5.

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

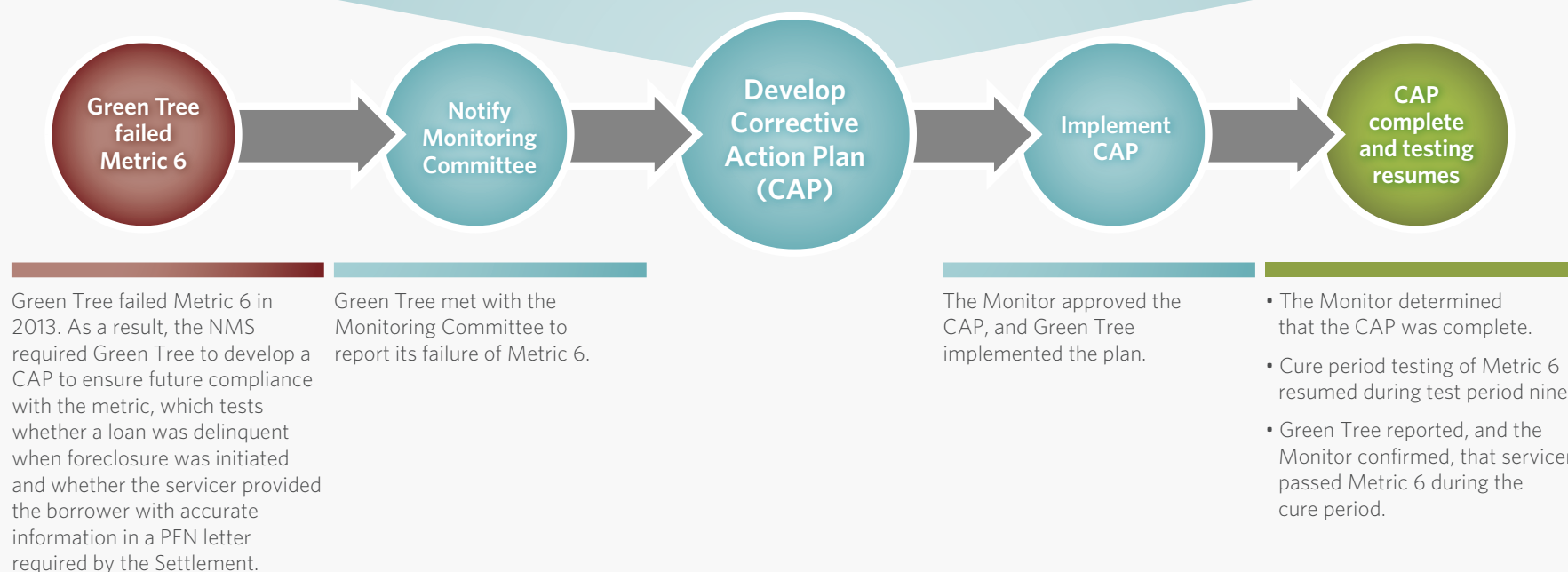
- The Monitor determined that the CAP was complete.
- Cure period testing of Metric 5 resumed during test period nine.
- Green Tree reported, and the Monitor confirmed, that servicer passed Metric 5 during the cure period.

# 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



# 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 its failure of 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 resumed during test period nine.
- Green Tree reported, and the Monitor confirmed, that servicer passed Metric 7 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 entities<sup>1</sup> 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 its failure of 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 resumed during test period nine.
- Green Tree reported, and the Monitor confirmed, that servicer passed Metric 18 during the cure period.

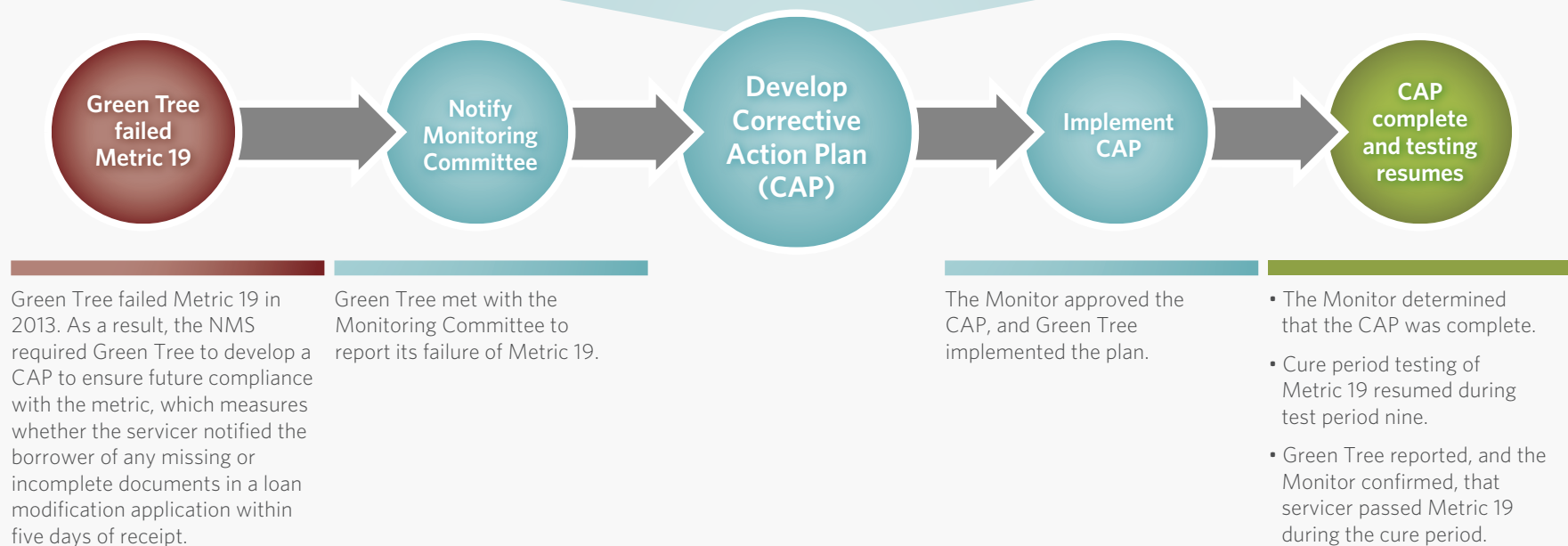
<sup>1</sup> Authorized government entities include state attorneys general, state financial regulators, the Executive Office for United States Trustees/regional offices of the United States Trustees, and the federal regulators.

# 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



# SCORECARD:

# Wells Fargo

## Office of Mortgage Settlement Oversight

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