

Office of  
Mortgage Settlement  
Oversight

# *Original Servicers' Final Compliance Update*

A Report from the Monitor of the National Mortgage Settlement



March 3, 2016



I have filed a set of five compliance reports with the United States District Court for the District of Columbia as Monitor of the National Mortgage Settlement (NMS or Settlement). The following report summarizes these reports, which detail my review of each servicer's performance on the Settlement's servicing reforms. This report includes:

- An overview of the process through which my team and I have reviewed the servicers' work.
- Summaries of each servicer's performance for the third quarter 2015.

Pursuant to the Settlement, the requirement to comply with the servicing standards ended for Bank of America, Chase, Citi, Ditech and Wells Fargo as of the end of the third quarter 2015. Accordingly, this is my last report under the NMS for these servicers. Like all mortgage servicers, they are still required to follow servicing-related rules issued by the Consumer Financial Protection Bureau (CFPB).

This report does not include an update on compliance by Ocwen or SunTrust in the third quarter 2015. Their obligations to comply with the NMS's servicing standards continue under their individual settlements. I will file a report on Ocwen's and SunTrust's performance for the third and fourth quarters 2015 later this year.

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 Settlement, I filed my final compliance reports with the United States District Court for the District of Columbia (the Court) for five servicers that were subject to the Settlement, including 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 February 5, 2013, bankruptcy court order. Accordingly, Ocwen and Ditech Financial LLC (formerly Green Tree) were 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 quarter 2015. These reports are the seventh set on the original four servicers and the fifth report on Ditech. Copies of all the reports filed with the Court are available on my website, [\*\*mortgageoversight.com\*\*](http://mortgageoversight.com).

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

# Oversight Process

As Monitor, I evaluated the servicers using the 29 original metrics, or tests, enumerated in the Settlement and four additional metrics I negotiated with the servicers and the Monitoring Committee. These metrics determined whether the servicers adhered to the servicing standards, or rules, contained 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.

To evaluate the servicers, I worked with a team of professionals. Each servicer followed work plans in which an internal review group (IRG) determined whether the servicer complied with the Settlement terms. My professionals and I then reviewed the work of each servicer's IRG. I determined if the IRG's work was satisfactory and reported my findings to the Court and the public. For more information about the oversight and review process, please see my [previous reports](#).

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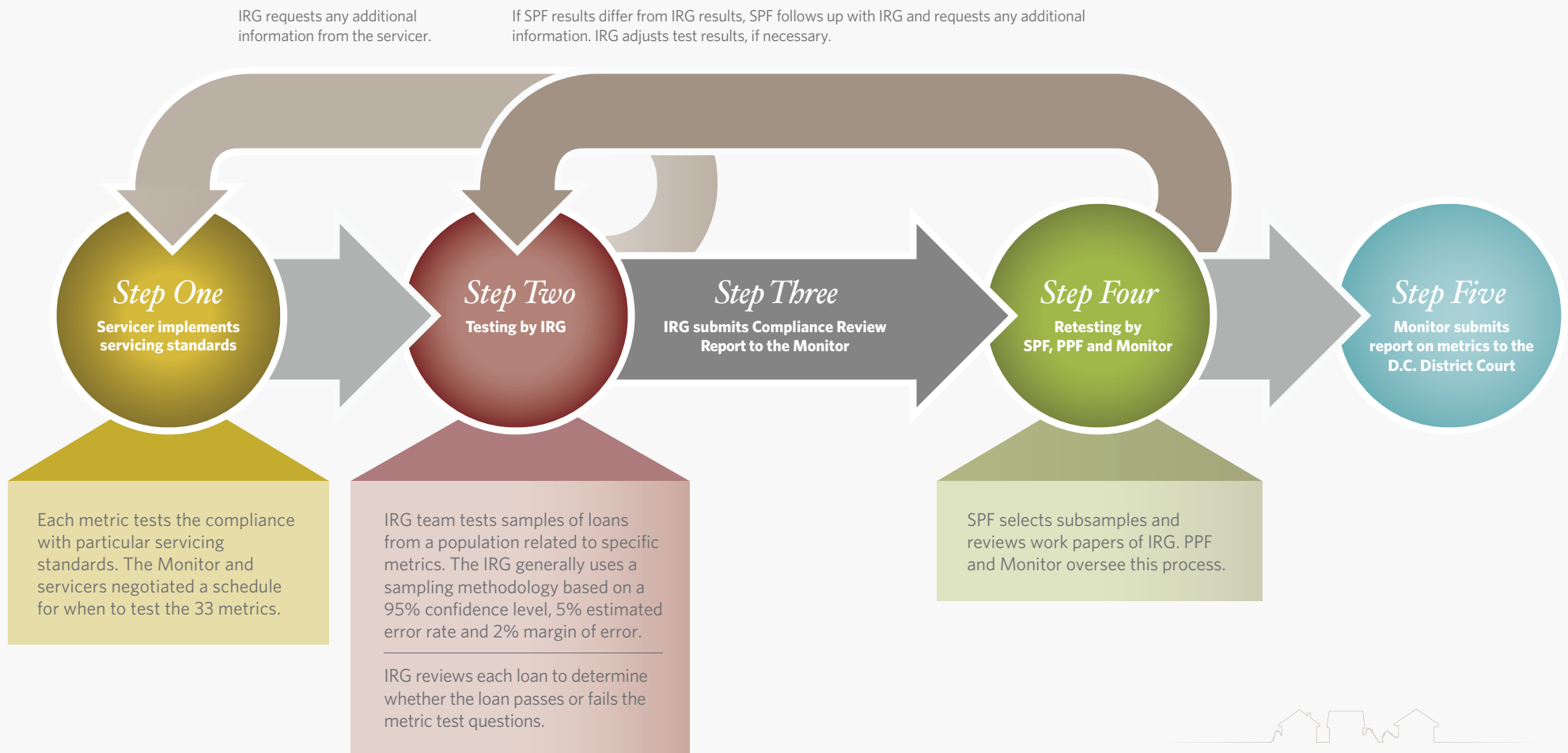
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## MONITOR'S ROLE:

# Testing a Metric

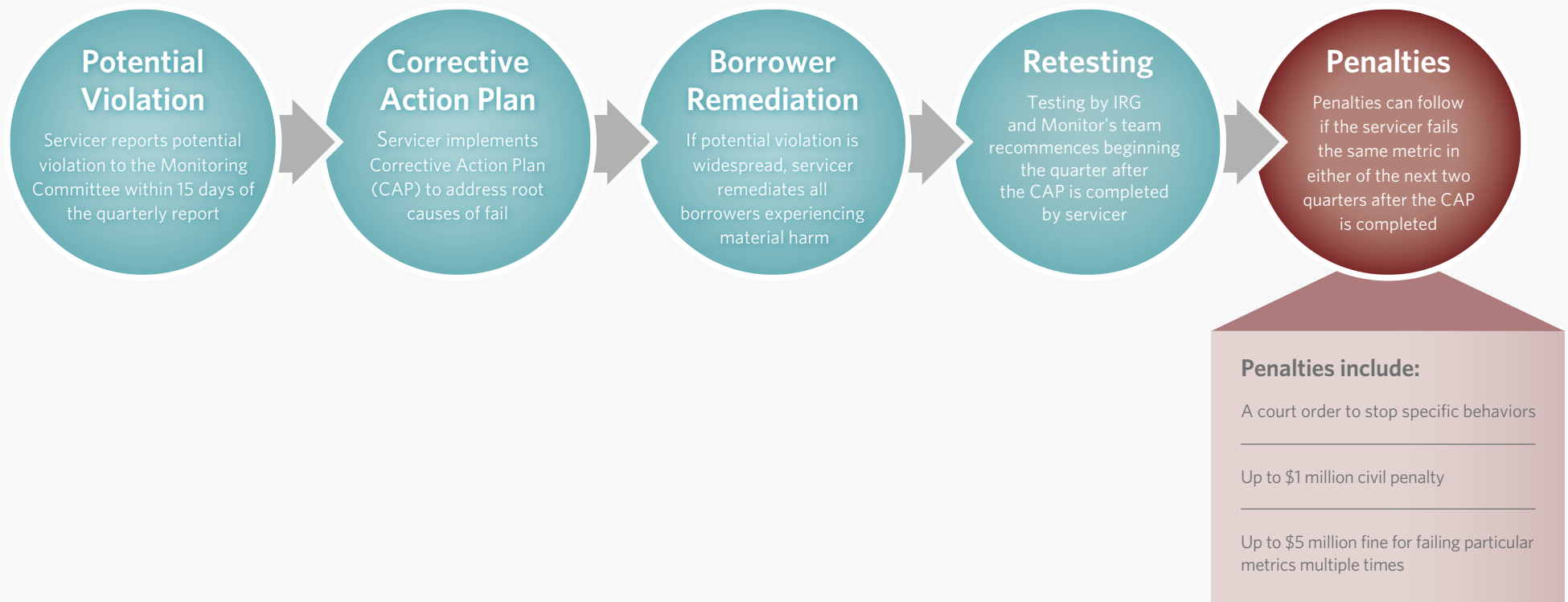
The Internal Review Groups tested, and my professional firms retested, the servicers' performance on each metric. The graphic below illustrates the process by which the metrics for each servicer were tested.



## FAILS:

# What's Next?

The NMS defines a failed metric as a potential violation and gives the servicer a chance to fix the root causes of its failure. For more information on what happens when a servicer fails a metric, see the graphic below. I also included information on metric fails and corrective action plans (CAPs) in my [previous reports](#).



This report covers the third quarter 2015, and I tested each of the servicers on up to 33 metrics.

The work to test the servicers in the third quarter 2015 involved 176 professionals, including my primary professional firms, secondary professional firms and other professionals who dedicated approximately 21,020 hours over a three-month period.

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NMS Test Period	1	2	3	4	5	6	7	8	9	10	11	12	13
Calendar Quarter	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015

Metric Testing Timeline		TEST PERIOD 13 (July 1, 2015 - September 30, 2015)				
METRIC NO.	TITLE/DESCRIPTION	# OF A	CHASE	CITI	DITECH	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 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 loss mitigation (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.vii.b)	•	•	•	•	•
28	Force-placed insurance timeliness of notice (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		31	30	32	30	33

See **Appendix i** for larger version

# Bank of America Results

Neither Bank of America’s IRG nor my professionals found evidence of fails of any of the metrics tested in the third quarter 2015.

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

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# Chase Results

Neither Chase’s IRG nor my professionals found evidence of fails of any of the metrics tested in the third quarter 2015.

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

\*Test question 4 only. \*\*Policy and procedure metric that is tested once a year. \*\*\*Test Question 1 only.

N/A: Threshold error rate not applicable. X: Metric was not tested in that specific test period.

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# Citi Results

Neither Citi’s IRG nor my professionals found evidence of fails of any of the metrics tested in the third quarter 2015.

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

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# Ditech Results

Neither Ditech’s IRG nor my professionals found evidence of fails of any of the metrics tested in the third quarter 2015.

In past reports, I have pointed out that the corrective action plans and any required remediation had been completed for all of Ditech’s previous fails except for Metrics 6 and 19, for which remediation efforts were still ongoing at the time. I have now reviewed Ditech’s remediation efforts for Metric 6 and 19 and have determined them to be complete. More information can be found on the corrective action plans for all of Ditech’s fails in my [previous report](#).

SCORECARD:  
*Ditech*  
The Monitor's Secondary Professional Firm (SPF) assigned to Ditech, Baker Tilly Virchow Krause, LLP, tested the IRG's work on 30 metrics during test period 13. The chart below illustrates the results of the IRG's tests.

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

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

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# Wells Fargo Results

Neither Wells Fargo’s IRG nor my professionals found evidence of fails of any of the metrics tested in the third quarter 2015.

SCORECARD:

Wells Fargo

The Monitor’s Secondary Professional Firm (SPF) assigned to Wells Fargo, RSM US LLP<sup>1</sup> tested the IRG’s work on 33 metrics during test period 13. The chart below illustrates the results of the IRG’s tests.

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

<sup>1</sup> RSM US LLP is doing business as McGladrey LLP in the state of North Carolina and is a CPA firm registered with the North Carolina State Board of Certified Public Accountants under the name McGladrey LLP.

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

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Ditech

Wells Fargo

Conclusion

# Conclusion

This is my final report on the original servicers Bank of America, Chase, Citi and Wells Fargo, as well as on Ditech, which acquired a portfolio of loans from the Rescap Parties, an original servicer. These servicers remain accountable under servicing-related rules issued and enforced by the CFPB. As the Settlement prescribes, my testing for these five servicers concludes with this report.

The Settlement has improved the way these servicers treat distressed borrowers, and, under its consumer relief requirements, the banks provided more than 640,000 borrowers with \$51 billion in debt forgiveness, loan modifications, short sale assistance and refinancing at a time when families and the market were subject to distress and uncertainty.

I believe the Settlement has contributed towards the rebuilding of public trust and confidence in the mortgage market and hope that it will inform future regulation of financial institutions and markets. I look forward to further discussions on these topics among policymakers, consumer advocates and mortgage servicers.

I will continue to report on the performance of SunTrust and Ocwen through the dates prescribed in each of their settlements.

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# *Appendix*

# Metric Testing Timeline

The Internal Review Groups tested, and my professional firms retested, the servicers on the servicing standards associated with the metrics. The graphic below illustrates the metrics tested by each servicer for test period 13.

METRIC NO.	TITLE/DESCRIPTION	TEST PERIOD 13 (July 1, 2015 - September 30, 2015)				
		B OF A	CHASE	CITI	DITECH	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		31	30	32	30	33

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



# SCORECARD:

# Bank of America

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

# SCORECARD:

# Chase

Office of  
**Mortgage Settlement**  
Oversight

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

Office of  
Mortgage Settlement  
Oversight

The Monitor's Secondary Professional Firm (SPF) assigned to Citi, BKD, LLP, tested the IRG's work on 32 metrics during test period 13. 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)	13	1.00%	Pass	Complaint response timeliness	18 (6.A)	13	5.00%	Pass
Incorrect modification denial	2 (1.B)	13	5.00%	Pass	Loan modification document collection timeline compliance	19 (6.B.i)	13	5.00%	Pass
Affidavit of Indebtedness (AOI) preparation	3 (2.A)	13	5.00%	Pass	Loan modification decision/ notification timeline compliance	20 (6.B.ii)	13	10.00%	Pass
Proof of Claim (POC)	4 (2.B)	13	5.00%	Pass	Loan modification appeal timeline compliance	21 (6.B.iii)	13	10.00%	Pass
Motion for Relief from Stay (MRS) affidavits	5 (2.C)	13	5.00%	Pass	Short Sale decision timeline compliance	22 (6.B.iv)	13	10.00%	Pass
Pre-foreclosure initiation	6 (3.A)	13	5.00%	Pass	Short Sale document collection timeline compliance	23 (6.B.v)	13	5.00%	Pass
Pre-foreclosure initiation notifications	7 (3.B)	13	5.00%	Pass	Charge of application fees for loss mitigation	24 (6.B.vi)	13	1.00%	Pass
Fee adherence to guidance	8 (4.A)	13	5.00%	Pass	Short Sale inclusion notice for deficiency	25 (6.B.vii.a)	13	5.00%	Pass
Adherence to customer payment processing	9 (4.B)	13	5.00%	Pass	Dual track referred to foreclosure	26 (6.B.viii.a)	13	5.00%	Pass
Reconciliation of certain waived fees	10 (4.C)	13	5.00%	Pass	Dual track failure to postpone foreclosure	27 (6.B.viii.b)	13	5.00%	Pass
Late fees adherence to guidance	11 (4.D)	13	5.00%	Pass	Force-placed insurance timeliness of notices	28 (6.C.i)	13	5.00%	Pass
Third-party vendor management	12 (5.A)	13	N/A	Pass	Force-placed insurance termination	29 (6.C.ii)	13	5.00%	Pass
Customer portal	13 (5.B)	13	N/A	Pass	Loan modification process	30 (7.A)	13	5.00%	Pass
Single Point of Contact (SPOC)*	14 (5.C)	13	5.00%	Pass	Loan modification denial notice disclosure	31 (7.B)	13	5.00%	Pass
Workforce management	15 (5.D) **	13	N/A	X	SPOC implementation and effectiveness***	32 (7.C)	13	5.00%	Pass
Affidavit of Indebtedness (AOI) integrity	16 (5.E) **	13	N/A	Pass	Billing statement accuracy	33 (7.D)	13	5.00%	Pass
Account status activity	17 (5.F) **	13	N/A	Pass	*Test question 4 only. **Policy and procedure metric that is tested once a year. ***Test Question 1 only. <b>N/A:</b> Threshold error rate not applicable. <b>X:</b> Metric was not tested in that specific test period.				



# SCORECARD:

## Ditech

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

# Wells Fargo

## Office of Mortgage Settlement Oversight

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

<sup>1</sup> RSM US LLP is doing business as McGladrey LLP in the state of North Carolina and is a CPA firm registered with the North Carolina State Board of Certified Public Accountants under the name McGladrey LLP.

\*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.