



BILL SCHUETTE
ATTORNEY GENERAL
STATE OF MICHIGAN

May 7, 2013

Joseph A. Smith, Jr.
Office of Mortgage Settlement Oversight
301 Fayetteville St., Suite 1801
Raleigh, NC 27601

Dear Mr. Smith:

As you know, I, along with 48 other States Attorneys General, entered into a landmark settlement with the five leading bank mortgage servicers to address allegations of faulty foreclosure processes and poor servicing of mortgages that harmed homeowners nationwide. The settlement requires the bank mortgage servicers to provide up to \$25 billion in monetary sanctions and relief, and your reports have shown that substantial work has been done toward reaching this monetary goal.

Apart from these monetary requirements, the settlement also requires comprehensive reforms of mortgage loan servicing to improve customer service for all borrowers, including those in Michigan. As the court-appointed monitor, I know that you have been working diligently to gather information and test whether the banks are in fact living up to their promises.

Yesterday, New York Attorney General Eric Schneiderman raised concerns that the terms of the settlement are not being met. In particular, issues regarding servicers responding to borrowers in a timely manner to requests for modifications, servicers failing to notify borrowers of deficiencies in their applications for modification, giving borrowers time to supplement applications when necessary, timely decision making, and all the other servicing standards imposed by the settlement impact borrowers in a very real and direct way.

I take any violations of the requirements of the settlement very seriously, and as a member of the monitoring committee, will work closely with all involved to ensure that the settlement is properly enforced. I look forward to your upcoming report addressing your specific findings regarding the servicer's compliance with the servicing standards, and this information, along with all other available information, should be used to determine whether additional action, including judicial enforcement, is appropriate.

Sincerely,

A handwritten signature in blue ink that reads "Bill Schuette".

Bill Schuette
Attorney General