MONITOR

of the 2017 Deutsche Bank Mortgage Settlement

EIGHTH REPORT | December 2019

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INTRODUCTION

This is the eighth report of the independent Monitor appointed by the United States Department of Justice ("DOJ") to oversee Deutsche Bank's obligation to provide $4.1 billion in consumer relief as set forth in the January 17, 2017, RMBS Settlement Agreement.[1]

On June 12, 2019, the Bank submitted to the Monitor for credit an additional 68,450 newly-originated mortgage loans (the Second Quarter 2019 submission). For reasons described below, the Bank voluntarily withdrew 1,987 loans from the submission, and requested credit for only 66,463 of the loans originally submitted. The Monitor validated this revised submission pursuant to previously discussed testing protocols and confirms that the Bank has earned an additional $666,020,500 in consumer relief credit. To date, the Monitor has validated a total of 329,140 mortgage loans that the Bank has submitted for credit, representing $73,173,084,648 in total principal loaned, and total consumer relief credit in the amount of $3,591,749,500. Given the Bank's progress, the Monitor expects that the Bank will make one additional submission of loans for credit to satisfy its obligation under the Settlement Agreement.

In this report, the Monitor provides a review of the Bank's most recent submission of loans for credit. In addition, the Monitor provides updates on his compliance and ECOA / Fair Housing Act reviews of the loans submitted for credit, as well as his review of the correspondent lenders used by the Bank's counterparties. The Monitor also reports on the Bank's September 28, 2019, consumer outreach event, which was held in St. Louis, Missouri, and the Bank's October 26, 2019, event in Memphis, Tennessee.

COMPLIANCE REVIEW

As described in prior reports, the Monitor continues to perform a compliance review designed to ensure that the loan originations resulting from the Bank's financing arrangements with the counterparties do not violate the law. The Monitor performed the compliance review for the loans in the current submission. Based on that analysis, the Monitor has not identified any relief that he reasonably has determined to be in violation of the law.

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[1] The Settlement Agreement named Michael J. Bresnick as independent Monitor. Deutsche Bank also entered into a separate agreement with the Office of the Maryland Attorney General requiring the Bank to provide at least $80 million of consumer relief to Maryland residents. Michael J. Bresnick was appointed to serve as independent Monitor of Deutsche Bank pursuant to that agreement as well.

ECOA / FAIR HOUSING

As with the compliance review, the Monitor's fair lending analysis for loan originations continues. With the assistance of BLDS LLC ("BLDS"), a firm that specializes in applied statistics, the Monitor conducted a statistical analysis of the Second Quarter 2019 loans submitted for credit in the manner described in the fourth report and did not identify any violations of the Fair Housing Act ("FHA") or Equal Credit Opportunity Act ("ECOA"). The Monitor did, however, identify a small number of loans (1,987) the Bank initially included in the submission for which the Monitor needed additional information to complete his FHA and ECOA analysis. The Bank ultimately determined that it would voluntarily withdraw these loans from its submission. As such, the Monitor did not consider them as part of the Second Quarter 2019 submission and the Bank did not request or earn any credit for them.

CORRESPONDENT LENDER REVIEW

The Monitor continues to perform diligence on a sampling of the correspondent lenders that work with each of the Bank's counterparties and originated loans that ultimately were submitted for credit by the Bank.[2] No issues were identified during this review in connection with the Second Quarter 2019 submission.

CONSUMER OUTREACH

The Settlement Agreement requires the Bank to hold or sponsor (*e.g.*, provide financing for) three consumer outreach events each year in geographically dispersed locations.[3] The Bank held its second event of the third year at Friendly Temple in St. Louis, Missouri, on September 28, 2019, and its third event of the third year on October 26, 2019, at the First Baptist Church – Broad in Memphis, Tennessee.

As with the last several events, the Bank partnered with the National Housing Resource Center ("NHRC") to coordinate and sponsor the St. Louis and Memphis outreach events, with local housing organizations, lenders, and realtors participating.

St. Louis Housing Event

The St. Louis event had a successful turnout with approximately 215 individuals signing in at the event. Members of the Monitor's team also attended.

[2] A correspondent origination is one in which a mortgage loan is originated and funded by a lender in its own name and subsequently sold pursuant to an existing agreement to a second, typically larger lender (here, one of the counterparties that has entered into a financing arrangement with the Bank to originate new loans pursuant to the terms of Annex 2 of the Settlement Agreement).

[3] The Monitor has determined that, for purposes of sponsoring consumer outreach events, each one-year period spans April 1 through March 31, with the third year spanning April 1, 2019 (the start date of crediting under Annex 2 of the Settlement Agreement), through March 31, 2020.

The St. Louis housing event focused on home-buying, with presentations and other resources designed to educate consumers about the home-buying process, including building and understanding their credit histories and providing information about down payment assistance. Consumers also had the opportunity to receive free credit reports; 89 attendees used this service and all associated fees were paid by the Bank. Of the 215 attendees who registered at the event, 134 indicated that they were interested in purchasing a home. A smaller number (12) indicated that they were current homeowners seeking assistance with their mortgage payments.

Two mortgage servicers – Freedom Mortgage Company ("Freedom") and Wells Fargo Home Mortgage – attended the event to provide information about potential modifications and other foreclosure avoidance options. Prior to the event, the Hope Now Alliance, a non-profit organization, mailed 480 letters to St. Louis homeowners notifying them of the event and the opportunity to discuss modifications with these servicers.[4] Freedom advised the Monitor's team that it also had contacted local borrowers prior to the event. Nevertheless, borrower turnout for this portion of the event was modest, particularly when compared to the larger number of consumers at the Newark event in May 2019 who sought assistance with current mortgages.

The following lenders attended the event and provided information on their lending products: Bank of America, PennyMac Loan Services, FCB Banks, Midwest BankCentre, Sterling National Bank, Carrollton Bank, Great Southern Bank, Commerce Bank, Enterprise Bank & Trust, and Busey Bank. Participating housing agencies and non-profits included Beyond Housing, Justine Petersen Housing and Reinvestment Corp., Community Action Agency of St. Louis County, The Housing Partnership, Urban League of Metropolitan St. Louis, Youth Education and Health in Soulard, Better Family Life, CDBG Operations Corporation, Housing Options Provided for the Elderly, and Prosperity Connection. These agencies and non-profits educated consumers about the home-buying process and available resources, among other topics.

<u>Memphis Event</u>

The Memphis event also was successful, with approximately 245 individuals signing in at the event. Members of the Monitor's team also attended.

Although the Memphis event also focused on home-buying, with resources similar to those offered at the St. Louis event, 37 of the Memphis attendees indicated that they were homeowners seeking assistance from housing counselors and servicers

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[4] The Hope Now Alliance coordinates housing counselors, mortgage lenders and servicers, investors, and regulators to assist homeowners who may be experiencing trouble with paying their mortgages. *See* About Hope Now, www.hopenow.com/about-us.php.

regarding foreclosure avoidance and modification. Three mortgage servicers – Wells Fargo Home Mortgage, Ocwen, and Mr. Cooper – attended the event and they, as well as the Hope Now Alliance, mailed targeted letters to Memphis homeowners prior to the event. The Monitor's team observed that attendees visited the servicers' tables in greater numbers than at the St. Louis event.

Once again, consumers had the opportunity to receive free credit reports; approximately 90 attendees used this service (and, again, all fees were paid by Deutsche Bank). New to the Memphis event was a presentation by the Green & Healthy Homes Initiative ("GHHI"), a non-profit that promotes safe homes, with a focus on preventing lead poisoning, and which advocates for energy efficient homes and reducing the financial burden families may experience in connection with their energy costs. GHHI's presentation at the Memphis event offered strategies to reduce lead exposure and prevent other household dangers. This presentation was valuable for participants as it alerted them about the risk that lead presents, especially given that Memphis has more than 200,000 homes built before lead paint products were banned.[5]

The following lenders attended the event and provided information on their lending products: PennyMac Loan Services, Caliber Home Loans, Inc., Bank of America, Wells Fargo Home Mortgage, BancorpSouth Mortgage, Independent Bank, Trustmark National Bank, Paragon Bank. Participating housing agencies and non-profits included Tennessee Housing Development Agency, Memphis Housing Authority, Operation HOPE, Inc., Frayser Community Development Corporation, Memphis Area Legal Services, United Housing, Inc., RISE (Responsibility. Initiative. Solution. Empowerment.) Foundation, BLDG (Build. Live. Develop. Grow.) Memphis, Greater Memphis Financial Empowerment Center, and Latino Memphis. These agencies and non-profits educated consumers about the home-buying process and available resources, among other topics.

[5] *See* LeBonheur Children's Hospital, *Getting the Lead Out* (Fall 2017):

> An analysis of the housing stock in Memphis has found 208,556 homes built prior to 1978 with potential lead hazards, according to the Shelby County Department of Housing.
>
> Contaminated soil around vacant or recently demolished buildings and old lead water pipes in homes are also cause for concern. Research in Shelby County has also shown lead poisoning cases in wealthier inner-city neighborhoods and the suburbs, where renovation projects not following EPA rules culminate in exposure.

Available at https://www.lebonheur.org/publications/delivering-on-a-promise/genetic-giants/getting-the-lead-out/.

REVIEW OF LOANS SUBMITTED FOR CREDIT

For the Second Quarter 2019, the Bank ultimately submitted 66,463 loans for credit under Menu Item 2.B. As explained in prior reports, Menu Item 2.B permits the Bank to earn credit by providing new mortgage loans to credit-worthy borrowers:

- 2.B.1: In Hardest Hit Areas;
- 2.B.2: Who lost a primary residence to foreclosure or short sale; or
- 2.B.3: Who are first-time, low-to-moderate-income ("LMI") homebuyers.

Pursuant to agreed-upon protocols, and with the assistance of Control Risks Group, LLC ("Control Risks"), the Monitor independently tested and confirmed the eligibility of the loans submitted for consumer relief credit under the Settlement Agreement by testing a statistically valid number of loans randomly selected from the submission population.

No issues were identified in connection with the loans reviewed from the sample. Unlike prior submissions, only a small portion of the loans (around one percent) qualified for an additional 15% early incentive credit ($1,500 per loan, for a total of $1,390,500 in additional credit) because they were closed on or before September 1, 2018. The Monitor confirms, therefore, that the Bank is entitled to receive total credit for this submission in the amount of $666,020,500.

Q2 2019 Loans	2.B.1 Only	2.B.3 Only	2.B.1 & 2.B.2	2.B.1 & 2.B.3	2.B.2 & 2.B.3	2.B.1, 2.B.2 & 2.B.3	All Loans
Total Loans	39,733	8,801	697	16,565	181	486	66,463
Early Incentive Credit	$823,500	$186,000	$10,500	$357,000	$3,000	$10,500	$1,390,500
Total Credit	$398,153,500	$88,196,000	$6,980,500	$166,007,000	$1,813,000	$4,870,500	$666,020,500

Consistent with prior submissions, over half (60%) the loans in this submission were submitted by the Bank for credit pursuant to Menu Item 2.B.1 (Hardest Hit Areas) only.[6] Approximately 13% of the loans were submitted pursuant to Menu Item 2.B.3

[6] When validating the Bank's loans for credit, the Monitor's review, with the assistance of Control Risks, focuses on whether each loan in the sample is eligible for credit pursuant to Menu Item 2.B. The Monitor and Control Risks do not validate whether the loan has been claimed under the correct provision of Menu Item 2.B. For example, a loan originated in a Hardest Hit Area, qualifying for credit under 2.B.1, might also have been made to a first-time, LMI homebuyer eligible under 2.B.3. But, so long as a loan is eligible under at least one of the provisions of Menu Item 2.B, the Monitor treats that loan as eligible for consumer relief credit under the Agreement, regardless of the provision or provisions under which the loan was claimed. As a result, the Monitor does not validate that the total

(first-time LMI borrowers) only, with the remaining loans qualifying for credit under multiple subcategories of 2.B, as shown in the chart above.

For this submission, the 66,463 loans the Bank submitted for credit had a total loan principal value of $14,943,567,576. These loans were originated by the following counterparties:

Counterparty	Total Loans	Total Principal of Loans	Total Credit
PennyMac	34,113	$7,842,719,806	$341,530,500
AmeriHome	15,631	$3,367,548,212	$156,421,000
Caliber	7,222	$1,740,167,226	$72,313,000
Nationstar	6,519	$1,311,100,291	$65,218,500
Shellpoint	2,932	$667,922,882	$30,023,500
Freedom	46	$14,109,159	$514,000
Totals	**66,463**	**$14,943,567,576**	**$666,020,500**

Characteristics of the 2.B.1 Loans

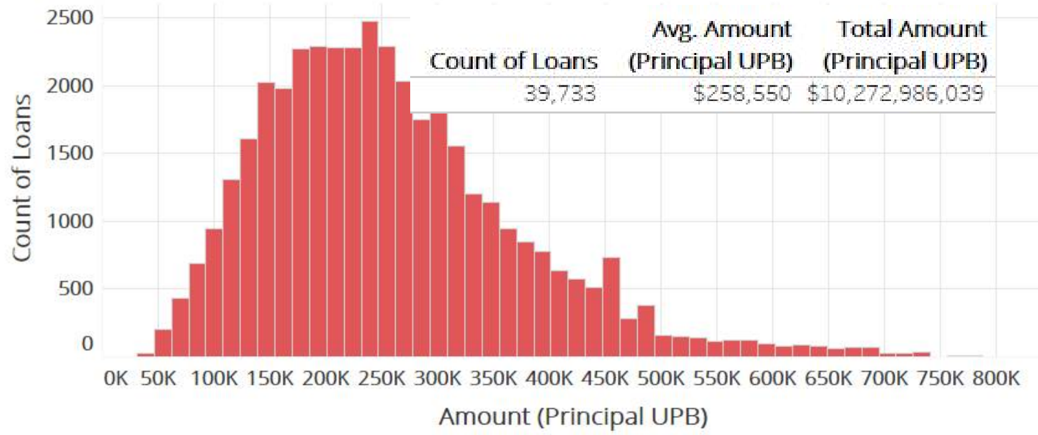
The Bank submitted 39,733 loans for credit under Menu Item 2.B.1 (Hardest Hit Areas) only.

2.B.1	Average	Median	Minimum	Maximum
Principal UPB	$258,550	$240,562	$30,000	$800,000
Interest Rate	4.98%	4.99%	3.13%	6.63%
Monthly Payment	$1,400	$1,300	$168	$5,376
Borrower Monthly Income	$8,545	$7,567	$934	$33,264
Loan-Specific DTI Ratio	17.97%	17.24%	1.17%	121.91%

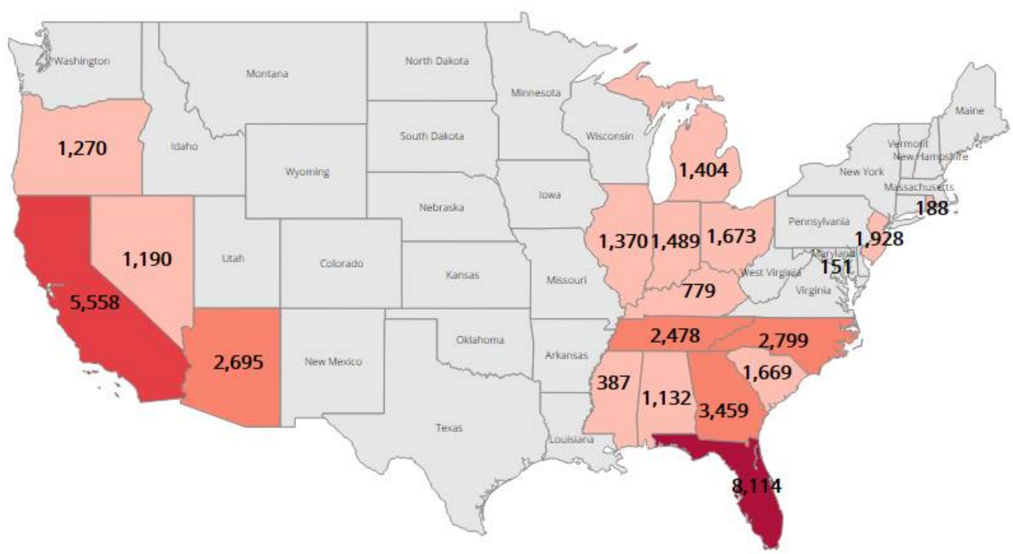
The majority of these loans (approximately 54%) were for amounts between $150,000 and $300,000, with 19% of the loans in amounts greater than $350,000.

number of loans claimed by the Bank for each provision or combination of provisions under Menu Item 2.B. is correct. The Monitor confirms only that the loans qualified for credit under at least one provision of Menu Item 2.B. For example, although the Bank claimed in its Second Quarter 2019 submission that 16,565 loans qualified for credit under both Menu Item 2.B.1 and 2.B.3, the Monitor and Control Risks did not independently confirm the accuracy of this claim. The Monitor's final report will contain a more detailed analysis of the loans originated by the Bank, including more information about where they were made and who received them.

2.B.1



The loans were originated in 18 states and the District of Columbia, with approximately 43% of the loans originated in Florida, California, and Georgia.



State	# Loans	% of Total
FL	8,114	20.42%
CA	5,558	13.99%
GA	3,459	8.71%
NC	2,799	7.04%
AZ	2,695	6.78%
TN	2,478	6.24%
NJ	1,928	4.85%
OH	1,673	4.21%
SC	1,669	4.20%
IN	1,489	3.75%

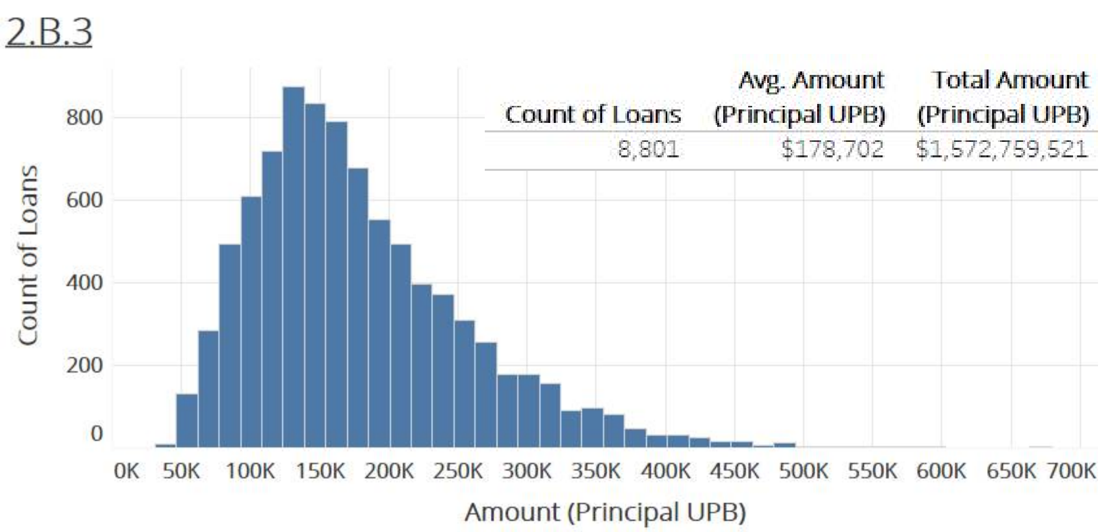
State	# Loans	% of Total
MI	1,404	3.53%
IL	1,370	3.45%
OR	1,270	3.20%
NV	1,190	2.99%
AL	1,132	2.85%
KY	779	1.96%
MS	387	0.97%
RI	188	0.47%
DC	151	0.39%
Total	**39,733**	-

Characteristics of the 2.B.3 Loans

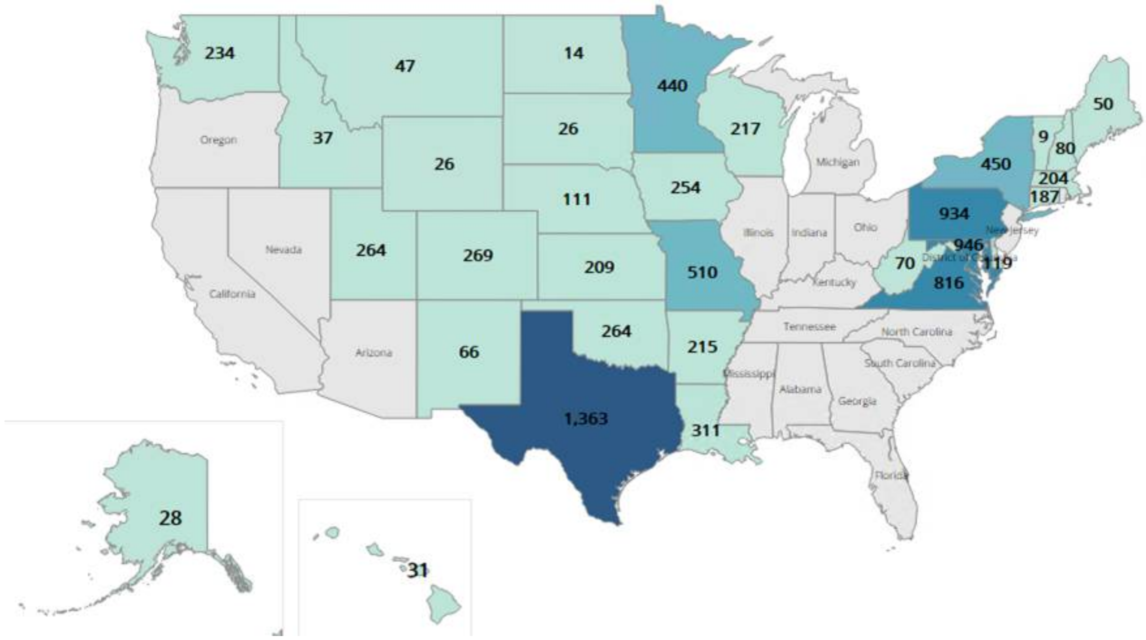
The Bank submitted 8,801 loans for credit under 2.B.3.

2.B.3	Average	Median	Minimum	Maximum
Principal UPB	$178,702	$162,993	$25,037	$679,297
Interest Rate	5.01%	5.00%	3.25%	6.25%
Monthly Payment	$957	$879	$152	$3,595
AMI at Subject Property	$79,658	$76,000	$38,900	$134,900
Borrower Monthly Income	$4,395	$4,272	$1,049	$9,730
Loan-Specific DTI Ratio	21.90%	21.58%	4.14%	55.56%

The majority of loans submitted under Menu Item 2.B.3 (approximately 70%) were for amounts between $100,000 and $250,000, with approximately 4% of the loans exceeding $350,000.



These loans were originated in 32 states, with approximately 52% originated in Texas, Maryland, Pennsylvania, Virginia, and Missouri.



State	# Loans	% of Total
TX	1,363	15.49%
MD	946	10.75%
PA	934	10.61%
VA	816	9.27%
MO	510	5.79%
NY	450	5.11%
MN	440	5.00%
LA	311	3.53%
CO	269	3.06%
OK	264	3.00%
UT	264	3.00%
IA	254	2.89%
WA	234	2.66%
WI	217	2.47%
AR	215	2.44%
KS	209	2.37%
MA	204	2.32%

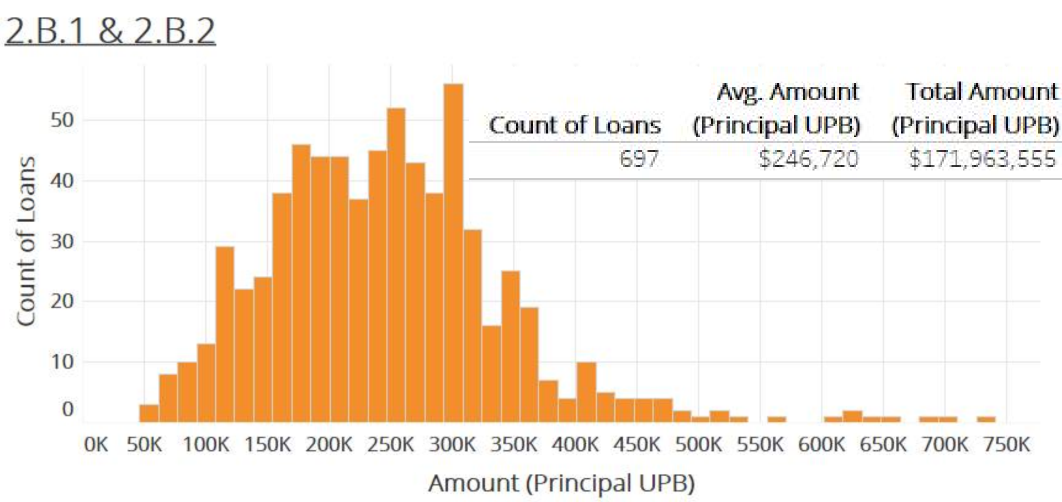
State	# Loans	% of Total
CT	187	2.12%
DE	119	1.35%
NE	111	1.26%
NH	80	0.91%
WV	70	0.80%
NM	66	0.75%
ME	50	0.57%
MT	47	0.53%
ID	37	0.42%
HI	31	0.35%
AK	28	0.32%
SD	26	0.30%
WY	26	0.30%
ND	14	0.16%
VT	9	0.10%
Total	**8,801**	-

Characteristics of the 2.B.1 / 2.B.2 Loans

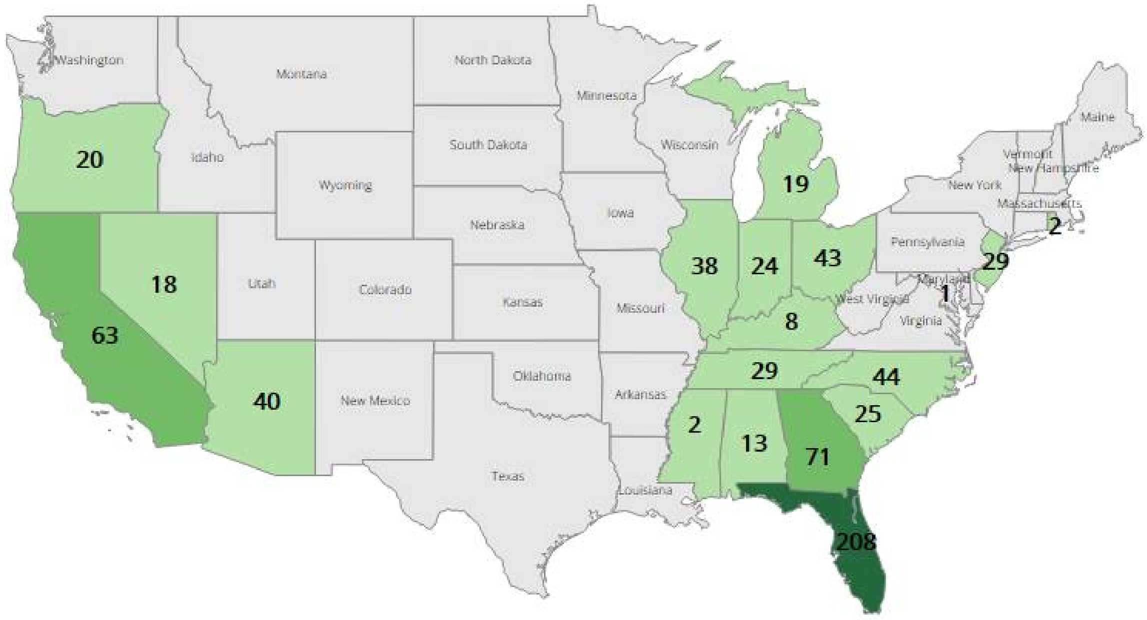
The Bank submitted 697 loans for credit under both Menu Items 2.B.1 and 2.B.2. Menu Item 2.B.2 allows the Bank to receive credit for originating loans to consumers who previously lost a primary residence to foreclosure or short sale. While the Bank is not actively seeking to originate loans to this category of borrowers, a small number of the loans that it submitted for credit under Menu Item 2.B.1 could also qualify for credit under Menu Item 2.B.2 if the borrower indicated on the Uniform Residential Loan Application that he or she previously lost a home to foreclosure or short sale.

2.B.1 & 2.B.2	Average	Median	Minimum	Maximum
Principal UPB	$246,720	$239,393	$58,367	$739,239
Interest Rate	5.07%	5.13%	3.88%	6.20%
Monthly Payment	$1,336	$1,309	$324	$3,897
Borrower Monthly Income	$8,079	$7,333	$1,766	$27,909
Loan-Specific DTI Ratio	17.50%	16.57%	5.34%	42.84%

The majority of loans submitted under 2.B.1 and 2.B.2 (approximately 62%) were for amounts between $150,000 and $300,000, with approximately 12% of the loans exceeding $350,000.



The loans submitted for credit under 2.B.1 and 2.B.2 were made in 18 states and the District of Columbia, with nearly half (49%) originated in Florida, Georgia, and California.



State	# Loans	% of Total
FL	208	29.84%
GA	71	10.19%
CA	63	9.04%
NC	44	6.31%
OH	43	6.17%
AZ	40	5.74%
IL	38	5.45%
NJ	29	4.16%
TN	29	4.16%
SC	25	3.59%

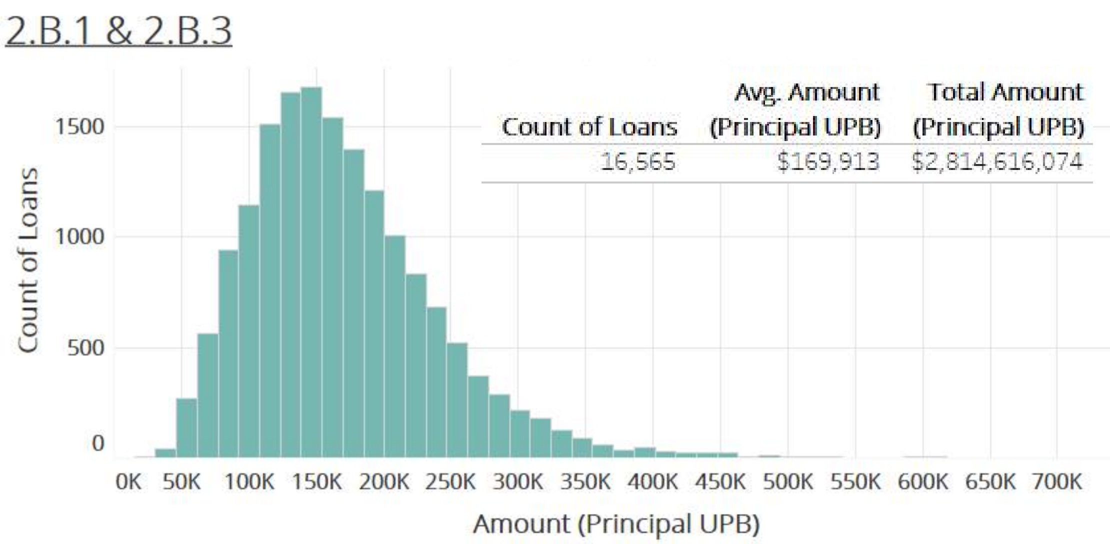
State	# Loans	% of Total
IN	24	3.44%
OR	20	2.87%
MI	19	2.73%
NV	18	2.58%
AL	13	1.87%
KY	8	1.15%
MS	2	0.29%
RI	2	0.29%
DC	1	0.14%
Total	697	-

Characteristics of the 2.B.1 / 2.B.3 Loans

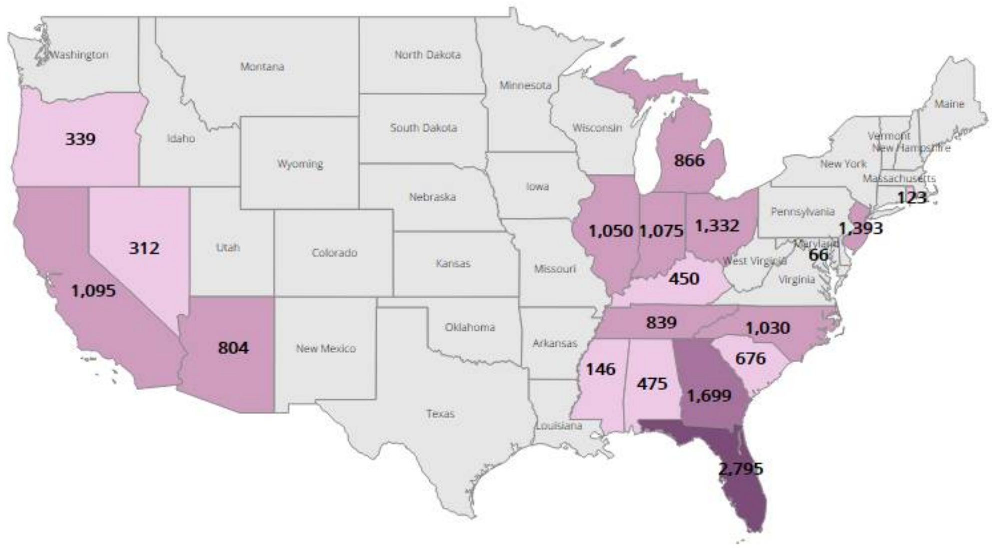
The Bank submitted 16,565 loans that it claimed qualified for credit under both Menu Items 2.B.1 (Hardest Hit Area) and 2.B.3 (first-time LMI homebuyers).

2.B.1 & 2.B.3	Average	Median	Minimum	Maximum
Principal UPB	$169,913	$159,080	$28,360	$700,000
Interest Rate	5.07%	5.00%	2.88%	6.38%
Monthly Payment	$918	$862	$157	$3,625
AMI at Subject Property	$70,670	$69,900	$35,900	$125,200
Borrower Monthly Income	$4,140	$4,045	$920	$10,417
Loan-Specific DTI Ratio	22.47%	22.24%	3.84%	53.45%

The majority of loans (approximately 74%) under 2.B.1 and 2.B.3 were for amounts between $100,000 and 250,000, with approximately 2% of the loans exceeding $350,000.



The loans submitted for credit under both 2.B.1 and 2.B.3 were originated in 18 states and the District of Columbia, with approximately half (50%) originated in five states: Florida, Georgia, New Jersey, Ohio, and California.



State	# Loans	% of Total
FL	2,795	16.87%
GA	1,699	10.26%
NJ	1,393	8.41%
OH	1,332	8.04%
CA	1,095	6.61%
IN	1,075	6.49%
IL	1,050	6.34%
NC	1,030	6.22%
MI	866	5.23%
TN	839	5.06%

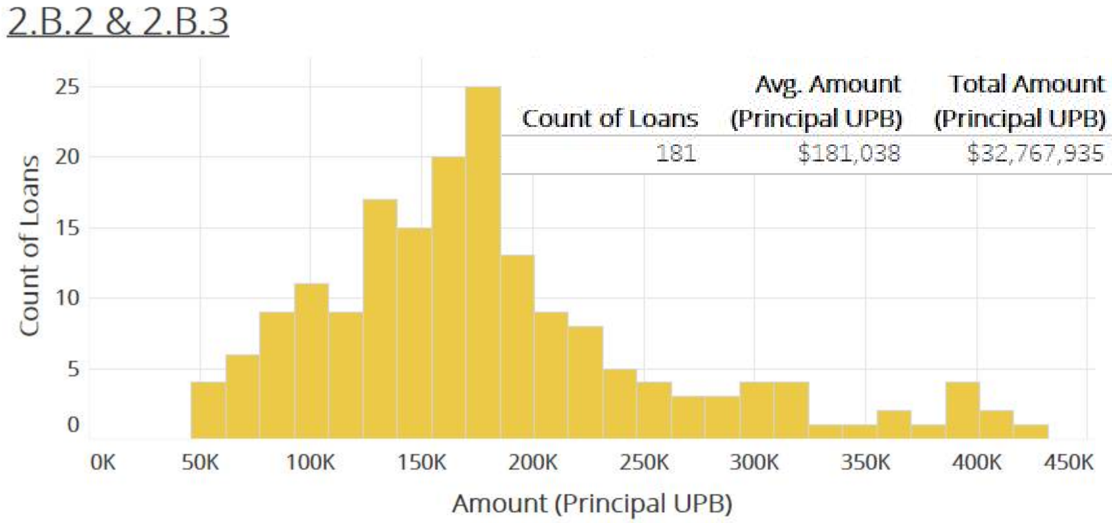
State	# Loans	% of Total
AZ	804	4.85%
SC	676	4.08%
AL	475	2.87%
KY	450	2.72%
OR	339	2.05%
NV	312	1.88%
MS	146	0.88%
RI	123	0.74%
DC	66	0.40%
Total	16,565	-

Characteristics of the 2.B.2 / 2.B.3 Loans

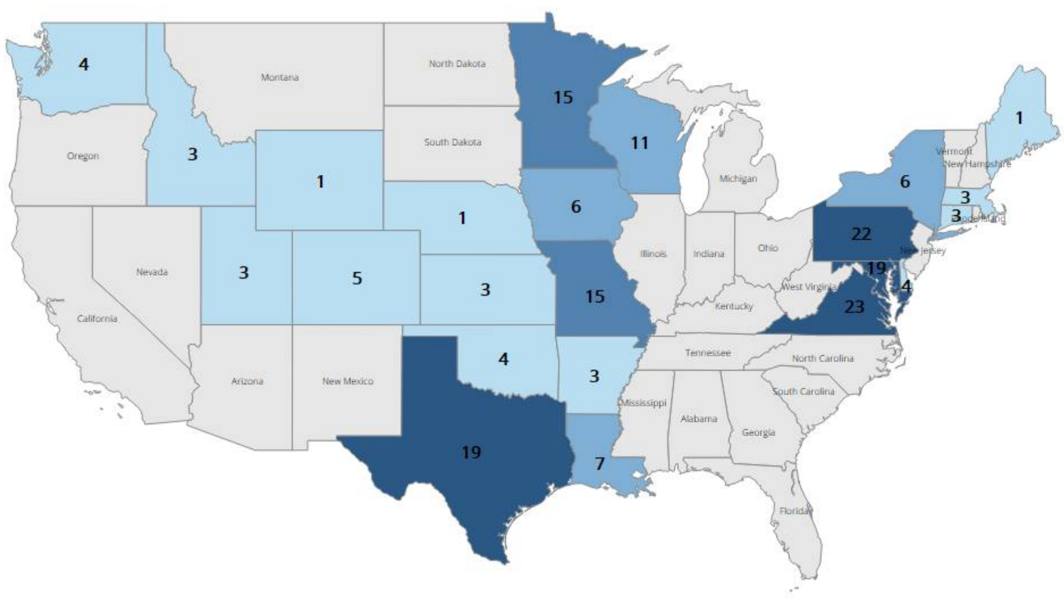
The Bank submitted 181 loans that it claimed qualified for credit under both Menu Items 2.B.2 and 2.B.3.

2.B.2 & 2.B.3	Average	Median	Minimum	Maximum
Principal UPB	$181,038	$167,902	$56,458	$420,000
Interest Rate	4.97%	5.00%	3.50%	5.63%
Monthly Payment	$967	$883	$307	$2,340
AMI at Subject Property	$79,449	$76,800	$49,600	$117,200
Borrower Monthly Income	$4,655	$4,493	$1,944	$8,483
Loan-Specific DTI Ratio	20.75%	21.06%	7.27%	36.65%

The majority of these loans (approximately 70%) were for amounts between $80,000 and $220,000, with approximately 6% of the loans exceeding $350,000.



The loans submitted for credit under both 2.B.2 and 2.B.3 were originated in 23 states, with nearly half (46%) originated in four states: Virginia, Pennsylvania, Maryland, and Texas.



State	# Loans	% of Total
VA	23	12.71%
PA	22	12.15%
MD	19	10.50%
TX	19	10.50%
MN	15	8.29%
MO	15	8.29%
WI	11	6.08%
LA	7	3.86%
IA	6	3.31%
NY	6	3.31%
CO	5	2.76%
DE	4	2.21%

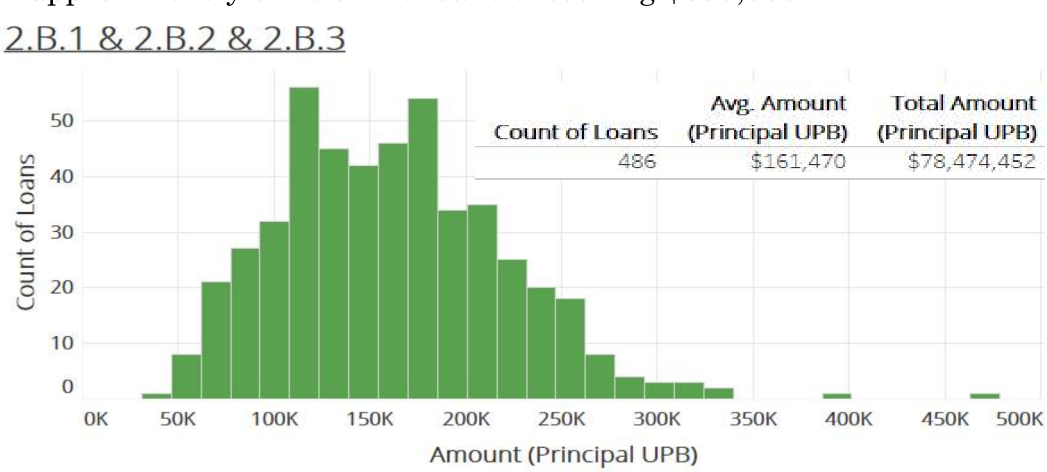
State	# Loans	% of Total
OK	4	2.21%
WA	4	2.21%
AR	3	1.66%
CT	3	1.66%
ID	3	1.66%
KS	3	1.66%
MA	3	1.66%
UT	3	1.66%
ME	1	0.55%
NE	1	0.55%
WY	1	0.55%
Total	**181**	-

Characteristics of the 2.B.1 / 2.B.2 / 2.B.3 Loans

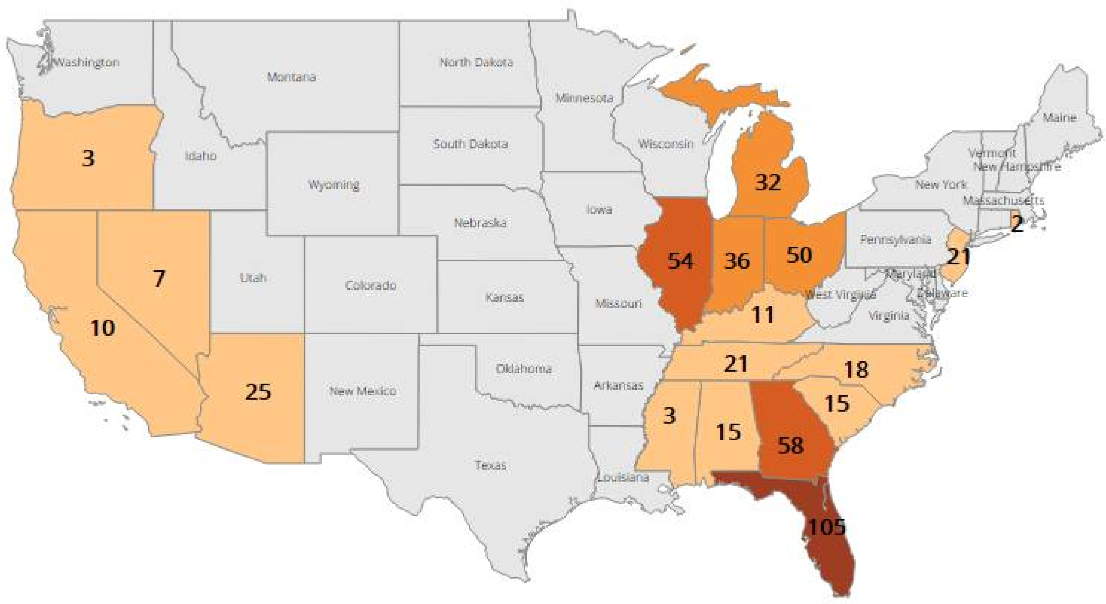
The Bank submitted 486 loans that it claimed qualified for credit under each of Menu Items 2.B.1, 2.B.2, and 2.B.3.

2.B.1, 2.B.2 & 2.B.3	Average	Median	Minimum	Maximum
Principal UPB	$161,470	$158,083	$42,903	$472,750
Interest Rate	5.11%	5.13%	3.50%	6.25%
Monthly Payment	$875	$862	$247	$2,574
AMI at Subject Property	$69,895	$69,900	$43,800	$107,900
Borrower Monthly Income	$4,220	$4,173	$1,433	$8,891
Loan-Specific DTI Ratio	21.21%	21.43%	6.01%	45.70%

The majority (78%) of these loans were for amounts between $100,000 and $250,000, with approximately 0.4% of the loans exceeding $350,000.



The loans submitted for credit under 2.B.1, 2.B.2, and 2.B.3 were originated in 18 states, with more than half (55%) originated in four states: Florida, Georgia, Illinois, and Ohio.

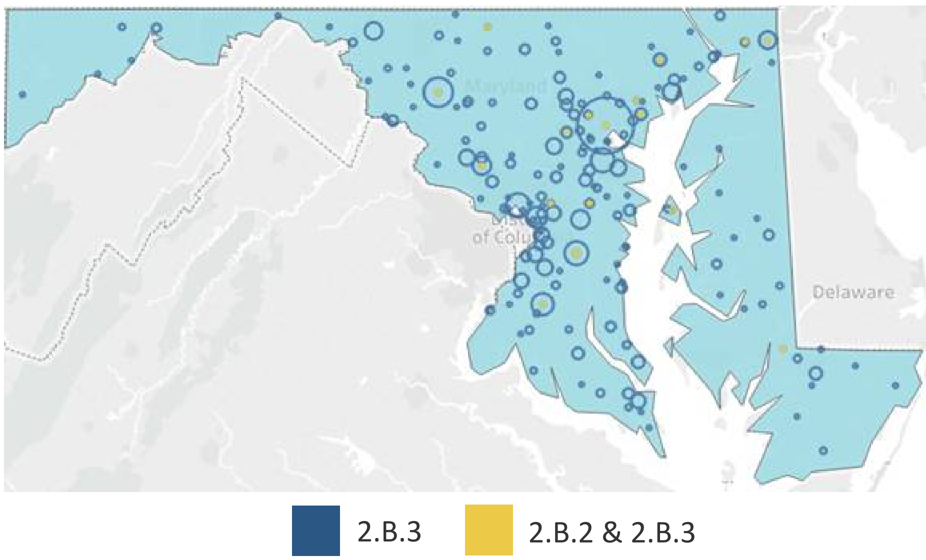


State	# Loans	% of Total
FL	105	21.60%
GA	58	11.93%
IL	54	11.11%
OH	50	10.29%
IN	36	7.41%
MI	32	6.58%
AZ	25	5.14%
NJ	21	4.32%
TN	21	4.32%

State	# Loans	% of Total
NC	18	3.70%
AL	15	3.09%
SC	15	3.09%
KY	11	2.26%
CA	10	2.06%
NV	7	1.44%
MS	3	0.62%
OR	3	0.62%
RI	2	0.41%
Total	**486**	-

Maryland Loans

As noted in prior reports, Deutsche Bank also entered into a separate agreement with the Office of the Maryland Attorney General requiring the Bank to provide at least $80 million of consumer relief to Maryland residents. The Bank sought and received credit for an additional 965 loans made to Maryland borrowers in the Second Quarter 2019 submission, resulting in a total of $58,029,500 in credit to date. Each submission was made under Menu Item 2.B.3 only or under Menu Items 2.B.2 and 2.B.3.



City	# Loans	Credit
Baltimore	173	$1,736,000
Frederick	47	$473,000
Upper Marlboro	33	$330,000
Glen Burnie	31	$311,500
Silver Spring	29	$293,000
Waldorf	27	$270,000
Hyattsville	22	$220,000
Gaithersburg	19	$191,500
Bowie	17	$170,000
Elkton	16	$160,000
Hagerstown	16	$160,000
165 Other MD Cities	535	$5,357,500
Q2 2019 Total	**965**	**$9,672,500**

Submissions	# MD Loans	Credit
Q3 2017 Loans	3	$34,500
Q4 2017 Loans	17	$195,500
Q1 2018 Loans	583	$6,704,500
Q2 2018 Loans	979	$11,258,500
Q3 2018 Loans	999	$11,488,500
Q4 2018 Loans	903	$10,383,000
Q1 2019 Loans	806	$8,292,500
Q2 2019 Loans	965	$9,672,500
Grand Total	**5,255**	**$58,029,500**

Other Characteristics of the 2019 Second Quarter Submission

Approximately 45% of the total loans in this submission were conventional loans that were eligible for purchase by Fannie Mae or Freddie Mac, and over 34% were FHA loans.[7] In addition, a sizeable number of loans (16%) were made under VA programs.

Mortgage Type	2.B.1	2.B.3	2.B.1 & 2.B.2	2.B.1 & 2.B.3	2.B.2 & 2.B.3	2.B.1, 2.B.2 & 2.B.3	Total	% of Total
Conventional	23,147	2,345	81	4,970	4	22	**30,569**	45.99%
FHA	9,605	4,236	440	8,182	129	379	**22,971**	34.56%
USDA/Rural Housing Service	607	638	10	761	17	18	**2,051**	3.09%
VA	6,374	1,582	166	2,652	31	67	**10,872**	16.36%
Total	**39,733**	**8,801**	**697**	**16,565**	**181**	**486**	**66,463**	-

Over 99% of the loans had fixed interest rates, and approximately 98% of the loans were for a term of 30 years. And while the Bank can earn credit for loans made to purchase certain multi-unit residences, less than 2% of the loans were issued for homes with between two and four units.[8]

[7] The investors on the conventional loans were Fannie Mae (91.02%), Freddie Mac (8.72%), Ginnie Mae (0.003%), and other non-GSE (0.26%)

[8] The Monitor has limited credit to new mortgage loans used to purchase primary residences or, for Menu Item 2.B.1, primary residences / investment properties with up to four units, provided the borrower resides in one of them, and secondary residences. As explained in the Monitor's second report, the Monitor expanded the loans eligible for credit under 2.B.1 to encourage lending that will stimulate real estate activity in Hardest Hit Areas. A primary residence / investment property eligible under 2.B.1 would include, for example, the purchase of a four-unit townhome, in which the borrower resides in one unit, and rents out the other three units.

CONCLUSION

As of the date of this report, the Bank has submitted 329,140 loans for credit, which has resulted in $3,591,749,500 in total credit for the Bank. Assuming the Bank continues at this pace, the Bank should be in a position to complete its total $4.1 billion consumer relief obligation with its next submission.

Quarter Submission	# of Loans	Base Credit	Early Incentive Credit*	Total Credit to Deutsche Bank
Q3 2017	100	$1,000,000	$150,000	$1,150,000
Q4 2017	1,977	$19,770,000	$2,965,500	$22,735,500
Q1 2018	24,314	$243,140,000	$36,471,000	$279,611,000
Q2 2018	51,131	$511,310,000	$76,696,500	$588,006,500
Q3 2018	53,117	$531,170,000	$79,675,500	$610,845,500
Q4 2018	61,362	$613,620,000	$91,507,500	$705,127,500
Q1 2019	70,676	$706,760,000	$11,493,000	$718,253,000
Q2 2019	66,463	$664,630,000	$1,390,500	$666,020,500
Total	**329,140**	**$3,291,400,000**	**$300,349,500**	**$3,591,749,500**

*Early incentive credit only applies to loans submitted for credit with an origination date before 09/01/2018.

The Bank's total consumer relief credit to date is as follows:

Menu Item	Current Submission (Q2 2019)	Credit Earned for Q2 2019 Submissions	Cumulative Submission	Cumulative Credit Earned
No. 1 Loan Modification, Forgiveness, and Forbearance	None	$0	None	$0
No. 2 Loan Originations	66,463	$666,020,500	329,140	$3,591,749,500
No. 3 Community Reinvestment	None	$0	None	$0
No. 4 Financing for Affordable Rental Housing	None	$0	None	$0
Total	**66,463**	**$666,020,500**	**329,140**	**$3,591,749,500**

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