

MAXINE WATERS

MEMBER OF CONGRESS
35TH DISTRICT, CALIFORNIA

CHIEF DEPUTY WHIP

COMMITTEES:
FINANCIAL SERVICES

SUBCOMMITTEE ON HOUSING AND
COMMUNITY OPPORTUNITY
CHAIRWOMAN

JUDICIARY

SUBCOMMITTEE ON CRIME, TERRORISM
AND HOMELAND SECURITY

SUBCOMMITTEE ON IMMIGRATION,
BORDER SECURITY AND CLAIMS

Congress of the United States
House of Representatives
Washington, DC 20515-0535

PLEASE REPLY TO:

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WASHINGTON, DC 20515-0535

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October 4, 2010

Mr. John Stumpf
President and Chief Executive Officer
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94103

Dear Mr. Stumpf:

Given the recent revelations that an employee of Ally Financial Inc.'s GMAC mortgage unit admitted in sworn depositions that he signed off on thousands of foreclosure documents a month without reviewing them, I am deeply concerned that this kind of behavior is prevalent in the mortgage servicing industry. Therefore, I call upon you to immediately suspend all foreclosures pending a thorough review of your foreclosure processing procedures.

The Office of the Comptroller of the Currency has already directed 7 of the nation's servicers, including your firm, to conduct such a review. However, given the seriousness of this problem, it is simply unfair for any servicer to proceed with a foreclosure given the possibility that there are systemic errors in the system. To date, GMAC, JP Morgan Chase, and Bank of America have all suspended foreclosures.

Since the foreclosure crisis began, I have heard countless complaints from my constituents and from homeowners across the country who have contacted my office. Their stories are all the same: their paperwork was lost, they were given false or misleading information, their calls weren't returned. The revelations about Ally Financial/GMAC confirm this narrative and place into question the fairness of our foreclosure system.

As part of your review, I also ask that you determine the extent to which any homeowners were improperly foreclosed upon. For these homeowners, I request that you inform them of the improper foreclosure and take any steps necessary to correct it.

Please respond to this letter no later than Tuesday, October 12th with an update on your progress in implementing the actions described above. Please contact me or Charla Ouertatani of my staff at 202-225-2201 with any questions about this letter.

Thank you for your prompt attention to this urgent matter.

Sincerely,

A handwritten signature in black ink that reads "Maxine Waters". The signature is written in a cursive, flowing style with a large initial "M".

Maxine Waters

Chairwoman

Subcommittee on Housing and Community Opportunity