



BETTER BANKS
ACCOUNTABILITY
PROJECT

SPOTLIGHT ON MORTGAGE FORBEARANCE
ONE-YEAR LATER

Analysis of Consumer Complaints
Against 12 of the Largest Retail Banks Filed with the
U.S. Consumer Financial Protection Bureau
From March 1, 2020 to September 23, 2021

October 2021
www.bankaccountability.org

OVERVIEW

The Committee for Better Banks “[COVID Scorecard: Spotlight on Forbearance](#)” found many of the largest banks in the US failed to communicate their COVID-related forbearance policies to customers and poorly implemented relief plans under the CARES Act. While pandemic-related unemployment surged, so did requests for relief from consumers facing unprecedented economic uncertainty. As part of CBB’s Better Banks Accountability Project, this research updates our earlier report with U.S. Consumer Financial Protection Bureau (CFPB) mortgage-complaint data from March 1, 2020 to September 23, 2021.

We compiled this data by searching for mortgage related complaints on the following issues: forbearance, deferment, loan modification, refinance, and repayment plan. Then we evaluated 12 of the largest retail banks on the level of complaints filed against each of them with their relative mortgage loan volume and market share. Specifically, for each bank, we measured:

- The number of consumer complaints submitted;
- The total number of forbearance-related issues raised in the complaints;
- Average number of issues per complaint;
- Number of multi-issue complaints;
- COVID-19 or pandemic-related complaints; and
- Complaints citing “balloon payments” and “without my knowledge”.

KEY FINDINGS

Consumers continue to have problems resolving mortgage forbearance-related policies implemented by their bank. Of the 12 major retail banks that the Committee for Better Banks has tracked under its Bank Accountability Project, **Wells Fargo** consistently stands out for its outsized level of consumer complaints. At 585 complaints, **Wells Fargo** received the most complaints of which 259 raised multiple issues. It received 36.61 percent of all complaints during the data period, and the 259 multi-issue complaints it received were 47.09 percent of all complaints naming more than one issue.

Overall, **Truist Bank**, **Fifth Third Bank** and **Wells Fargo** each had a greater share of complaints and issues compared to their market share, while the other 9 banks generally had fewer complaints relative to their mortgage market share. But **Wells Fargo** has market dominance relative to its retail bank peers, resulting in its consumer complaints having four times (4.9x) the impact as **Truist Bank** and (13x) as **Fifth Third Bank**. See **Chart 1**.

Complaints/Market Share Ratio: **Fifth Third Bank**, **Truist Bank**, **Wells Fargo** and **TD Bank** had a greater share of consumer complaints relative to their market share. See **Table 4** for details.

Consumer Issues in Complaints/Market Share Ratio: **Truist Bank, Fifth Third Bank and Wells Fargo** had a greater share of total issues raised by consumers in their CFPB complaints relative to their mortgage volume market share. See **Table 3** for details.

Complaints with multiple issues/Market Share Ratio: **Truist Bank and Wells Fargo** had significantly more consumer complaints with multiple issues relative to their mortgage volume market share compared with the rest of the banks in this study. See **Table 5** for details.

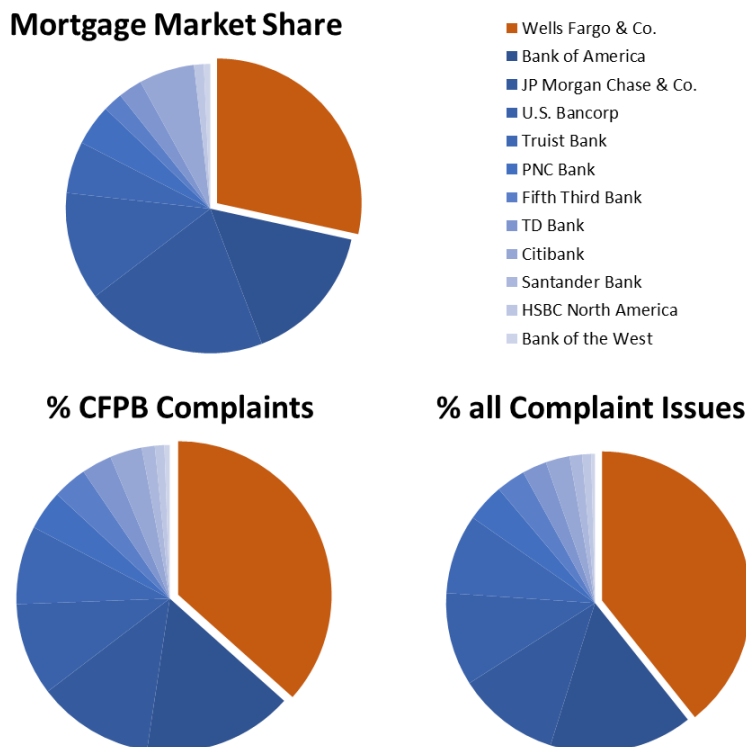
Average Number of Issues Raised in each CFPB Complaint: The average number of issues raised per consumer complaint for this group of 12 banks was 1.34 issues. **Wells Fargo, Truist Bank and US Bank** each had a higher level of issues per consumer complaint, while the other nine banks were below the average. See **Table 2** for details.

Covid-19, Pandemic-related Complaints: **Truist Bank, Wells Fargo, Fifth Third Bank and PNC Bank** all had a greater ratio of pandemic-related complaints than their peer banks. **Wells Fargo** had 43 percent of all COVID-19-related complaints. See **Table 6** for details.

Complaints Involving Balloon Payments: **Wells Fargo** topped this list with 13 out of the total 39 consumer complaints involving balloon payments. **JPMorgan Chase** came in second with 9 complaints. See **Table 7** for details.

Complaints Involving “Without My Knowledge”: **Wells Fargo** received half (6 out of 12) of all consumer complaints involving this issue indicating that the bank took action on a mortgage without the consumer’s knowledge or consent. See **Table 8** for details.

Chart 1: Wells Fargo’s Consumer Complaints Exceed Its Market Dominance



INTRODUCTION: IDENTIFYING FORBEARANCE-RELATED CONSUMER COMPLAINTS

A year ago, the Committee for Better Banks “[COVID Scorecard: Spotlight on Forbearance](#)” found the largest banks in the US failed to communicate their covid-related forbearance policies to customers and poorly implemented relief plans under the CARES Act. While pandemic-related unemployment surged, so did requests for relief from consumers facing unprecedented economic uncertainty. Our revisiting this issue of consumer complaints regarding mortgage forbearance-related issues was instigated by members of the **Committee for Better Banks** who continue to raise concerns regarding the processes and policies within their banks and how they may negatively impact consumers.

We updated our earlier report with Consumer Financial Protection Bureau mortgage-complaint data from March 1, 2020 to September 23, 2021. We compiled this data by searching for mortgage related complaints using the following issues: forbearance, deferment, loan modification, refinance, and repayment plan. We identified a total of 1,598 consumer complaints filed against these 12 banks over the time period. Our search issues occurred 2148 times, meaning 550 complaints contained more than one issue.

Diving deeper into the data, we searched these 1598 consumer complaints for concerns over “balloon payments” and whether consumers cited the phrase “without my knowledge”. Finally, we found 576 of these complaints contained specific references to COVID-19 or the pandemic.

The following analysis of consumer complaints to the U.S. Consumer Financial Protection Bureau (CFPB) reveals ongoing problems one year after our original Spotlight on Forbearance. Overall, **Wells Fargo**, **Truist Bank** and **Fifth Third Bank** stand out as consistently having the most consumer complaints, most issues raised in their complaints, highest average number of consumer issues raised in each complaint, and most complaints with multiple issues relative to their mortgage loan volume. Because **Wells Fargo** also has the largest mortgage loan volume, its negative impacts reach far more consumers than **Truist Bank** and **Fifth Third Bank**.

DESCRIPTION OF ISSUES IN CONSUMER COMPLAINTS

Forbearance: Mortgage forbearance is a type of payment suspension where mortgage servicers or lenders allow borrowers to pause or reduce payments for a defined period of time. This is followed by a lump-sum or balloon payment at the end of the forbearance period. This is an example of a complaint received by the CFPB about a forbearance issue:

- **Wells Fargo Complaint #4331065 (FHA Mortgage).** Wells Fargo Home Mortgage sold/transferred my mortgage to XXXX XXXX XXXX XX/XX/XXXX. I had applied for and was approved for forbearance by Wells Fargo Home Mortgage in XXXX of XXXX due to COVID for 6 months. In XX/XX/XXXX Wells Fargo Home Mortgage asked if I need an additional 6 months for COVID. I applied and the first payment due again was XXXX

XXXX. I made a payment to Wells Fargo starting the payments again. In XX/XX/XXXX I am being told Wells Fargo Home Mortgage transferred my loan to a mortgage debt collection company and they have the forbearance as a balance that is due by XXXX XXXX or have my house put in foreclosure.

Deferment: Deferment is another type of payment suspension where mortgage servicers or lenders allow borrowers to pause repayment for a defined period of time and repay over time. Generally the additional payments are added to the end of the mortgage. This is an example of a complaint received by the CFPB about a deferment issue:

- **Wells Fargo Complaint #3624224 (FHA Mortgage):** “I was laid off due to Corona Virus. As such I proactively called Wells Fargo on XXXX XXXX and was given a 90 day deferment on my mortgage. I was told that the loan payments would be added to the end of my loan and that I would not be past due or have any negative impact as a result of the deferment. My next payment was not to be due until XXXX XXXX. Today when I checked my mail I received a statement from Wells Fargo showing I am more than 30 days past due and that I have two mortgage payments due. I called Wells Fargo but they were closed. I was routed to an automated system that recognized that I was past due and instructed me to be enrolled into a COV-19 process that told me " They were here for me " and could help me but I would have to make up any payments I missed up front before my loan went back to normal. This is not what I agreed to on the phone with the agent earlier in the month. Wells Fargo offered me one thing and then changed the offer after I agreed to it without telling me what it was. As a result my credit is going to be impacted and I am being taken advantage of while the entire country is under a stay at home warning. This is predatory and should NOT be allowed.”

Loan modification: A loan modification is a change to the terms of the original mortgage. This could include extending the number of years of the mortgage, the interest rate, or a reduction in the principal balance. This is an example of a complaint received by the CFPB about a loan modification.

- **Wells Fargo Complaint #4302711 (VA Mortgage).** “I entered into the Forebearance program with Wells Fargo (WF) and missed two payments, XXXX and XX/XX/XXXX. I was told by WF to continue payments when possible so I began making payments with the XX/XX/XXXX due date. On XX/XX/XXXX, XXXX had me sign a Loan Modification which moved my two missed payments to the end of the loan and gave me the new terms of the loan with first payment due XX/XX/XXXX. I continued making original loan payments. After a month of no update to my loan profile on Wells Fargo online, I contacted WF and they said it takes time to process and my profile should update soon with the new terms. My profile said I was overdue on payments and had an outstanding overdue balance. I continued to contact WF weekly and they promised it would update soon. And I continued to make full original loan payments on time. Then WF contacted me in early XXXX and said I no longer qualify to the new loan modification since I continued

making payments. They advised me GNMA requires 90 day deferred payments and I only had 60 day deferred payments. They said I need to miss one more payment to qualify and I should miss XXXX payment to qualify. I missed the XXXX payment as advised. I was then contacted this week, XX/XX/XXXX, and told I do not qualify for the loan modification I signed in XX/XX/XXXX because GNMA is not offering it any longer. They said I must enter into a new loan modification and will need to make 3 more consecutive payments to qualify. I have called WF numerous times to complain and explain my situation over and over but most times the representative on the phone transfers me and/or does not know how to help. What can I do now?"

Refinance: Refinancing is the process by which homeowners take out a new loan to repay the existing mortgage. This is commonly done to benefit from lower interest rates or borrow money. This is an example of a complaint received by the CFPB about a refinancing issue:

- **Wells Fargo Complaint #4145810 (Conventional Mortgage).** "I applied for COVID mortgage relief in XX/XX/XXXX and was granted it on a 90 day basis, I am ready to resume making payments as of XX/XX/XXXX. I would like to refinance the mortgage into a lower rate as rates have dropped significantly. My mortgage servicer, Wells Fargo, is not following the Federal Cares act. They have told me I can not refinance into a lower rate unless I pay the 3 months of deferred payments immediately. That is not how the Federal Cares relief act is supposed to work. It clearly states that those payments in deferment are not supposed to be held against me and stop me from refinancing into a lower rate. They have essentially told me I have to either make all those back payments at once, or wait 6 months to refinance, or do a loan modification where they can potentially lower my rate but not guaranteed and I cant do a 15 year mortgage. They are also stopping me from refinancing with another bank as well"

Repayment plan: Repayment plans allow homeowners to bring their mortgage current by repaying the delinquent amount over an agreed upon period. This is an example of a complaint received by the CFPB about repayment plans:

- **Wells Fargo Complaint #4613812 (FHA Mortgage).** "I entered a payment plan in or around XX/XX/2020 at which time Wells Fargo advised me that entering the plan would be like bringing the loan current and they would stop reporting the loan as late on my credit report. While in the repayment plan covid happened and I then entered a forbearance. It's now time to exit the forbearance and Wells Fargo is taking away the best option for me which would be to have the missed payments placed on the back of the loan because they're saying I wasn't current at the time I entered the forbearance. I've tried explaining 2 things to Wells Fargo : 1. I was told the loan would be treated as current when I entered the forbearance and now to benefit them that doesn't apply anymore 2. It was never explained to me when I entered the forbearance that it would be more beneficial to me to complete the repayment plan before entering the forbearance. The servicer is acting in bad faith and using a questionable practice because they seem to have omitted information that would have allowed me to be in a

better position to keep the home out of foreclosure. Not a single person took 5 seconds to make me aware that if possible I should complete the 2 other payments that were left on my payment plan before entering the forbearance." [SIC]

ANALYSIS OF CONSUMER COMPLAINTS

The CFPB received a total of 1,598 complaints related to these issues. Some complaints reported multiple issues. There were 2,148 issues associated with the unique complaints. These complaints covered 6 products: conventional mortgages, FHA mortgages, home equity lines of credit (HELOC), other types of mortgages, reverse mortgages, and VA mortgages.

ISSUES AND MORTGAGE TYPE - KEY FINDINGS:

- At first glance, the total number of complaints tracks fairly closely with each bank's mortgage loan volume with one notable exception, **Citibank** has far fewer consumer complaints relative to its mortgage loan volume than its peers in this analysis, implying that it has been much more effective at conveying its forbearance-related policies to consumers.
- Conversely, **Wells Fargo** stands out with 67 percent of the total number of complaints from consumers with FHA mortgages, and 51 percent of the total number of complaints from consumers with VA-backed mortgages.

Table 1: Banks Ranked by Total Issues Raised in CFPB Complaints and broken out by mortgage type

Bank	Conventional	FHA	HELOC	Other	Reverse	VA	Total Issues	Volume (\$Billions)	Rank by Vol.
WELLS FARGO & COMPANY	528	187	27	41	1	60	844	\$ 125.0	1
BANK OF AMERICA	223	47	38	21		5	334	\$ 69.2	3
JPMORGAN CHASE & CO.	185	15	22	11		6	239	\$ 89.9	2
U.S. BANCORP	109	62	27	15		4	217	\$ 53.2	4
TRUIST FINANCIAL CORPORATION	127	37	6	8		7	185	\$ 25.5	6
PNC Bank N.A.	56	9	11	9		4	89	\$ 20.1	7
FIFTH THIRD FINANCIAL CORPORATION	59	3	3	1		2	68	\$ 9.6	9
TD BANK US HOLDING COMPANY	36	3	11	6		1	57	\$ 11.8	8
CITIBANK, N.A.	49	1	1	5			56	\$ 27.3	5
SANTANDER BANK, NA	25	3		1			29	\$ -	12
HSBC NORTH AMERICA HOLDINGS INC.	20		1				21	\$ 4.8	10
BANK OF THE WEST	4		4	1			9	\$ 3.2	11
Grand Total	1,421	367	151	119	1	89	2,148	\$ 439.6	

ISSUES PER COMPLAINT - KEY FINDINGS

- At 585 complaints, **Wells Fargo** received the most complaints of which 259 raised multiple issues. It received 36.61 percent of all complaints during the data period, and the 259 multi-issue complaints was 47.09 percent of all complaints naming more than one issue.

- **Wells Fargo** had the highest average number of issues per consumer complaint at 1.44 issues per complaint.
- **Wells Fargo, Truist Bank** and **US Bank** had significantly higher number of issues per complaint compared to the other nine banks in the study, indicating that these banks have problems conveying forbearance-related policies to their customers.

Table 2: Average Number of Issues per Complaint

BANK	Rank by Vol.	Market share	Complaints	Issues	Complaints with more than 1 issue	Aver. # Issues/ Complaints
Wells Fargo & Co.	1	28%	585	844	259	1.44
Truist Bank	6	6%	132	185	53	1.40
U.S. Bancorp	4	12%	156	217	61	1.39
PNC Bank	7	5%	67	89	22	1.33
Bank of America	3	16%	252	334	82	1.33
Santander Bank	12	0%	22	29	7	1.32
HSBC North America	10	1%	16	21	5	1.31
JP Morgan Chase & Co.	2	20%	196	239	43	1.22
Fifth Third Bank	9	2%	58	68	10	1.17
TD Bank	8	3%	51	57	6	1.12
Citibank	5	6%	54	56	2	1.04
Bank of the West	11	1%	9	9	0	1.00
<i>Total</i>		<i>100%</i>	<i>1598</i>	<i>2148</i>	<i>550</i>	<i>1.34</i>

COMPLAINT AND MARKET SHARE PROPORTIONALITY – KEY FINDINGS

According to mortgage website The Bundle¹, the 12 banks in our analysis issued mortgages worth \$439.55 billion in 2020. This excludes Santander which was not among the 150 largest issuers in 2020, and uses 2019 data for Bank of the West which was among the 150 largest issuers in 2019, but not in 2020. **Tables 3 and 4** below compare each bank’s market share, complaint count, and ratio of complaints to market share and total issues to market share.

A complaint-to-market share ratio of 1 indicates that the CFPB received complaints about that institution related to mortgages in proportion to their overall market share. A *ratio of less than one* means the CFPB received complaints about an institution at a lower proportion than their

¹ Eric Mager, "The Top 150 Mortgage Lenders in 2020", The Bundle, [July 23, 2021](#)

market share. Conversely, a *ratio of great than one* means the CFPB received a disproportionately higher number of complaints relative to the bank’s market share.

Table 3: Ratio of Total Complaints to Market Share

BANK	Volume (\$Billions)	Rank by Vol.	Market share	Complaints	% of Complaints	Complaints/Market Share
Fifth Third Bank	\$ 9.6	9	2%	58	4%	1.66
Truist Bank	\$ 25.5	6	6%	132	8%	1.42
Wells Fargo & Co.	\$ 125.0	1	28%	585	37%	1.29
TD Bank	\$ 11.8	8	3%	51	3%	1.19
Bank of America	\$ 69.2	3	16%	252	16%	1.00
PNC Bank	\$ 20.1	7	5%	67	4%	0.92
HSBC North America	\$ 4.8	10	1%	16	1%	0.92
U.S. Bancorp	\$ 53.2	4	12%	156	10%	0.81
Bank of the West	\$ 3.2	11	1%	9	1%	0.79
JP Morgan Chase & Co.	\$ 89.9	2	20%	196	12%	0.60
Citibank	\$ 27.3	5	6%	54	3%	0.54
Santander Bank	\$ -	12	0%	22	1%	-
<i>Total</i>	\$ 439.6		100%	1598	100%	1.00

Table 4: Ratio of Total Issues Raised in Complaints to Market Share

BANK	Rank by Vol.	Market share	Complaints	Issues	Complaints with more than 1 issue	% of issues	Issues/Market Share
Truist Bank	6	6%	132	185	53	9%	1.48
Fifth Third Bank	9	2%	58	68	10	3%	1.45
Wells Fargo & Co.	1	28%	585	844	259	39%	1.38
TD Bank	8	3%	51	57	6	3%	0.99
Bank of America	3	16%	252	334	82	16%	0.99
PNC Bank	7	5%	67	89	22	4%	0.91
HSBC North America	10	1%	16	21	5	1%	0.90
U.S. Bancorp	4	12%	156	217	61	10%	0.83
Bank of the West	11	1%	9	9	0	0%	0.58
JP Morgan Chase & Co.	2	20%	196	239	43	11%	0.54
Citibank	5	6%	54	56	2	3%	0.42
Santander Bank	12	0%	22	29	7	1%	-
<i>Total</i>		100%	1598	2148	550	100%	1.00

- **Wells Fargo, Fifth Third Bank and Truist Bank** were the worst performers on both indices; receiving a disproportionate high share of complaints and total issues relative to

their market share. **TD Bank** made the list of worst performers for total number of complaints but not for total issues raised.

- Again, **Wells Fargo**'s market dominance and national reach calls for great scrutiny since their mortgage policies impact so many homeowners in the United States.

Table 5: Ratio of Multi-issue Complaints to Mortgage Market Share

BANK	Rank by Vol.	Market share	Complaints	Issues	Complaints with more than 1 issue	% Multi-Issue	Ratio Multi-Issue/Market Share
Truist Bank	6	6%	132	185	53	10%	1.66
Wells Fargo & Co.	1	28%	585	844	259	47%	1.66
Bank of America	3	16%	252	334	82	15%	0.95
U.S. Bancorp	4	12%	156	217	61	11%	0.92
PNC Bank	7	5%	67	89	22	4%	0.87
HSBC North America	10	1%	16	21	5	1%	0.83
Fifth Third Bank	9	2%	58	68	10	2%	0.83
TD Bank	8	3%	51	57	6	1%	0.41
JP Morgan Chase & Co.	2	20%	196	239	43	8%	0.38
Citibank	5	6%	54	56	2	0%	0.06
Santander Bank	12	0%	22	29	7	1%	-
Bank of the West	11	1%	9	9	0	0%	-
<i>Total</i>		100%	1598	2148	550	100%	1.00

COVID-19 PANDEMIC COMPLAINTS – KEY FINDINGS

We evaluated the prevalence of complaints related to the COVID-19 pandemic by searching complaint narrative that mentioned “covid,” “coronavirus”, or “pandemic” and comparing the percent of complaints received in this category to market share.

Overall, **Wells Fargo** was the second worst performing bank on this metric following **Truist Bank**. Fifth Third Bank and PNC also had a greater share of pandemic-related complaints relative to their market share.

However, **Wells Fargo**'s dominant market share makes the impact of its mortgage operation on consumers impacted by COVID-19-related complaints far greater. **Wells Fargo**'s mortgage market share is 4.9x **Truist Bank**, 6.2x **PNC Bank** and 13x **Fifth Third Bank**.

Table 6: Ratio of Pandemic-related Complaints to Mortgage Market Share

BANK	# Covid Complaint	Volume (\$Billions)	Rank by Vol.	Covid Complaint %	Market Share	Complaint/ Mkt Share
TRUIST BANK	55	\$ 25.5	6	9.55%	5.80%	1.65
WELLS FARGO & CO	248	\$ 125.0	1	43.06%	28.44%	1.51
FIFTH THIRD BANK	17	\$ 9.6	9	2.95%	2.18%	1.35
PNC Bank N.A.	30	\$ 20.1	7	5.21%	4.57%	1.14
BANK OF AMERICA, NA	87	\$ 69.2	3	15.10%	15.74%	0.96
U.S. BANCORP	61	\$ 53.2	4	10.59%	12.10%	0.87
TD BANK	9	\$ 11.8	8	1.56%	2.68%	0.58
BANK OF THE WEST	2	\$ 3.2	11	0.35%	0.72%	0.48
JPMORGAN CHASE & CO.	53	\$ 89.9	2	9.20%	20.45%	0.45
CITIBANK, N.A.	5	\$ 27.3	5	0.87%	6.21%	0.14
HSBC North America	0	\$ 4.8	10	0.00%	1.09%	-
SANTANDER BANK, NA	9	**	12	1.56%	**	**
GRAND TOTAL	576	\$ 439.6		100.00%	100.00%	1.00

“BALLOON PAYMENTS” – KEY FINDINGS

The CBB’s previous research on mortgage related complaints identified critical problems with hidden balloon payments and consumer consent in mortgage relief during the early months of the COVID-19 pandemic. This problem appears to have continued into September 2021.

According to data from the Consumer Financial Protection Bureau, **Wells Fargo** received 13 or 33 percent of all complaints filed against the 12 banks in this study from consumers related to balloon payments on mortgage loans.

Table 7: Number Complaints Citing Balloon Payments

BANK	COMPLAINTS
WELLS FARGO & CO.	13
JPMORGAN CHASE & CO.	9
BANK OF AMERICA	7
TRUIST BANK	6
PNC BANK	2
BANK OF THE WEST	1
US BANCORP	1
Grand Total	39

“WITHOUT MY KNOWLEDGE” – KEY FINDINGS

The Committee for Better Banks found that **Wells Fargo** received one-half (50%) of all complaints that mention the term “without my knowledge.” These complaints indicate that the bank took action on a mortgage without the consumers’ knowledge and consent.

Table 8: Number CFPB Complaints Citing “Without my Knowledge”

BANK	COMPLAINTS
WELLS FARGO & CO.	6
JPMORGAN CHASE & CO.	2
BANK OF AMERICA	1
TRUIST BANK	1
FIFTH THIRD BANK	1
HSBC NORTH AMERICA	1
Grand Total	12

CONCLUSION

This analysis of consumer complaints filed with the CFPB against these 12 large retail banks on the issues related to mortgage forbearance indicate **Wells Fargo**, **Truist Bank** and **Fifth Third Bank** have performed consistently and significantly worse than their peers in providing forbearance-related services to customers. It appears that lack of clarity and transparency has caused a greater level of consumer complaints compared with their overall mortgage loan volume. Given its mortgage market dominance, **Wells Fargo**’s impact on consumers is approximately 4.9x greater than **Truist Bank** and 13x greater than **Fifth Third Bank**. As a result, **Wells Fargo**’s troubles with consumers appear to continue.

Acknowledgements

The Committee for Better Banks is a coalition of bank workers, community and consumer advocacy groups, and labor organizations coming together to improve conditions in the bank industry. We work to end unreasonable sales goals, for just wages, career paths and job security for front-line bank workers. Members of the Committee for Better Banks working at Wells Fargo helped expose the fake accounts scandal, discriminatory monitoring analytic software and other misconduct harming both employees and customers. Please visit www.betterbanks.org or www.bankaccountability.org for more information.