Exhibit 124

to the Declaration of Thomas E. Lynch in Support of
Wells Fargo Bank, N.A.'s Motion for Summary Judgment (Mar. 13, 2020) in
Nat'l Credit Union Admin. Bd., et al. v. Wells Fargo Bank, N.A.,
Case No. 14-cv-10067-KPF-SN (S.D.N.Y.)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

NATIONAL CREDIT UNION ADMINISTRATION BOARD, as Liquidating Agent of U.S. Central Federal Credit Union, Western Corporate Federal Credit Union, Members United Corporate Federal Credit Union, Southwest Corporate Federal Credit Union, and Constitution Corporate Federal Credit Union,	
and	
GRAEME W. BUSH, as Separate Trustee of NCUA GUARANTEED NOTES TRUST 2010-R1, NCUA GUARANTEED NOTES TRUST 2010-R2, NCUA GUARANTEED NOTES TRUST 2010-R3, NCUA GUARANTEED NOTES TRUST 2011-R2, NCUA GUARANTEED NOTES TRUST 2011-R4, and NCUA GUARANTEED NOTES TRUST 2011-M1,	Index No. 14-cv-10067
Plaintiffs,	
v.	
WELLS FARGO BANK, N.A.,	
Defendant.	

EXPERT REPORT OF ETHAN COHEN-COLE, PH.D.

<u>HIGHLY CONFIDENTIAL</u>

AUGUST 1, 2019

[CORRECTED AUGUST 8, 2019]

CONTENTS

I. Introduction and Scope of Work

A. Qualifications

1. I am a Senior Advisor at Vega Economics, a company that provides consulting services on various economic issues. I hold a Ph.D. and M.A. in Economics from the University of Wisconsin at Madison, an M.P.A. in Public Policy from Princeton University, and a B.A. in History from Harvard University.

2. I was previously a professor in the Department of Finance at the University of Maryland, College Park's Robert H. Smith School of Business. In addition, I served as a faculty participant at the Center for Financial Policy and on the steering committee of the Center for Social Value Creation. I taught courses on various topics, including risk management, corporate finance, and the regulation and management of financial institutions.

3. Before teaching, I was a financial economist in the Supervision and Regulation function of the U.S. Federal Reserve System ("Federal Reserve"), where I provided technical and analytical direction to bank supervisors for many of the largest banks in the United States. At the Federal Reserve, I led quantitative reviews of large bank risk modeling efforts and was a designated system quantitative expert on risk management and Basel II.

4. At various stages of my career, I have worked in the banking sector in roles related to mortgage securitization. In the mid-1990s, I worked as a technical risk management consultant. This job included helping clients build risk-based scoring systems for a range of loan types, including mortgages. At the Federal Reserve, I evaluated the mortgage credit risk models for many top-20 financial institutions. Also at the Federal Reserve, I worked closely with mortgage databases to develop internal evaluations of bank risk and to write papers on mortgage risk. As an academic at the University of Maryland, I continued to research and work in the mortgage area. I wrote papers both on consumer credit and commercial paper.

5. I have experience evaluating financial risk within a range of contexts, including market risk, operational risk, and credit risk. My client experience involves advising financial institutions in a variety of contexts including the measurement and management of credit risk, the creation and validation of loan scoring models, and the evaluation of risk management systems for personal and corporate lending.

6. I have evaluated structured financial products in a range of contexts. Prior to working as an expert, I taught classes in risk management and financial institutions, during which I taught sections on structured products. At the Federal Reserve, I regularly reviewed industry risk management models that included a variety of structured financial products.

7. I have published widely in peer-reviewed economics and finance journals, including *The Review of Economics and Statistics*, *Journal of Macroeconomics*, *American Law and Economics Review*, *Journal of Health Economics*, *Economic Inquiry*, *Economics Letters*, and *Applied Economics*. I have also served as a referee for more than 20 academic journals, including *The Review of Financial Studies*, *The Quarterly Journal of Economics*, *The American Economic Review*, *Journal of Monetary Economics*, *The Review of Economic Studies*, *The Review of Economics and Statistics*, *American Economic Journal—Economic Policy*, *Journal of Financial Intermediation*, *Journal of Money, Credit and Banking*, *Journal of Banking & Finance*, and *Journal of Financial Services Research*.

8. Apart from my regular class lectures, I have delivered more than 75 lectures at universities and professional meetings. I have been a visiting scholar or professor at the University of California, Berkeley, the European Central Bank, the Bank of France, and the Federal Deposit Insurance Corporation's Center for Financial Research. I have received scholarly research grants from the National Science Foundation, the National Institutes of Health, the National Institute of Justice, the Department of Education, the European Central Bank, and the MacArthur Foundation.

9. I have included a recent CV as **Appendix A**: *Curriculum Vitae*. My CV includes all my publications for the last ten years and all my expert witness testimony for the last four years.

10. In preparing my report, I relied upon the documents listed in **Appendix B**: *Materials Relied Upon* along with any items cited or referenced in the body and footnotes of my report, exhibits, appendices, and any notes or footnotes thereto.

11. For my work on this matter, Vega Economics is being compensated on my behalf at a rate of $875/hour. In performing my analyses, I utilized a team of Vega Economics personnel who worked under my supervision and direction at rates of $275 to $750. Neither my compensation nor that of Vega Economics is contingent upon my findings or the outcome of this matter. I reserve the right to express additional opinions or otherwise supplement my analyses or the

opinions expressed herein. All of the opinions included herein are stated to a reasonable degree of professional certainty.

B. Case Background and Assignment

12. The National Credit Union Administration Board ("NCUA"), acting in its capacity as liquidating agent for each of U.S. Central Federal Credit Union, Western Corporate Federal Credit Union, Members United Corporate Federal Credit Union, Southwest Corporate Federal Credit Union, and Constitution Corporate Federal Credit Union (collectively, the "Credit Unions"), and Graeme W. Bush, as separate trustee of NCUA Guaranteed Notes Trust 2010-R1, NCUA Guaranteed Notes Trust 2010-R2, NCUA Guaranteed Notes Trust 2010-R3, NCUA Guaranteed Notes Trust 2011-R2, NCUA Guaranteed Notes Trust 2011-R4, and NCUA Guaranteed Notes Trust 2011-M1 (collectively, "Plaintiffs") bring this action against Wells Fargo Bank, N.A. ("Wells Fargo") for alleged breaches of contractual and statutory duties in its role as trustee of seven RMBS trusts ("Relevant Trusts").[1, 2] Plaintiffs claim that the Credit Unions purchased certificates ("Relevant Certificates") issued by each of the Relevant Trusts through various acquisitions.[3] *See* **Exhibit 1**: *Plaintiffs' Claimed Acquisitions*.

13. With respect to the Relevant Trusts, Plaintiffs claim that Wells Fargo breached its duties as trustee by: (1) failing to provide notice of claimed breaches of representations and warranties ("R&Ws") concerning the loans underlying the Relevant Trusts and then failing to enforce the alleged obligations of the responsible parties to repurchase those loans, as well as other loans that were included on so-called "exception reports" as a result of certain documents not being

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[1] Third Amended Complaint. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (filed Aug. 31, 2017) ("Third Amended Complaint").

[2] The "Relevant Trusts" are: Asset Backed Funding Corporation Asset Backed Certificates, Series 2006-OPT2 ("ABFC 2006-OPT2"); First Franklin Mortgage Loan Trust, Series 2006-FF15 ("FFML 2006-FF15"); First Franklin Mortgage Loan Trust, Series 2006-FF17 ("FFML 2006-FF17"); HarborView Mortgage Loan Trust, Series 2006-11 ("HVMLT 2006-11"); HarborView Mortgage Loan Trust, Series 2006-12 ("HVMLT 2006-12"); HarborView Mortgage Loan Trust, Series 2007-1 ("HVMLT 2007-1"); and Soundview Home Loan Trust 2007-OPT1 ("SVHE 2007-OPT1"). *See* Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials ("Milner Report") at Exhibit A.

Although the Complaint references 12 trusts, the following trusts are not addressed in the Milner Report: Banc of America Mortgage Securities, Series 2006-B ("BOAMS 2006-B"); HarborView Mortgage Loan Trust Series 2006-10 ("HVMLT 2006-10"); Impac CMB Trust, Series 2005-3 ("IMM 2005-3"); Merrill Lynch Mortgage Investors, Inc., Series 2005-HE3 ("MLMI 2005-HE3"); and Morgan Stanley ABS Capital I Inc., Series 2007-HE4 ("MSAC 2007-HE4"). *See* Third Amended Complaint at Exhibit A and Milner Report at Exhibit A.

[3] Third Amended Complaint at Exhibit A; Milner Report at Exhibit A.

found in the loan files at or around the time the Relevant Trusts were formed;[4] and (2) failing to address alleged breaches by servicers of their contractual obligations to the Relevant Trusts.[5]

14. Plaintiffs originally alleged causes of action for breach of contract, the covenant of good faith and fair dealing, and fiduciary duty; negligence; and violations of the Trust Indenture Act and the Streit Act.[6] I understand that, following the Court's March 30, 2017 Order on Wells Fargo's Motion to Dismiss, the following claims remain: (i) breach of contract; (ii) post-Event of Default breach of fiduciary duty; (iii) breach of duty of due care and the duty to avoid conflicts of interest; and (iv) violations of the Trust Indenture Act.[7] Plaintiffs' other claims were dismissed, including claims for negligence, breach of pre-default fiduciary duty, breach of the implied covenant of good faith and fair dealing, and plaintiffs' claims brought under the Streit Act.

15. In the most recent amended complaint, filed August 31, 2017, Plaintiff NCUA included Graeme W. Bush as a plaintiff, in his capacity as the Separate Trustee of six NGN trusts. Plaintiffs pleaded three causes of action: breach of contract, breach of fiduciary duty, and violation of the Trust Indenture Act. On December 8, 2017, Plaintiffs filed an amendment by interlineation to the Third Amended Complaint to reflect that certain certificates at issue had recently been transferred from certain unwound NGN Trusts to NCUA.[8]

16. In support of their claims and contentions, Plaintiffs have submitted the expert report of Christopher J. Milner. Plaintiffs retained Mr. Milner to: (1) calculate damages to Plaintiffs allegedly resulting from Wells Fargo's purported failure to enforce responsible parties' obligation to repurchase particular loans in the Relevant Trusts; and (2) evaluate the financial ability of warrantors to fulfill purported repurchase obligations.[9]

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[4] Third Amended Complaint at ¶¶ 4-5, 7-8.

[5] *Id.* at ¶¶ 6, 9.

[6] *Id.* at ¶¶ 389-399; 400-415.

[7] Opinion and Order. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 30, 2017) at 3-4.

[8] Approved Amendments by Interlineation to the Third Amended Complaint. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Dec. 8, 2017) at 3.

[9] Milner Report at ¶¶ 6-7.

17. I have been retained by Wells Fargo, through its counsel Jones Day, to review and respond to the Milner Report, and to the extent required, the reports of other Plaintiffs' experts upon which Mr. Milner relies.

II. SUMMARY OF REBUTTAL OPINIONS

18. It is my opinion that numerous premises and assumptions underlying the Milner Report are erroneous or unsupported and that the damages calculations contained therein are unreliable and do not reflect damages to Plaintiffs arising out of Wells Fargo's alleged failures to fulfill its duties as trustee. The Milner Report suffers from the many infirmities described below.

19. ***Opinion One***. Mr. Milner's damages calculations fail to reflect damages attributable to Wells Fargo's alleged breaches of duties as trustee. Mr. Milner has put forward damages calculations based on multiple scenarios, each a depiction of a "but-for" world. But a damages model built from a but-for world must accurately reflect relevant facts and circumstances and requires an understanding of the claims made against the trustee and the trustee's duties. Mr. Milner's analysis reflects no such understanding. Despite the number of scenarios he presents, Mr. Milner's damages methodology ignores relevant facts and circumstances and makes counterfactual assumptions untethered to the realities of the Relevant Trusts' rights against third parties who may have had obligations to repurchase loans. Consequently, Mr. Milner effectively treats Wells Fargo as a guarantor of warrantor conduct and ignores (or counterfactually assumes away) elements of Plaintiffs' claims.

- Instead of considering and analyzing, for example, what would have happened had Wells Fargo pursued repurchases, Mr. Milner simply takes as given the many varying and contradictory assumptions provided to him by counsel about, among other things, how those enforcement actions would have played out. He fails to analyze the costs involved with the repurchase process; how long the process would have taken and uncertainties as to timing; uncertainties as to outcomes; whether litigation would have been necessary; whether the trustee would have been directed or indemnified to pursue litigation; the outcome of litigation; and the possible recovery from a settlement or court judgment. Mr. Milner's failure to account for these contingencies results in damages calculations that do not accurately reflect damages attributable to the trustee, Wells Fargo.

- Moreover, Mr. Milner's myriad damages scenarios involve varying and contradictory assumptions. Mr. Milner fails to evaluate any of these assumptions or resolve any of their numerous contradictions. Instead, he provides a "pick-and-choose" assortment of over 1.6 billion unique scenarios, with damages figures that can vary by over $229 million. Mr. Milner's failure to evaluate the reasonableness of the assumptions in this staggering number of but-for scenarios renders his entire set of calculations unreliable in assessing any damages due to Plaintiffs.

20. ***Opinion Two***. Mr. Milner's damages calculations are also unsupported and flawed. Mr. Milner calculates damages using myriad but-for scenarios in which he simulates the repurchase of certain loans that generate cashflows that back the Relevant Certificates. Mr. Milner relies on counsel and other experts for the major assumptions that are necessary for his repurchase simulations, including among other things: which loans to repurchase; whether to assume full success on such repurchases; whether repurchase required litigation to effectuate; and when the simulated repurchases occur. For nearly all of these assumptions, Mr. Milner simply uses the blanket inputs provided to him by counsel without loan-by-loan or trust-by-trust analysis. These include:

- *arbitrary and unreasonable funding dates with no factual basis.* Mr. Milner relies solely on counsel's direction regarding when loans are repurchased in his many but-for scenarios ("Funding Dates"). At counsel's direction, for example, Mr. Milner employs certain uniform timing assumptions, despite variations in the types of alleged R&W breaches or mortgage file defects, types of loans at issue, identities of obligated counterparties, and numbers of loans repurchased. Because Mr. Milner fails to provide support for his Funding Date assumptions, the damages calculations upon which they are based are, in my opinion, unreliable. Changing the Funding Date assumptions changes Mr. Milner's damages analysis.

- *unsupported assumptions regarding the length and outcome of repurchase litigation.* In all of Mr. Milner's so-called "involuntary" funding scenarios, he assumes a timeframe of three years that ostensibly reflects the duration of hypothetical repurchase litigation. This assumption is not supported and inconsistent with the historical record. In addition, Mr. Milner fails to provide any support for his assumptions regarding the outcomes of the hypothetical repurchase litigation in these scenarios.

- *unsupported and contradictory performing loan and "rolling repurchase" assumptions.* Mr. Milner does not evaluate repurchases on a loan-by-loan basis. Instead, for loans that were active as of a given trust's Funding Date, in half of his but-for scenarios, Mr. Milner simulates repurchases of performing loans. He provides no support for this assumption that he applies to all performing loans. In the other half of his but-for scenarios, Mr. Milner declines to simulate repurchases on the Funding Date for performing loans, and instead delays the but-for world repurchases until such loans become 60 or more days delinquent or otherwise distressed. Mr. Milner's "rolling repurchase" assumption has no basis in fact or the governing agreements, making repurchases contingent on loan performance, not the alleged R&W breaches or mortgage file defects.

- *an unwarranted assumption of a 100 percent repurchase rate.* Mr. Milner simulates repurchase of all loans identified as defective by other Plaintiffs' experts. Mr. Milner's analysis is inconsistent with the facts here and observed historical repurchase rates.

- *unsupported assumptions regarding make wholes of liquidated loans.* Mr. Milner assumes that active loans can be repurchased and liquidated loans made whole, and he calculates the amounts at which each of the allegedly Defective Loans is repurchased or made whole (the "Purchase Price"). But Mr. Milner fails to provide any support for his assumption that liquidated loans would be made whole or for the Purchase Prices he calculates for liquidated loans. Mr. Milner's Purchase Price calculations are unreliable and inconsistent with numerous real world transaction amounts.

- *lists of allegedly defective loans provided by counsel without quantitative or empirical support for claimed breaches.* Mr. Milner simulates repurchases and make whole transactions for various lists of loans, provided to him by Plaintiffs' counsel. Mr. Milner indicates that these lists reflect the assessments of Mr. Leonard A. Blum and Mr. Gary Shev, who claim to identify, respectively, material mortgage file defects or R&W breaches that Plaintiffs contend materially and adversely affected the value of the loans or the interests of the certificateholders. Mr. Blum and Mr. Shev performed no quantitative or empirical analysis to verify their opinions about the loans at issue. Mr. Blum's and Mr. Shev's findings are contradicted by the analysis of Wells Fargo's experts, as well as my own empirical analysis. When I recalculate damages utilizing results of my empirical analysis and the findings of other Wells Fargo experts, damages are significantly reduced using Mr. Milner's calculations.

21. ***Opinion Three***. Mr. Milner's calculation of damages does not correctly account for costs associated with enforcing claimed repurchase rights. These costs can include the costs of loan investigation and review, as well as the costs of managing counterparty communications and rebuttals. Mr. Milner has also failed to account for the substantial costs of litigation to enforce repurchases.

22. ***Opinion Four***. Mr. Milner ignores the disparate interests of certificateholders of various tranches of the Relevant Trusts. In fact, multiple of Mr. Milner's but-for scenarios result in reduced cashflows to certain tranches, and he has not provided any analysis as to why, in his but-for scenarios, Wells Fargo should have pursued a course of action as trustee that would have reduced cashflows to other certificateholders.

23. ***Opinion Five***. Mr. Milner's assessment of the financial ability of certain claimed counterparties to make the repurchase payments simulated in his damages calculations is flawed and incomplete. His analysis is incomplete because it ignores certain costs, such as the cost of repurchase litigation, that Mr. Milner contends should be included in the prices paid by counterparties to repurchase loans. Further, Mr. Milner takes a credit against repurchase payments in his financial ability to pay opinion that he does not recognize in his damages calculations such that Mr. Milner's assessed repurchase costs differ substantially from the simulated repurchase amounts in his damages model. Finally, Mr. Milner's analysis does not cover all of his Funding Dates.

III. RELEVANT BACKGROUND

A. RMBS Structure and Administration

24. Residential mortgage-backed securities ("RMBS") are financial instruments that are secured by loan groups ("supporting loan groups," or "SLGs"), with each group containing many

residential mortgages.[10] Issuers of RMBS create a separate entity, a trust, which holds these residential mortgages. The trust issues RMBS certificates, which are sold to investors.

25. RMBS are divided into slices, or "tranches," each of which bears a different level of risk and offers a different level of return.[11] Each purchaser of an RMBS certificate is typically entitled to cashflows associated with the principal and interest payments made by the mortgagors on the loans supporting the purchasers' tranches over the life of the certificate.[12] As discussed further below, these payments are distributed to the various certificateholders pursuant to the Relevant Trusts' pooling and servicing agreement ("PSA") or trust agreement (collectively as relevant, the "Governing Agreements") in a highly complex way often referred to as a trust's "waterfall."

26. The specific structure of an RMBS trust is described in the prospectuses/prospectus supplements and Governing Agreements.[13] A highly simplified example structure functions as follows: the holders of the most senior tranche have the first right to receive principal and interest payments, and each successive tranche is junior to the tranche or tranches above it.[14]

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[10] Fabozzi, Frank J., Michael G. Ferri, and Steven V. Mann. "Overview of the Types and Features of Fixed Income Securities." *The Handbook of Fixed Income Securities*. 8th ed. Eds. Frank J. Fabozzi and Steven V. Mann. New York: McGraw Hill (2012): 3-19 at 16.

[11] Hu, Dapeng, and Robert Goldstein. "Nonagency Residential Mortgage-Backed Securities." *The Handbook of Fixed Income Securities.* 8th ed. Eds. Frank J. Fabozzi, and Steven V. Mann. New York: McGraw Hill (2012): 645-680 at 645.

[12] Fabozzi, Frank J., Anand K. Bhattacharya, and William S. Berliner. *Mortgage-Backed Securities: Products, Structuring, and Analytical Techniques.* 2nd ed. Hoboken, NJ: John Wiley & Sons, Inc. (2011) at 25-26.

[13] *Id.* at 189; *see* Asset Backed Funding Corporation, ABFC 2006-OPT2 Trust, Pooling and Servicing Agreement (Sept. 1, 2006) (WF_NCUA_000035016 at WF_NCUA_000035146-56) ("ABFC 2006-OPT2 PSA"); Structured Asset Securities Corporation, First Franklin Mortgage Loan Trust Mortgage Pass-Through Certificates Series 2006-FF15, Trust Agreement (Oct. 1, 2006) (WF_NCUA_000011488 at WF_NCUA_000011584-97) ("FFML 2006-FF15 Trust Agreement"); Structured Asset Securities Corporation, First Franklin Mortgage Loan Trust Mortgage Pass-Through Certificates Series 2006-FF17, Trust Agreement (Nov. 1, 2006) (WF_NCUA_000018367 at WF_NCUA_000018464-78) ("FFML 2006-FF17 Trust Agreement"); Greenwich Capital Acceptance, Inc., HarborView Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2006-11, Pooling and Servicing Agreement (Oct. 1, 2006) (WF_NCUA_000016160 at WF_NCUA_000016247-53) ("HVMLT 2006-11 PSA"); Greenwich Capital Acceptance, Inc., HarborView Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2006-12, Pooling and Servicing Agreement (Nov. 1, 2006) (WF_NCUA_000002289 at WF_NCUA_000002389-99) ("HVMLT 2006-12 PSA"); Greenwich Capital Acceptance, Inc., HarborView Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2007-1, Pooling and Servicing Agreement (Feb. 1, 2007) (WF_NCUA_000030340 at WF_NCUA_000030430-9) ("HVMLT 2007-1 PSA"); Financial Asset Securities Corp., Soundview Home Loan Trust 2007-OPT1, Pooling and Servicing Agreement (Apr. 1, 2007) (WF_NCUA_000027753 at WF_NCUA_000027877-85) ("SVHE 2007-OPT1 PSA").

[14] Vallee, David E. "A New Plateau for the U.S. Securitization Market." *FDIC Outlook* (Fall 2006): 3-10 at 3.

Investors that are more cautious can choose to purchase senior tranches.[15] Similarly, return-oriented investors can buy subordinate tranches, which are riskier but generally have higher expected yields.[16]

27. The Governing Agreements generally provide information regarding the process through which loans will be transferred into the trust and how such loans will be serviced, as well as a description of what constitutes events of default.[17] Furthermore, the Governing Agreements memorialize R&Ws made by responsible parties, including R&Ws regarding loans sold to the trusts.[18] These documents also describe the distribution of interest, principal, and excess cashflow, as well as the allocation of losses, as discussed in detail below.

28. Prospectuses/prospectus supplements describe information about the tranches in the RMBS, cashflow structures, credit enhancements, performance of the tranches under different payment speeds, risk factors, and other items such as tax treatment.[19] Prospectus supplements typically also disclose a range of loan characteristics within each supporting loan group and display these characteristics in the form of stratifications.[20]

29. Over the life of the trust, the trustee typically provides reports, sometimes referred to as "remittance reports," to investors based on data it receives from the servicer. Remittance reports include information relating to the trust's performance, including distribution amounts, servicer advances, certificate balances, and realized losses, among other things.

30. The Governing Agreements specify the duties of the trustee.[21] These documents generally require direction from the certificateholders before a trustee can take certain actions, and certificateholders can direct the trustee only in certain limited circumstances.[22] Such direction

[15] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 25.

[16] *Id*. at 31.

[17] *Id.* at 190.

[18] *Id*.

[19] *Id*. at 189-190. For a list of offering documents pertaining to the Relevant Trusts, *see* **Appendix B**: *Materials Relied Upon*.

[20] *Id*. at 189.

[21] *See, e.g.*, ABFC 2006-OPT2 PSA at WF_NCUA_000035186-9.

[22] *See, e.g.*, HVMLT 2006-11 PSA at WF_NCUA_000016274.

is based on provisions regarding the assignment of voting rights or voting interests and specified minimum thresholds of certificateholders.[23]

31. The Governing Agreements further specify terms related to a co-trustee or separate trustee. For example, the PSA for ABFC 2006-OPT2 states that "such powers, duties, obligations, rights and trusts as the Servicer and Trustee may consider necessary or desirable" could be vested in persons acting as co-trustee or separate trustee.[24]

32. For all of the trusts at issue, except HVMLT 2006-11, a separate trustee was appointed beginning in August 2012.[25] *See* **Exhibit 2**: *Separate Trustee Appointments* for the date a separate trustee was appointed for each Relevant Trust. Under the terms of the separate trustee appointment agreements and court orders, certain rights and duties belonging to Wells Fargo, such as those related to repurchases, were transferred to the separate trustees.[26] For example, following the appointment of the separate trustee for ABFC 2006-OPT2, the judge's order noted that Wells Fargo had "no further duty or obligation to the [t]rusts' beneficiaries with respect to the enforcement of [r]epurchase [c]laims[.]"[27]

B. RMBS Credit Enhancements

33. Even high credit quality loans can default. In fact, default rates on prime loans, generally considered to have better credit quality than subprime and Alt-A loans, increased rapidly throughout the mid-2000s.[28] RMBS, like other asset-backed securities, often have credit enhancements that insulate certain investors from the impact of loans defaulting and failing to provide expected revenue streams. Credit enhancements, sometimes expressed as a percent of

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[23] *See, e.g.*, *id.* at WF_NCUA_000016216 (specifying how voting rights for the trust will be allocated).

[24] ABFC 2006-OPT2 PSA at WF_NCUA_000035194.

[25] *See, e.g.*, Harborview Mortgage Loan Trust 2006-12 Notice to Holders (Sept. 7, 2012). <www.ctslink.com> (accessed July 31, 2019).

[26] *Id.* at 2.

[27] Order with Respect to Verified Petition of Wells Fargo Bank, National Association as Trustee for Instructions in the Administration of a Trust Pursuant to Minn. Stat. § 501B.16. *In the Matter of: ABFC 2006-OPT2 Trust* (Dist. Ct. Minn., Hennepin County No. 27-TR-CV-14-30) (Mar. 19, 2014) at 3.

[28] Schelkle, Thomas. "Mortgage Default During the U.S. Mortgage Crisis." *University of Cologne Working Paper Series in Economics* 72 (May 16, 2014): 1-48 at 2.

the total pool that can experience losses before a given certificateholder's claim to cashflows declines,[29] play an important role in mitigating default risk.[30] Credit enhancements include:

- *Subordination*, a typical credit enhancement, "is the most direct approach to generate credit enhancement for senior tranches."[31] With a subordinated structure, senior classes have one or more supporting classes. When funds are received, the senior tranches are generally the first to receive payments.

- *Allocation of losses* is a related mechanism by which these supporting classes act as a cushion to the senior classes, often in highly complex ways, in the event that losses occur. Losses are typically absorbed more or less in a "bottom-up" fashion, with the junior-most class absorbing initial losses and increasingly senior classes absorbing losses afterward.[32] The senior-most investors typically experience losses only if they penetrate through all other subordinate classes.[33]

- *Overcollateralization* is a credit enhancement common to asset-backed securities, including RMBS. In the case of overcollateralization, the face value of the collateral is larger than the value of the security backed by those assets.[34] For example, an RMBS may be issued for $100 million while the loans collateralizing the security may have a total face value of $105 million. In this example, the security is overcollateralized by $5 million, or 5 percent. Such overcollateralization can act as a buffer in the event that the underlying collateral experiences defaults. Trusts often have complex rules around the maintenance of overcollateralization levels.

- *Excess spread* (or "excess interest") is the amount of interest collected above and beyond the amount needed to pay interest to certificateholders.[35] This

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[29] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 195.

[30] Ward, Warrick, and Simon Wolfe. "Asset-Backed Securitization, Collateralized Loan Obligations and Credit Derivatives." *Handbook of International Banking*. Eds. Andrew W. Mullineux and Victor Murinde. Cheltenham, UK: Edward Elgar Publishing (Apr. 2003): 60-101 at 62-63.

[31] Hu & Goldstein, *supra* note 11, at 664.

[32] *Id*. at 666.

[33] *Id.*

[34] *Id.* at 666-667.

[35] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 104.

excess spread is used to pay ongoing expenses associated with the transaction. It may also be distributed as principal, thus building overcollateralization for the trust over time.[36]

- *Cross-collateralization* is a credit enhancement that often applies when there are multiple supporting loan groups in the same trust.[37] Cross-collateralization occurs when funds from one supporting loan group can be released to another supporting loan group under certain circumstances.[38]

- *Insurance provided by bond insurers* (such as MBIA, FGIC, Ambac, and Assured Guaranty) also serves as a form of credit enhancement. For securities with bond insurance "wraps," bond insurers guarantee some portion of the principal and/or interest payments owed to investors in certain (typically senior) tranches. By guaranteeing some degree of payment to investors irrespective of the cashflows from the underlying mortgages, investors in those tranches are insulated to some degree from the effects of losses on the underlying collateral.

- *Private/primary mortgage insurance* is an insurance contract that protects the lender against default.[39] This insurance protects the entity that holds the credit risk of the loan by covering a percentage of the mortgage loan amount.[40]

34. Because of credit enhancements and the complexity of trust structures, losses to the pool of mortgages may not translate into losses for RMBS investors. In instances where there are losses that must be allocated to tranches, credit enhancements may lead to some tranches experiencing losses while others experience none.

35. Plaintiffs' tranches benefitted from credit enhancements, including structural credit enhancements and derivative contracts. For example, the 2A-1A tranche in HVMLT 2007-1 has not experienced any realized losses and, as of July 27, 2019, benefits from 15.02 percent

[36] *Id*. at 199.

[37] Hu & Goldstein, *supra* note 11, at 664.

[38] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 207.

[39] *Id*. at 206.

[40] *Id*.

credit support to protect against future losses.[41] As another example, the A-3-D tranche in ABFC 2006-OPT2 has not experienced any realized losses, and as of July 27, 2019 benefits from 5.33 percent credit support.[42]

C. Distribution of Payments and Allocation of Losses Pursuant to Waterfall Provisions

36. The original certificate principal balance is the balance of each tranche as of the closing date. The certificate principal balance of a tranche *decreases* over time in each of the following two ways. First, the balance can be reduced as the result of payments made by mortgagors. Second, the balance can be reduced as a result of a "write-down" process. Write-downs reflect the realization of losses that can occur for a variety of reasons discussed below. Realized losses occur when a defaulted loan has been liquidated and the proceeds of the liquidation do not fully cover the unpaid principal balance.[43] A realized loss may also occur when a mortgage loan has been modified and the principal is reduced or a bankruptcy court reduces the amount owed on the mortgage.[44] The Governing Agreements specify how these losses are applied to the tranches. They are generally first allocated from the "bottom up," that is, beginning with the most junior certificates.[45]

37. On each distribution date, the amount of funds available for distribution depends on the amount of funds received from mortgagors.[46] This includes regularly scheduled payments of principal and interest, and other funds received by the trust. In addition, unscheduled payments resulting from sales or refinances increase funds available to distribute to the investors, which could pay down their certificate balances.

38. The manner in which particular payments are distributed to the various certificateholders is often referred to as a "waterfall."[47] There are typically separate, complex waterfall rules for distribution of interest, principal, and excess cashflow in each trust. Implementation of these rules varies over time, as events occur, and depending on how proceeds are characterized.

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[41] Bloomberg L.P. (accessed July 27, 2019).

[42] *Id.*

[43] *See, e.g.*, FFML 2006-FF17 Trust Agreement at WF_NCUA_000018421.

[44] *See, e.g.*, SVHE 2007-OPT1 PSA at WF_NCUA_000027785, WF_NCUA_000027816-7.

[45] *See, e.g.*, FFML 2006-FF15 Trust Agreement at WF_NCUA_000011598.

[46] Funds can also include receipts from derivatives owned by the trust.

[47] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 169.

39. Within a trust, distributions pursuant to the waterfall are conditional on a number of factors, and may vary over time.[48] For example, many RMBS include a "stepdown date,"[49] a date after which subordinate tranches may begin to receive principal payments.[50] RMBS may also include certain "trigger events" that redirect the allocation of payments. Trigger events are "highly deal- and issuer-specific, depending on both the type of collateral backing the deal and how it was expected to perform at issuance."[51] Trigger events can affect which certificates receive the principal available for distribution on a given distribution date.

40. The presence of overcollateralization and the targets associated with it may also affect distributions.[52] If a trust has a target overcollateralization amount, the distribution of principal can vary depending on whether the target has been met.

41. Cross-collateralization provisions can also cause the reallocation of principal and interest payments received from one supporting loan group to tranches backed by other supporting loan groups if certain defined conditions are met. Cross-collateralization can depend on whether, and to what extent, losses impact other tranches, and other rules set out in a trust's Governing Agreements.

D. Prior NCUA Litigation Related to Relevant Trusts

42. Plaintiffs pursued securities fraud claims for five of the Relevant Trusts (ABFC 2006-OPT2, HVMLT 2006-11, HVMLT 2006-12, HVMLT 2007-1, and SVHE 2007-OPT1),[53] and Wells Fargo's expert John Dolan included in Figure 8 of his report NCUA's allocation of litigation settlement proceeds with respect to ten tranches in these five trusts, which exceeded $151 million.[54]

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[48] *Id.* at 199-201.

[49] *See, e.g.*, HVMLT 2006-12 PSA at WF_NCUA_000002346.

[50] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 199.

[51] *Id*. at 200-201.

[52] Fabozzi, Bhattacharya & Berliner, *supra* note 12, at 199.

[53] Dolan, John H. Expert Report of John H. Dolan. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Feb. 15, 2019) ("Dolan Report") at ¶¶ 182, 186, and Figure 8.

[54] *Id.* at Figure 8; *see also* Plaintiffs' Supplemental Responses and Objections to Defendant's Supplemental Interrogatory to Plaintiffs. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 10, 2018) at 3-4.

43. Mr. Dolan notes in his report that "none of Plaintiffs' experts appear to have taken these settlements into consideration."[55] Mr. Milner does not account for these settlements in his damages calculations. *See* **Exhibit 3**: *Mr. Milner's Damages Deducting Settlement Amounts from Prior NCUA Litigation* for recalculated damages if deducting these settlements amount from Mr. Milner's damages calculations for these five Relevant Trusts.

44. I also compared the applied historical write-downs by tranche, as reported by Bloomberg as of July 30, 2019,[56] to these settlement amounts for these five Relevant Trusts (ABFC 2006-OPT2, HVMLT 2006-11, HVMLT 2006-12, HVMLT 2007-1, and SVHE 2007-OPT1), and the average settlement amounts equated to approximately 123 percent of the applied historical write-downs as of July 30, 2019 (adjusted by Plaintiffs' share). *See* **Exhibit 4**: *Prior NCUA Settlement Allocation to Relevant Trusts* for tranche-specific information.

45. There are two Relevant Trusts that were not included in Figure 8 of Mr. Dolan's report: FFML 2006-FF15 and FFML 2006-FF17. For the M1 tranche of FFML 2006-FF15 and the M1 tranche of FFML 2006-FF17, the historical write-downs (adjusted by Plaintiffs' share) were approximately \$38.30 million as of July 30, 2019.[57] More specifically, \$30.00 million for the M1 tranche of FFML 2006-FF15 and \$8.30 million for the M1 tranche of FFML 2006-FF17.

IV. THE MILNER REPORT AND OPINIONS

A. Calculation of Damages

46. Mr. Milner calculates damages to Plaintiffs as the sum of: (1) the additional principal and interest that allegedly would have been received by Plaintiffs had the trustee enforced repurchases and so-called "make wholes" [58] of allegedly defective mortgage loans; and (2) the additional future principal and interest that allegedly could be expected by Plaintiffs, as

[55] Dolan Report at ¶ 185 n. 283.

[56] Bloomberg, L.P. (accessed July 30, 2019).

[57] *Id.*

[58] Mr. Milner refers to repurchases of liquidated loans as "make wholes" but cites no provisions of the Governing Agreements for that terminology. His report states that "make-wholes" occur for liquidated loans when "the obligated counterparty reimburses the trust for losses and expenses associated with the loan." *See* Milner Report at ¶ 6 n. 2. I use Mr. Milner's terminology throughout this report, but I do not concede that these transactions are correct or otherwise recognized by the Governing Agreements. *See* discussion *supra* at Section VI.C.

captured by the alleged increase in certificate value.[59, 60] Mr. Milner reports total damages of $171.2 million (without prejudgment interest) or $298.1 million (with prejudgment interest accrued at nine percent) in his so-called "Primary Damages Scenario,"[61] meaning that more than $126 million in claimed damages is attributable to prejudgment interest alone.

47. Mr. Milner begins his damages calculation with an analysis of how much more money he claims Plaintiffs would have received and could expect to receive if Wells Fargo had performed as Plaintiffs allege it should have.[62] To do so, Mr. Milner starts with a hypothetical, "but-for" world that he calls the "Performing Trustee Scenario."[63]

48. Mr. Milner's Performing Trustee Scenario is comprised of two different analyses, a "Loan Analysis" followed by a "Trust Analysis."[64] The results of the Loan Analysis serve as inputs into the Trust Analysis, which in turn is the input into his final calculation of damages.[65] *See* **Figure 1**: *Mr. Milner's Damages Calculations*.

Figure 1: *Mr. Milner's Damages Calculations*

Loan Analysis

49. The first step of Mr. Milner's damages calculations is his "Loan Analysis," in which he purports to determine the "but-for" cashflows that would have resulted had Wells Fargo enforced the responsible parties' alleged obligations to repurchase or make whole allegedly

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[59] Milner Report at ¶ 45.

[60] Mr. Milner reports damages calculations both with and without including a prejudgment statutory interest rate of nine percent (*See id.* at Corrected Exhibit D). Except where otherwise noted, throughout this report I refer to damages as those including prejudgment statutory interest, although I understand that Wells Fargo disputes the addition of this interest to the damages calculations here.

[61] *Id.* at ¶¶ 9-10.

[62] *Id.* at ¶ 46.

[63] *Id.*

[64] *Id.* at ¶ 56.

[65] *Id.*

defective loans.[66] There are two parts to this Loan Analysis: a historical loan cashflow analysis and a forecasted loan cashflow analysis.[67]

50. For historical loan cashflows, Mr. Milner simulates repurchase and make whole transactions for loans with allegedly material mortgage file defects ("Mortgage File Defect Loans") and allegedly material R&W breaches ("R&W Breach Loans") (collectively, "Defective Loans") provided to him by counsel.[68] Mr. Milner simulated repurchases and make wholes of claimed Mortgage File Defect Loans on a list provided to him by counsel that contains loans with alleged mortgage file defects identified by Plaintiffs' expert Leonard A. Blum.[69] Mr. Milner notes in a footnote that counsel removed certain loans with alleged "material Mortgage File defects identified by Mr. Blum" from this list before providing it to Mr. Milner.[70] Similarly, Mr. Milner simulated repurchases and make wholes of claimed R&W Breach Loans on a list provided to him by counsel that contains loans with alleged material R&W breaches identified by Plaintiffs' expert Gary Shev.[71] Mr. Milner relied on these lists from counsel and did not otherwise independently analyze the allegedly Defective Loans included in his damages calculations.

51. For active loans,[72] Mr. Milner simulates repurchases of loans from the Relevant Trusts on or after so-called "Funding Dates" at calculated Purchase Prices, and the loan is then removed from the trust and no further principal or interest payments or losses to the trust occur for those loans.[73] For loans that had already liquidated at a loss, Mr. Milner simulates "make whole" transactions where the obligated parties pay his calculated purchase prices into the Relevant Trusts on the Funding Dates, and he removes any further principal, interest, or loss adjustments to the trust.[74]

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[66] *Id.* at ¶ 57.

[67] *Id.* at ¶ 61.

[68] *Id.* at ¶ 63.

[69] *Id.* at ¶ 46.

[70] *Id.* at n. 8.

[71] *Id.* at ¶ 48.

[72] Mr. Milner refers to non-liquidated loans as "active loans." *See id.* at ¶ 65.

[73] *Id.* at ¶ 65.

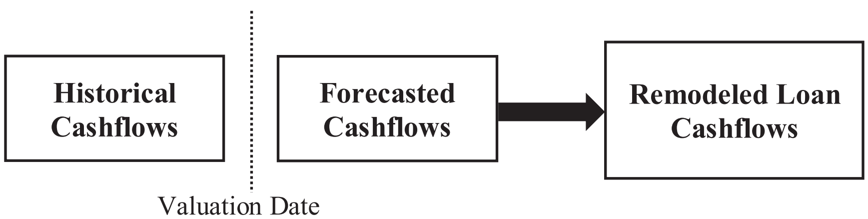
[74] *Id.* at ¶ 66.

52. Mr. Milner proceeds with a forecasted loan cashflow analysis to evaluate the impact of the repurchase and make whole transactions on the Relevant Certificates by extrapolating historical collateral cashflows (as of August 2018) into future periods.[75] To project cashflows, Mr. Milner implements a forecast of loan performance beginning as of August 2018.[76] Almost immediately, however, Mr. Milner's forecasts of loan performance diverge from the actual data, and this divergence grows over time.[77]

53. Essentially, Mr. Milner's Loan Analysis simulates the repurchase or make wholes of certain Defective Loans on or after the assumed Funding Dates, which are assumptions provided to him by counsel[78] that Mr. Milner did not otherwise investigate or analyze. The simulated repurchases or make wholes result in changes in historical and forecasted cashflows, which together are referred to by Mr. Milner as "Remodeled Loan Cashflows."[79]

54. The "Remodeled Loan Cashflows" are then used by Mr. Milner in the second step of his damages calculations, what he calls the Trust Analysis, which purportedly quantifies the economic impact to certificateholders of the Relevant Trusts.[80] *See* **Figure 2**: *Loan Analysis*.

Figure 2: *Loan Analysis*



[75] *Id.* at ¶ 72.

[76] *Id.*

[77] For example, in September 2018, Mr. Milner's calculations of collateral principal and interest payments in all of the Relevant Trusts exceed those payments as reported by the remittance reports by $4.7 million. His forecasts of collateral principal and interest payments similarly exceed reported collateral principal and interest payments in each month from October 2018 through July 2019. By July 2019, his calculations of total collateral principal and interest payments in all of the Relevant Trusts exceed reported payments by $56.2 million.

[78] *Id.* at ¶¶ 47-48.

[79] *Id.* at ¶ 56.

[80] *Id.* at ¶ 58.

Trust Analysis

55. The second step in Mr. Milner's damages calculations is what he calls the Trust Analysis, which he contends determines the cashflows for the Relevant Certificates.[81] For these calculations, Mr. Milner purports to allocate his claimed "Remodeled Loan Cashflows" from the Loan Analysis,[82] utilizing proprietary software his company developed, to obtain what he calls "Remodeled Certificate Cash Flows."[83] *See* **Figure 3**: *Trust Analysis*.

56. The "Remodeled Certificate Cash Flows" are then used by Mr. Milner to determine the damages allegedly due to Plaintiffs.[84]

Figure 3: *Trust Analysis*

Valuation Analysis and Damages Calculation

57. The last step in Mr. Milner's methodology starts by separating the historical and future certificate cashflows in what he calls the "Remodeled Certificate Cashflows."[85]

58. The historical component of the "Remodeled Certificate Cashflows," according to Mr. Milner, represents the principal and interest payments Plaintiffs would have received under the but-for scenario.[86]

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[81] *Id.* at ¶ 76.

[82] *Id.* at ¶¶ 76-78.

[83] *Id.* at ¶ 77. The waterfall models, on which Mr. Milner relies, generate certificate principal payments different from what was reported in the remittance reports. I do not concede the accuracy of these waterfall models and reserve all rights to opine on the discrepancies between Mr. Milner's models and the distributions to the Relevant Certificates as reported in the remittance reports, but my analyses in this report are based on the waterfall models Mr. Milner has used as further described.

[84] *Id.* at ¶ 58.

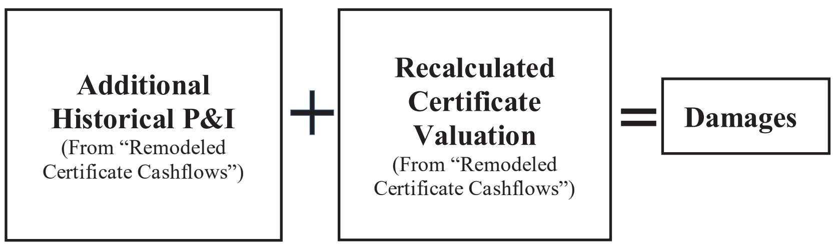
[85] *Id.* at ¶¶ 77, 81.

[86] *Id.* at ¶ 81.

59. The future component of the "Remodeled Certificate Cashflows," according to Mr. Milner, can be used to calculate the value of the remodeled certificates.[87] Mr. Milner discounts the forecasted portion of the Remodeled Certificate Cashflows using a discount rate he deems appropriate,[88] resulting in his claimed "Remodeled Certificate Valuation."

60. Mr. Milner then calculates damages as the sum of (1) the additional principal historical and interest payments Plaintiffs would have received; and (2) the change in certificate value had Wells Fargo performed its duty as Plaintiffs alleged it should have.[89] *See* **Figure 4**: *Damages Calculation*.

Figure 4: *Damages Calculation*



B. Mr. Milner's Numerous Alternative Scenarios

61. Mr. Milner calculates damages under up to 34 different scenarios for each Relevant Trust and presents a staggering 316 alternative damages figures.[90] In calculating these damages figures, Mr. Milner uses a combination of various counsel-supplied assumptions for each of his 34 different scenarios.[91]

62. Mr. Milner's damages calculations for each Relevant Trust include a combination of the following assumptions provided to him by counsel: (i) the sets of loans for which to simulate repurchases or make whole transactions, including whether to put back alleged Mortgage File Defect Loans, R&W Breach Loans, or both; (ii) enforcement timelines; (iii) whether or not the

[87] *Id.* at ¶¶ 79-80.

[88] *Id.* at ¶ 80.

[89] *Id.* at ¶ 81.

[90] *Id.* at ¶ 54 and Exhibit B.

[91] *Id.* at ¶ 46 and Corrected Exhibit D.

enforcement of repurchases or make wholes required litigation; and (iv) whether active loans were repurchased in a "bulk" or "rolling" basis.[92]

63. Mr. Milner reports his many damages calculations in his Exhibit B. There, Mr. Milner labels his first scenario as the "Primary Damages Calculation" and the following 33 scenarios with titles such as "Combined_1.0(b)," "MF_1.0(a)," and "RW_1.0(a)." The labels for these 34 scenarios can be broken down into four parts, each of which identifies a combination of varying assumptions used in that particular scenario, as discussed in detail below.

Part One: Assumptions Regarding the Set of Loans to Repurchase or Make Whole (designated as "MF," "RW," and "Combined")

64. Mr. Milner's scenarios reflect different assumptions regarding which set of allegedly Defective Loans are repurchased or made whole.[93] Scenarios that simulate the repurchase or make wholes of Mortgage File Defect Loans are designated "MF," and scenarios that simulate the repurchase or make wholes of R&W Breach Loans are designated "RW." Mr. Milner also runs scenarios in which he simulates the repurchase or make wholes of all allegedly Defective Loans, and he designates these scenarios as "Combined."[94]

Part Two: Assumptions Regarding Enforcement Timeframe (designated as "1," "2," "3," and "4")

65. Mr. Milner's scenarios simulate repurchases or make wholes as of different dates, which he calls the "Funding Dates."[95] His scenarios employ many Funding Dates, for a total of at least 30 different Funding Dates. Even for a single Relevant Trust, Mr. Milner's Funding Dates vary widely by scenario.[96]

66. Mr. Milner did not calculate or otherwise validate any of the Funding Dates he uses in his damages calculations. For each Funding Date, an amount of time is added that ostensibly reflects the time it would take to effectuate a repurchase or make whole transaction.[97] Mr.

[92] *Id.* at ¶ 54 and Corrected Exhibit D.

[93] *Id.* at ¶ 57.

[94] *Id.* at Corrected Exhibit D.

[95] *Id.* at ¶ 54.

[96] *Id.* at Corrected Exhibit D.

[97] *Id.* at ¶¶ 47-48.

Milner relies solely on counsel's direction regarding the selection of these Funding Dates and enforcement timeframes.

67. There is no consistent trigger for the Funding Dates across Mr. Milner's scenarios, even for a single Relevant Trust. In certain scenarios, the Funding Date is tied to the trust closing date, whereas in others it is tied to the final certification and exceptions report, an alleged event of default ("EOD"), or claimed repurchase demands.[98] Mr. Milner does not explain why or how these Funding Dates and related assumptions were selected.

Part Three: Assumptions regarding Voluntary and Involuntary Funding (designated as ".0" and ".1")

68. Mr. Milner also calculates damages under both so-called "voluntary" and "involuntary" funding assumptions.[99] For the "voluntary" assumptions, Mr. Milner assumes repurchase and make wholes would occur without litigation, while for the "involuntary" assumptions, Mr. Milner assumes that litigation would be necessary to effectuate repurchases and make wholes.[100] Mr. Milner does not say which of these contradictory assumptions, if any, is more likely,[101] nor does he provide a methodology to determine which is more likely.

69. At counsel's direction, Mr. Milner then assumes different amounts of time for the simulation of involuntary and voluntary remediation of allegedly Defective Loans and their associated Funding Dates.[102]

70. In the "voluntary" scenarios, counsel instructed Mr. Milner to assume that litigation was unnecessary to effectuate repurchases and make wholes, and he adds no time for litigation.[103] For Mr. Milner's "involuntary" scenarios, he adds an additional three years to reflect the

[98] *Id.* at Corrected Exhibit D.

[99] *Id.* at ¶ 54.

[100] *Id.* at ¶¶ 47, 54.

[101] Milner, Christopher J. Deposition of Christopher Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (June 18, 2019) ("Milner Dep.") 205:11-14 ("Q. Okay. Did you make any independent assessment to determine which damages scenario is the most likely damages scenario? A. Not that I can recall."); *id.* at 208:18-20 ("I'm not offering an opinion on whether any scenario is more likely or less likely than another one.").

[102] Milner Report at ¶ 54.

[103] Milner Dep. 248:15-19 ("Q. When you say voluntary funding, and the scenario has 'volunteer [sic] funding' in the title, does that mean that the funding occurs without litigation? A. Yes."). *See also* Milner Report at Exhibit B.

duration of hypothetical repurchase litigation.[104] Therefore, the only difference between Mr. Milner's voluntary and involuntary funding scenarios is that the simulated repurchases or make wholes take an additional three years to complete under the involuntary scenarios. Mr. Milner does not consider any uncertainties as to litigation timelines or outcomes.

Part Four: Assumptions Regarding "Bulk" and "Rolling" Repurchases (designated as "(a)" and "(b)")

71. Mr. Milner then uses two alternative assumptions in each scenario as to how and when active Defective Loans would have been repurchased. The first alternative assumes loan repurchases occur "in bulk" for all active Defective Loans on the Funding Date, even if the loans were performing as of the Funding Dates. In these scenarios, active, performing loans are repurchased.[105] The second alternative assumes that repurchases occur on a "rolling repurchase" basis, where Mr. Milner waits for active loans to become distressed before simulating their repurchase.[106]

72. In his report and exhibits, Mr. Milner designates scenarios with "bulk" repurchase assumptions as "(a)" and the scenarios with "rolling repurchase" assumptions as the "(b)."[107]

Calculation of Damages and Assumptions Regarding Inclusion or Exclusion of Statutory Interest (designated as "(A)" and "(B)")

73. Mr. Milner next calculates damages under multiple combinations of the above assumptions. The assumptions described in Part One above allow Mr. Milner to run scenarios with different combinations of Defective Loans and the assumptions in Parts Two through Four allow him to select different Funding Dates, which are a key component of his damage calculations.

[104] Milner Report at ¶ 47, Corrected Exhibit D.

[105] *Id.* at ¶ 54, Corrected Exhibit D.

[106] *Id.*

[107] *Id.* at Exhibit B.

74. Over all the Relevant Trusts, counsel provided Mr. Milner with 158 different combinations of assumptions.[108] Mr. Milner did not analyze these assumptions and is "not offering an opinion on whether any scenario is more likely or less like than another one."[109]

75. Finally, for each of these 158 different combinations, Mr. Milner calculates two damages figures, one that excludes a statutory interest rate of nine percent and one that includes that statutory interest.[110] Ultimately, Mr. Milner calculates 316 different damages figures across various scenarios for the Relevant Trusts.

So-Called "Primary Damages Calculation"

76. Mr. Milner labels one scenario as the "Primary Damages Calculation" for each Relevant Trust. Counsel selected the "Primary Damages Calculations" scenarios.[111] Mr. Milner does not know why any scenario was designated "Primary" and testified that he did not have any understanding of why that particular scenario was selected over any of the others.[112]

77. Notably, Mr. Milner does not identify a single scenario as "Primary" across all seven Relevant Trusts on which he calculates damages. Instead, he mixes results from his so-called "Combined_1.0(a)" and "MF_1.0(a)" scenarios, identifying as "Primary" the "Combined_1.0(a)" scenario for five Relevant Trusts and the "MF_1.0(a)" scenario for the four other Relevant Trusts.[113]

C. Report Corrections

78. Mr. Milner's original report in this case was dated January 18, 2019.[114] One week later, on January 25, 2019, Mr. Milner provided a corrected report that reduced damages calculations by

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[108] *Id.*

[109] Milner Dep. 205:11-14 ("Q. Okay. Did you make any independent assessment to determine which damages scenario is the most likely damages scenario? A. Not that I can recall."); *id.* at 208:18-20 ("I'm not offering an opinion on whether any scenario is more likely or less likely than another one.").

[110] Milner Report at Corrected Exhibit D.

[111] Milner Dep. 209:4-5 ("I'm accepting counsel's designation of the primary damages scenario.").

[112] *Id.* at 207:16-208:1 ("Q. Any understanding then as to why the 1.0(a) combined damages scenario was selected for those trusts over any of the other 11 combined scenarios? A. I don't have any understanding of why that scenario was identified as the primary damages calculation scenario, and any of the other scenarios was not identified.")

[113] Milner Report at Exhibit B.

[114] *See* Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019).

approximately $700 thousand and made other adjustments. Mr. Milner's original and corrected reports did not provide or contain the raw data on which his calculations were built. He did not provide, for example, his database of loan-level information or other information necessary to transform monthly pool-level flows of principal, interest, and loss into claimed damages. He also failed to provide materials supporting his calculation of Purchase Prices.

79. Mr. Milner provided more than 15 gigabytes of supporting materials for the first time in March 2019, along with a new declaration.[115]

80. Also, as part of his work on this action, Plaintiffs' expert Mr. Gary Shev was "provided with an initial list of 740 HVMLT 2006-12 repurchase claims that had associated entries in the [Wells Fargo repurchase database (the "RDB")] (corresponding to 728 unique Mortgage Loans)"[116] and "copies of the breach narratives associated with the loans along with the warrantor's responses where available."[117] In January 2019, without review of the underlying loan files, Mr. Shev opined that he "found the underlying breach narratives to be credible and with merit"[118] and that "anyone receiving these breach notices should have taken each one seriously."[119] Mr. Shev did not opine that the loans contained R&W Breaches that materially and adversely affected the value of the loan or interests of the certificateholders.

81. In June 2019, Mr. Shev updated his analysis related to the loans in HVMLT 2006-12 and determined that of the 728 loans in HVMLT 2006-12 for which he was provided "with copies of certain breach notices Wells Fargo received and logged in its Repurchase Database,"[120] "635 had at least one material claim, or 87.22%. Of the 728 loans, 92 had inconclusive results, or 12.64%. There was one loan for which information could not be located."[121] Mr. Shev, therefore, reduced by 93 loans the total number of HVMLT 2006-12 loans where he concluded

[115] Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials ("Milner Decl.").

[116] Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials ("Shev Report") at 135.

[117] *Id.*

[118] *Id.* at 137.

[119] *Id.*

[120] *Id.* at 2.

[121] HVMLT 2006-12 Claim Review.xlsx.

"the underlying breach narratives to be credible and with merit."[122] Mr. Milner's damages calculations include these 93 loans. When I recalculate Mr. Milner's damages for his RW scenarios for HVMLT 2006-12 excluding these 93 loans, damages are reduced by between $0.6 million and $1.6 million (or, between 8.1 and 13.7 percent). *See* **Exhibit 5**: *Mr. Milner's Damages Excluding 93 Loans for Which Mr. Shev Did Not Find a Material Claim for HVMLT 2006-12*.

D. Warrantor Repurchase Ability

82. The total dollar amounts that Mr. Milner simulates for repurchase and make wholes in his damages calculations are substantial. In his Primary Damages Calculations, for example, Mr. Milner simulates $4.97 billion in repurchase payments to the Relevant Trusts to derive his tranche- or certificate-level claimed damages of $298 million.[123] In others of Mr. Milner's scenarios, the total simulated repurchase payments are even higher, exceeding $5.2 billion in the "Combined_1.1(a)" scenario.[124]

83. Mr. Milner offers his opinion on whether parties he identifies as the counterparties for alleged repurchase obligations would have been able to afford the "total cost of the repurchases identified in [his] repurchase simulations."[125] Mr. Milner contends that these alleged costs are the "Purchase Price paid minus the Unpaid Principal Balance for each mortgage loan repurchased" or just the Purchase Price for liquidated loans.[126] Taking instructions from counsel, he claims to quantify the repurchase capabilities of three parties he claims are the current obligated counterparties: Bank of America, H&R Block, and RBS. Using information disclosed in SEC filings, he purports to calculate the assets and income of Bank of America and H&R Block for the time period beginning in 2008 and ending in 2015.[127] For RBS, he purports to assess its repurchase settlement activity and amounts reserved for settlements from 2009 to 2018.[128] Because the net income and/or total assets of each of these parties during this time period exceeds the purported total repurchase obligations used in his damages

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[122] *See* HVMLT 2006-12 Claim Review.xlsx and Shev Report at 137.

[123] Milner Report at Exhibit B and supporting materials.

[124] *Id.*

[125] *Id.* at ¶ 7.

[126] *Id.* at Exhibit C.

[127] *Id.* at ¶ 83.

[128] *Id.* at ¶ 87.

calculations, Mr. Milner concludes "with reasonable certainty" that "the repurchase expenses stipulated in [his] damages calculation would have been collectible" from Bank of America, H&R Block, and RBS.[129]

E. Exclusion of Out-of-Pocket Losses and Servicing Damages

84. In his report, Mr. Milner does not calculate any so-called "out-of-pocket losses" that are attributable to Wells Fargo's alleged misconduct. He does not analyze whether Plaintiffs have experienced any realized losses of principal or interest on their holdings in the Relevant Certificates as a result of Wells Fargo's conduct or otherwise.

85. Mr. Milner also does not calculate or offer opinions on any standalone damages allegedly attributable to servicing or servicing issues.

86. Mr. Milner has not calculated alleged damages to the individual named Plaintiffs, and he has not proposed a method to do so. He likewise proposes no damages calculations or methodologies specific to the various claims alleged by Plaintiffs here, or the time periods of each named Plaintiffs' claimed ownership of the Relevant Certificates.

V. OPINION ONE: MR. MILNER FAILS TO PRESENT A RELIABLE DAMAGES MODEL, LET ALONE ONE THAT PROPERLY ACCOUNTS FOR THE TRUSTEE'S DISTINCT ROLE.

87. The intent of a "but-for" damages calculation is to accurately describe what would have happened if alleged wrongful conduct or inaction had not occurred.[130] Reliably calculating damages attributable to Wells Fargo's alleged failure to fulfill its duties as trustee thus requires an understanding and analysis of the role of a trustee, the elements of the claims against a trustee, and what it is alleged Wells Fargo could or should have done to address alleged mortgage file defects and R&W breaches.

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[129] *Id.* at ¶¶ 85-87.

[130] *See* Allen, Mark A., Robert E. Hall, and Victoria A. Lazear. "Reference Guide on Estimation of Economic Damages." *Reference Manual on Scientific Evidence*. 3rd ed. Washington, D.C.: National Academies Press (2011): 425-502 at 432 ("The characterization of the harmful event begins with a clear statement of what occurred. The characterization also will include a description of the defendant's proper actions in place of its unlawful actions and a statement about the economic situation absent the wrongdoing, with the defendant's proper actions replacing the unlawful ones (the but-for scenario). Damages measurement then determines the plaintiff's hypothetical value in the but-for scenario. Economic damages are the difference between that value and the actual value that the plaintiff achieved.").

88. In building his but-for damages model, however, Mr. Milner does none of these things, relying on counsel for the many significant assumptions that drive his results, and presenting more than 150 damages calculations based on a large number of contradictory and mutually inconsistent assumptions provided to him by counsel. He undertakes no critical analysis of any of these scenarios or how they are tied to the claims against Wells Fargo here. In each, however, Mr. Milner effectively treats Wells Fargo as a guarantor of warrantor conduct and ignores (or counterfactually assumes away) elements of Plaintiffs' claims against Wells Fargo as trustee and the multiple contingencies that Wells Fargo would have faced had it pursued the repurchases and make wholes Plaintiffs allege that Wells Fargo should have pursued.

A. Mr. Milner's Damages Calculations Inappropriately Assume Damages Attributable to Warrantors' Alleged Breaches Are Equal to Damages Attributable to the Trustee's Alleged Failure to Enforce Repurchase Obligations.

89. The process of enforcing repurchases of allegedly defective loans involves multiple layers of contingencies, the outcomes of which are beyond the direct control of the trustee. Measuring damages due to the trustee's alleged failure to properly address R&W breaches or mortgage file defects necessitates filtering out the effects of contingencies in the repurchase process that are beyond the trustee's control (*e.g.*, effects of warrantors' ability and willingness to repurchase allegedly breaching loans; duration, costs, and outcome of litigation that is pursued by the trustee if the warrantors fail to cure R&W breaches or mortgage file defects).

90. Therefore, to model the impact of a trustee's alleged inactions regarding repurchases, Mr. Milner must properly account for the process and uncertainties the trustee would have faced in pursuing repurchases. This would include, for example, whether the trustee would have sought to substitute loans as opposed to seeking repurchase; the potential costs the trusts would have incurred during the repurchase process; the length of time the process would have taken and uncertainties regarding how long this process would have taken; the likely outcome of such a process and uncertainties regarding the outcome of that process; whether litigation would have been necessary to force warrantors to repurchase loans; whether the trustee would have been directed and indemnified to pursue such litigation and at what expense to the Relevant Trusts; the outcome of any litigation and possible appeals; and the likely recovery resulting from either settlement or a final judgment. As explained in more detail in the following sections of this report, Mr. Milner has analyzed none of these things.

91. In calculating damages, for example, Mr. Milner presumes a 100 percent repurchase or make whole rate at 100 percent of his calculated Purchase Prices across all loans in all Relevant Trusts.[131] He makes no individualized assessment of the likelihood of success of repurchases of individual loans given the specific defects identified by Mr. Blum and Mr. Shev or the complications that certain R&W breach or mortgage file defect theories might present during the repurchase process, despite variations in the loans, trusts, and claimed breaches at issue. This is a fundamental failure in his damages calculations, as damages attributable to warrantors' alleged breaches are not the same as damages attributable to the trustee's failure to enforce repurchase obligations.

92. Mr. Milner also makes the assumption that "warrantor[s] would not be able to substitute loans, and instead must have repurchased or made-whole breaching loans"[132] because "those entities did not have eligible loans available to substitute"[133] without well-supported analyses. As Mr. Milner testified, he conducted no analysis as to what loans particular warrantors may or may not have had for substitution, relying instead on his "general understanding of the industry practice at the time."[134] In other words, Mr. Milner assumes away the warrantors' rights to avail themselves of alternatives to repurchases, such as curing breaches or substituting loans, rights which the warrantors may have had depending on when Wells Fargo allegedly breached its obligations with respect to a given loan.[135] At least one court has criticized Mr. Milner for his unsupported assumption that a warrantor would universally choose repurchase over

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[131] Milner Report at ¶ 67.

[132] *Id.* at ¶ 69.

[133] *Id.*

[134] Milner Dep. 301:22-302:7 ("Q. But you haven't done any analysis as it relates to the warrantors or obligated counterparties here as to what loans they may or may not have had available for substitution? A. Not beyond my general understanding of the industry practice at the time, which was to sell all available inventory into securitizations.").

[135] *See, e.g.*, ABFC 2006-OPT2 PSA at WF_NCUA_000035102 ("If the Seller does not cure such defect or deliver such missing document within such time period, the Seller shall either repurchase or substitute for such Mortgage Loan in accordance with Section 2.03.") and WF_NCUA_000035104-5 ("[T]he Trustee shall promptly notify the Originator or the Seller, as the case may be, the Servicer and the NIMS Insurer of such defect, missing document or breach and request that, in the case of a defective or missing document, the Seller cure such defect or deliver such missing document within 120 days from the date the Seller was notified of such missing document or defect or, in the case of a beach of a representation or warranty, request the Originator or the Seller, as applicable, cure such breach within 90 days from the date the Originator or the Seller, as the case may be, was notified of such breach.").

substitution.[136] By ignoring alternative remedies, Mr. Milner's model overstates damages, and he has developed no method to account for these and other relevant facts or circumstances.

93. Given any particular scenario, Mr. Milner also has used and applied uniform assumptions as to enforcement and litigation timing, repurchase rates and recovery amounts, and other factors, without regard to trust-, loan-, or breach-specific considerations such as strength of claims or numbers of loans at issue. In other words, the assumptions Mr. Milner has used, given a scenario, involve no variation by trust, no variation based on the types of loans that are at issue, no variation based on the warrantors that are at issue, and no variation in the types of R&W breaches or mortgage file defects that are claimed. He undertakes no loan-by-loan or trust-by-trust analysis as to these facts, although they vary over time and are based on loan-specific information.

94. Mr. Milner's model and damages calculations do not accurately reflect damages to Plaintiffs arising out of Wells Fargo's alleged breaches of its trustee duties or its purported failure to enforce repurchase obligations, as explained in more detail in Sections V and VI.

B. Mr. Milner's Damages Calculations Ignore Causation.

95. In his report, Mr. Milner does not calculate any so-called "out-of-pocket losses" attributable to Wells Fargo's alleged misconduct. He also does not analyze or even consider whether Plaintiffs have experienced any realized losses of principal or interest on their holdings in the Relevant Certificates caused by Wells Fargo's conduct or at issue loans' alleged defects.

96. Indeed, two of the Relevant Certificates—the A-3-D certificate in ABFC 2006-OPT2 and the 2A-1A certificate in HVMLT 2007-1—have not experienced realized losses since trust closing and still have credit support.[137] Mr. Milner does not tie the Relevant Certificates' performance to Wells Fargo's conduct, ignoring whether Plaintiffs suffered realized losses in the real world because of Wells Fargo's conduct or at issue loans' alleged defects.

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[136] *See* Final Judgment Entry and Findings of Fact and Conclusions of Law. The Western and Southern Life Insurance Company, et al. v. The Bank of New York Mellon (Ohio Com. Pl., Hamilton County No. A1302490) (Aug. 4, 2017), 2017 WL 3392855 ("W&S Final Judgment Entry") at ¶ 106 (acknowledging substitution is an option and criticizing Mr. Milner for assuming that a warrantor would always chose to repurchase loans over other options).

[137] Bloomberg L.P. (accessed July 27, 2019).

97. Mr. Milner does not attribute any particular Defective Loan's default or subsequent realized losses (if any) to Wells Fargo's conduct, or the alleged R&W breaches or mortgage file defects claimed for that loan, despite the existence of numerous other factors that cause and impact loans' defaults. These include macroeconomic variables and idiosyncratic variables, such as losing a job.

98. Mr. Milner's failure to propose a methodology that would consider or isolate the impact of, for example, macroeconomic factors is particularly noteworthy, given the interrelationship among housing prices, unemployment, and mortgage loan performance. Home prices are an important factor influencing mortgage default rates.[138] When home prices are increasing, and homeowners have equity in their homes, they are less likely to allow foreclosure to occur, choosing instead to sell the property to recover available equity.[139] Declining home prices, on the other hand, affect both the ability and willingness of mortgagors to honor their repayment commitments,[140] and also impact the ability of a mortgagor to refinance the mortgage or sell the property in the face of difficulty making payments.[141] A borrower's decision to refinance also may be affected by changes in home prices.[142] Furthermore, if declining home prices place a borrower in a situation where the value of the property is less than the outstanding balance of the mortgage,[143] a borrower may be less willing to make payments or may choose to stop payment altogether. There is empirical evidence that negative equity and "strategic default" (homeowners stopping mortgage payment even though they can meet their obligations)[144] are correlated.[145]

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[138] Gerardi, Kristopher, Adam Hale Shapiro, and Paul S. Willen. "Subprime Outcomes: Risky Mortgages, Homeownership Experiences, and Foreclosures." *Federal Reserve Bank of Boston Working Papers* 07–15 (Dec. 3, 2007): 1–57 at 1.

[139] Foote, Christopher L., Kristopher Gerardi, Lorenz Goette, and Paul S. Willen. "Just the Facts: An Initial Analysis of Subprime's Role in the Housing Crisis." *Journal of Housing Economics* 17 (2008): 291–305 at 293.

[140] Doms, Mark, Fred Furlong, and John Krainer. "Subprime Mortgage Delinquency Rates." *Federal Reserve Bank of San Francisco Working Paper* 2007–33 (Nov. 2007): 1-29 at 5-6.

[141] Foote, Gerardi, Goette & Willen, *supra* note 139, at 293.

[142] Pennington-Cross, Anthony, and Souphala Chomsisengphet. "Subprime Refinancing: Equity Extraction and Mortgage Termination." *Real Estate Economics* 35.2 (Summer 2007): 233-263 at 233.

[143] Ellis, Luci. "How Many in Negative Equity? The Role of Mortgage Contract Characteristics." *BIS Quarterly Review* (Dec. 2008): 81-93 at 82.

[144] Gerardi, Kristopher, Kyle F. Herkenhoff, Lee E. Ohanian, and Paul S. Willen. "Unemployment, Negative Equity, and Strategic Default." *Federal Reserve Bank of Atlanta Working Paper* 2013-4 (Aug. 2013): 1-50 at 2.

[145] *Id*. at 17, 23.

99. Similarly, a strong economy, with a low unemployment rate, stimulates the housing market.[146] Conversely, increases in unemployment and decreases in income have been found to be correlated with significantly increased default rates and to have a negative impact on mortgage performance.[147] Some researchers have found that "job loss is the main 'single trigger' determinant of default."[148] Individual job loss, an increase in the likelihood of job loss, and/or a decline in income can lead to difficulty or unwillingness to pay a mortgage.[149]

100. Mr. Milner proposes no methodology to assess, consider, or isolate the impact of these factors that impact loans, RMBS performance, and prices separate and apart from the trustee's claimed conduct. Mr. Milner also does not include or address in his model Plaintiffs' actions (or lack of actions) that could have avoided the damages it now claims. He does not analyze whether the Relevant Certificates have experienced realized losses at all, let alone realized losses attributable to Wells Fargo's alleged conduct or at issue loans' alleged defects, during Plaintiffs' holding periods.

C. Mr. Milner's Myriad Damages Scenarios and Their Contradicting Assumptions and Conclusions Render His Damages Calculations Unreliable.

101. A reliable damages model should be based on reasonable assumptions that account for and match Plaintiffs' claims, account for relevant contingencies, and do not contradict the facts.[150] Mr. Milner has failed to build such a model, and the deficiencies cannot be corrected by merely substituting in different and contradictory assumptions, as Mr. Milner attempts to do.

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[146] Harvey, James, and Kenneth Spong. "Home Financing for Low- and Moderate-Income Borrowers: What Are the Trends in Denver?" *Federal Reserve Bank of Kansas City Financial Industry Perspectives* (Oct. 2005): 1-16 at 2.

[147] Deng, Yongheng, John M. Quigley, and Robert van Order. "Mortgage Terminations, Heterogeneity and the Exercise of Mortgage Options." *Econometrica* 68.2 (Mar. 2000): 275–307 at 289; *see also* Capozza, Dennis R., Dick Kazarian, and Thomas A. Thomson. "Mortgage Default in Local Markets." *Real Estate Economics* 25.4 (1997): 631-655 at 654; Yang, Tyler T., Henry Buist, and Isaac F. Megbolugbe. "An Analysis of the Ex Ante Probabilities of Mortgage Prepayment and Default." *Real Estate Economics* 26.4 (Dec. 1998): 651–676 at 675.

[148] Gerardi, Herkenhoff, Ohanian & Willen, *supra* note 144, at 25.

[149] Nettleton, Sarah, and Roger Burrows. "Mortgage Debt, Insecure Home Ownership and Health: An Exploratory Analysis." *Sociology of Health & Illness* 20.5 (Sept. 1998): 731–753 at 735-736; *See also* Carroll, Christopher D., Karen E. Dynan, and Spencer D. Krane. "Unemployment Risk and Precautionary Wealth: Evidence from Households' Balance Sheets." *The Review of Economics and Statistics* 85.3 (Aug. 2003): 586-604 at 602; and Guiso, Luigi, Paola Sapienza, and Luigi Zingales. "The Determinants of Attitudes Toward Strategic Default on Mortgages." *The Journal of Finance* 68.4 (Aug. 2013): 1473–1515 at 1475.

[150] Evans, Elizabeth A., Joseph J. Galanti, and Daniel G. Lentz. "Chapter 4. Developing Damages Theories and Models." *Litigation Services Handbook: The Role of the Financial Expert*. 5th ed. Eds. Roman L. Weil, Daniel G. Lenz, and David P. Hoffman. Hoboken, New Jersey: John Wiley & Sons (2012) at §4.5.(d).

102. Instead of committing to a damages methodology with appropriate assumptions, Mr. Milner has merely provided a multitude of damages figures, inviting the Court to pick and choose among them without any guidance as to which scenarios are reasonable and which are not. Mr. Milner does not evaluate the reasonableness of the assumptions that dramatically affect his damages calculations nor does he attempt to resolve the many contradictions between his scenarios.

103. The Milner Report provides scant justification for the assumptions used, stating only that the assumptions for each scenario were "provided by counsel."[151] Across the scenarios and Relevant Trusts, Mr. Milner calculates 316 different damages figures. However, because he allows for "calculat[ing] a different scenario for each trust,"[152] the number of possible total damages figures across all Relevant Trusts is much greater. All told, there are 1.65 billion different combinations of damages scenarios across all Relevant Trusts.[153]

104. From among his alternative scenarios, Mr. Milner fails to identify a specific scenario that best represents the most accurate measure of damages. Mr. Milner has stated that counsel for Plaintiffs designated the Primary Damages Scenario as such.[154] Mr. Milner did not evaluate the reasonableness of these alternative, contradictory scenarios using any economic analysis, and instead accepted counsel's designation that one scenario is "Primary."[155]

105. Many of the assumptions embedded in each but-for scenario directly conflict. Mr. Milner does not attempt to resolve these contradictions among the various scenarios or assess the likelihood of each. In particular, the scenarios provided to Mr. Milner are contradictory in at least three distinct ways.

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[151] Milner Report at ¶¶ 47-48.

[152] Milner Dep. 200:15-201:1 ("Q. Is your model structured so there is to be a selection of one of the scenarios across all trusts? Or, can there be some combination of different scenarios selected for different trusts to your understanding? A. From a calculation perspective, the model is able to calculate a different scenario for each trust, as I have tabulated here.").

[153] There are 32 scenarios for ABFC 2006-OPT2, 24 scenarios for FFML 2006-FF15, 24 scenarios for FFML 2006-FF17, 10 scenarios for HVMLT 2006-11, 34 scenarios for HVMLT 2006-12, 22 scenarios for HVMLT 2007-1, and 12 scenarios for SVHE 2007-OPT1. Because Mr. Milner's damages calculations allow for a selection of a different scenario for each trust, there are (32*24*24*10*34*22*12)—or 1,654,456,320—combinations of scenarios for which the Milner Report calculates damages.

[154] Milner Dep. 204:22-205:4 ("Q. On Exhibit B and in your report, you designate what you call a primary damages calculation for each trust. Right? A. Counsel designated that, and I accepted their designation.").

[155] *Id.*; *see also id*. at 205:11-14, 207:20-208:1.

106. First, the scenarios contemplate, without any explanation or reasoning, that the same trust may have different Funding Dates. In certain scenarios, the Funding Date is tied to the trust closing date, whereas in others it is tied to the final certification and exceptions report, claimed EODs, or alleged repurchase demands. Second, the scenarios contemplate mutually exclusive assumptions regarding whether loan repurchases and make wholes occur "involuntarily" via litigation to enforce repurchase demands or whether loan repurchases and make wholes occur "voluntarily." Finally, the scenarios also contemplate mutually exclusive assumptions regarding whether repurchases for loans active as of the Funding Date would occur "in bulk" on that date, or whether they would occur on a rolling basis depending on each loan's performance status.[156] As discussed further below, not only are these alternatives mutually exclusive, but none are well-supported.

107. Damages for each Relevant Trust also vary significantly depending on the scenario. As an example, for HVMLT 2007-1, Mr. Milner calculates damages in the "Primary Damages Scenario" to be $128.3 million.[157] When alternative Combined scenarios are considered, however, his damages range from $154.4 million to $101.3 million—a difference of $53.1 million.[158] These types of swings are present in Mr. Milner's calculations for many of the Relevant Trusts. *See* **Table 1**: *Ranges of Mr. Milner's Claimed Damages Across Scenarios by Trust.*

Table 1: *Ranges of Mr. Milner's Claimed Damages Across Scenarios by Trust*

Trust	Range of Claimed Damages Across Scenarios (in Millions)	
	Lowest[159]	Highest
ABFC 2006-OPT2	$5.66	$24.43
FFML 2006-FF15	No Alleged Damages	$35.03
FFML 2006-FF17	No Alleged Damages	$10.27
HVMLT 2006-11	No Alleged Damages	$68.54
HVMLT 2006-12	$7.34	$70.21
HVMLT 2007-1	$75.96	$154.39
SVHE 2007-OPT1	$0.11	$9.42

[156] Milner Report at ¶ 54.

[157] *See id.* at Exhibit B damages figures for Primary Damages Scenario.

[158] *See id.* for Combined_1.1(a) and Combined_2.0(a).

[159] Mr. Milner does not calculate alleged damages for his MF_3.0 and MF_3.1 scenarios for FFML 2006-FF15, FFML 2006-FF17, and HVMLT 2006-11. *See* Milner Report at Corrected Exhibit D.

108. The range of damages figures across the Relevant Trusts is even larger. Across the over 1.6 billion combinations of Mr. Milner's scenarios, the lowest damages figure is $142.9 million and the highest is $372.3 million, a difference of $229.4 million.[160]

109. Despite the importance of these contradictory assumptions and his myriad scenarios, Mr. Milner offers no evaluation of them, and proposes no method to evaluate which among them best represents damages allegedly due to Plaintiffs. None of Plaintiffs' other experts support all of these assumptions, either. His damages calculations and methodology are therefore both unreasonable and unreliable.

VI. OPINION TWO: MR. MILNER'S DAMAGES CALCULATIONS ARE UNSUPPORTED AND FLAWED.

110. Mr. Milner calculates damages allegedly attributable to Wells Fargo's failure to effectuate repurchases or make wholes of claimed Defective Loans in the Relevant Trusts. Depending on the scenario, his damages range from $142.9 million to $372.3 million. There are fundamental flaws in the assumptions Mr. Milner relies on to calculate damages, as described below, which render his damages calculations unreliable and unsupported.

A. Mr. Milner's Hypothetical Funding Dates Are Unsupported and Flawed.

111. Mr. Milner's calculations depend on unsupported and arbitrary assumptions concerning when allegedly Defective Loans would have been repurchased or made whole by warrantors. Mr. Milner defers to counsel for the relevant date assumptions and disclaims responsibility for assessing their validity.[161]

112. Each of Mr. Milner's but-for damages scenarios simulates the repurchase or make whole of certain Defective Loans on or after a given "Funding Date." The Funding Dates vary significantly in the multiple damages scenarios set out by Mr. Milner, as listed in his report in Corrected Exhibit D.[162] Counsel provided Mr. Milner with Corrected Exhibit D and its entire

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[160] The scenario with lowest damages is MF_1.1(a) for ABFC 2006-OPT2, MF_1.1(a) for FFML 2006-FF15, MF_1.1(a) for FFML 2006-FF17, MF_2.0(a) for HVMLT 2006-11, RW_2.1(b) for HVMLT 2006-12, MF_1.1(b) for HVMLT 2007-1, and MF_1.1(a) for SVHE 2007-OPT1. The scenario with highest damages is Combined_3.0(a) for ABFC 2006-OPT2, Combined_2.0(a) for FFML 2006-FF15, Combined_2.1(a) for FFML 2006-FF17, MF_1.1(a) for HVMLT 2006-11, MF_1.1(a) for HVMLT 2006-12, Combined_1.1(a) for HVMLT 2007-1, and MF_2.0(b) for SVHE 2007-OPT1.

[161] Milner Report at ¶¶ 47, 48.

[162] *See id.* at Corrected Exhibit D.

contents, including all of the Funding Dates and related assumptions.[163] Mr. Milner testified that he relied on counsel's identification of these dates and hypothetical events, and he made no effort to link the assumptions he uses in his calculations to the allegations and impact of alleged Trustee misconduct that he claims he is modeling.[164]

113. Corrected Exhibit D identifies Funding Dates for each damages scenario based on a set of assumed facts. These assumed facts can vary widely across scenarios but generally include a starting date for the analysis and then a series of subsequent assumed events, such as an investigation period, time for non-litigation enforcement efforts, and, in some instances, litigation. Mr. Milner's Funding Dates do not vary by loan within a trust and scenario.

114. An example of Mr. Milner's Funding Dates and assumptions in a single scenario (the "MF_2.0" Scenario), along with the explanations provided to him by counsel, are reproduced in **Table 2**: *Mr. Milner's Funding Dates in MF2.0 Scenario.*

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[163] *Id.*; *see also* Milner Dep. 131:20-132:19 ("Q. And then you provide a chart of funding dates for material mortgage file defects in Paragraph 47. Do you see that? A. Yes. Q. The timing that you have identified there, the funding dates for your primary damages scenarios, right? A. Right. Q. Those assumptions were all provided by counsel, right? A. The assumptions that I disclose here, "as directed by counsel, comma," were all provided by counsel, yes. Q. You provide additional detail on timing and funding date assumptions in Exhibit D to your report. Right? A. Correct. Q. Was Exhibit D to your report provided to you by counsel? A. In substantially the form that I provided it in my report, it was provided to me by counsel. Of course, it was corrected last week. There was a typographical error in it that was provided last week. But – and I may have changed some formatting. But, the substance of Exhibit D was provided to me by counsel.").

[164] Milner Dep. 89:17-90:8 ("Q. You are also not offering an opinion on the course of conduct that Wells Fargo should have taken here under the specific facts and circumstances in this case. Right? [Objection omitted] THE WITNESS: My opinion is what the economic impact of the certificate holders was of the trustee acting in the way that plaintiffs alleged it should have acted, as laid out in the various scenarios and defective loan lists. And aside from that analysis, I'm not offering a separate opinion of what the trustee should or should not have done.").

Table 2: *Mr. Milner's Funding Dates in MF2.0 Scenario*[165]

Scenario	Trust	Funding Date	Explanation
MF2.0: Involuntary Funding Nine Years After PSA With Enforcement Litigation	ABFC 2006-OPT2	9/1/2015	The PSA and MLPA were both dated September 1, 2006. Assume the trustee filed a lawsuit 6 years later that took 3 years to be resolved.
	FFML 2006-FF15	10/1/2015	The PSA and MLPA were both dated October 1, 2006. Assume the trustee filed a lawsuit 6 years later that took 3 year [sic] to be resolved.
	FFML 2006-FF17	11/1/2015	The PSA and MLPA were both dated November 1, 2006. Assume the trustee filed a lawsuit 6 years later that took 3 years to be resolved.
	HVMLT 2007-1	2/1/2016	The PSA and MLPA were both dated February 1, 2007. Assume the trustee filed a lawsuit 6 years later that took 3 years to be resolved.
	HVMLT 2006-11	10/1/2015	The PSA and MLPA were both dated October 1, 2006. Assume the trustee filed a lawsuit 6 years later that took 3 years to be resolved.
	HVMLT 2006-12	11/1/2015	The PSA and MLPA were both dated November 1, 2006. Assume the trustee filed a lawsuit 6 years later that took 3 years to be resolved.
	SVHE 2007-OPT1	4/1/2016	The PSA and MLPA were both dated April 1, 2007. Assume the trustee filed a lawsuit 6 years later that took 3 years to be resolved.

115. Across his 158 different damages scenarios, Mr. Milner deploys 30 different Funding Dates. *See* **Table 3**: *Mr. Milner's Funding Dates* for the range and breadth of Funding Dates Mr. Milner employs in his different damages scenarios.

[165] *See* Milner Report at Corrected Exhibit D.

Table 3: *Mr. Milner's Funding Dates*

Trust	MF Scenarios Funding Dates	RW Scenarios Funding Dates
ABFC 2006-OPT2	07/25/08	04/07/09
	04/07/09	04/07/12
	07/25/11	09/01/12
	04/07/12	09/01/15
	09/01/12	
	09/01/15	
FFML 2006-FF15	02/28/08	06/14/11
	02/28/11	10/01/12
	10/01/12	06/14/14
	10/01/15	10/01/15
FFML 2006-FF17	03/26/08	06/14/11
	03/26/11	11/01/12
	11/01/12	06/14/14
	11/01/15	11/01/15
HVMLT 2006-11	12/06/07	
	12/06/10	
	10/01/12	
	09/21/13	
	10/01/15	
HVMLT 2006-12	07/25/08	03/06/12
	07/25/11	11/01/12
	03/06/12	03/06/15
	11/01/12	11/01/15
	12/25/13	
	03/06/15	
	11/01/15	
HVMLT 2007-1	07/25/08	02/01/13
	07/25/11	02/01/16
	02/01/13	
	09/21/13	
	02/01/16	
SVHE 2007-OPT1	01/30/09	
	09/25/09	
	01/30/12	
	09/25/12	
	04/01/13	
	04/01/16	

Mr. Milner's Funding Dates Are Not Adequately Explained or Supported.

116. There is no consistency in how the Funding Dates are derived across Mr. Milner's damages scenarios. For example, in some scenarios, the Funding Dates are derived by simply tacking on a set number of years to the closing dates of the Relevant Trusts. In the scenario labeled MF_2.1, for example, the Funding Date for all Relevant Trusts is assigned by adding six years to the closing date.[166] In the scenario labeled MF_2.0, the Funding Date is derived for all Relevant Trusts by adding nine years to the closing date, with three extra years purporting to represent additional time for litigation.[167]

117. In others of Mr. Milner's damages scenarios, the Funding Dates are derived by applying a series of assumed time periods for alleged hypothetical events to occur, including alleged notice and cure periods, investigations by the trustee, non-litigation enforcement efforts, and in some instances, litigation. For example, this occurs in Mr. Milner's Primary Damages Scenario, also labeled as scenario Combined_1.0(a), where for Mortgage File Defect Loans, Mr. Milner was told to assume the trustee received a final certification and exceptions report on a particular date and then to add (i) a one-month period to provide notice, (ii) a 90- or 120-day cure period, (iii) six months of non-litigation enforcement efforts (without any cures or repurchases), and (iv) a three-year lawsuit to arrive at his Funding Date.[168] Funding Dates for the R&W Breach scenarios assume yet another series of events, generally beginning with an alleged notice or EOD date, adding various time periods for hypothetical investigations by the trustee, non-litigation enforcement efforts, and litigation.[169]

118. Various assumptions underlie others of Mr. Milner's scenarios as well. In his "voluntary funding" scenarios, for example, the Funding Dates are earlier because he assumes, without explanation, that litigation was not necessary to pursue the repurchases and make whole transactions.[170]

119. For ABFC 2006-OPT2, notably, Mr. Milner's six assumed Funding Dates all conflict with the dates used by plaintiffs in the *Phoenix Light* and *Commerzbank* cases to calculate damages on

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[166] Milner Report at Corrected Exhibit D.

[167] *Id.*

[168] *See id.* at ¶ 47 and Corrected Exhibit D.

[169] *Id.* at Corrected Exhibit D.

[170] *Id.*

the same trust, underscoring that such assumptions are arbitrary. The dates used by the plaintiffs' damages experts for ABFC 2006-OPT2 across these three cases (*NCUA, Phoenix Light,* and *Commerzbank*) are all different. Contrary to Mr. Milner, plaintiffs' damages expert in *Phoenix Light* and *Commerzbank*, Dr. Karl N. Snow, uses the following dates to simulate repurchases of allegedly breaching loans in ABFC 2006-OPT2: July 1, 2010, September 1, 2010, March 1, 2011, and March 1, 2012.[171]

120. The choice of Funding Dates is crucial because these dates dictate the amounts distributed, which certificates are affected and to what extent, and whether hypothetical repurchases are classified as repurchases or subsequent recoveries. As Mr. Milner stated in his deposition, his damages calculations would change if a different set of Funding Dates were chosen.[172] To demonstrate that Mr. Milner's damages would decrease with later Funding Dates, I re-ran his damages model assuming alternative Funding Dates beginning 60 months after each Relevant Trust's closing date and continuing at monthly intervals until as much as 134 months after closing. As shown in **Exhibit 6**: *Mr. Milner's Damages Vary Under Alternative Funding Dates*, Mr. Milner's claimed damages steadily decrease if later Funding Dates are assumed.

Mr. Milner's Timeline Assumptions Are Uniform, Within Scenarios, Across the Relevant Trusts, Irrespective of Loan, Trust, and Breach.

121. Although his Funding Dates vary because the starting points in his damages scenarios vary, Mr. Milner applies certain uniform assumptions regarding subsequent timelines across all trusts within scenarios. Counsel, again, provided these uniform assumptions to Mr. Milner. These include assumptions regarding the time periods for repurchase investigation, enforcement, and litigation. Mr. Milner did not do an independent investigation of these assumptions.[173]

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[171] Snow, Karl N. Amended Expert Report of Karl N. Snow, PhD. *Phoenix Light SF Limited, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10102) (Apr. 15, 2019) ("Snow *Phoenix Light* Report") at Appendix D and Snow, Karl N. Amended Expert Report of Karl N. Snow, PhD. *Commerzbank AG v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:15-cv-10033) (Dec. 12, 2018) and related materials ("Snow *Commerzbank* Report") at Appendix D.

[172] Milner Dep. 107:11-20 ("Q. And then another input to the performing trustee scenario is the timing of the repurchase transactions, right? A. Correct. Q. And those timing assumptions were provided to you by counsel. A. Correct. Q. Would your damages calculations change if those inputs changed? A. They would.").

[173] Milner Dep. 164:15-165:8 ("Q. Did you do any independent analysis to confirm the three-year assumption was appropriate in your damages calculations? A. I did not need to. That assumption seemed reasonable to me, given my understanding of the situation. And I was able to accept that assumption in my analysis. Q. Did you undertake any review of any data or documents or testimony or surveys of litigation of any type to support that three-year timing assumption? A. Aside from a general knowledge of the lifecycle of mortgage litigation that I have picked up over

122. For example, in Mr. Milner's MF_2.1 scenarios, he uses the date of the PSA and MLPA for each Relevant Trust and then he "[a]ssume[s] the trustee received voluntary funding 6 years later."[174] His addition of six additional years is uniform across all the Relevant Trusts in the MF_2.1 scenario, and he does not provide any explanation of why six years is a reasonable amount of time before simulating repurchases and make wholes.

123. As another example, Mr. Milner applies a six-month non-litigation enforcement period across many scenarios.[175] This six-month timeframe is assumed, no matter what types of breaches or defects are at issue, in which Relevant Trusts.

124. Mr. Milner also assumes a uniform three-year litigation timeframe in every "involuntary funding" scenario.[176] In approximately half of his damages scenarios Mr. Milner assumes that the trustee was unable to effect voluntary repurchase or make whole transactions of loans by responsible parties, and that the trustee initiated litigation against such responsible parties. Although the date that the assumed litigation commences varies, Mr. Milner assumes that all such litigation, for both Mortgage File Defect Loans and for R&W Breach Loans, takes precisely three years to resolve. He does not cite any evidence that led him to conclude that litigation would have lasted three years.

125. There is no variation within scenarios in these assumed time periods based on the types of R&W breaches or mortgage file defects, the underlying collateral, the deal documents, and numbers of loans at issue for repurchase, whether 300 loans or 7,500 loans.[177] In other words, the assumptions that Mr. Milner has used within scenarios involve no variation by trust, no variation based on the types of loans or underlying collateral that are at issue, no variation based on the warrantors that are at issue, and no variation in the types of R&W breaches or

the last several years of being involved in some mortgage litigation, no."); *id.* at 153:14-154:2 ("Q. Did you undertake any independent analysis of on average how long enforcement efforts like you have described take? A. I didn't need to do that. So, no. Q. Did you do any kind of survey or statistical analysis of enforcement efforts? A. I didn't need to do that. The six months seemed reasonable to me, given my understanding of the business and the parties and the process. And so, no, I did not.").

[174] Milner Report at Corrected Exhibit D.

[175] *See, e.g.*, Combined_1.0(a), Combined_1.0(b), MF_1.0(a), MF_1.0(b), MF_1.1(a), MF_1.1(b), RW_1.0(a), and RW_1.0(b).

[176] These scenarios are the Combined_1.0(a), Combined_1.0(b), Combined_2.0(a), Combined_2.0(b), and Combined_3.0(a), Combined_3.0(b) scenarios; the MF_1.0(a), MF_1.0(b), MF_2.0(a), MF_2.0(b), MF_3.0(a), MF_3.0(b), MF_4.0(a), and MF_4.0(b) scenarios; and the RW_1.0(a), RW_1.0(b), RW_2.0(a), and RW_2.0(b) scenarios. Milner Report at Corrected Exhibit D.

[177] Milner Report at Corrected Exhibit D.

mortgage file defects that are claimed.[178] Mr. Milner undertook no loan-by-loan or trust-by-trust analysis as to these facts, although they vary over time and based on loan-specific information.

126. **Exhibit 7**: *Material Exception Claims by Trust* shows the differences in Mr. Blum's alleged material exception allegations by trust.[179] Despite differences in the nature, quantities, and types of claimed mortgage file defects, Mr. Milner assumes the same timeline for enforcement activity and repurchase litigation within scenarios across the Relevant Trusts.

127. Similarly, **Table 4**: *R&W Breach Category Claims by Trust* shows the differences in types of Mr. Shev's R&W breach allegations by trust. Despite differences in the nature, quantities, and types of claimed R&W breaches, Mr. Milner again assumes the same timelines for enforcement activity and repurchase litigation within scenarios across Relevant Trusts. Mr. Milner conducted no analysis of repurchase timelines as to particular loans or alleged loan-level breach claims.

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[178] Milner Dep. 160:18-161:21 ("Q. The assumption of three years of litigation and 100 percent repurchase success is uniform across all seven trusts for your primary damages scenarios, right? A. Correct. Q. It is uniform across all your involuntary funding scenarios, right? A. Correct. Q. There is no variation by trust on that assumption? A. I can't think of any. Q. There is no variation on that three years of litigation and 100 percent success assumption based on the number of loans that are being repurchased in a trust. Right? A. Right. … Q. No variation on the three-year litigation and 100 percent repurchase success rate assumption based on the types of loans are at issue? A. Correct. Q. There is also no variation based on who the warrantors or obligated counterparties might be, right? A. Correct.").

[179] Only loans for which Mr. Milner simulated a repurchase are shown.

Table 4: *R&W Breach Category Claims by Trust*

Breach Category	ABFC 2006-OPT2	FFML 2006-FF15	FFML 2006-FF17	HVMLT 2006-12[180]	HVMLT 2007-1
Appraisal	18	26	10		40
Assets	103	130	55	67	396
Combined Loan to Value/ Loan to Value Ratio				21	
Compliance	11	81	61		94
Core Document	49	60	13	198	94
Credit	681	426	369		783
Data Integrity	562	890	460	20	1,467
Debt				103	
Employment	101	124	83	61	227
Imprudent Underwriting				208	
Income	474	643	351	49	955
Incorrect or Unsupported Property Value	67	25	5		53
Ineligible Transaction				59	
Insurance	7	25	23		79
Loan Overview & Introduction				294	
Misrepresentation	593	954	544		2,209
Occupancy				40	
Other				54	
Program Guidelines	706	901	500		1,881
Property	3	10	2		24
Title	75	226	116		1,579
Undisclosed Property				54	
Loan Counts[181]	648	1,108	571	294	1,383

[180] File WF_NCUA_000819567.xlsx for HVMLT 2006-12 did not contain specific breach categories and their associated breach descriptions in a format consistent with other files for HVMLT 2006-12. It was not included in the table.

[181] Loan counts are not equal to the sum of alleged R&W breached because a loan may have more than one alleged breach.

128. The total number of loans simulated for repurchase and to be made whole varies significantly across trusts. *See* **Table 5**: *Number of Alleged Mortgage File Defects Loans and R&W Breach Loans by Trust.*

Table 5: *Number of Alleged Mortgage File Loans and R&W Breach Loans by Trust*

Trust	Mortgage File Defect Loans[182]	R&W Breach Loans	Total
ABFC 2006-OPT2	387	648	856
FFML 2006-FF15	2,264	1,108	2,807
FFML 2006-FF17	790	571	1,096
HVMLT 2006-11	319	0	319
HVMLT 2006-12	7,532	728	7,572
HVMLT 2007-1	2,088	1,383	2,403
SVHE 2007-OPT1	399	0	399

129. I also evaluated whether it was reasonable for Mr. Milner to assume that repurchase litigation would be concluded within three years. I collected information from 44 cases of repurchase litigation*,* including the commencement date and status of each case as of June 7, 2019. For cases that had been resolved as of that date, I identified whether each was active, disposed, or stayed. I also calculated for each case the total time it took to achieve disposition, and for each case that was still active or stayed of as of June 7, 2019, I calculated the total time that had elapsed since the case commenced. *See* **Exhibit 8**: *Litigation Timelines for Example Repurchase Cases.*

130. I found that although these 44 cases commenced as early as February 5, 2009, only 16 of the lawsuits had been resolved as of June 7, 2019. Of the 16 cases that have been resolved, only three of them were resolved in fewer than three years. For all of the 28 cases that have not been resolved, the time since commencement of litigation exceeds three years, and this period ranges from at least 37 to 86 months. None of the 44 cases concluded at three years, as Mr. Milner assumes in his involuntary funding damages scenarios.

131. Notably, in one of the few RMBS repurchase cases litigated through trial in recent years, the court addressed claims as to 20 loans on a loan-by-loan basis, of which it accepted claims as to 13 loans and rejected claims as to seven loans after four years of contentious litigation, and

[182] This list includes only loans for which Mr. Milner simulated a repurchase. Loans in these trusts for which Mr. Blum alleged a material exception but Mr. Milner did not simulate a repurchase are not listed.

litigation is ongoing as to what recovery a final judgment will provide. *See,* for example, the court's September 6, 2016 decision in *MASTR Adjustable Rate Mortgages Trust 2006-OA2 et al. v. UBS Real Estate Securities Inc.*, S.D.N.Y. No. 12-cv-7322. This 248-page decision in a case filed in 2012 contains a nearly 100-page review of 20 loans done on a loan-by-loan basis to determine which were required to be repurchased.[183] It ordered the parties to engage a special master to determine how to apply the court's guidance to thousands of other loans so that a final judgment might be rendered.[184] The case is still ongoing, more than six years after filing.

132. Further, Mr. Milner's Funding Dates and timing assumptions again conflict with those used by a damages expert in two other similar cases against Wells Fargo. The damages expert in the *Commerzbank* and *Phoenix Light* cases, Dr. Snow, assumed different timeframes for repurchase and enforcement efforts than Mr. Milner. Specifically, Dr. Snow used a six-month period for all mortgage file defect Loans in both cases, while using a 24-month period for all R&W breach loans in the *Phoenix Light* case, and a seven- or 12-month period for R&W breach loans in the *Commerzbank* case.[185]

Mr. Milner Utilizes Unsupported and Contradictory Assumptions Regarding Performing Loan and "Rolling Repurchases."

133. For each of his damages scenarios, Mr. Milner calculates two alternatives: what he calls his (a) scenarios and his (b) scenarios. In his (a) scenarios, all allegedly Defective Loans are repurchased on the Funding Date, while in his (b) scenarios, the repurchase date is dependent on a loan's performance status. Specifically, in his (b) scenarios, for active Mortgage File Defect Loans and R&W Breach Loans that had caused a loss or were 60 or more days delinquent (each a "Distressed Loan") as of the Funding Date, he simulates their repurchase on that Funding Date. For other active loans, he delays his simulated repurchase until the date in which such loans become Distressed Loans. The assumptions underlying both of these scenarios are flawed and unsupported.

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[183] Memorandum and Order. *MASTR Adjustable Rate Mortgages Trust 2006-OA2, et al. v. UBS Real Estate Securities Inc.* (S.D.N.Y. No. 1:12-cv-7322) (Sept. 6, 2016) at 143-236.

[184] *Id.* at 237.

[185] *See* Snow *Phoenix Light* Report at Appendix D and Snow *Commerzbank* Report at Appendix D.

134. In his (a) scenarios, Mr. Milner assumes that all Defective Loans are hypothetically repurchased or made whole on the Funding Date. In these scenarios, repurchase occurs for all allegedly Defective Loans, regardless of loan performance status.

135. However, Mr. Milner has stated that he is not aware of any trustee putting back performing loans for mortgage file defects or for breaches of representations and warranties.[186] I also understand that Wells Fargo's expert Peter M. Ross has opined that "[p]ursuing [r]epurchase of [p]erforming [l]oans [i]s [n]ot [c]ommercially [r]easonable."[187]

136. To show the impact of Mr. Milner's assumption that performing loans would be put back on his damages calculations, I recalculated Mr. Milner's damages but removed from the repurchase simulation loans that were not Distressed Loans or that had not been liquidated as of the Funding Dates. I found that damages would be reduced by $18.04 million in the Primary Damages Scenario. *See* **Exhibit 9**: *Reductions in Mr. Milner's Damages Excluding Active Loans that Were Non-Distressed as of Funding Dates* for a list of scenarios with reduced damages.

137. In contrast, in his (b) scenarios, Mr. Milner assumes that liquidated loans would be made whole on the Funding Date, but non-Distressed Loans would be repurchased on a rolling basis on or after the Funding Date according to the loan's performing status.

138. In particular, Mr. Milner assumes that, in his (b) scenarios, funds for Distressed Loans and liquidated loans are placed into the trust on each scenario's Funding Date. However, for loans that became Distressed Loans only after each (b) scenario's Funding Date, Mr. Milner assumes that funds for each such loan are placed into the trust the month after the relevant loan becomes a Distressed Loan.[188] Put another way, for loans in good standing as of the Funding Date,

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[186] Milner Dep. 217:14-18 ("Q. Are you aware of any trustee putting back performing loans for mortgage file defects? [objection omitted] THE WITNESS: Not that I can think of, sitting here today."); *id.* at 218:14-16 ("I can't point to a trust where a trustee put back performing loans for rep warranty breaches.").

[187] *See* Ross, Peter M. Rebuttal Expert Report of Peter M. Ross. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (June 20, 2019) ("Ross Report") at ¶ 64 ("Pursuing Repurchase of Performing Loans is Not Commercially Reasonable").

[188] Mr. Milner's methodology differs from the methodology used by the damages expert in two cases consolidated with this one. The damages expert in those cases, Dr. Karl N. Snow assumed rolling repurchases for R&W breach loans that were 90 or more days delinquent as of the applicable enforcement date. For document defect loans, Dr. Snow employed rolling repurchase for loans that were 90 or more days delinquent, liquidated, in REO, or in foreclosure as of the applicable enforcement date. *See* Snow *Phoenix Light* Report at ¶ 31 and Snow *Commerzbank* Report at ¶ 29.

repurchase occurs only after the loan reflects a "delinquency trigger" in Mr. Milner's (b) scenarios. I refer to this practice of waiting for loans to become distressed before repurchasing them as delayed "rolling repurchases."

139. Mr. Milner's use of rolling repurchases in his (b) scenarios is inconsistent with my understanding of the Governing Agreements.[189] For ABFC 2006-OPT2, for example, the PSA provides that a mortgage file defect must be addressed within 120 days, and an R&W breach must be cured within 90 days, each from the date of discovery, and only if having a materially adverse effect of some kind. It provides that repurchase obligations arising out of failure to cure such defect or breach shall be effected shortly after the expiration of such period.[190] Mr. Milner's methodology contradicts these terms. In fact, under the delayed rolling repurchase methodology used by Mr. Milner, the time elapsed between alleged notice to Wells Fargo and a loan's hypothetical repurchase can be very long.

140. Consider Loan 0401009408 from ABFC 2006-OPT2. For that trust, for Mortgage File Defect Loans, Mr. Milner was informed by counsel that the date of the final certifications and exceptions report was August 27, 2007.[191] However, the loan is not repurchased until June 2017 in his (b) but-for scenarios, when it first became 60 days delinquent, nearly six years after Mr. Milner's Funding Date in his Primary Damages Scenario and nearly ten years after the exception report from which this claimed mortgage file defect was derived.

141. Similarly, Loan 0144860108 from the HVMLT 2006-11 trust became 60 days delinquent in June 2017 and is then hypothetically repurchased in Mr. Milner's (b) but-for scenarios more than ten years after the date of the final certification and exceptions report (allegedly dated on or around February 8, 2007), and more than six years after Mr. Milner's Funding Date in his Primary Damages Scenario.[192]

142. Nevertheless, in all of his (b) scenarios, Mr. Milner assumes the trust continues receiving principal and interest payments from non-Distressed Loans, and later, *if* and *only if* such loans

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[189] I am aware that courts have also found Mr. Milner's assumption of rolling repurchases, referred to as "selective and delayed putback" in that case, to be "not based on a reasonable interpretation of the PSAs." W&S Final Judgment Entry at ¶ 107.

[190] ABFC 2006-OPT2 PSA at WF_NCUA_000035105.

[191] Milner Report at Corrected Exhibit D.

[192] *Id.*

cause losses, the repurchase demands are fulfilled. This approach transfers credit risk back to the seller or other responsible parties by hinging a repurchase decision not on whether there was a R&W breach or defect in the mortgage file but on whether the borrower repaid the loan in a timely fashion. Although Mr. Milner has asserted that such an approach is "not unreasonable,"[193] and is based on "operational efficiency,"[194] he indicated such an arrangement is "not specifically provided for in the PSAs."[195]

143. When combined with Mr. Milner's unsupported Funding Date assumptions, the rolling repurchase assumptions make a significant impact on his damages calculations. Because fewer loans fit Mr. Milner's Distressed Loan criteria as of earlier Funding Dates, fewer loans would be repurchased as of such earlier Funding Dates. Thus, the funds for repurchased loans would be distributed over a longer time frame, and the trust would receive less income in subsequent recoveries as liquidated loans were repurchased as they became Distressed Loans.

144. I used the HVMLT 2006-11 trust to illustrate how Mr. Milner's damages change significantly when alternative Funding Dates are used, and his rolling repurchase assumption is omitted. I considered a set of alternative Funding Dates, ranging from trust closing through August 2018. For each of these alternative Funding Dates, I excluded Mr. Milner's rolling repurchase assumption and calculated the resulting reduction in damages. That is, where a loan was not in

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[193] Milner Dep. 220:12-221:18 ("Q. In your Scenario (b) then, the trustee is discovering the breach and then waiting to see what happens with the performance of the loan before putting back the loan, right? A. That is not exactly how I understand this scenario, no. My understanding of this scenario is that the trustee becomes aware of an enhanced level of risk on these loans as manifested by a breach of reps and warrants or a mortgage file defect. And that, that the trustee shifts that risk to the obligated counterparty through some sort of an agreement or business communication. And that the actual repurchase of a loan is, happens when the loan goes 60-plus. So, my understanding of this scenario is that, upon knowledge of the enhanced risk associated with a materially breaching loan, the trustee reinforces the obligor's obligation to repurchase that loan. And by doing so shifts the risk of the performance of that loan back to the seller. And then in this scenario, for some reason the trustee and the obligated counterparty have agreed not to actual process of repurchase on the loans until the loans go 60-plus. And I don't find that to be an unreasonable scenario.").

[194] *Id.* at 228:13-21 ("My understanding of Scenario (b) is that it is grounded in the, and based on the obligation of the counterparty to repurchase the loan as codified in the pooling and servicing agreement, and also an operational efficiency that is agreed to between the trustee and the obligated counterparty that such repurchases will not be done until the loan goes 60-plus.").

[195] *Id.* at 230:17-231:15 ("Q. What provision of the pooling and servicing agreement are you relying on to support Scenario (b)? A. Well, like I said before, my business understanding of the pooling and servicing agreement is that upon existence of enhanced risk in a loan, as evidenced by a material breach, the obligated counterparty has an obligation to repurchase that loan. That is my -- that is my understanding and interpretation of the rep warrant framework in the PSA. Like I said before, in Scenario (b), the trustee and the obligated party agree not to operationally effectuate that repurchase until loans where the obligated party has an obligation to repurchase until those loans go 60-plus. And, like I said, that operational efficiency is not specifically provided for or stipulated in the PSAs.").

a distressed state as of a given Funding Date, it was not repurchased in the but-for scenario. As illustrated, by excluding the rolling repurchase assumption, Mr. Milner's damages for HVMLT 2006-11 range from as low as $2.7 million to a maximum of $44.3 million depending on the selected Funding Date. *See* **Exhibit 10**: *Mr. Milner's Damages Utilizing Alternative Rolling Repurchase Assumptions for HVMLT 2006-11.*

145. Given the significant impact that Mr. Milner's rolling repurchase assumption has on his damages calculations in his "(b)" scenarios, the support for these assumptions is insufficient.

B. Mr. Milner's Assumption That One Hundred Percent of Defective Loans Would Have Been Repurchased or Made Whole Contradicts the Reality of the Loan Repurchase Process.

146. In calculating damages in each of his various scenarios, Mr. Milner assumes that 100 percent of Defective Loans that Plaintiffs contend are eligible for repurchase or to be made whole would have been successfully repurchased or made whole and that 100 percent of the Purchase Prices he identifies would have been credited to the Relevant Trusts.[196]

147. This blanket assumption ignores warrantors' regular refusals and inability to repurchase loans despite requests to do so. Warrantors have refused to repurchase loans for a number of reasons, including lack of financial ability or bankruptcy. Moreover, even when relevant warrantors have the financial means to repurchase loans, repurchase and make whole demands were and are still regularly contested or rejected. This would have limited Wells Fargo's ability to achieve the results Mr. Milner assumes it would have under his damages scenarios.

148. For example, Wells Fargo, as trustee for ABFC 2006-OPT2, demanded on June 26, 2013 that the warrantor Sand Canyon repurchase 228 mortgage loans.[197] Sand Canyon responded on October 3, 2013 and refused to repurchase any of the 228 mortgage loans, arguing that 187 of these loans had been liquidated and therefore were unavailable for repurchase, and that for the remaining 41 loans, any alleged breaches of R&Ws for such loans did not materially and adversely affect the value of the loan or the interest therein of any certificateholder.[198]

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[196] Milner Report at ¶ 54 and Exhibit J; Milner Dep. 260:9-15.

[197] Letter from Alex Humphries, Wells Fargo, to Angela Hansgen, Option One Mortgage Corporation c/o Sand Canyon Corporation, *Re: Repurchase Demand for Loan Number(s): See Appendix A; Asset Backed Funding Corporation Asset Backed Certificates, Series 2006-OPT2; Wells Fargo Reference Number: MD-005104* (June 26, 2013) (WF_BR_003893497).

[198] Letter from Angela Hansgen, Sand Canyon Corporation, to Alex Humphries, Wells Fargo, *Re: Asset Backed Funding Corporation 2006-OPT2 (the "Trust")* (Oct. 3, 2013) (WF_BR_003894397).

149. The likelihood of warrantors refusing to repurchase loans was disclosed to investors like the Credit Unions prior to their investment. The prospectus supplements generally warn investors that parties otherwise obligated to do so might nevertheless not repurchase or substitute any given loan due to financial ability or other reasons. *See* **Appendix C**: *Statements Regarding Repurchase*.

150. In addition, at least one court has held that damages calculations based on 100 percent repurchase rate assumptions are flawed.[199] And investors themselves have acknowledged repurchases occur at substantially less than 100 percent success.[200] Mr. Milner has not provided factual or empirical support to the contrary in this case.

151. Mr. Milner states in his report that he has "not seen any credible evidence in this case that would suggest Wells Fargo could not have successfully enforced repurchases beyond evidence of its own inaction."[201] Yet Plaintiffs' expert, Mr. Blum, presents evidence establishing the real challenges facing trustees seeking repurchases. For example, Mr. Blum acknowledges in his report that Countrywide repeatedly refused to repurchase breaching loans in response to Wells Fargo's demands, stating that Countrywide refused to repurchase "all but a handful of the breaching loans Wells Fargo submitted for repurchase"[202] from HVMLT 2007-1 and "reject[ed] nearly all repurchase demands or fail[ed] to respond" with respect to loans underlying HVMLT 2006-12.[203]

152. I did an empirical analysis to assess whether Mr. Milner's 100 percent repurchase success rate assumption is consistent with historical repurchase activity as it relates to repurchase demands arising out of alleged R&W breaches.

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[199] *See* W&S Final Judgment Entry at ¶ 101 ("The evidence does not support [an] assumption [of full repurchase rates].").

[200] Institutional Investors Response to Settlement Objections. *In the matter of the application of The Bank of New York Mellon* (N.Y. Super. No. 651786-2011) (May 13, 2013) at 16 (BlackRock and TIAA as plaintiffs, among others, stating that, "[w]e are aware of no case…in which any party pursuing repurchase claims has alleged—much less achieved—a 100% success rate on loan repurchases.").

[201] Milner Report at ¶ 67.

[202] Blum, Leonard A. Expert Report of Leonard A. Blum. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials ("Blum Report") at 164.

[203] *Id.* at 196.

153. I collected more than 3,500 ABS-15G forms filed by securitizers of residential mortgage-backed securities with the Securities Exchange Commission between January 1, 2012 and June 30, 2019 ("Analyzed Period"). Beginning in 2012, the SEC has required securitizers of asset-backed securities to periodically file such forms, where the underlying transaction agreements contain a covenant to repurchase in the event of breaches of representations or warranties.[204] These filings disclose, for each reporting period, the total number of such repurchase demands that were made, fulfilled, rejected, withdrawn, disputed, and still pending. I calculated the repurchase success rate by aggregating information contained in these filings.[205]

154. Based on my analysis of these filings, the historical repurchase success rate is far lower than 100 percent. For the Analyzed Period, only 4.5 percent of demands had been fulfilled, 0.0 percent of demands were still pending, and 7.8 percent of demands were still in dispute; the remainder had been rejected or withdrawn. Even assuming that all of the pending and disputed requests could eventually be repurchased, the repurchase rate would range from 4.5 to at most 12.3 percent. *See* **Exhibit 11**: *Repurchase Demand Fulfillment (January 2012-June 2019)*. This evidence directly contradicts Mr. Milner's unfounded assumptions that all repurchase requests would have been found by the trustee to be valid and that all warrantors could have and would have repurchased a loan if requested to do so.

155. In his report at Exhibit F, Mr. Milner claims that Wells Fargo successfully enforced at least 1,270 repurchases in the Relevant Trusts,[206] but Exhibit F does not support a 100 percent repurchase rate. Without knowing the total number of repurchase demands, Mr. Milner's tabulations of repurchases cannot form a reliable basis for his 100 percent repurchase rate

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[204] "Disclosure for Asset-Backed Securities Required by Section 943 of the Dodd-Frank Wall Street Reform and Consumer Protection Act." Securities and Exchange Commission Release Nos. 33-9175; 34-63741 (Mar. 28, 2011). <https://www.sec.gov/rules/final/2011/33-9175.pdf> (accessed Feb. 26, 2019).

[205] Specifically, for each securitizer and for each reporting period during the Analyzed Period, I identified the number of securitized mortgage assets for which a resolved repurchase demand (repurchased, withdrawn, or rejected) was reported. I totaled these amounts for all reporting periods and all securitizers. To avoid potential double-counting of unresolved demands, I identified the number of assets that were reported as "pending" or "disputed" on the last report filed by each securitizer during the Analyzed Period. I aggregated these amounts for all securitizers. I then calculated the percent of assets in each category (repurchased, withdrawn, rejected, disputed, and pending).

[206] Milner Report at Exhibit F.

assumption. For example, as to the HVMLT 2006-12 trust, the record reflects that Countrywide and related entities rejected thousands of requested repurchases.[207]

156. Moreover, the ABS-15G filings indicate that disputed repurchase demands for the Relevant Trusts can exceed the successful repurchases Mr. Milner reports in his Exhibit F. For instance, for HVMLT 2006-12, Mr. Milner reports a total of 287 repurchases through 2018. However, when I looked at the most recent ABS-15G report relating to HVMLT 2006-12, I found that there were 2,578 outstanding and unfulfilled repurchase demands for that trust that remain in dispute, greatly exceeding the number of successful repurchases identified by Mr. Milner.[208] Similarly, for ABFC 2006-OPT2, I found that the most recent ABS-15G filing reports that there are 299 outstanding and unfulfilled repurchase demands for that trust that remain in dispute,[209] and no repurchases for the trust were reported between Feb. 14, 2012 and May 13, 2019.[210]

157. Finally, Mr. Milner's report does not include a methodology by which to calculate damages when the repurchase success rate is less than 100 percent. In the absence of such a methodology, for the purposes of illustrating how lower repurchase rates affect his damages, I randomly selected which loans to exclude from his simulation and ran the damages calculations for Mr. Milner's RW scenarios using repurchase rates of 4.5 and 12.3 percent. I

[207] *See*, *e.g.*, Letter from Alex Humphries, Wells Fargo, to Shareef Abdou, Bank of America, National Association, *Re: Repurchase Demand for Loan Number(s) listed on Enclosed CD; Harborview Mortgage Loan Trust Pass-Through Certificates, Series 2006-12; Wells Fargo Reference Number MD-003450* (Dec. 28, 2011) (WF_BR_003900251) at Schedule I; and Letter on behalf of Countrywide Home Loans, Inc., to Joe J. Beacon, Wells Fargo, (July 20, 2012) (WF_BR_003916031) and attachment (MD-003450_0000.00.00 (Countrywide Loan Level Response).xls).

[208] *See* ABS-15G for RBS Financial Products Inc. (filed May 15, 2019). <https://www.sec.gov/Archives/edgar/data/1541615/000089109219005803/0000891092-19-005803-index.htm> (accessed July 30, 2019).

The Milner Report at Exhibit F lists repurchases through September 2018. The most recent filing as of that date also reports 2,578 disputed repurchase requests. *See* ABS-15G for RBS Financial Products Inc. (filed Aug. 14, 2018). <https://www.sec.gov/Archives/edgar/data/1541615/000089109218005872/0000891092-18-005872-index.htm> (accessed July 30, 2019).

[209] *See* ABS-15G for Asset Backed Funding Corp. (filed May 13, 2019). <https://www.sec.gov/Archives/edgar/data/1054340/000112825019000084/0001128250-19-000084-index.htm> (accessed July 30, 2019).

[210] *See* ABS-15G filings for Asset Backed Funding Corp. (Feb. 14, 2012 - May 13, 2019). <https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=1054340&type=ABS-15G> (accessed July 30, 2019).

then ran an additional 99 simulations reflecting alternative loan selection; the results of this analysis also reflect how different loan selection can lead to different damages amounts.

158. Across the 100 simulations for a repurchase success rate of 4.5 percent, Mr. Milner's damages were reduced by between 111.4 and 82.7 percent. For the 100 simulations for a repurchase success rate of 12.3 percent, Mr. Milner's damages were reduced by between 113.0 and 69.9 percent. *See* **Exhibit 12**: *Mr. Milner's Damages for RW Scenarios Using Historical Repurchase Demand Fulfillment Rates.*

C. Mr. Milner's Purchase Prices for Liquidated Loans Are Unsupported.

159. With respect to liquidated loans, Mr. Milner simulates what he calls "make-whole transactions." In Mr. Milner's report, he claims that make wholes occur for liquidated loans when an "obligated counterparty reimburses the trust for losses and expenses associated with the loan."[211] Thus, Mr. Milner's damages calculations assume that liquidated loans are eligible to be made whole and that such make whole transactions would occur with 100 percent success.

160. But warrantors have taken the position that liquidated loans are not eligible for repurchase, refusing to repurchase previously liquidated loans.[212] In a real world example for the Relevant Trusts, Sand Canyon refused to repurchase 187 mortgage loans in the ABFC 2006-OPT2 trust because of their liquidated status. Mr. Milner nevertheless simulates make whole repurchase transactions for 100 percent of liquidated loans alleged to be defective across all seven Relevant Trusts in this case.

161. When loans that liquidated prior to their assumed Funding Dates are excluded from his calculation of damages, Mr. Milner's damages in his Primary Damages Scenario are reduced from $298.2 million to $223.5 million, a reduction of 25 percent. *See* **Exhibit 13**: *Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates* for results by trust and by scenario.

162. Mr. Milner similarly provides no support for the specific way he calculates the Purchase Prices for liquidated loans. As he stated at his deposition, in calculating the Purchase Prices for

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[211] Milner Report at ¶ 6 n. 2.

[212] *See* Ross Report at ¶ 66 ("The accepted view in the servicing industry until recent years had been that sponsors would not repurchase a loan that had been liquidated because there was no loan to buy back.").

liquidated loans, Mr. Milner defines the principal balance as the "prior losses realized on a loan."[213] He then accrues interest on that realized loss amount.[214]

163. The amounts received in actual transactions can deviate significantly from the amounts under Mr. Milner's formula described above. Take, for example, loan 0122449267 in FFML 2006-FF15, which liquidated in January 2009 with a loss of $1,018,724.30.[215] A demand was issued to Aurora Loan Services by Wells Fargo in June 2010, and then a follow-up notice was sent to Nationstar Mortgage Inc. in August 2013.[216] As a result, a negative realized loss amount of $1,017,660.92 was applied in November 2013 for this loan.[217] In eight of his but-for scenarios for this loan, Mr. Milner uses a Funding Date between January 2011 and December 2012, during which time the loan was liquidated but the negative realized loss amount had not yet been applied.[218] Across these eight scenarios, Mr. Milner simulates a "make whole transaction" of this loan with an amount between $1,235,182.50 and $1,416,964.80, or between 21.3 to 39.2 percent greater than the actual amount. In another four of his damages scenarios, Mr. Milner simulates a "make whole transaction" of this loan in October 2015, more than two years after November 2013,[219] and calculates a but-for transaction amount of $725,705.30, of which $725,336.56 (99.9 percent) is due to interest accrual in his damages methodology.[220] *See* **Figure 5**: *Actual and But-For Transactions for Loan 0122449267*.

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[213] Milner Dep. 173:2-5 ("The prior losses realized on a loan are in general equal to unpaid principal balance –are in general equal to the components of the purchase price on a performing loan.").

[214] *Id.* at 175:1-7 ("Q. …The interim mortgage rate interest calculation is being charged on the total prior losses for the liquidated loans. Right? A. Correct. Yes. Q. And that is true even if there was some recovery at liquidation on that loan? A. Correct.").

[215] FFML 2006-FF15 Remittance Report (Feb. 25, 2009).

[216] Blum Report at Exhibit 9.

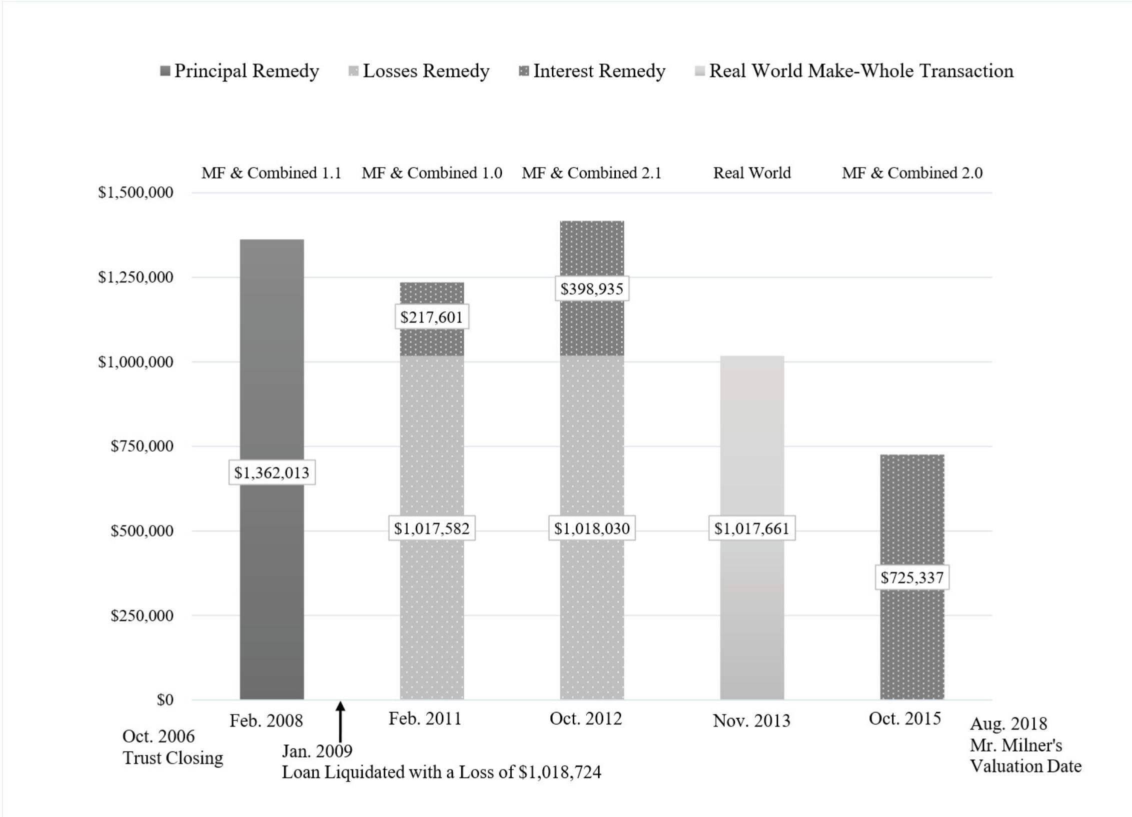
[217] FFML 2006-FF15 Remittance Report (Nov. 25, 2013).

[218] These eight scenarios are: the Primary Damages Scenario (Combined_1.0(a)), Combined_1.0(b), Combined_2.1(a), Combined_2.1(b), MF_1.0(a), MF_1.0(b), MF_2.1(a), and MF_2.1(b).

[219] These four scenarios are: Combined_2.0(a), Combined_2.0(b), MF_2.0(a), and MF_2.0(b).

[220] Milner Decl. supporting materials.

Figure 5: *Actual and But-For Transactions for Loan 0122449267*



164. Another example is loan 0122403512 in FFML 2006-FF17. This loan liquidated in October 2008 with a loss of $904,155.85.[221] Wells Fargo issued a demand to Aurora Loan Services in June 2010,[222] resulting in a negative loss amount of $903,200.34 applied in September 2010.[223] In eight of his but-for scenarios, Mr. Milner simulates a "make whole transaction" for this loan occurring in either March 2011, November 2011, or November 2015.[224] Despite the actual transaction for the loan having already occurred months or years earlier, Mr. Milner's Purchase Prices for this loan include between $218,026.67 and $654,080.00 in accrued interest.[225]

165. These examples demonstrate that Mr. Milner's Purchase Prices for liquidated loans can be dramatically higher than transaction amounts in the real world. But Mr. Milner applies his

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[221] FFML 2006-FF17 Remittance Report (Nov. 25, 2008).

[222] Blum Report at Exhibit 11.

[223] FFML 2006-FF17 Remittance Report (Sep. 27, 2010).

[224] These eight scenarios are: Combined_2.0(a), Combined_2.0(b), Combined_2.1(a), Combined_2.2(b), MF_2.0(a), MF_2.0(b), MF_2.1(a), and MF_2.1(b).

[225] Milner Decl. supporting materials.

Purchase Price assumptions across all Relevant Trusts, and his accrual of interest on realized loss amounts allows him to put back hundreds of millions of dollars more than the aggregate realized loss amounts for liquidated loans. For example, for ABFC 2006-OPT2, cumulative realized losses for the liquidated loans that Mr. Milner made whole range from $5.23 million to $129.40 million across his various scenarios. Mr. Milner made these liquidated loans whole for $5.51 million to $213.84 million, approximately a five to 43 percent increase over the realized losses.

166. I recalculated Mr. Milner's damages assuming the Purchase Prices for liquidated loans were equal to the cumulative realized losses of each liquidated loan as of Mr. Milner's Funding Date. Recalculating damages using realized loss amounts for liquidated loans reduces his damages by $7.76 million (or 2.60 percent) in his Primary Damages scenario. *See* **Exhibit 14**: *Reductions in Mr. Milner's Damages Excluding Interest for Loans That Liquidated Prior to Funding Dates* for a list of scenarios with reduced damages.

D. Mr. Milner's Damages Calculations Fail to Consider the Appointment of a Separate Trustee.

167. For all Relevant Trusts, except HVMLT 2006-11, a separate trustee was appointed and tasked with taking action to enforce claims against potentially responsible parties, including, among other things, making demands on potentially responsible parties to repurchase mortgage loans.[226] The separate trustee appointment dates are reported in **Exhibit 2**: *Separate Trustee Appointments*.

168. But in calculating damages here, Mr. Milner assumes that Wells Fargo continued to bear responsibility for enforcing repurchase demands after the appointment of a separate trustee. Mr. Milner ignores the separate trustee appointment in calculating damages. For all Relevant Trusts, except HVMLT 2006-11, in at least one damages scenario, all of the simulated repurchases or make wholes post-date the appointment of the separate trustee.[227] In these scenarios, when hypothetical but-for repurchases or make wholes that Mr. Milner assumes occurred after the appointment of the separate trustee are removed, Mr. Milner's damages for the Relevant Trust are zero.

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[226] *See, e.g.*, Harborview Mortgage Loan Trust 2006-12 Notice to Holders (Sept. 7, 2012). <www.ctslink.com> (accessed July 31, 2019).

[227] *See* Milner Report at Corrected Exhibit D and **Exhibit 2**: *Separate Trustee Appointments*.

E. Because Mr. Milner Relies on Mr. Blum's and Mr. Shev's Unreliable Materiality Determinations, His Damages Calculations are Incorrect and Unreliable.

169. In his but-for scenarios, Mr. Milner simulates repurchases and make wholes of loans that appear on lists provided to him by counsel.[228] According to Mr. Milner, these lists purport to represent (1) loans with material mortgage file defects, as identified by Mr. Blum (less certain loans removed by counsel), and (2) loans with R&W breaches that materially and adversely impact the values of the loans or interests of the certificateholders, as determined by Mr. Shev.[229] Mr. Milner testified that it was his intent to include in his damages calculations only those loans with allegedly "material" mortgage file defects and "material" R&W breaches.[230] The accuracy of Mr. Milner's damages calculations therefore rise and fall with the accuracy of Mr. Blum's and Mr. Shev's determinations as to allegedly material defects or R&W breaches. Mr. Milner did not independently review the loans used in his damages calculations.

Mr. Blum's Materiality Determinations are Unsupported, Unreliable, and Contradicted by Wells Fargo's Experts.

170. Mr. Blum claims that there are five categories of mortgage file documents: notes, mortgages, assignments, endorsements, and title policies, and he gives a "banker's understanding" of such categories and their materiality.[231] His materiality appendices list the absence of certain loan documents, presence of copied documents instead of originals, and missing initials, among others, as items that may "increase the risk in any foreclosure or raise uncertainty in a foreclosure proceeding" or "otherwise increase the risk to investors."[232] He then concludes that 21,030 of the loans supporting the Relevant Trusts had material mortgage file defects that were

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[228] Milner Report at ¶¶ 47-48.

[229] *Id. See also* Milner Dep. 56:19-57:2; 33:1-7.

[230] Milner Dep. 70:2-6 ("In my damages analysis, it was not my intent to simulate or analyze repurchases of loans that were not identified as having material representation or warranty breaches or material mortgage file breaches."); 68:19-69:4 ("If your question is whether it was my intent to simulate repurchases on loans not identified as having material representation or warranty breaches, or, for that matter, material mortgage file breaches, no, I did not simulate the repurchase of any loans not identified as having those breaches."); 72:17-73:7 ("Q. Let's say it turns out that a loan on the list did not have a material defect. Then there should be no repurchase simulation in your damages model, right? [Objection omitted] THE WITNESS: If as to a particular loan on that list, that loan was on that list in error, because it was determined not to have a material mortgage file breach or a material rep—a material breach of reps and warrants, then it would be appropriate for me to remove that from the set of loans that I simulated repurchase of.").

[231] Blum Report at 30-32.

[232] *Id.* at Materiality Appendices.

never corrected or were left uncured.[233] Mr. Milner simulates repurchase and make wholes of only 13,779 of those 21,030 loans in his damages scenarios.

171. Mr. Blum fails to offer any quantitative support for his claims that certain mortgage file defects that he identifies should be considered material, increase risks, or cause uncertainty in foreclosure proceedings. Likewise, Mr. Blum does not quantify how the alleged mortgage file defects or missing documents are material or have affected the value of a specific individual loan or the loan pools in the aggregate. Mr. Blum also does not tie any claimed mortgage file defects to any realized losses in any of the Relevant Trusts.

172. Further, Mr. Blum does not analyze whether the alleged mortgage file defects were cured or curable. I have been informed by counsel that Oak Branch reviewed the list of loans identified by Mr. Blum as having "material" mortgage file exceptions, including those exceptions based on purportedly missing documents. I understand that Oak Branch located the missing documents in the productions in this case for certain loans, and thus the exceptions were "cured."[234] I also understand that, based on Oak Branch's review of the produced files in this case, Mr. Ross classifies certain document exceptions as "curable," meaning that they could easily be resolved.[235] I recalculated damages for Mr. Milner's MF scenarios using his methodology but excluding the loans where Oak Branch located the missing documents or the document exception was "curable." Across his scenarios, the damages in his MF scenarios are reduced. For instance, in Mr. Milner's MF_1.1(a) scenario, damages across all Relevant Trusts are reduced by 71.5 percent.

173. I have also been informed by counsel that Mr. Ross has independently determined that a significant number of the loans identified by Mr. Blum as allegedly having material exceptions, in fact, "would not be expected to meet the Servicer Materiality Standard."[236] Mr. Ross explains that the "Servicer Materiality Standard" is the actual standard in the servicing industry that "judges the materiality of a missing document or document defect by assessing whether it will substantially impede foreclosures such that it will cause a significantly greater loss to the

[233] The Blum Report lists the number of loans with exceptions that were not cleared as follows: 604 loans in ABFC 2006-OPT2, 3,296 loans in FFML 2006-FF15, 1,139 loans in FFML 2006-FF17, 3,223 loans in HVMLT 2007-1, 588 loans in HVMLT 2006-11, 11,450 loans in HVMLT 2006-12, and 730 loans in SVHE 2007-OPT1. *Id.* at 67, 91, 133, 153, 175, 183, 206.

[234] Ross Report at ¶ 18.

[235] *Id.*

[236] *Id.* at ¶ 43.

trust."[237] I recalculated damages using Mr. Milner's methodology and excluded loans that had "cured" or "curable" exceptions or that Mr. Ross identified as not expected to meet the Servicer Materiality Standard. For HVMLT 2006-11, all of Mr. Milner's Mortgage File Defect Loans were removed, resulting in a 100 percent reduction in damages associated with Mortgage File Defects, and a reduction of Mr. Milner's total damages between $22.2 million and $68.5 million. The damages reductions in MF Scenarios for the Relevant Trusts are shown in **Exhibit 15**: *Mr. Milner's Damages for MF Scenarios Excluding Loans Without Material Exceptions*. In all trusts and for all MF scenarios, Mr. Milner's damages are reduced using this set of alternative loans.

Mr. Milner Adopts Mr. Shev's Findings Regarding R&W Breaches, But the Findings Are Incorrect and Not Supported by Quantitative Analysis.

174. Mr. Milner similarly simulates repurchases or make wholes for loans with R&W breaches that allegedly "materially and adversely affect the value of the loan or the interests of the certificateholders"[238] as identified by a second of Plaintiffs' experts, Mr. Shev, as well as loans from HVMLT 2006-12 that Mr. Shev alleges had "generally thorough and credible" breach notices that were logged in Wells Fargo's repurchase database (collectively, "Shev Breaching Loans").[239]

175. Mr. Shev's determination of whether certain R&W breaches materially and adversely affected the value of the loans or interests of certificateholders is not based on empirical analysis, and Mr. Shev does not quantify any increase in credit risk associated with these alleged R&W breaches that he asserts exists.

176. I undertook a quantitative analysis (the "Risk Profile Analysis") to assess whether certain claims made by Mr. Shev following his re-underwriting exercise ("Plaintiffs' Loan Characteristic Claims"), even if true, would have resulted in a statistically significant increase

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[237] *Id.* at ¶ 19.

[238] Shev Report at 2.

[239] *See id.* at Exhibit 3. I understand that Mr. Shev did not reunderwrite the loans in HVMLT 2006-12 for which Mr. Milner simulates repurchases. *See* Shev Report p.137. Mr. Shev also did not conclude that the loans in HVMLT 2006-12 contained R&W breaches that materially and adversely affected the value of the loans or interests of the certificateholders. *See* May 23, 2019 Ltr. to M. Parlikad from J. Libra.

in the risk profiles of the loans he reviewed and found to have material R&W breaches.[240] In particular, I compared the risk profiles of each loan under two scenarios: (1) using the loan characteristics reported on the loan tape; and (2) using the Plaintiffs' Loan Characteristic Claims identified by Mr. Shev.

177. For each loan, if the risk profile calculated using the Plaintiffs' Loan Characteristic Claims identified by Mr. Shev was not statistically distinguishable from the risk profile calculated using the loan characteristics reported on the loan tape, Plaintiffs' Loan Characteristic Claims for that loan did not have an empirical impact on the risk profile of the loan. Because loan value is a function of the risk profile of a loan, two loans with indistinguishable risk profiles similarly have indistinguishable values. *See* **Exhibit 16**: *Results of Risk Profile Analysis*, which includes the results of the Risk Profile Analysis for each Shev Breaching Loan.

178. Recalculating claimed damages using Mr. Milner's methodology across all RW Scenarios, but excluding those loans for which Mr. Shev's allegations resulted in a statistically indistinguishable impact on the risk profile, leads to a substantial reduction in damages, by between 99.7 and 64.9 percent as shown in **Exhibit 17**: *Mr. Milner's Damages Calculations for RW Scenarios Excluding Loans with Statistically Indistinguishable Risk Profiles*.

179. Additionally, I recalculated Mr. Milner's damages utilizing the findings of Wells Fargo's expert, Samuel Warren. I understand that Mr. Warren determined through a performance analysis (the "Two Year Analysis") that 1,634 Shev Breaching Loans "did not exhibit 'any material increase risk of loss' (Mr. Shev's term) arising from the purported R&W breaches"[241] as they "did not become seriously delinquent for the first time until more than two years after they were originated."[242] Further, Mr. Warren determined through an additional performance analysis (the "Three Year Analysis") that 466 Shev Breaching Loans "did not become seriously delinquent until more than three years after they were originated."[243] Finally, Mr. Warren performed a "discounted cash flow analysis"[244] (the "DCF") and determined that for

[240] The term "risk profile" is used to define the sequence of monthly expected cumulative default probabilities for a given loan. A full description of the Risk Profile Analysis is available in **Appendix D**: *Technical Appendix for Risk Profile Analysis*.

[241] Warren, Samuel. Expert Report of Samuel Warren. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (July 3, 2019) at ¶ 114.

[242] *Id.*

[243] *Id.* at ¶ 115.

[244] *Id.* at ¶ 116.

915 of the Shev Breaching Loans, the alleged R&W breaches did not "materially and adversely affect[] the value of the loan[s] or the interests of the certificateholders therein."[245] When Mr. Milner's damages are recalculated excluding loans determined by Mr. Warren to be cleared of alleged defects that materially and adversely affect the value of the loan or certificateholders interests therein, damages are reduced by between 2.02 and 65.59 percent across the various RW scenarios. *See* **Exhibit 18**: *Mr. Milner's Damages Excluding Loans Using Mr. Warren's Performance and DCF Analyses*.

180. In addition, I recalculated Mr. Milner's damages utilizing the findings of re-underwriting experts retained by Wells Fargo, Beverly Gentry, Kori Keith, and Joel B. Spolin.[246] Unlike Mr. Milner who did not rely on the re-underwriting reports submitted by plaintiffs, I reviewed the reports of these three re-underwriters as well as those of plaintiff underwriters. I understand that Wells Fargo's re-underwriting experts performed two analyses. The "Day One Analysis" included a review of loans using only the information in the loan files that would have been available to an underwriter at the time of origination.[247] The "Post-Origination Analysis" included a review of loans using information in the loan files at the time of origination as well as post-origination information and third-party information that the original underwriter could not have considered or would not have been required to consider.[248] In each analysis, they determined that certain alleged R&W Breach Loans were free of material defects based on their industry experience as underwriters. When Mr. Milner's damages are recalculated excluding loans determined by these experts to be cleared of alleged material defects, damages are reduced by between 42.0 and 99.7 percent across his various RW scenarios. *See* **Exhibit 19**: *Mr. Milner's Damages Excluding Loans Without Material and Adverse R&W Breaches*.

181. To demonstrate the impact of Mr. Milner's reliance on Mr. Blum's and Mr. Shev's materiality conclusions, I recalculated Mr. Milner's claimed damages excluding loans deemed free of material defects by Oak Branch and Mr. Ross and deemed to be without material and adverse

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[245] *Id.* at ¶ 119 (emphasis in original).

[246] Gentry, Beverly. Rebuttal Expert Report of Beverly Gentry. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) ("Gentry Report'); Keith, Kori. Expert Report of Kori Keith. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) ("Keith Report"); Spolin, Joel B. Rebuttal Expert Report of Joel B. Spolin. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) ("Spolin Report").

[247] Gentry Report at 5; Keith Report at ¶ 14; Spolin Report at ¶ 17.

[248] Gentry Report at 6-7; Keith Report at ¶¶ 16-18; Spolin Report at ¶¶ 20-22.

R&W breaches by Wells Fargo's re-underwriting experts. I found that Mr. Milner's damages are reduced substantially in his Primary Damages Scenario, as well as across all of his other scenarios. *See* **Exhibit 20**: *Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches.*

VII. Opinion Three: Mr. Milner Fails to Analyze the Costs Associated with Hypothetical Enforcement in His Damages Calculations.

182. Noticeably absent from Mr. Milner's damages analysis is a consideration of the duration of, or costs associated with, the large-scale repurchases and make whole transactions of loans that are contemplated in his but-for scenarios.

183. There are several steps that may need to be completed, and financial costs incurred, before a trustee can effectuate the repurchase of one or more loans. These steps include, among other things, obtaining origination, credit, and servicing files associated with potentially defective loans; re-underwriting loans deemed worthy of repurchase; sending notices to the responsible parties for repurchases or consideration; allowing cure periods for loans still outstanding; reviewing and responding to rebuttals; negotiating an amicable resolution, if possible; and ultimately enforcing, if necessary, repurchases of specific loans through litigation or otherwise.[249] Each step necessary to effectuate repurchases costs time money that Mr. Milner has not analyzed or incorporated.

184. Plaintiffs, for example, acknowledged in this case that "re-underwriting each of the tens of thousands of loans backing the trusts would be prohibitively expensive and time consuming."[250]

185. An RBS Special Report published in 2010 noted that the cost of re-underwriting a single loan might "range from $250-$1000 or more[.]"[251] Mr. Milner himself testified at his deposition that when his company, The Oakleaf Group, LLC, has been engaged to do re-underwriting, the

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[249] *See* Jablansky, Paul, Desmond Macauley, CFA, and Ying Wang. "Non-Agency MBS Strategy Special Report." RBS; September 17, 2010 (filed as exhibit to Institutional Investors' Statement in Support of Settlement and Consolidated Response to Settlement Objections in *In the Matter of the Application of the Bank of New York Mellon v. Walnut Place LLC*, 2011-cv-5988 (S.D.N.Y. Oct 31, 2011) ("RBS Special Report") at 1.

[250] Coordinated Plaintiffs' Memorandum of Law Supporting Sampling. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 11, 2017) at 3.

[251] *See* RBS Special Report at 3.

range of cost per loan is similar.[252] Additionally, Plaintiffs state in this case that they paid $5,261,163.50 for re-underwriting services by Mr. Shev, Opus Capital Market Consultants and The Oakleaf Group, LLC.[253] Mr. Shev's report covered 4,552 loans,[254] which would suggest an underwriting cost of $1,156 per loan.

186. Indeed, litigation around repurchase obligations is commonplace, and is frequently necessary to enforce repurchase obligations where warrantors have refused to repurchase. Litigation would compound costs, and the duration and outcomes of such litigation could be varied and uncertain. And for any litigation, in addition to re-underwriting costs, substantial additional attorney and expert fees, as well as other litigation-related costs, would also be incurred.

187. Nevertheless, Mr. Milner fails to take into account the uncertainties of time and costs associated with the repurchase process in his damages calculations. Instead, Mr. Milner assumes that the efforts undertaken by the trustee even prior to initiating litigation would come at no financial cost to the trusts and the certificateholders (including Plaintiffs). But contrary to Mr. Milner's assumption of costless repurchase efforts, the trusts themselves would bear the financial burden of costs that are typically incurred during the course of repurchase enforcement efforts and then additional costs during subsequent litigation.[255]

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[252] Milner Dep. 185:18-20 ("The range of [re-underwriting] costs are anywhere between $200 and $1,000 per loan, depending on the scope of the project.").

[253] Negotiated Responses from Plaintiffs to Request 11. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (June 14, 2019).

[254] Shev Report at 3.

[255] *See, e.g.*, HVMLT 2007-1 PSA at WF_NCUA_000030467 ("In addition, the Trustee will be entitled to recover from the Distribution Account pursuant to Section 4.03(a) all reasonable out-of-pocket expenses, disbursements and advances, including without limitation, in connection with any filing that the Trustee is required to make under Section 3.07 hereof, any Event of Default, any breach of this Agreement or any claim or legal action (including any pending or threatened claim or legal action) incurred or made by the Trustee in the performance of its duties or the administration of the trusts hereunder (including, but not limited to, the performance of its duties under Section 2.03 hereof)[.]"); *see also* Dolan, John H. Reply Expert Report of John H. Dolan. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (July 25, 2019) ("Dolan Reply Report") at ¶ 34 ("This is because any costs that a trustee might incur would typically be borne by the trust. That means that some portion of the trust will experience a reduction (if not a complete elimination) of cash flows in the pursuit of discovery. A holder of such a tranche may not want the trustee to incur the costs of investigation (preferring instead a few more months of coupon payments) and might sue any trustee that took such unilateral action.").

188. Mr. Milner claims that the costs of repurchase litigation will ultimately be recovered through the Purchase Price paid for a simulated repurchase.[256] There are several problems with this claim, and it does not substantiate ignoring these costs in his damages calculations.

189. The first problem is one of timing. Mr. Milner does not deny that costs will be incurred to pursue repurchases, but he ignores the fact that unless and until a repurchase occurs and a Purchase Price is paid for an allegedly Defective Loan, the costs are typically borne by the Relevant Trusts, and payments to certificateholders are correspondingly reduced.[257]

190. In other words, even if all costs incurred by the trustee in enforcing repurchases were eventually reimbursed through the Purchase Price as Mr. Milner contends, his assumption that they are a "wash" is still in error as he ignores the fact that the timing of various costs and subsequent reimbursements will impact payments to certificateholders.

191. In Mr. Milner's scenarios, enforcement efforts are lengthy affairs, sometimes lasting over nine years. Mr. Milner stated at his deposition that he had not analyzed who would cover the costs of enforcing repurchases before a repurchase is agreed to or paid,[258] and his damages calculations simply ignore these costs and the impacts on cashflows prior to his simulated repurchases and Funding Dates. This renders his calculations unreliable.

192. The second problem with Mr. Milner's claim is that it presumes and is contingent on successful repurchase of all loans *and* all costs incurred to pursue repurchase of those loans. As discussed

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[256] Milner Dep. 156:11-157:7 ("Q. Have you analyzed the cost to the trust to pursue six months of enforcement activities? A. I assumed that the cost to the trust of pursuing the enforcement activities would be reimbursed to the trust as part of the purchase price. And so I did not analyze that cost. Q. When you say the cost would be reimbursed to the trust as part of the purchase price, what do you mean? A. I assumed that whatever costs the trustee incurred to enforce the repurchase would be repaid as part of the purchase price. And so, I did not analyze those costs, nor did I analyze -- nor did I include any of those costs in the purchase price. I assumed that those costs would be a wash for the trustee.").

[257] *See* Dolan Reply Report at ¶ 34 ("This is because any costs that a trustee might incur would typically be borne by the trust. That means that some portion of the trust will experience a reduction (if not a complete elimination) of cash flows in the pursuit of discovery. A holder of such a tranche may not want the trustee to incur the costs of investigation (preferring instead a few more months of coupon payments) and might sue any trustee that took such unilateral action."); *see also* Burnaman II, Phillip R. Expert Report of Phillip R. Burnaman II. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (June 20, 2019) at ¶ 87 ("RMBS investors—particularly those in the tranches that presumably would be disproportionately impacted—were keenly aware of the process they needed to follow to direct the trustee to act, and the fact that the expenses, fees and costs associated with such an investigation would be paid directly from the trust.").

[258] Milner Dep. 179:15-180:3 ("Q. Are you assuming that the trustee would use its own funds to litigate in the first instance before those – A. I don't know where the trustee would get that money. [Objection omitted] Q. Have you analyzed that as part of your damages analysis in this case? A. I did not need to analyze that. So, I did not.").

above in Section VI.B, however, Mr. Milner's assumption of 100 percent repurchase success is without basis, as is his assumption of 100 percent recoveries of all repurchase costs (even in the case of 100 percent repurchase success). Mr. Milner provides no methodology to account for repurchase costs incurred in the absence of 100 percent repurchase success or reimbursement. Accounting for such costs would require changing his damages models.

193. One example is the case where U.S. Bank, N.A. ("U.S. Bank"), acting in its capacity as trustee of the Morgan Stanley Mortgage Loan Trust 2006-4SL and Mortgage Pass-Through Certificates, Series 2006-4SL, filed a complaint in August 2012 against Morgan Stanley Mortgage Capital Inc. ("MSMC") to enforce MSMC's alleged obligation to repurchase approximately 3,000 mortgage loans from the trust.[259] After lengthy and costly proceedings, the parties eventually settled for $21.5 million, and funds were distributed in November 2018.[260]

194. The litigation resulted in significant expenses that were charged to the trust both during the litigation and taken from the settlement amount prior to distribution of settlement funds to certificateholders. In particular, over $1.5 million in extraordinary trust fund expenses were reported in the trust's remittance reports over the course of the litigation as "fees and expenses associated with litigation undertaken by the Trustee."[261] Additionally, even after the parties settled, there were additional attorneys' fees and litigation expenses that were taken out from the settlement amount prior to distribution to certificateholders, reducing the amounts recovered by the certificateholders in the case.[262]

195. Because Mr. Milner's damages calculations fail to take into account these costs associated with the trustee's enforcement efforts, they are unreliable.

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[259] Complaint. *Morgan Stanley Mortgage Loan Trust 2006-4SL and Mortgage Pass-Through Certificates, Series 2006-4SL v. Morgan Stanley Mortgage Capital Inc*. (N.Y. Sup. No. 650579/2012) (Aug. 7, 2012).

[260] Morgan Stanley Mortgage Loan Trust 2006-4SL Notice to Holders Regarding Settlement Payment Distribution Date (Oct. 30, 2018). <https://usbtrustgateway.usbank.com> (accessed July 11, 2019) ("MSM 2006-4SL Settlement Distribution Notice").

[261] Remittance Reports: MSM 2006-4SL (Jan. 25, 2012 to Feb. 25, 2019).

[262] MSM 2006-4SL Settlement Distribution Notice at 2 ("Pursuant to the Trust Agreement, the Trust Fund is obligated to pay the fees, costs and expenses of the Putback Action (as defined in the Trust Instruction Proceeding) and the Trust Instruction Proceeding. This includes, but is not limited to, compensation for the Trustee time spent, and the fees and costs of counsel and other agents it employs, to pursue remedies or other actions to protect the interests of Holders. These amounts will be paid prior to distributions to Holders.").

VIII. OPINION FOUR: SOME INVESTORS WOULD RECEIVE REDUCED CASHFLOWS IN MR. MILNER'S BUT-FOR SCENARIOS.

196. Mr. Milner's analysis disregards the disparate interests and incentives of different classes within a trust that Wells Fargo, as trustee, would have had to consider in Plaintiffs' but-for world. Certificateholders who invested in various tranches have different economic incentives regarding the actions of Wells Fargo. For example, a servicer's foreclosure decision on a loan could benefit one tranche at the expense of another.[263] These conflicts between tranches have been known as "tranche warfare."[264]

197. Governing Agreements, therefore, generally include provisions regarding the assignment of voting rights and minimum thresholds of voting rights necessary to direct trustee action. As an example, for ABFC 2006-OPT2, voting rights are allocated among some of the tranches, and some tranches do not have voting rights. Ninety-eight percent of the voting rights are collectively allocated to the "Offered Certificates" (the Class A and Class M tranches)[265] and the Class B certificates. Each certificate's share of this 98 percent of voting rights is determined by a formula wherein the outstanding balance of a given certificate is divided by the aggregate outstanding balance of the Offered Certificates and the Class B certificates.[266] The trustee is prevented from making "any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or documents, unless requested in writing to do so by the Majority Certificateholders or the NIMS Insurer," prior to a Servicer Event of Termination.[267] Majority Certificateholders are defined as "[t]he Holders of Certificates evidencing at least 51% of the Voting Rights."[268] *See* **Exhibit 21**: *Voting Rights Percent Over Time for Relevant Certificates in HVMLT 2007-1.* Other Relevant Trusts have similar thresholds.

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[263] Gerardi, Kristopher, and Wenli Li. "Mortgage Foreclosure Prevention Efforts." *Federal Reserve Bank of Atlanta Economic Review* 2 (2010): 1-13 at 9 ("Since investors in the various tranches have different claims to the cash flows from the MBS, a modification could alter the flows in a way that would benefit one tranche at the expense of another.").

[264] *See, e.g.*, *id.* ("Thus, there may be enough ambiguity in the PSAs to make servicers wary of getting caught up in so-called tranche warfare[.]").

[265] *See* ABFC 2006-OPT2 PSA at WF_NCUA_000035069 and WF_NCUA_000035100.

[266] *Id.* at WF_NCUA_000035038 and WF_NCUA_000035100.

[267] *Id.* at WF_NCUA_000035189-90.

[268] *Id.* at WF_NCUA_000035064.

198. Mr. Milner's analysis is based on the premise that the trustee should have undertaken the actions contemplated in his but-for scenarios. However, Plaintiffs' collective voting rights, based on their ownership share in the Relevant Trusts, have never exceeded the minimum threshold necessary to effectuate certain actions by the trustee. *See* **Exhibit 22**: *Plaintiffs' Alleged Highest Voting Rights or Voting Interests in Each Relevant Trust*, the highest voting rights or voting interests in the Relevant Trusts ranged from 2.4 percent for FFML 2006-FF17 to 30.2 percent for HVMLT 2006-11.

199. Moreover, some tranches would have received reduced cashflows in Mr. Milner's but-for scenarios than they received in the "actual world." For example, consider the HVMLT 2006-12 2A-2A certificate. In Mr. Milner's calculation of damages in his MF_1.1(a) scenario for this trust, holders of the 2A-2A tranche would have received the entire original balance of their tranche, *i.e.* been fully paid off, as of July 2008. As a consequence, these certificateholders would not have received any interest distributions in subsequent years. However, in the "actual world," this tranche received interest distributions through July 2019. Comparing the actual interest distributions to Mr. Milner's but-for scenario interest distributions, the certificateholders of 2A-2A receive over $45 million less in Mr. Milner's but-for scenario. Indeed, in all of Mr. Milner's 34 but-for damages scenarios for HVMLT 2006-12, he calculates a reduction in interest distributions to the 2A-2A certificate as compared to the "actual world."

200. I identified the tranches that would receive lower cumulative principal and interest payments using Mr. Milner's damages calculations across his myriad but-for scenarios. **Exhibit 23**: *Example Tranches with Lower Cumulative Payments in Certain of Mr. Milner's But-for Scenarios* shows the results for certain certificates across some of Mr. Milner's but-for scenarios. For instance, the ABFC 2006-OPT2 A3C certificate would receive lower cumulative principal and interest payments in 30 out of Mr. Milner's 32 scenarios.

201. Mr. Milner fails to explain why his in but-for scenarios the trustee should have taken unilateral action to enforce repurchases when such action would have resulted in reduced cashflows to many tranches and the investors holding certificates in such tranches. At his deposition, Mr. Milner stated that, although he calculated the impact to all tranches of his but-for scenarios,[269]

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[269] Milner Dep. 310:20-311:2 ("I modelled the impact of the repurchases on all of the certificates in each trust as was necessary to accurately calculate the but-for cash flows for plaintiff certificates.").

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he did not create a condition for certificateholders other than Plaintiffs in calculating damages.[270]

IX. OPINION FIVE: MR. MILNER'S ANALYSIS OF ALLEGED COUNTERPARTIES' ABILITY TO PAY REPURCHASE AMOUNTS IS INCOMPLETE AND FLAWED.

202. Mr. Milner offers an additional opinion on the "financial ability of counterparties to make the repurchase payments simulated in [his] damages modeling."[271] As an initial matter, I note that a counterparty's claimed ability to pay is not the same as a counterparty's willingness to pay, and as explained in more detail in Section VI.B, warrantors regularly rejected repurchase demands and had significant economic incentives to do so. Additionally, for the reasons described below, Mr. Milner's assessment of the financial ability of counterparties to pay is incomplete and flawed because it does not correctly calculate the repurchase and make whole payments Mr. Milner purports to simulate and does not include relevant parties and time periods.

203. Mr. Milner first identifies three institutions that he designates as "obligated counterparties" for the repurchases and make wholes he simulates in his damages calculations: Bank of America, H&R Block, and the Royal Bank of Scotland ("RBS").[272] According to his report, Mr. Milner used the relevant Governing Agreements, instructions of counsel, as well as the SEC Edgar database to identify these financial institutions as current counterparties, based either on their role as an original counterparty (in the case of Bank of America, as Seller for the ABFC 2006-OPT2 trust) or as successor-in-interest to an original counterparty (in the case of all three).[273] Mr. Milner next analyzes, for Bank of America and H&R Block, their assets and incomes during the period between 2008 and 2015, and for RBS, its repurchase settlement activity and amounts reserved for settlements from 2009 to 2018. He calculates the total alleged "[c]osts of repurchase activity" that he simulates and then concludes that, for all three current counterparties, the "repurchase expenses stipulated in [his] damages calculations would have been collectible" from them.[274]

[270] *Id.* at 312:5-8 ("I did not create a condition precedent for my repurchase simulations regarding the impact on any particular certificateholder.").

[271] Milner Report at ¶ 83.

[272] *Id.*

[273] *Id.*

[274] *Id.* at ¶¶ 85-87.

Mr. Milner's Analysis of Alleged Counterparties' Ability to Pay is Incomplete Because He Does Not Consider All Relevant Repurchase Amounts.

204. Mr. Milner's calculations of so-called "[c]osts of repurchase activity" for the simulated repurchases in his but-for scenarios are incomplete because he does not include all relevant costs in calculating his "[c]osts of repurchase activity."

205. As he explains in Exhibit C to his report, Mr. Milner calculates alleged "repurchase costs" for active loans as "the Purchase Price paid minus the Unpaid Principal Balance for each mortgage loan repurchased."[275] This calculation is, notably, different than the repurchase amounts simulated for active loans in his damages calculations, as Mr. Milner confirmed at his deposition.[276] In simulating repurchases for his damages calculations, Mr. Milner uses an active loan's Purchase Price without any credit or reduction for the loan's unpaid principal balance.[277] Thus, Mr. Milner's calculation of "[c]osts of repurchase activity" is substantially less than the simulated repurchase and make whole amounts in his damages calculations.[278] For example, in calculating the claimed "[c]osts of repurchase activity" for the loan repurchases and make wholes contemplated in his Primary Damages Scenario, Mr. Milner calculates a total repurchase cost of $1.62 billion. In contrast, in his damages calculations, because Mr. Milner does not deduct unpaid principal balance, he simulates $4.97 billion in repurchase amounts, an amount 207 percent greater than his calculated "[c]ost of repurchase activity." *See* **Exhibit 24**: *Comparison Between Mr. Milner's "Cost of Repurchase Activity" and Simulated Repurchase and Make Whole Amounts*.

206. Mr. Milner likewise excludes from his calculations of repurchase and make whole amounts the additional costs associated with repurchase enforcement that he believes the counterparties are obligated to pay. For example, according to Mr. Milner's interpretation of the relevant Governing Agreements, litigation costs and other repurchase enforcement costs are a "wash" to

[275] Milner Report at Exhibit C.

[276] Milner Dep. 320:20-321:6 ("Q. You subtract the unpaid principal balance from the purchase price in calculating claim counterparty expenses on Exhibit C. Right? A. Yes. Q. You don't subtract that unpaid principal balance in calculating the purchase price to simulate in your repurchase scenarios, right? A. Correct.").

[277] *Id.*

[278] *Id.* at 321:22-322:4 ("Q. Can you say how it changes the numbers if the unpaid principal balance is not subtracted from the analyzed counterparty expenses? A. It would make the numbers go up.").

the trust.[279] That is, he interprets the Governing Agreements as allowing the trustee to charge all the costs it incurs enforcing repurchase obligations to the parties he identifies as the obligated counterparties.[280] Under his interpretation of the Governing Agreements, then, the obligated counterparties would be responsible for the sizable costs associated with repurchase efforts that he not attempted to measure.[281] Mr. Milner's assessment of an obligated counterparty's ability to pay does not include these costs, despite his belief that they should be included in the purchase price of repurchased loans. This omission is another critical gap in his assessment of obligated counterparty repurchase ability and renders his calculations incomplete.

207. Similarly, Mr. Milner's analysis of certain allegedly obligated counterparties is incomplete because it considers the amounts necessary to repurchase the loans identified in this case, as well as certain repurchase activity reported on the alleged counterparties' public financial statements, but he does not consider other enforcement activity not reported on financial statements. Mr. Milner, for example, does not account for the significant RMBS trustee litigation brought by Plaintiffs and other investors against Wells Fargo and other trustees like U.S. Bank, B.N.Y. Mellon, and Deutsche Bank involving the same counterparties and similar breach of contract claims.[282] Other claims against Wells Fargo as trustee that Mr. Milner ignores, such as the *Phoenix Light* and *Commerzbank* cases, even involve overlapping trusts and warrantors. Mr. Milner also does not consider increased enforcement activity likely to

[279] Milner Dep. 156:14-157:7 ("A. I assumed that the cost to the trust of pursuing the enforcement activities would be reimbursed to the trust as part of the purchase price. And so I did not analyze that cost. Q. When you say the cost would be reimbursed to the trust as part of the purchase price, what do you mean? A. I assumed that whatever costs the trustee incurred to enforce the repurchase would be repaid as part of the purchase price. And so, I did not analyze those costs, nor did I analyze -- nor did I include any of those costs in the purchase price. I assumed that those costs would be a wash for the trustee.").

[280] *Id.*

[281] *Id.* at 179:6-14 ("Q. What do you base your assumption that the obligated counterparty will pay the cost of pursuing repurchase litigation? A. That is my understanding of the provisions in the pooling and servicing agreement and in particular the purchase price definition, that in general the expenses incurred by the trustee to enforce the repurchase obligations are reimbursable to the trustee.").

[282] *See, e.g.*, *Phoenix Light SF Limited, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10102); *Commerzbank AG v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:15-cv-10033); *Phoenix Light SF Limited et al v. U.S. Bank National Association et al.* (S.D.N.Y. No. 1:14-cv-10116); *Commerzbank AG v. v. U.S. Bank National Association et al.* (S.D.N.Y. 1:16-cv-04569); *National Credit Union Administration Board et al. v. U.S. Bank National Association et al.* (S.D.N.Y. No. 1:18-cv-11366); and *Phoenix Light SF Ltd. et al. v. The Bank of New York Mellon Corp.* (S.D.N.Y. No. 1:14-cv-10104); and *Commerzbank AG v. Bank of New York Mellon* (S.D.N.Y. No. 1:15-cv-10029).

ensue in other, related trusts, if the repurchases at the unprecedented volumes here were to be accepted by the identified counterparties.

Mr. Milner's Analysis of Alleged Counterparties' Ability to Pay Also Fails to Consider What He Identifies as the Relevant Time Periods.

208. Mr. Milner's analysis of obligated counterparties contains further errors because it focuses on the repurchase ability of the *current* alleged counterparties, not the counterparties as of the Funding Dates used in his various damages scenarios.

209. For instance, Mr. Milner's MF_1.1(a) scenario has a Funding Date of December 6, 2007 for HVMLT 2006-11, but Countrywide was not acquired by Bank of America until after December 6, 2007. Mr. Milner's analysis of Bank of America's financial condition as of 2008 does not establish that Countrywide could have funded the MF_1.1(a) scenario as of December 6, 2007 or otherwise address the complexities or issues associated with the acquisition of Countrywide by Bank of America.

210. Similarly, for both Bank of America and H&R Block, Mr. Milner cuts off his analysis at 2015. As a result, Mr. Milner's calculations shed no light on those counterparties' abilities to repurchase in the MF_2.0 scenario for either the HVMLT 2007-1 trust or the SVHE 2007-OPT1 trust, which have Funding Dates of February 1, 2016 and April 1, 2016, respectively.[283]

211. Mr. Milner's decision to end his analysis at 2015 for two alleged current counterparties is also notable given that, in more than half his scenarios (the "b" versions), there is not one date when all Defective Loans are hypothetically repurchased. In these scenarios, as described above, Mr. Milner uses an assumption of "rolling repurchase" of loans. As a result, the dates of repurchase depend on the loan's delinquency status and occur between a Relevant Trust's Funding Date and the cut-off date established in Mr. Milner's damages model.

X. CONCLUSION

212. As described herein, Mr. Milner's damages calculations are flawed and contain numerous errors:

[283] Milner Report at Corrected Exhibit D.

- Mr. Milner's damages calculations do not properly account for the trustee's distinct role, ignoring relevant facts and circumstances and making counterfactual assumptions untethered to the realities of the Relevant Trusts and repurchase process that effectively treat Wells Fargo as a guarantor of warrantor conduct.

- Mr. Milner presents a staggering number of alternative damages calculations resting on many contradictory assumptions without evaluation or analysis of the alternatives he proposes. Such a "pick-and-choose" assortment of more than 1.6 billion unique scenarios fails to reliably calculate damages attributable to Wells Fargo.

- Mr. Milner's damages calculations also rely on many unfounded counsel-supplied assumptions that Mr. Milner does not evaluate or support, including unwarranted assumptions of 100 percent success in repurchases and make whole transactions, unsupported assumptions regarding make wholes of liquidated loans, arbitrary and unreasonable Funding Dates with no factual basis, unsupported assumptions about the length and outcome of repurchase litigation, and unfounded assumptions across all performing loans regarding rolling or bulk repurchases.

- Mr. Milner also relies on lists provided by counsel and the determinations of other experts regarding the materiality of alleged mortgage file defects and alleged breaches of representations and warranties. These materiality determinations are not supported by empirical evidence and are contradicted by my analysis and the analyses of Wells Fargo's other experts. Mr. Milner's reliance on incorrect materiality determinations renders his damages calculations inaccurate and invalid.

- Mr. Milner fails to analyze the costs associated with pursuing the repurchases and make wholes underlying his calculations, and investors who would receive reduced cashflows, doing worse under his but-for scenario; and

- Mr. Milner's assessment of the financial ability of certain alleged counterparties to make the repurchase payments simulated in his damages calculations is flawed and incomplete.

213. For all these reasons, Mr. Milner's damages calculations are unreliable and unreasonable, and do not reflect damages to Plaintiffs arising out of Wells Fargo's alleged failure to fulfill its alleged duties. Therefore, Mr. Milner has not established any damages attributable to Wells Fargo's alleged misconduct.

Dated: August 1, 2019

[Corrected August 8, 2019]

Ethan Cohen-Cole, Ph.D.

Exhibit 1
Plaintiffs' Claimed Acquisitions[1]

					Relevant Dates			
Purchaser[2]	Trust	Certificate[3]	CUSIP	Purchase Amount[4]	Purchase Date[5]	Date Credit Unions Liquidated by NCUA[6]	NGN Closing Date[7]	Date of Last NGN Remittance Report[8]
MUC	HVMLT 2007-1	2A-1A	41164MAC1	$27,925,848	July 31, 2007	Oct. 31, 2010	Dec. 9, 2010	n/a
	HVMLT 2007-1	2A-1A	41164MAC1	$11,968,221	July 31, 2007	Oct. 31, 2010	Feb. 11, 2011	n/a
	HVMLT 2007-1	2A-1B	41164MAD9	$20,000,000	Mar. 9, 2007	Oct. 31, 2010	Mar. 31, 2011	Oct. 5, 2017
USC	ABFC 2006-OPT2	A-3D	00075XAF4	$21,929,000	Oct. 12, 2006	Oct. 1, 2010	Oct. 27, 2010	n/a
	ABFC 2006-OPT2	M-1	00075XAG2	$12,000,000	Oct. 12, 2006	Oct. 1, 2010	June 16, 2011	n/a
	FFML 2006-FF15	M1	32028GAG0	$30,000,000	Oct. 30, 2006	Oct. 1, 2010	June 16, 2011	n/a
	FFML 2006-FF17	M1	32028KAG1	$8,300,000	Nov. 27, 2006	Oct. 1, 2010	June 16, 2011	n/a
	HVMLT 2006-11	A-1A	41162GAA0	$100,000,000	Nov. 13, 2006	Oct. 1, 2010	Oct. 27, 2010	n/a
	SVHE 2007-OPT1	II-A-3	83612TAD4	$70,000,000	May 15, 2007	Oct. 1, 2010	Dec. 9, 2010	n/a
	SVHE 2007-OPT1	II-A-3	83612TAD4	$30,000,000	May 15, 2007	Oct. 1, 2010	Feb. 11, 2011	n/a
WSC	HVMLT 2006-11	A-1B	41162GAB8	$18,934,000	Nov. 13, 2006	Oct. 1, 2010	Apr. 14, 2011	July 8, 2016
	HVMLT 2006-12	2A-2B	41162DAG4	$80,000,000	Dec. 13, 2006	Oct. 1, 2010	Apr. 14, 2011	July 8, 2016
	HVMLT 2007-1	2A-1C2	41164MAP2	$56,000,000	Mar. 9, 2007	Oct. 1, 2010	May 5, 2011	Dec. 8, 2015
	HVMLT 2007-1	2A-1C2	41164MAP2	$6,921,395	Mar. 15, 2007	Oct. 1, 2010	May 5, 2011	Dec. 8, 2015
	HVMLT 2007-1	B-1	41164MAF4	$48,602,000	Mar. 9, 2007	Oct. 1, 2010	June 16, 2011	n/a

Notes:

1. The information presented is taken from Exhibit A of the Third Amended Complaint, unless otherwise noted. Tranches not included in Mr. Milner's damages calculations are not reported.
2. For each Relevant Trust, Purchaser refers to the Credit Union or Credit Unions that were reported as having originally purchased certificate(s) in said trust based on Plaintiffs' Aug. 21, 2017 R&Os.
3. Certificate refers to the information indicated in the "Tranche" column of Plaintiffs' Aug. 21, 2017 R&Os at Exhibit A.
4. Purchase Amount refers to the amount indicated in the "Price Paid" column of Plaintiffs' Aug. 21, 2017 R&Os at Exhibit A.
5. Purchase Date refers to the date indicated in the "Settle Date" column of Plaintiffs' Aug. 21, 2017 R&Os at Exhibit A.
6. Date Credit Unions Liquidated by NCUA refers to the date that the NCUA Board claims that it placed the Purchasers listed above in involuntary liquidation and appointed itself liquidating agent, as defined in the Third Amended Complaint at ¶¶ 23 and 24.
7. NGN Closing Date is obtained from Plaintiffs' Aug. 21, 2017 R&Os at Exhibit A. For CUSIP 41162GAB8 and CUSIP 41162DAG4, I referred to footnote 1 of the Third Amended Complaint to identify the NGN trust and referred to the NGN 2011-R5 Prospectus Supplement for the closing date.
8. The NCUA Board brings this action in its own right for certificates listed in ¶ 25 of the Approved Amendments by Interlineation to the Third Amended Complaint. The date refers to the date reported in the last published NGN Remittance Report.

Exhibit 1

Plaintiffs' Claimed Acquisitions[1]

Sources:

- Approved Amendments by Interlineation to the Third Amended Complaint. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Dec. 8, 2017).
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) at Exhibit A.
- NGN Remittance Reports: NGN 2011-R4 (Oct. 5, 2017); NGN 2011-R5 (July 8, 2016); and NGN 2011-R6 (Dec. 8, 2015).
- Plaintiffs' Supplemental Responses and Objections to Wells Fargo Bank, N.A.'s Contention Interrogatories Numbers 7, 8 and 10 and First Set of Interrogatories Number 5. *National Credit Union Administration Board, as Liquidating Agent, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Aug. 21, 2017) at Exhibit A ("Plaintiffs' Aug. 21, 2017 R&Os").
- Third Amended Complaint. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (filed Aug. 31, 2017).

Exhibit 2
Separate Trustee Appointments

Trust	Separate Trustee Appointment Date[1]
ABFC 2006-OPT2	Mar. 25, 2014
FFML 2006-FF15	Oct. 3, 2013
FFML 2006-FF17	Oct. 3, 2013
HVMLT 2006-12	Aug. 31, 2012
HVMLT 2007-1	Aug. 31, 2012
SVHE 2007-OPT1	July 26, 2013

Note:

1. Separate Trustee Appointment Date is the stated effective date upon which Law Debenture Trust Company of New York accepted its court-ordered appointment as a separate trustee to enforce repurchase claims.

Source:

- Notices to Holders: ABFC 2006-OPT2 (Mar. 27, 2014); FFML 2006-FF15 (Oct. 8, 2013); FFML 2006-FF17 (Oct. 8, 2013); HVMLT 2006-12 (Sept. 7, 2012); HVMLT 2007-1 (Sept. 7, 2012); and SVHE 2007-OPT1 (Aug. 2, 2013). <www.ctslink.com> (accessed July 31, 2019).

Exhibit 3

Mr. Milner's Damages Deducting Settlement Amounts From Prior NCUA Litigation

For Illustrative Purposes Only [1]

Funding Scenario (A)[2]	ABFC 2006-OPT2	FFML 2006-FF15[3]	FFML 2006-FF17[3]	HVMLT 2006-11	HVMLT 2006-12	HVMLT 2007-1	SVHE 2007-OPT1	Totals
Primary Damages	$12,179,063	$30,913,201	$8,961,047	-$10,365,897	-$6,632,260	$18,277,750	-$33,421,315	$19,911,590
Combined_1.0 (b)	$12,188,383	$30,944,530	$8,970,193		-$6,565,968	$18,467,538		$64,004,676
Combined_1.1 (a)	$11,983,071	$30,716,211	$8,950,553		-$7,875,437	$17,012,896		$60,787,295
Combined_1.1 (b)	$12,026,981	$31,089,450	$8,973,376		-$7,172,930	$18,027,420		$62,944,297
Combined_2.0 (a)	$12,377,671	$30,231,178	$8,749,071		-$6,394,196	$17,845,197		$62,808,920
Combined_2.0 (b)	$12,382,333	$30,294,120	$8,762,849		-$6,687,881	$17,845,197		$62,596,618
Combined_2.1 (a)	$12,198,584	$30,822,146	$8,434,407		-$6,349,199	$17,587,009		$62,692,947
Combined_2.1 (b)	$12,206,355	$30,869,791	$8,450,676		-$6,349,199	$17,593,101		$62,770,725
Combined_3.0 (a)	$12,178,948				-$6,753,899			$5,425,049
Combined_3.0 (b)	$12,188,227				-$6,830,483			$5,357,743
Combined_3.1 (a)	$12,034,190				-$6,482,976			$5,551,214
Combined_3.1 (b)	$12,064,353				-$6,464,551			$5,599,803
MF_1.0 (a)	$8,750,788	$29,733,392	$7,930,161		-$6,632,260	$19,332,618		$59,114,698
MF_1.0 (b)	$8,901,073	$29,811,897	$7,962,240	-$10,306,064	-$6,565,890	$11,448,629	-$33,220,850	$8,031,036
MF_1.1 (a)	$4,193,109	$27,826,486	$3,403,149	-$12,008,898	-$7,874,727	$17,444,672	-$34,743,476	-$1,759,684
MF_1.1 (b)	$5,089,895	$28,460,514	$6,330,865	-$10,803,108	-$7,171,404	-$28,838,880	-$34,441,486	-$41,373,604
MF_2.0 (a)	$10,799,857	$29,969,062	$8,726,737	-$9,285,207	-$6,413,831	$17,845,197	-$27,223,394	$24,418,422
MF_2.0 (b)	$10,793,270	$29,901,394	$8,410,079	-$9,284,997	-$6,688,221	$17,845,197	-$27,184,471	$23,792,251
MF_2.1 (a)	$10,709,522	$29,959,512	$8,182,779	-$10,072,836	-$6,349,199	$18,121,878	-$32,766,831	$17,784,825
MF_2.1 (b)	$10,791,433	$29,959,355	$8,182,095	-$10,071,236	-$6,349,199	$18,395,458	-$32,621,095	$18,286,812
MF_3.0 (a)	$10,121,540				-$6,769,850		-$32,995,654	-$29,643,964
MF_3.0 (b)	$10,228,876				-$6,828,125		-$32,909,152	-$29,508,401
MF_3.1 (a)	$5,359,066				-$6,482,976		-$34,537,288	-$35,661,198
MF_3.1 (b)	$5,822,113				-$6,462,831		-$34,308,816	-$34,949,534
MF_4.0 (a)	-$1,434,722			-$9,847,700	-$6,478,593	$17,727,094		-$33,920
MF_4.0 (b)	-$1,434,722			-$9,862,406	-$6,428,933	$17,946,384		$220,323
RW_1.0 (a)	$11,867,850	$28,659,305	$8,452,260		-$19,564,851	$18,603,827		$48,018,391
RW_1.0 (b)	$11,867,850	$28,659,305	$8,452,129		-$19,564,851	$18,603,827		$48,018,260
RW_1.1 (a)	$11,785,510	$28,847,170	$8,273,686		-$20,338,204	$18,537,171		$47,105,333
RW_1.1 (b)	$11,786,598	$28,849,370	$8,275,252		-$20,338,204	$18,534,045		$47,107,061
RW_2.0 (a)	$12,319,320	$28,504,898	$8,359,843		-$19,554,835			$29,629,226
RW_2.0 (b)	$12,319,320	$28,504,898	$8,359,626		-$19,554,835			$29,629,009
RW_2.1 (a)	$11,802,006	$28,801,074	$8,528,302		-$25,052,036			$24,079,346
RW_2.1 (b)	$11,802,006	$28,801,352	$8,529,042		-$25,052,036			$24,080,364

Exhibit 3

Mr. Milner's Damages Deducting Settlement Amounts From Prior NCUA Litigation

For Illustrative Purposes Only [1]

Funding Scenario (B)[4]	ABFC 2006-OPT2	FFML 2006-FF15[3]	FFML 2006-FF17[3]	HVMLT 2006-11	HVMLT 2006-12	HVMLT 2007-1	SVHE 2007-OPT1	Totals
Primary Damages	$22,966,084	$34,803,748	$9,228,518	$25,036,991	$22,088,806	$65,939,627	-$33,160,680	$146,903,094
Combined_1.0 (b)	$22,817,797	$34,605,097	$9,331,710		$18,259,459	$61,959,341		$146,973,404
Combined_1.1 (a)	$17,020,974	$31,040,143	$9,141,644		$41,079,303	$91,991,184		$190,273,248
Combined_1.1 (b)	$17,381,207	$31,477,667	$9,385,993		$23,933,567	$71,830,725		$154,009,159
Combined_2.0 (a)	$18,878,025	$35,030,686	$9,529,953		-$1,186,570	$38,863,354		$101,115,448
Combined_2.0 (b)	$18,832,113	$34,536,655	$9,184,853		-$1,487,741	$38,863,354		$99,929,235
Combined_2.1 (a)	$22,694,317	$34,185,096	$10,267,854		$13,755,960	$69,074,471		$149,977,698
Combined_2.1 (b)	$22,551,019	$33,928,499	$10,065,625		$13,755,960	$68,977,707		$149,278,811
Combined_3.0 (a)	$22,999,985				$915,836			$23,915,821
Combined_3.0 (b)	$22,835,439				$849,568			$23,685,007
Combined_3.1 (a)	$17,804,441				$17,747,111			$35,551,552
Combined_3.1 (b)	$17,855,894				$16,959,481			$34,815,376
MF_1.0 (a)	$8,780,179	$30,057,324	$8,034,746	$25,036,991	$22,088,806	$59,923,084	-$33,160,680	$120,760,452
MF_1.0 (b)	$8,930,464	$30,135,829	$8,066,826	$20,654,406	$18,259,537	$47,991,045	-$32,930,659	$101,107,447
MF_1.1 (a)	$4,221,996	$28,150,418	$3,485,496	$44,966,491	$41,080,013	$78,193,776	-$34,639,314	$165,458,876
MF_1.1 (b)	$5,119,254	$28,784,446	$6,435,637	$23,983,895	$23,935,192	$13,564,674	-$34,273,463	$67,549,635
MF_2.0 (a)	$11,439,247	$30,062,073	$8,762,329	-$1,353,624	-$1,224,369	$38,863,354	-$25,333,726	$61,215,284
MF_2.0 (b)	$11,394,112	$29,994,405	$8,445,671	-$1,248,971	-$1,499,613	$38,863,354	-$25,327,847	$60,621,110
MF_2.1 (a)	$10,765,211	$30,196,893	$8,255,410	$15,172,404	$13,755,960	$59,060,859	-$32,425,716	$104,781,022
MF_2.1 (b)	$10,841,255	$30,196,736	$8,254,727	$14,742,401	$13,755,960	$54,573,569	-$32,263,521	$100,101,127
MF_3.0 (a)	$10,157,264				$883,457		-$32,700,407	-$21,659,687
MF_3.0 (b)	$10,262,367				$834,866		-$32,571,623	-$21,474,390
MF_3.1 (a)	$5,388,456				$17,747,111		-$34,416,110	-$11,280,543
MF_3.1 (b)	$5,851,505				$16,896,651		-$34,123,141	-$11,374,984
MF_4.0 (a)				$7,649,023	$7,553,990	$61,183,378		$76,386,391
MF_4.0 (b)				$7,823,515	$7,623,063	$56,828,323		$72,274,901
RW_1.0 (a)	$18,701,934	$28,803,286	$8,502,089		-$17,562,146	$33,376,526		$71,821,690
RW_1.0 (b)	$18,701,934	$28,803,286	$8,501,958		-$17,562,146	$33,376,526		$71,821,559
RW_1.1 (a)	$14,440,734	$29,170,931	$8,375,765		-$16,519,768	$45,468,894		$80,936,556
RW_1.1 (b)	$14,402,550	$29,173,130	$8,377,331		-$16,519,768	$45,216,932		$80,650,176
RW_2.0 (a)	$17,282,407	$28,597,909	$8,396,258		-$18,094,136			$36,182,437
RW_2.0 (b)	$17,282,407	$28,597,909	$8,396,041		-$18,094,136			$36,182,220
RW_2.1 (a)	$18,531,106	$29,038,455	$8,602,442		-$21,782,974			$34,389,030
RW_2.1 (b)	$18,531,106	$29,038,733	$8,603,182		-$21,782,974			$34,390,048

Exhibit 3

Mr. Milner's Damages Deducting Settlement Amounts From Prior NCUA Litigation

For Illustrative Purposes Only [1]

Notes:

1. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated or discounted. This is also not an opinion about whether or how NCUA's prior settlement amounts should be incorporated into Mr. Milner's damages calculations.
2. Mr. Milner's claimed damages amounts, as reported in Mr. Milner's (A) scenarios, do not include 9% interest through September 2018. Settlement amounts are as reported in Figure 8 of the Dolan Report.
3. There are two Relevant Trusts that were not included in Figure 8 of the Dolan Report: FFML 2006-FF15 and FFML 2006-FF17. The damages for these trusts are as reported in Exhibit B of the Milner Report.
4. Mr. Milner's claimed damages amounts, as reported in Mr. Milner's (B) scenarios, include 9% interest through September 2018. Settlement amounts are as reported in Figure 8 of the Dolan Report.

Sources:

- Dolan, John H. Expert Report of John H. Dolan. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Feb. 15, 2019) ("Dolan Report") at Figure 8.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) ("Milner Report") at Exhibit B.

Exhibit 4
Prior NCUA Settlement Allocation to Relevant Trusts

Trust	Tranche	Settlement Allocation[1]	Plaintiffs' Holding (Original Face)[2]	Original Tranche Balance[3]	Plaintiffs' Share[4]	Tranche Applied Historical Writedown[5]	Plaintiffs' Applied Historical Writedown[6]	Settlement Percent of Plaintiffs' Applied Historical Writedown[7]
ABFC 2006-OPT2	A-3D	$54,365.64	$21,929,000	$45,929,000	47.75%	$0	$0	n/a
ABFC 2006-OPT2	M-1	$1,380,356.16	$12,000,000	$49,466,000	24.26%	$40,529,779	$9,832,154	14.04%
HVMLT 2006-11	A-1A	$17,017,797.21	$100,000,000	$350,409,000	28.54%	$23,152,509	$6,607,281	257.56%
HVMLT 2006-11	A-1B	$6,556,749.18	$18,934,000	$38,934,000	48.63%	$15,957,444	$7,760,267	84.49%
HVMLT 2006-12	2A-2B	$29,127,192.02	$80,000,000	$589,300,000	13.58%	$144,545,270	$19,622,640	148.44%
HVMLT 2007-1	2A-1A	$5,996,114.20	$50,000,000	$587,714,000	8.51%	$0	$0	n/a
HVMLT 2007-1	2A-1B	$0.00	$20,000,000	$244,880,000	8.17%	$42,319,745	$3,456,366	0.00%
HVMLT 2007-1	2A-1C2	$22,712,817.37	$62,928,000	$96,928,000	64.92%	$41,772,450	$27,119,684	83.75%
HVMLT 2007-1	B-1	$33,690,523.08	$48,602,000	$48,602,000	100.00%	$48,602,000	$48,602,000	69.32%
SVHE 2007-OPT1	II-A-3	$34,748,716.75	$100,000,000	$178,045,000	56.17%	$0	$0	n/a
Total		**$151,284,631.61**	**$514,393,000**	**$2,230,207,000**	**23.06%**	**$356,879,197**	**$123,000,393**	**123.00%**

Notes:

1. Settlement Allocation refers to NCUA's allocation of proceeds from securities fraud settlements attributable to the Relevant Certificates according to Figure 8 in the Dolan Report.
2. Plaintiffs' Holding reports the original face value of all purchases of each Relevant Certificate reported in Plaintiffs' Aug. 21, 2017 R&Os at Exhibit A.
3. Original Tranche Balance is the original balance of the tranche as listed in the prospectus supplements.
4. Plaintiffs' Share is calculated as the original face value of Plaintiffs' Holdings divided by the Original Tranche Balance.
5. Tranche Applied Historical Writedown is reported by Bloomberg as of July 30, 2019.
6. Plaintiffs' Applied Historical Writedown is calculated as the Tranche Applied Historical Writedown multiplied by Plaintiffs' Share.
7. Settlement Percent of Plaintiffs' Applied Historical Writedown is calculated as the Settlement Allocation divided by Plaintiffs' Applied Historical Writedown.

Sources:

- Bloomberg, L.P. (accessed July 30, 2019).
- Dolan, John H. Expert Report of John H. Dolan. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Feb. 15, 2019) ("Dolan Report") at Figure 8.
- Plaintiffs' Supplemental Responses and Objections to Wells Fargo Bank, N.A.'s Contention Interrogatories Numbers 7, 8 and 10 and First Set of Interrogatories Number 5. *National Credit Union Administration Board, as Liquidating Agent, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Aug. 21, 2017) at Exhibit A ("Plaintiffs' Aug. 21, 2017 R&Os").

Exhibit 4
Prior NCUA Settlement Allocation to Relevant Trusts

Sources (cont.):

- Prospectus Supplements: ABFC 2006-OPT2 (WF_NCUA_000033860 at WF_NCUA_000033865); HVMLT 2006-11 (WF_NCUA_000016912 at WF_NCUA_000016914); HVMLT 2006-12 (WF_NCUA_000001715 at WF_NCUA_000001717); HVMLT 2007-1 (WF_NCUA_000030610 at WF_NCUA_000030612); and SVHE 2007-OPT1 (WF_NCUA_000028548).

Exhibit 5

Mr. Milner's Damages Excluding 93 Loans for Which Mr. Shev Did Not Find a Material Claim for HVMLT 2006-12[1, 2]

For Illustrative Purposes Only[3]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2006-12	RW_1.0 (a)	$11,565,046	$9,977,689	-$1,587,357	-13.73%
	RW_1.0 (b)	$11,565,046	$9,977,689	-$1,587,357	-13.73%
	RW_1.1 (a)	$12,607,424	$11,208,771	-$1,398,653	-11.09%
	RW_1.1 (b)	$12,607,424	$11,208,771	-$1,398,653	-11.09%
	RW_2.0 (a)	$11,033,056	$9,799,567	-$1,233,489	-11.18%
	RW_2.0 (b)	$11,033,056	$9,799,567	-$1,233,489	-11.18%
	RW_2.1 (a)	$7,344,218	$6,752,393	-$591,825	-8.06%
	RW_2.1 (b)	$7,344,218	$6,752,393	-$591,825	-8.06%

Notes:

1. All damages amounts reported include statutory interest as calculated in Mr. Milner's (B) scenarios. Amounts would be less if the statutory interest is excluded.
2. Mr. Milner's damages in his RW scenarios are recalculated excluding the 93 loans in HVMLT 2006-12 for which Mr. Shev does not find a material R&W breach claim according to his June analysis.
3. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.

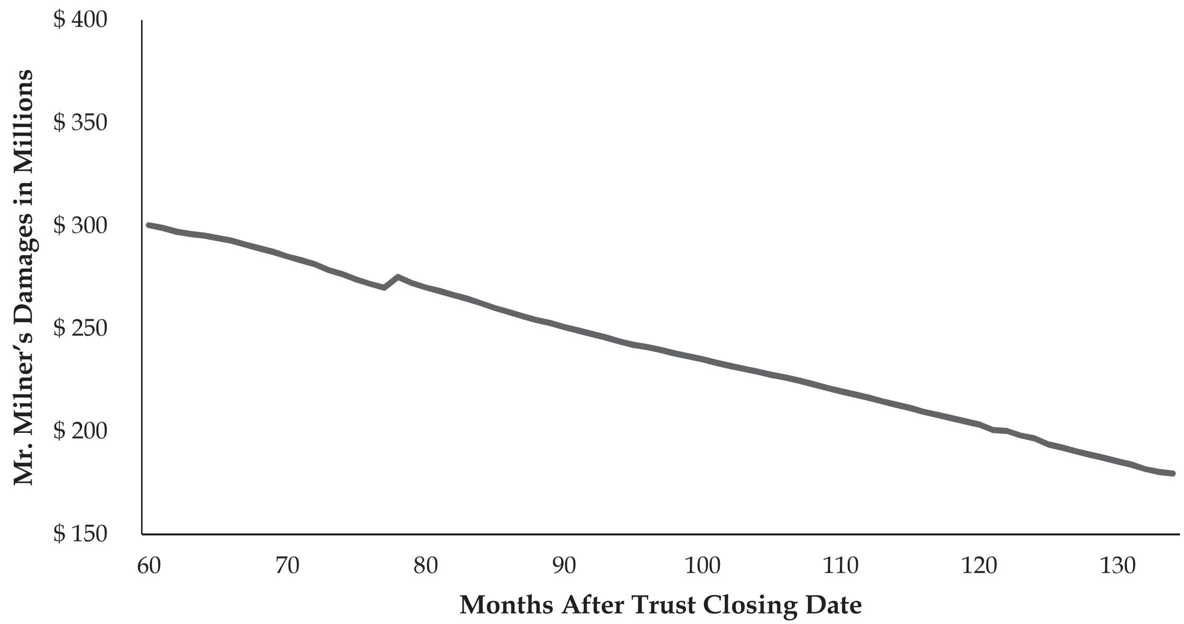
Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- HVMLT 2006-12 Claim Review.xlsx.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.
- Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials.

Exhibit 6

Mr. Milner's Damages Vary Under Alternative Funding Dates[1]

For Illustrative Purposes Only[2]



Notes:

1. Mr. Milner's Primary Damages Calculations under his (B) scenarios have been recalculated for alternative Funding Dates beginning 60 months following trust closing and ending 134 months after closing. Amounts would be less if the statutory interest is excluded. This exercise is intended to illustrate that Mr. Milner's damages change when his unsupported Funding Dates are changed to alternate dates.
2. This exercise is for illustrative purposes only and is not a calculation of damages, nor an opinion about how damages should be calculated. This exercise is not a suggestion about how appropriate Funding Dates should be selected.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 7
Material Exception Claims by Trust

Document Type	ABFC 2006-OPT2	FFML 2006-FF15	FFML 2006-FF17	HVMLT 2006-11	HVMLT 2006-12	HVMLT 2007-1	SVHE 2007-OPT1
Assignment	132	85	6	2	10	6	207
Consolidation				1	20	4	
Endorsement					5		
Modification		12	10				
Mortgage				272	7,053	1,588	
Note		4	1	2	11		
Other		1					
Power of Attorney	1	65	37		8	43	1
Security Instrument	122	200	70				93
Security Instrument Rider	4						2
Title Policy	180	2,043	703	297	7,375	1,898	201
Number of Loans[1]	**387**	**2,264**	**790**	**319**	**7,532**	**2,088**	**399**

Note:

1. This list includes only loans with a claimed material exception for which Mr. Milner simulated a repurchase or make whole. Loans for which Mr. Blum alleged a material exception but Mr. Milner did not simulate a repurchase or make whole are not included. Because a loan may have more than one alleged material exception, the total number of loans with alleged exception claims in a trust does not equal the total number of exception claims.

Sources:

- Blum, Leonard A. Expert Report of Leonard A. Blum. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 8
Litigation Timelines For Example Repurchase Cases[1]

Active or Stayed Part 60 Put-Back Cases

Case Number	Trust	Date Commenced[2, 3]	Date Disposed[2]	Case Status[2]	Time Since Commencement[4]
651282/2012	MARM 2006-OA1	4/19/2012	n/a	Restored	7 years, 1 month
652614/2012	NAA 2006-AF2	7/27/2012	n/a	Active	6 years, 10 months
652619/2012	NAA 2006-S3	7/27/2012	n/a	Active	6 years, 10 months
653390/2012	NAA 2006-S4	9/27/2012	n/a	Active	6 years, 8 months
653783/2012	NHELI 2006-FM2	11/5/2012	n/a	Active	6 years, 7 months
654157/2012	HEAT 2006-8	11/30/2012	n/a	Active	6 years, 6 months
650291/2013	MSAC 2007-NC1	1/28/2013	n/a	Active	6 years, 4 months
650337/2013	NHELI 2007-2	1/30/2013	n/a	Active	6 years, 4 months
650339/2013	MSM 2007-2AX	1/31/2013	n/a	Active	6 years, 4 months
650692/2013	SASC 2007-BC2	3/1/2013	n/a	Active	6 years, 3 months
651124/2013	NHELI 2007-3	3/29/2013	n/a	Active	6 years, 2 months
651174/2013	HEAT 2007-2	4/2/2013	n/a	Active	6 years, 2 months
153945/2013	NTIX 2007-HE2	4/30/2013	n/a	Active	6 years, 1 month
651627/2013	HASC 2007-HE2	5/3/2013	n/a	Active	6 years, 1 month
651789/2013	SABR 2007-BR2-5	5/20/2013	n/a	Stayed	6 years
651957/2013	EQLS 2007-1	6/3/2013	n/a	Active	6 years
651959/2013	MSAC 2007-NC3	6/3/2013	n/a	Active	6 years
652699/2013	CSMC 2007-NC1	8/1/2013	n/a	Active	5 years, 10 months
652686/2013	MSM 2007-12	7/31/2013	n/a	Stayed	5 years, 10 months
651370/2014	OWNIT 2006-5	5/2/2014	n/a	Stayed	5 years, 1 month
651371/2014	SURF 2006-AB3	5/2/2014	n/a	Stayed	5 years, 1 month
651373/2014	OWNIT 2006-7	5/2/2014	n/a	Stayed	5 years, 1 month
651388/2014	SURF 2007-AB1	5/5/2014	n/a	Stayed	5 years, 1 month
652727/2014	MANA 2007-A3	9/5/2014	n/a	Active	4 years, 9 months
652842/2014	NAA 2007-1	9/17/2014	n/a	Active	4 years, 8 months
652877/2014	MSAC 2007-NC4	9/19/2014	n/a	Active	4 years, 8 months
653140/2015	ABSHE 2006-HE7	9/17/2015	n/a	Active	3 years, 8 months
652793/2016	MANA 2007-OAR5	5/24/2016	n/a	Active	3 years

Exhibit 8

Litigation Timelines For Example Repurchase Cases[1]

Resolved Part 60 Put-Back Cases

Case Number	Trust	Date Commenced[2, 3]	Date Disposed[2]	Case Status[2]	Time Since Commencement[4]
600352/2009	GPMF 2006-HE1	2/5/2009	1/7/2019	Disposed	9 years, 11 months
652985/2012	ACE 2006-FM1	8/24/2012	3/26/2018	Disposed	5 years, 7 months
653429/2012	MSM 2006-13AX	10/1/2012	11/19/2018	Disposed	6 years, 1 month
654147/2012	ABSHE 2006-HE7	11/30/2012	8/14/2015	Disposed	2 years, 8 months
650312/2013	ACE 2007-WM1	1/29/2013	1/7/2019	Disposed	5 years, 11 months
650693/2013	NHEL 2007-1	3/1/2013	11/19/2018	Disposed	5 years, 8 months
650949/2013	ACE 2007-ASP1	3/18/2013	3/26/2018	Disposed	5 years
651338/2013	SABR 2007-BR1	4/15/2013	1/8/2019	Disposed	5 years, 8 months
651936/2013	ACE 2007-ASP2	5/31/2013	9/14/2017	Disposed	4 years, 3 months
651954/2013	JPALT 2007-A2	6/3/2013	12/20/2018	Disposed	5 years, 6 months
652001/2013	HASC 2007-NC1	6/6/2013	1/8/2019	Disposed	5 years, 7 months
653048/2013	HVMLT 2007-7	8/30/2013	4/13/2015	Disposed	1 year, 7 months
653703/2013	SGMS 2007-AHL1	10/24/2013	6/2/2016	Disposed	2 years, 7 months
651854/2014	ACE 2006-SL2	6/18/2014	3/29/2016	Disposed	1 year, 9 months
652087/2014	IXIS 2007-HE1	7/8/2014	4/3/2018	Disposed	3 years, 8 months
652088/2014	IXIS 2006-HE3	7/8/2014	4/3/2018	Disposed	3 years, 8 months

Notes:

1. This exhibit reflects the put-back actions on the *In re: Part 60 RMBS Put-Back Litigation* docket.
2. Date Commenced, Date Disposed, and Case Status were taken from the Case Information page on the New York Supreme Court Records On-Line Library.
3. In cases where the Case Information page does not include Date Commenced information, the summons filing date was used.
4. Time Since Commencement represents the period between the Date Commenced and June 7, 2019.

Source:

- The County Clerk and Supreme Court of New York County, Supreme Court Records On-Line Library. <http://iapps.courts.state.ny.us/iscroll/index.jsp> (accessed June 7, 2019).

Exhibit 9

Reductions in Mr. Milner's Damages Excluding Active Loans that Were Non-Distressed as of Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	Primary Damages	$24,400,805	$20,523,444	-$3,877,362	-15.89%
	Combined_1.0 (b)	$24,252,519	$20,523,444	-$3,729,075	-15.38%
	Combined_1.1 (a)	$18,455,695	$15,653,063	-$2,802,632	-15.19%
	Combined_1.1 (b)	$18,815,929	$15,653,063	-$3,162,866	-16.81%
	Combined_2.0 (a)	$20,312,747	$19,024,008	-$1,288,739	-6.34%
	Combined_2.0 (b)	$20,266,835	$19,024,008	-$1,242,827	-6.13%
	Combined_2.1 (a)	$24,129,038	$20,551,998	-$3,577,041	-14.82%
	Combined_2.1 (b)	$23,985,741	$20,551,998	-$3,433,744	-14.32%
	Combined_3.0 (a)	$24,434,707	$21,589,317	-$2,845,390	-11.64%
	Combined_3.0 (b)	$24,270,161	$21,589,317	-$2,680,844	-11.05%
	Combined_3.1 (a)	$19,239,163	$17,128,410	-$2,110,753	-10.97%
	Combined_3.1 (b)	$19,290,616	$17,128,410	-$2,162,207	-11.21%
	MF_1.0 (a)	$10,214,901	$6,862,449	-$3,352,452	-32.82%
	MF_1.0 (b)	$10,365,186	$6,862,449	-$3,502,738	-33.79%
	MF_1.1 (a)	$5,656,718	$1,921,271	-$3,735,447	-66.04%
	MF_1.1 (b)	$6,553,976	$1,921,271	-$4,632,705	-70.69%
	MF_2.0 (a)	$12,873,969	$10,335,493	-$2,538,476	-19.72%
	MF_2.0 (b)	$12,828,834	$10,335,493	-$2,493,341	-19.44%
	MF_2.1 (a)	$12,199,932	$8,635,347	-$3,564,585	-29.22%
	MF_2.1 (b)	$12,275,977	$8,635,347	-$3,640,630	-29.66%
	MF_3.0 (a)	$11,591,985	$7,295,160	-$4,296,825	-37.07%
	MF_3.0 (b)	$11,697,089	$7,295,160	-$4,401,929	-37.63%
	MF_3.1 (a)	$6,823,178	$4,968,191	-$1,854,987	-27.19%
	MF_3.1 (b)	$7,286,227	$4,968,191	-$2,318,036	-31.81%
	RW_1.0 (a)	$20,136,656	$17,060,102	-$3,076,554	-15.28%
	RW_1.0 (b)	$20,136,656	$17,060,102	-$3,076,554	-15.28%
	RW_1.1 (a)	$15,875,456	$15,592,704	-$282,752	-1.78%
	RW_1.1 (b)	$15,837,272	$15,592,704	-$244,568	-1.54%
	RW_2.0 (a)	$18,717,128	$16,920,166	-$1,796,962	-9.60%
	RW_2.0 (b)	$18,717,128	$16,920,166	-$1,796,962	-9.60%
	RW_2.1 (a)	$19,965,828	$17,081,126	-$2,884,703	-14.45%
	RW_2.1 (b)	$19,965,828	$17,081,126	-$2,884,703	-14.45%
FFML 2006-FF15	Primary Damages	$34,803,748	$33,272,157	-$1,531,591	-4.40%

Exhibit 9

Reductions in Mr. Milner's Damages Excluding Active Loans that Were Non-Distressed as of Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF15	Combined_1.0 (b)	$34,605,097	$33,272,157	-$1,332,940	-3.85%
	Combined_1.1 (a)	$31,040,143	$29,585,864	-$1,454,280	-4.69%
	Combined_1.1 (b)	$31,477,667	$29,585,864	-$1,891,804	-6.01%
	Combined_2.0 (a)	$35,030,686	$34,412,576	-$618,109	-1.76%
	Combined_2.0 (b)	$34,536,655	$34,412,576	-$124,078	-0.36%
	Combined_2.1 (a)	$34,185,096	$33,221,987	-$963,110	-2.82%
	Combined_2.1 (b)	$33,928,499	$33,221,987	-$706,512	-2.08%
	MF_1.0 (a)	$30,057,324	$29,659,233	-$398,090	-1.32%
	MF_1.0 (b)	$30,135,829	$29,659,233	-$476,596	-1.58%
	MF_1.1 (a)	$28,150,418	$7,674,862	-$20,475,556	-72.74%
	MF_1.1 (b)	$28,784,446	$7,674,862	-$21,109,585	-73.34%
	MF_2.0 (a)	$30,062,073	$29,939,634	-$122,439	-0.41%
	MF_2.0 (b)	$29,994,405	$29,939,634	-$54,771	-0.18%
	MF_2.1 (a)	$30,196,893	$29,970,799	-$226,094	-0.75%
	MF_2.1 (b)	$30,196,736	$29,970,799	-$225,937	-0.75%
	RW_1.1 (a)	$29,170,931	$29,139,346	-$31,585	-0.11%
	RW_1.1 (b)	$29,173,130	$29,139,346	-$33,784	-0.12%
	RW_2.1 (a)	$29,038,455	$29,034,348	-$4,108	-0.01%
	RW_2.1 (b)	$29,038,733	$29,034,348	-$4,385	-0.02%
FFML 2006-FF17	Combined_1.1 (a)	$9,141,644	$8,495,466	-$646,178	-7.07%
	Combined_1.1 (b)	$9,385,993	$8,495,466	-$890,527	-9.49%
	Combined_2.0 (a)	$9,529,953	$9,177,877	-$352,076	-3.69%
	Combined_2.0 (b)	$9,184,853	$9,177,877	-$6,976	-0.08%
	Combined_2.1 (a)	$10,267,854	$9,868,581	-$399,273	-3.89%
	Combined_2.1 (b)	$10,065,625	$9,868,581	-$197,044	-1.96%
	MF_1.0 (a)	$8,034,746	$7,922,973	-$111,773	-1.39%
	MF_1.0 (b)	$8,066,826	$7,922,973	-$143,852	-1.78%
	MF_1.1 (a)	$3,485,496	$94,246	-$3,391,250	-97.30%
	MF_1.1 (b)	$6,435,637	$94,246	-$6,341,391	-98.54%
	MF_2.0 (a)	$8,762,329	$8,429,124	-$333,205	-3.80%
	MF_2.0 (b)	$8,445,671	$8,429,124	-$16,547	-0.20%
	MF_2.1 (a)	$8,255,410	$8,203,980	-$51,430	-0.62%
	MF_2.1 (b)	$8,254,727	$8,203,980	-$50,746	-0.61%

Exhibit 9

Reductions in Mr. Milner's Damages Excluding Active Loans that Were Non-Distressed as of Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF17	RW_1.1 (b)	$8,377,331	$8,375,922	-$1,409	-0.02%
	RW_2.0 (a)	$8,396,258	$8,394,083	-$2,175	-0.03%
	RW_2.0 (b)	$8,396,041	$8,394,083	-$1,958	-0.02%
	RW_2.1 (a)	$8,602,442	$8,596,530	-$5,912	-0.07%
	RW_2.1 (b)	$8,603,182	$8,596,530	-$6,652	-0.08%
HVMLT 2006-11	Primary Damages	$48,611,537	$44,211,644	-$4,399,893	-9.05%
	MF_1.0 (b)	$44,228,952	$44,211,644	-$17,308	-0.04%
	MF_1.1 (a)	$68,541,037	$11,725,026	-$56,816,011	-82.89%
	MF_1.1 (b)	$47,558,441	$11,725,026	-$35,833,415	-75.35%
	MF_2.0 (b)	$22,325,575	$22,246,451	-$79,125	-0.35%
	MF_2.1 (a)	$38,746,951	$38,197,457	-$549,494	-1.42%
	MF_2.1 (b)	$38,316,948	$38,197,457	-$119,491	-0.31%
	MF_4.0 (b)	$31,398,061	$31,270,022	-$128,039	-0.41%
HVMLT 2006-12	Primary Damages	$51,215,998	$47,482,094	-$3,733,904	-7.29%
	Combined_1.1 (a)	$70,206,495	$31,159,186	-$39,047,309	-55.62%
	Combined_1.1 (b)	$53,060,759	$31,159,186	-$21,901,573	-41.28%
	Combined_2.0 (a)	$27,940,622	$26,800,809	-$1,139,813	-4.08%
	Combined_2.0 (b)	$27,639,451	$26,800,809	-$838,642	-3.03%
	Combined_3.0 (a)	$30,043,028	$28,991,618	-$1,051,410	-3.50%
	Combined_3.0 (b)	$29,976,760	$28,991,618	-$985,142	-3.29%
	Combined_3.1 (a)	$46,874,303	$46,093,022	-$781,280	-1.67%
	MF_1.0 (a)	$51,215,998	$47,408,224	-$3,807,775	-7.43%
	MF_1.1 (a)	$70,207,205	$27,636,531	-$42,570,674	-60.64%
	MF_1.1 (b)	$53,062,384	$27,636,531	-$25,425,853	-47.92%
	MF_2.0 (a)	$27,902,823	$26,789,552	-$1,113,270	-3.99%
	MF_2.0 (b)	$27,627,579	$26,789,552	-$838,027	-3.03%
	MF_3.0 (a)	$30,010,649	$28,955,887	-$1,054,762	-3.51%
	MF_3.0 (b)	$29,962,058	$28,955,887	-$1,006,172	-3.36%
	MF_3.1 (a)	$46,874,303	$46,031,264	-$843,039	-1.80%
HVMLT 2007-1	Primary Damages	$128,339,082	$123,469,618	-$4,869,464	-3.79%
	Combined_1.0 (b)	$124,358,796	$123,469,618	-$889,178	-0.72%
	Combined_1.1 (a)	$154,390,639	$117,110,117	-$37,280,522	-24.15%
	Combined_1.1 (b)	$134,230,179	$117,110,117	-$17,120,063	-12.75%

Exhibit 9

Reductions in Mr. Milner's Damages Excluding Active Loans that Were Non-Distressed as of Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2007-1	Combined_2.1 (a)	$131,473,926	$131,339,205	-$134,721	-0.10%
	Combined_2.1 (b)	$131,377,161	$131,339,205	-$37,956	-0.03%
	MF_1.0 (a)	$122,322,539	$115,823,293	-$6,499,247	-5.31%
	MF_1.1 (a)	$140,593,231	$27,564,221	-$113,029,011	-80.39%
	MF_1.1 (b)	$75,964,129	$27,564,221	-$48,399,908	-63.71%
	MF_2.1 (a)	$121,460,314	$114,327,291	-$7,133,023	-5.87%
	MF_2.1 (b)	$116,973,023	$114,327,291	-$2,645,733	-2.26%
	MF_4.0 (a)	$123,582,833	$117,875,553	-$5,707,280	-4.62%
	MF_4.0 (b)	$119,227,777	$117,875,553	-$1,352,224	-1.13%
	RW_1.1 (a)	$107,868,348	$107,521,689	-$346,660	-0.32%
	RW_1.1 (b)	$107,616,387	$107,521,689	-$94,698	-0.09%
SVHE 2007-OPT1	MF_1.0 (b)	$1,818,057	$1,789,849	-$28,208	-1.55%
	MF_1.1 (b)	$475,254	$278,282	-$196,972	-41.45%
	MF_2.0 (a)	$9,414,991	$9,406,786	-$8,205	-0.09%
	MF_2.0 (b)	$9,420,869	$9,406,786	-$14,083	-0.15%

Notes:

1. Mr. Milner's damages calculations under the (B) scenarios are recalculated excluding active loans that were non-Distressed Loans on Mr. Milner's Funding Dates. Amounts would be less if statutory interest is excluded. Scenarios with a damages reduction greater than $100 are reported.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. Combined scenarios incorporate the allegations and assumptions from the mortgage file exception scenarios ("MF Scenario") and R&W damages scenarios ("RW Scenario") according to the descriptions in Exhibit D of the Milner Report. For loans being claimed for damages in both the MF Scenario and the RW Scenario, the Combined scenario assumes repurchase at the earlier Funding Date, as does Mr. Milner.

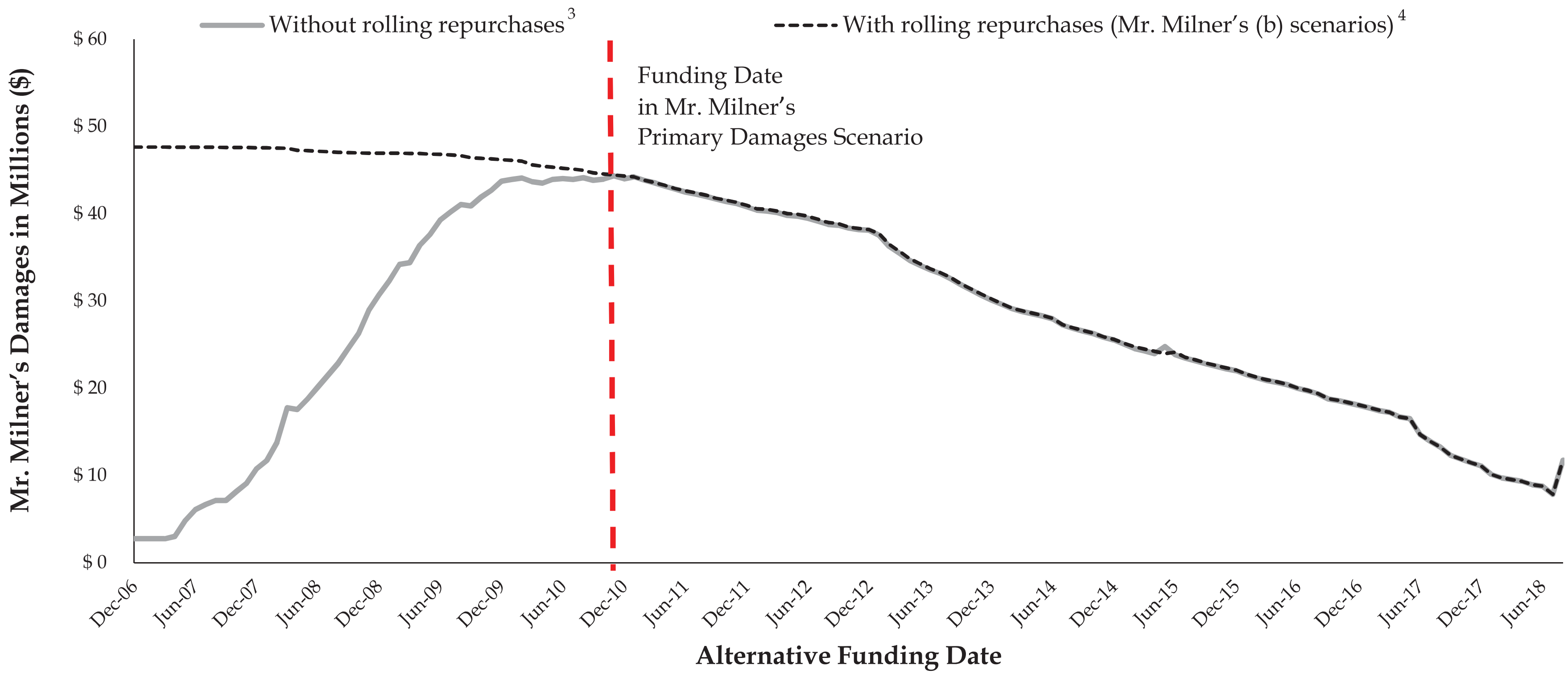
Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 10

Mr. Milner's Damages Utilizing Alternative Rolling Repurchase Assumptions for HVMLT 2006-11[1]

For Illustrative Purposes Only[2]



Notes:

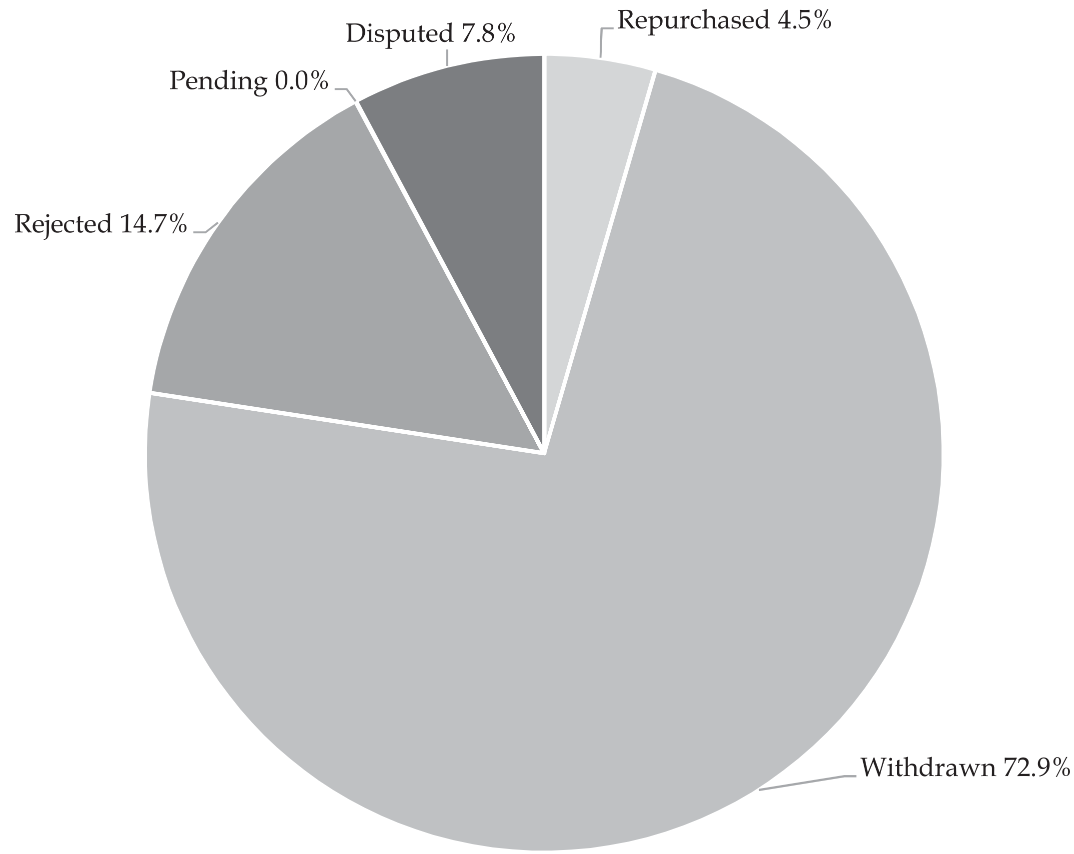
1. Mr. Milner's damages for MF (B) Scenarios are recalculated using alternative Funding Dates beginning on November 2006 and before August 2018, the Valuation Date used by Mr. Milner. Amounts would be less if the statutory interest is excluded.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. By excluding Mr. Milner's rolling repurchase assumptions, active Mortgage File Defect Loans that were not Distressed Loans as of the Funding Date displayed are not repurchased.
4. In Mr. Milner's (b) scenarios, damages are calculated using Mr. Milner's calculations assuming that active Mortgage File Defect Loans are repurchased on the Funding Date if such loans were Distressed Loans or after the Funding Date when they subsequently become a Distressed Loan.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 11

Repurchase Demand Fulfillment (January 2012 - June 2019)[1, 2]



Notes:

1. I collected over 3,500 ABS-15G forms filed by securitizers of residential mortgage-backed securities from January 1, 2012 to June 30, 2019. I determined the number of assets that were reported as having resolved repurchase demands (repurchased, withdrawn, or rejected) in each reporting period and the number of assets that were reported as having unresolved repurchase demands (pending or disputed) in the most recent reporting period for each securitizer. I then calculated the percent of demands in each category.
2. I reserve all the rights as to this analysis, as explained in more detail in my report.

Source:

- ABS-15G Filings from January 1, 2012 to June 30, 2019. <www.sec.gov> (accessed Feb. 28, 2019 and July 15, 2019).

Exhibit 12

Mr. Milner's Damages for RW Scenarios Using Historical Repurchase Demand Fulfillment Rates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Range of Recalculated Amounts[3]		Range of Percentage Change	
			4.5% Repurchased	12.3% Repurchased	4.5% Repurchased	12.3% Repurchased
ABFC 2006-OPT2	RW_1.0 (a)	$20,136,656	($1,495,572) - (426,138)	$124,092 - 2,184,468	-107.43% to -102.12%	-99.38% to -89.15%
	RW_1.0 (b)	$20,136,656	($1,495,572) - (426,138)	$124,092 - 2,184,468	-107.43% to -102.12%	-99.38% to -89.15%
	RW_1.1 (a)	$15,875,456	($1,798,762) - (877,202)	($971,479) - 961,610	-111.33% to -105.53%	-106.12% to -93.94%
	RW_1.1 (b)	$15,837,272	($1,798,762) - (877,202)	($971,479) - 961,610	-111.36% to -105.54%	-106.13% to -93.93%
	RW_2.0 (a)	$18,717,128	($631,669) - 1,188,114	$724,187 - 3,845,758	-103.37% to -93.65%	-96.13% to -79.45%
	RW_2.0 (b)	$18,717,128	($631,669) - 1,188,114	$724,187 - 3,845,758	-103.37% to -93.65%	-96.13% to -79.45%
	RW_2.1 (a)	$19,965,828	($1,428,746) - (304,748)	$378,322 - 2,451,945	-107.16% to -101.53%	-98.11% to -87.72%
	RW_2.1 (b)	$19,965,828	($1,428,746) - (304,748)	$378,322 - 2,451,945	-107.16% to -101.53%	-98.11% to -87.72%
FFML 2006-FF15	RW_1.0 (a)	$28,803,286	($106,921) - 5,421	$224,531 - 793,889	-100.37% to -99.98%	-99.22% to -97.24%
	RW_1.0 (b)	$28,803,286	($106,921) - 5,421	$224,531 - 793,889	-100.37% to -99.98%	-99.22% to -97.24%
	RW_1.1 (a)	$29,170,931	$42,297 - 254,237	$243,314 - 438,370	-99.86% to -99.13%	-99.17% to -98.50%
	RW_1.1 (b)	$29,173,130	$42,318 - 254,237	$236,045 - 438,664	-99.85% to -99.13%	-99.19% to -98.50%
	RW_2.0 (a)	$28,597,909	$3,036 - 8,292	$284,583 - 981,300	-99.99% to -99.97%	-99.00% to -96.57%
	RW_2.0 (b)	$28,597,909	$3,036 - 8,292	$284,583 - 981,300	-99.99% to -99.97%	-99.00% to -96.57%
	RW_2.1 (a)	$29,038,455	($28,878) - 33,090	$116,222 - 573,694	-100.10% to -99.89%	-99.60% to -98.02%
	RW_2.1 (b)	$29,038,733	($28,878) - 33,090	$114,201 - 573,694	-100.10% to -99.89%	-99.61% to -98.02%
FFML 2006-FF17	RW_1.0 (a)	$8,502,089	$23,618 - 24,069	$24,729 - 25,533	-99.72% to -99.72%	-99.71% to -99.70%
	RW_1.0 (b)	$8,501,958	$23,618 - 24,069	$24,729 - 25,533	-99.72% to -99.72%	-99.71% to -99.70%
	RW_1.1 (a)	$8,375,765	$25,210 - 27,768	$32,606 - 46,629	-99.70% to -99.67%	-99.61% to -99.44%
	RW_1.1 (b)	$8,377,331	$25,210 - 27,768	$32,619 - 46,629	-99.70% to -99.67%	-99.61% to -99.44%
	RW_2.0 (a)	$8,396,258	$23,727 - 24,259	$25,114 - 25,981	-99.72% to -99.71%	-99.70% to -99.69%
	RW_2.0 (b)	$8,396,041	$23,727 - 24,259	$25,114 - 25,981	-99.72% to -99.71%	-99.70% to -99.69%
	RW_2.1 (a)	$8,602,442	$23,623 - 24,196	$24,747 - 25,885	-99.73% to -99.72%	-99.71% to -99.70%
	RW_2.1 (b)	$8,603,182	$23,623 - 24,196	$24,747 - 25,885	-99.73% to -99.72%	-99.71% to -99.70%
HVMLT 2006-12	RW_1.0 (a)	$11,565,046	$1,299,766 - 1,576,308	$2,175,984 - 2,732,279	-88.76% to -86.37%	-81.18% to -76.37%
	RW_1.0 (b)	$11,565,046	$1,299,766 - 1,576,308	$2,175,984 - 2,732,279	-88.76% to -86.37%	-81.18% to -76.37%
	RW_1.1 (a)	$12,607,424	$1,142,657 - 1,449,184	$2,052,449 - 2,565,343	-90.94% to -88.51%	-83.72% to -79.65%
	RW_1.1 (b)	$12,607,424	$1,142,657 - 1,449,184	$2,052,449 - 2,565,343	-90.94% to -88.51%	-83.72% to -79.65%
	RW_2.0 (a)	$11,033,056	$946,315 - 1,188,560	($1,431,487) - 2,193,452	-91.42% to -89.23%	-112.97% to -80.12%
	RW_2.0 (b)	$11,033,056	$946,315 - 1,188,560	($1,431,487) - 2,193,452	-91.42% to -89.23%	-112.97% to -80.12%
	RW_2.1 (a)	$7,344,218	$1,024,061 - 1,274,196	$1,759,397 - 2,213,534	-86.06% to -82.65%	-76.04% to -69.86%
	RW_2.1 (b)	$7,344,218	$1,024,061 - 1,274,196	$1,759,397 - 2,213,534	-86.06% to -82.65%	-76.04% to -69.86%

Exhibit 12

Mr. Milner's Damages for RW Scenarios Using Historical Repurchase Demand Fulfillment Rates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Range of Recalculated Amounts[3]		Range of Percentage Change	
			4.5% Repurchased	12.3% Repurchased	4.5% Repurchased	12.3% Repurchased
HVMLT 2007-1	RW_1.0 (a)	$95,775,981	$1,978,044 - 3,717,606	$9,407,413 - 13,356,283	-97.93% to -96.12%	-90.18% to -86.05%
	RW_1.0 (b)	$95,775,981	$1,978,044 - 3,717,606	$9,407,413 - 13,356,283	-97.93% to -96.12%	-90.18% to -86.05%
	RW_1.1 (a)	$107,868,348	$3,748,932 - 6,303,651	$12,718,091 - 16,376,011	-96.52% to -94.16%	-88.21% to -84.82%
	RW_1.1 (b)	$107,616,387	$3,741,860 - 6,303,651	$12,045,026 - 16,376,011	-96.52% to -94.14%	-88.81% to -84.78%

Notes:

1. All damages amounts reported include statutory interest as in Mr. Milner's (B) scenarios. Amounts would be less if the statutory interest is excluded. Negative amounts are denoted in parentheses.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. Recalculated Amounts are calculated for each RW scenario by randomly selecting 4.5 percent or 12.3 percent of allegedly R&W Breach Loans to repurchase. Range of Recalculated Amounts refers to the minimum and maximum values from 100 simulations using these randomly selected alleged R&W Breach Loans for repurchase. Based on my analysis of over 3,500 ABS-15G filings of repurchase requests for residential mortgage-backed securities from January 1, 2012 to June 30, 2019, 4.5 percent of demands had been fulfilled and 12.3 percent of demands were fulfilled, still pending, or still in dispute.

Sources:

- ABS-15G Filings from January 1, 2012 to June 30, 2019. <www.sec.gov> (accessed Feb. 28, 2019 and July 15, 2019).
- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 13

Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	Primary Damages	$24,400,805	$8,572,792	-$15,828,013	-64.87%
	Combined_1.0 (b)	$24,252,519	$8,730,256	-$15,522,263	-64.00%
	Combined_1.1 (a)	$18,455,695	$15,236,635	-$3,219,061	-17.44%
	Combined_1.1 (b)	$18,815,929	$15,579,623	-$3,236,306	-17.20%
	Combined_2.0 (a)	$20,312,747	$5,571,333	-$14,741,414	-72.57%
	Combined_2.0 (b)	$20,266,835	$5,596,769	-$14,670,066	-72.38%
	Combined_2.1 (a)	$24,129,038	$7,449,375	-$16,679,664	-69.13%
	Combined_2.1 (b)	$23,985,741	$7,547,456	-$16,438,285	-68.53%
	Combined_3.0 (a)	$24,434,707	$8,548,356	-$15,886,351	-65.02%
	Combined_3.0 (b)	$24,270,161	$8,666,226	-$15,603,935	-64.29%
	Combined_3.1 (a)	$19,239,163	$14,324,078	-$4,915,085	-25.55%
	Combined_3.1 (b)	$19,290,616	$14,440,382	-$4,850,235	-25.14%
	MF_1.0 (a)	$10,214,901	$228,140	-$9,986,761	-97.77%
	MF_1.0 (b)	$10,365,186	$359,161	-$10,006,025	-96.53%
	MF_1.1 (a)	$5,656,718	$4,394,532	-$1,262,186	-22.31%
	MF_1.1 (b)	$6,553,976	$5,299,649	-$1,254,327	-19.14%
	MF_2.0 (a)	$12,873,969	$1,070,216	-$11,803,753	-91.69%
	MF_2.0 (b)	$12,828,834	$1,100,861	-$11,727,973	-91.42%
	MF_2.1 (a)	$12,199,932	$76,466	-$12,123,467	-99.37%
	MF_2.1 (b)	$12,275,977	$162,766	-$12,113,211	-98.67%
	MF_3.0 (a)	$11,591,985	$171,443	-$11,420,543	-98.52%
	MF_3.0 (b)	$11,697,089	$276,463	-$11,420,626	-97.64%
	MF_3.1 (a)	$6,823,178	$700,021	-$6,123,157	-89.74%
	MF_3.1 (b)	$7,286,227	$2,850,066	-$4,436,161	-60.88%
	RW_1.0 (a)	$20,136,656	$5,552,125	-$14,584,530	-72.43%
	RW_1.0 (b)	$20,136,656	$5,552,125	-$14,584,530	-72.43%
	RW_1.1 (a)	$15,875,456	$12,437,463	-$3,437,993	-21.66%
	RW_1.1 (b)	$15,837,272	$12,420,894	-$3,416,378	-21.57%
	RW_2.0 (a)	$18,717,128	$2,727,212	-$15,989,917	-85.43%
	RW_2.0 (b)	$18,717,128	$2,727,212	-$15,989,917	-85.43%
	RW_2.1 (a)	$19,965,828	$4,548,622	-$15,417,206	-77.22%
	RW_2.1 (b)	$19,965,828	$4,548,622	-$15,417,206	-77.22%

Exhibit 13

Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF15	Primary Damages	$34,803,748	$15,972,925	-$18,830,823	-54.11%
	Combined_1.0 (b)	$34,605,097	$18,846,741	-$15,758,356	-45.54%
	Combined_1.1 (a)	$31,040,143	$28,904,623	-$2,135,520	-6.88%
	Combined_1.1 (b)	$31,477,667	$29,508,632	-$1,969,035	-6.26%
	Combined_2.0 (a)	$35,030,686	$863,129	-$34,167,556	-97.54%
	Combined_2.0 (b)	$34,536,655	$1,036,155	-$33,500,499	-97.00%
	Combined_2.1 (a)	$34,185,096	$8,180,679	-$26,004,418	-76.07%
	Combined_2.1 (b)	$33,928,499	$9,759,485	-$24,169,015	-71.24%
	MF_1.0 (a)	$30,057,324	$13,327,624	-$16,729,700	-55.66%
	MF_1.0 (b)	$30,135,829	$16,188,031	-$13,947,798	-46.28%
	MF_1.1 (a)	$28,150,418	$28,142,567	-$7,851	-0.03%
	MF_1.1 (b)	$28,784,446	$28,777,289	-$7,158	-0.02%
	MF_2.0 (a)	$30,062,073	$265,170	-$29,796,903	-99.12%
	MF_2.0 (b)	$29,994,405	$333,143	-$29,661,262	-98.89%
	MF_2.1 (a)	$30,196,893	$3,547,392	-$26,649,501	-88.25%
	MF_2.1 (b)	$30,196,736	$5,198,583	-$24,998,153	-82.78%
	RW_1.0 (a)	$28,803,286	$5,564	-$28,797,722	-99.98%
	RW_1.0 (b)	$28,803,286	$5,564	-$28,797,722	-99.98%
	RW_1.1 (a)	$29,170,931	$2,637,001	-$26,533,930	-90.96%
	RW_1.1 (b)	$29,173,130	$2,684,914	-$26,488,216	-90.80%
	RW_2.0 (a)	$28,597,909	$7,612	-$28,590,297	-99.97%
	RW_2.0 (b)	$28,597,909	$7,612	-$28,590,297	-99.97%
	RW_2.1 (a)	$29,038,455	$211,990	-$28,826,466	-99.27%
	RW_2.1 (b)	$29,038,733	$211,990	-$28,826,743	-99.27%
FFML 2006-FF17	Primary Damages	$9,228,518	$28,498	-$9,200,020	-99.69%
	Combined_1.0 (b)	$9,331,710	$29,196	-$9,302,514	-99.69%
	Combined_1.1 (a)	$9,141,644	$7,791,128	-$1,350,516	-14.77%
	Combined_1.1 (b)	$9,385,993	$8,019,601	-$1,366,392	-14.56%
	Combined_2.0 (a)	$9,529,953	$24,978	-$9,504,975	-99.74%
	Combined_2.0 (b)	$9,184,853	$24,993	-$9,159,860	-99.73%
	Combined_2.1 (a)	$10,267,854	$24,532	-$10,243,322	-99.76%
	Combined_2.1 (b)	$10,065,625	$24,557	-$10,041,068	-99.76%

Exhibit 13

Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF17	MF_1.0 (a)	$8,034,746	$28,078	-$8,006,668	-99.65%
	MF_1.0 (b)	$8,066,826	$28,776	-$8,038,050	-99.64%
	MF_1.1 (a)	$3,485,496	$3,483,198	-$2,298	-0.07%
	MF_1.1 (b)	$6,435,637	$6,526,688	$91,051	1.41%
	MF_2.0 (a)	$8,762,329	$24,573	-$8,737,756	-99.72%
	MF_2.0 (b)	$8,445,671	$24,589	-$8,421,082	-99.71%
	MF_2.1 (a)	$8,255,410	$24,045	-$8,231,366	-99.71%
	MF_2.1 (b)	$8,254,727	$24,070	-$8,230,657	-99.71%
	RW_1.0 (a)	$8,502,089	$23,790	-$8,478,300	-99.72%
	RW_1.0 (b)	$8,501,958	$23,790	-$8,478,168	-99.72%
	RW_1.1 (a)	$8,375,765	$26,082	-$8,349,683	-99.69%
	RW_1.1 (b)	$8,377,331	$26,099	-$8,351,233	-99.69%
	RW_2.0 (a)	$8,396,258	$23,924	-$8,372,334	-99.72%
	RW_2.0 (b)	$8,396,041	$23,924	-$8,372,117	-99.72%
	RW_2.1 (a)	$8,602,442	$23,827	-$8,578,615	-99.72%
	RW_2.1 (b)	$8,603,182	$23,827	-$8,579,355	-99.72%
HVMLT 2006-11	MF_1.0 (a)	$48,611,537	$42,089,611	-$6,521,926	-13.42%
	MF_1.0 (b)	$44,228,952	$37,814,072	-$6,414,880	-14.50%
	MF_1.1 (a)	$68,541,037	$68,528,789	-$12,248	-0.02%
	MF_1.1 (b)	$47,558,441	$47,544,109	-$14,333	-0.03%
	MF_2.0 (a)	$22,220,922	$8,250,017	-$13,970,904	-62.87%
	MF_2.0 (b)	$22,325,575	$8,053,800	-$14,271,775	-63.93%
	MF_2.1 (a)	$38,746,951	$22,301,793	-$16,445,158	-42.44%
	MF_2.1 (b)	$38,316,948	$21,493,989	-$16,822,958	-43.90%
	MF_4.0 (a)	$31,223,569	$16,511,570	-$14,711,999	-47.12%
	MF_4.0 (b)	$31,398,061	$16,081,755	-$15,316,306	-48.78%
HVMLT 2006-12	Primary Damages	$51,215,998	$47,244,174	-$3,971,824	-7.76%
	Combined_1.0 (b)	$47,386,651	$43,480,742	-$3,905,909	-8.24%
	Combined_1.1 (a)	$70,206,495	$70,198,968	-$7,527	-0.01%
	Combined_1.1 (b)	$53,060,759	$53,062,818	$2,059	0.00%
	Combined_2.0 (a)	$27,940,622	$21,831,157	-$6,109,465	-21.87%
	Combined_2.0 (b)	$27,639,451	$21,689,790	-$5,949,661	-21.53%

Exhibit 13

Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2006-12	Combined_2.1 (a)	$42,883,152	$39,322,250	-$3,560,902	-8.30%
	Combined_2.1 (b)	$42,883,152	$37,654,570	-$5,228,582	-12.19%
	Combined_3.0 (a)	$30,043,028	$25,678,233	-$4,364,795	-14.53%
	Combined_3.0 (b)	$29,976,760	$25,528,752	-$4,448,008	-14.84%
	Combined_3.1 (a)	$46,874,303	$42,617,128	-$4,257,174	-9.08%
	Combined_3.1 (b)	$46,086,674	$40,073,426	-$6,013,248	-13.05%
	MF_1.0 (a)	$51,215,998	$47,244,786	-$3,971,212	-7.75%
	MF_1.0 (b)	$47,386,729	$43,483,596	-$3,903,133	-8.24%
	MF_1.1 (a)	$70,207,205	$70,199,555	-$7,650	-0.01%
	MF_1.1 (b)	$53,062,384	$53,063,634	$1,250	0.00%
	MF_2.0 (a)	$27,902,823	$21,789,424	-$6,113,399	-21.91%
	MF_2.0 (b)	$27,627,579	$21,453,613	-$6,173,967	-22.35%
	MF_2.1 (a)	$42,883,152	$39,296,475	-$3,586,678	-8.36%
	MF_2.1 (b)	$42,883,152	$37,628,538	-$5,254,615	-12.25%
	MF_3.0 (a)	$30,010,649	$25,719,584	-$4,291,065	-14.30%
	MF_3.0 (b)	$29,962,058	$25,444,624	-$4,517,434	-15.08%
	MF_3.1 (a)	$46,874,303	$42,588,768	-$4,285,535	-9.14%
	MF_3.1 (b)	$46,023,843	$40,045,858	-$5,977,985	-12.99%
	MF_4.0 (a)	$36,681,182	$33,438,251	-$3,242,931	-8.84%
	MF_4.0 (b)	$36,750,255	$32,884,512	-$3,865,743	-10.52%
	RW_1.0 (a)	$11,565,046	$1,515,291	-$10,049,755	-86.90%
	RW_1.0 (b)	$11,565,046	$1,515,291	-$10,049,755	-86.90%
	RW_1.1 (a)	$12,607,424	$2,490,578	-$10,116,846	-80.25%
	RW_1.1 (b)	$12,607,424	$2,490,578	-$10,116,846	-80.25%
	RW_2.0 (a)	$11,033,056	$969,986	-$10,063,071	-91.21%
	RW_2.0 (b)	$11,033,056	$969,986	-$10,063,071	-91.21%
	RW_2.1 (a)	$7,344,218	$2,120,953	-$5,223,265	-71.12%
	RW_2.1 (b)	$7,344,218	$2,120,953	-$5,223,265	-71.12%
HVMLT 2007-1	Primary Damages	$128,339,082	$111,359,686	-$16,979,396	-13.23%
	Combined_1.0 (b)	$124,358,796	$63,535,137	-$60,823,659	-48.91%
	Combined_1.1 (a)	$154,390,639	$144,683,596	-$9,707,042	-6.29%
	Combined_1.1 (b)	$134,230,179	$109,705,657	-$24,524,523	-18.27%

Exhibit 13

Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates[1]

For Illustrative Purposes Only [2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2007-1	Combined_2.0 (a)	$101,262,809	$26,431,580	-$74,831,229	-73.90%
	Combined_2.0 (b)	$101,262,809	$25,771,075	-$75,491,734	-74.55%
	Combined_2.1 (a)	$131,473,926	$58,585,438	-$72,888,488	-55.44%
	Combined_2.1 (b)	$131,377,161	$51,487,508	-$79,889,653	-60.81%
	MF_1.0 (a)	$122,322,539	$104,920,034	-$17,402,505	-14.23%
	MF_1.0 (b)	$110,390,499	$62,728,354	-$47,662,145	-43.18%
	MF_1.1 (a)	$140,593,231	$140,507,822	-$85,409	-0.06%
	MF_1.1 (b)	$75,964,129	$75,976,429	$12,301	0.02%
	MF_2.0 (a)	$101,262,809	$21,100,475	-$80,162,334	-79.16%
	MF_2.0 (b)	$101,262,809	$20,459,746	-$80,803,063	-79.80%
	MF_2.1 (a)	$121,460,314	$41,767,676	-$79,692,638	-65.61%
	MF_2.1 (b)	$116,973,023	$40,830,515	-$76,142,508	-65.09%
	MF_4.0 (a)	$123,582,833	$34,440,419	-$89,142,414	-72.13%
	MF_4.0 (b)	$119,227,777	$33,342,838	-$85,884,940	-72.03%
	RW_1.0 (a)	$95,775,981	$16,973,861	-$78,802,120	-82.28%
	RW_1.0 (b)	$95,775,981	$16,973,861	-$78,802,120	-82.28%
	RW_1.1 (a)	$107,868,348	$45,481,769	-$62,386,579	-57.84%
	RW_1.1 (b)	$107,616,387	$45,350,768	-$62,265,620	-57.86%
SVHE 2007-OPT1	MF_1.0 (a)	$1,588,037	-$1,815,836	-$3,403,873	-214.34%
	MF_1.0 (b)	$1,818,057	-$1,556,478	-$3,374,536	-185.61%
	MF_1.1 (a)	$109,403	-$730,484	-$839,887	-767.70%
	MF_1.1 (b)	$475,254	-$302,833	-$778,087	-163.72%
	MF_2.0 (a)	$9,414,991	$873,422	-$8,541,569	-90.72%
	MF_2.0 (b)	$9,420,869	$882,645	-$8,538,224	-90.63%
	MF_2.1 (a)	$2,323,001	-$1,686,420	-$4,009,421	-172.60%
	MF_2.1 (b)	$2,485,196	-$1,456,150	-$3,941,346	-158.59%
	MF_3.0 (a)	$2,048,310	-$1,760,135	-$3,808,444	-185.93%
	MF_3.0 (b)	$2,177,093	-$1,516,821	-$3,693,914	-169.67%
	MF_3.1 (a)	$332,607	-$1,538,415	-$1,871,022	-562.53%
	MF_3.1 (b)	$625,576	-$1,186,425	-$1,812,001	-289.65%

Exhibit 13

Mr. Milner's Damages Excluding Loans That Liquidated Prior to Mr. Milner's Funding Dates[1]

For Illustrative Purposes Only[2]

Notes:

1. Mr. Milner's damages in his (B) scenarios are recalculated assuming at-issue loans that liquidated prior to his Funding Dates are not repurchased. Funding Dates for each corresponding scenario are defined in Exhibit D of the Milner Report. Amounts would be less if the statutory interest is excluded.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. Combined scenarios incorporate the allegations and assumptions from scenarios reflecting damages relating to Mortgage File Defect Loans ("MF Scenario") and scenarios reflecting damages relating to R&W Breach Loans ("RW Scenario") according to the descriptions in Exhibit D of the Milner Report. For loans being claimed for damages in both the MF Scenario and the RW Scenario, Mr. Milner's combined scenario assumes repurchase at the earlier Funding Date.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 14

Reductions in Mr. Milner's Damages Excluding Interest for Loans That Liquidated Prior to Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	Primary Damages	$24,400,805	$20,803,613	-$3,597,192	-14.74%
	Combined_1.0 (b)	$24,252,519	$20,610,110	-$3,642,409	-15.02%
	Combined_1.1 (a)	$18,455,695	$18,279,304	-$176,392	-0.96%
	Combined_1.1 (b)	$18,815,929	$18,640,105	-$175,825	-0.93%
	Combined_2.0 (a)	$20,312,747	$19,092,873	-$1,219,874	-6.01%
	Combined_2.0 (b)	$20,266,835	$19,045,860	-$1,220,975	-6.02%
	Combined_2.1 (a)	$24,129,038	$21,159,833	-$2,969,205	-12.31%
	Combined_2.1 (b)	$23,985,741	$20,913,954	-$3,071,787	-12.81%
	Combined_3.0 (a)	$24,434,707	$21,074,993	-$3,359,714	-13.75%
	Combined_3.0 (b)	$24,270,161	$20,881,139	-$3,389,021	-13.96%
	Combined_3.1 (a)	$19,239,163	$18,877,772	-$361,391	-1.88%
	Combined_3.1 (b)	$19,290,616	$18,936,087	-$354,529	-1.84%
	MF_1.0 (a)	$10,214,901	$7,936,245	-$2,278,657	-22.31%
	MF_1.0 (b)	$10,365,186	$8,095,523	-$2,269,663	-21.90%
	MF_1.1 (a)	$5,656,718	$5,606,902	-$49,817	-0.88%
	MF_1.1 (b)	$6,553,976	$6,504,696	-$49,280	-0.75%
	MF_2.0 (a)	$12,873,969	$10,309,013	-$2,564,956	-19.92%
	MF_2.0 (b)	$12,828,834	$10,326,742	-$2,502,091	-19.50%
	MF_2.1 (a)	$12,199,932	$8,599,901	-$3,600,031	-29.51%
	MF_2.1 (b)	$12,275,977	$8,691,971	-$3,584,006	-29.20%
	MF_3.0 (a)	$11,591,985	$8,404,426	-$3,187,559	-27.50%
	MF_3.0 (b)	$11,697,089	$8,522,115	-$3,174,974	-27.14%
	MF_3.1 (a)	$6,823,178	$6,480,412	-$342,766	-5.02%
	MF_3.1 (b)	$7,286,227	$7,005,448	-$280,779	-3.85%
	RW_1.0 (a)	$20,136,656	$17,060,102	-$3,076,554	-15.28%
	RW_1.0 (b)	$20,136,656	$17,060,102	-$3,076,554	-15.28%
	RW_1.1 (a)	$15,875,456	$15,633,859	-$241,597	-1.52%
	RW_1.1 (b)	$15,837,272	$15,594,993	-$242,279	-1.53%
	RW_2.0 (a)	$18,717,128	$16,920,166	-$1,796,962	-9.60%
	RW_2.0 (b)	$18,717,128	$16,920,166	-$1,796,962	-9.60%
	RW_2.1 (a)	$19,965,828	$17,081,126	-$2,884,703	-14.45%
	RW_2.1 (b)	$19,965,828	$17,081,126	-$2,884,703	-14.45%
FFML 2006-FF15	Primary Damages	$34,803,748	$32,217,305	-$2,586,443	-7.43%

Exhibit 14

Reductions in Mr. Milner's Damages Excluding Interest for Loans That Liquidated Prior to Funding Dates[1]

For Illustrative Purposes Only [2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF15	Combined_1.0 (b)	$34,605,097	$32,223,493	-$2,381,604	-6.88%
	Combined_1.1 (a)	$31,040,143	$30,701,527	-$338,617	-1.09%
	Combined_1.1 (b)	$31,477,667	$31,127,479	-$350,189	-1.11%
	Combined_2.0 (a)	$35,030,686	$33,331,272	-$1,699,414	-4.85%
	Combined_2.0 (b)	$34,536,655	$32,923,630	-$1,613,024	-4.67%
	Combined_2.1 (a)	$34,185,096	$32,685,427	-$1,499,669	-4.39%
	Combined_2.1 (b)	$33,928,499	$32,513,057	-$1,415,442	-4.17%
	MF_1.0 (a)	$30,057,324	$29,510,628	-$546,696	-1.82%
	MF_1.0 (b)	$30,135,829	$29,615,730	-$520,100	-1.73%
	MF_2.0 (a)	$30,062,073	$29,528,032	-$534,041	-1.78%
	MF_2.0 (b)	$29,994,405	$29,475,072	-$519,332	-1.73%
	MF_2.1 (a)	$30,196,893	$29,655,950	-$540,943	-1.79%
	MF_2.1 (b)	$30,196,736	$29,673,047	-$523,689	-1.73%
	RW_1.0 (a)	$28,803,286	$28,298,757	-$504,529	-1.75%
	RW_1.0 (b)	$28,803,286	$28,298,757	-$504,529	-1.75%
	RW_1.1 (a)	$29,170,931	$28,700,415	-$470,516	-1.61%
	RW_1.1 (b)	$29,173,130	$28,702,902	-$470,229	-1.61%
	RW_2.0 (a)	$28,597,909	$28,089,209	-$508,699	-1.78%
	RW_2.0 (b)	$28,597,909	$28,089,209	-$508,699	-1.78%
	RW_2.1 (a)	$29,038,455	$28,552,694	-$485,761	-1.67%
	RW_2.1 (b)	$29,038,733	$28,553,069	-$485,664	-1.67%
FFML 2006-FF17	Combined_1.1 (a)	$9,141,644	$8,994,530	-$147,114	-1.61%
	Combined_1.1 (b)	$9,385,993	$9,159,234	-$226,759	-2.42%
	Combined_2.0 (a)	$9,529,953	$8,819,264	-$710,689	-7.46%
	Combined_2.1 (a)	$10,267,854	$9,530,730	-$737,124	-7.18%
	Combined_2.1 (b)	$10,065,625	$9,532,472	-$533,153	-5.30%
	MF_1.0 (a)	$8,034,746	$7,825,795	-$208,951	-2.60%
	MF_1.0 (b)	$8,066,826	$7,873,458	-$193,368	-2.40%
	MF_2.0 (a)	$8,762,329	$7,821,595	-$940,734	-10.74%
	MF_2.0 (b)	$8,445,671	$7,802,905	-$642,766	-7.61%
	MF_2.1 (a)	$8,255,410	$7,806,326	-$449,084	-5.44%
	MF_2.1 (b)	$8,254,727	$7,818,899	-$435,828	-5.28%
	RW_1.0 (a)	$8,502,089	$8,163,714	-$338,376	-3.98%

Exhibit 14

Reductions in Mr. Milner's Damages Excluding Interest for Loans That Liquidated Prior to Funding Dates[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario[3]	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF17	RW_1.0 (b)	$8,501,958	$8,163,761	-$338,197	-3.98%
	RW_1.1 (a)	$8,375,765	$8,293,014	-$82,752	-0.99%
	RW_1.1 (b)	$8,377,331	$8,294,198	-$83,134	-0.99%
	RW_2.0 (a)	$8,396,258	$8,106,023	-$290,235	-3.46%
	RW_2.0 (b)	$8,396,041	$8,106,030	-$290,010	-3.45%
	RW_2.1 (a)	$8,602,442	$8,219,507	-$382,935	-4.45%
	RW_2.1 (b)	$8,603,182	$8,219,710	-$383,471	-4.46%
HVMLT 2006-11	MF_1.0 (a)	$48,611,537	$47,532,128	-$1,079,410	-2.22%
	MF_1.0 (b)	$44,228,952	$43,166,593	-$1,062,360	-2.40%
	MF_2.0 (b)	$22,325,575	$22,324,071	-$1,504	-0.01%
	MF_2.1 (a)	$38,746,951	$36,778,965	-$1,967,985	-5.08%
	MF_2.1 (b)	$38,316,948	$35,729,085	-$2,587,863	-6.75%
HVMLT 2006-12	RW_1.0 (a)	$11,565,046	$11,061,662	-$503,384	-4.35%
	RW_1.0 (b)	$11,565,046	$11,061,662	-$503,384	-4.35%
	RW_1.1 (a)	$12,607,424	$11,622,570	-$984,854	-7.81%
	RW_1.1 (b)	$12,607,424	$11,622,570	-$984,854	-7.81%
	RW_2.0 (a)	$11,033,056	$10,429,407	-$603,649	-5.47%
	RW_2.0 (b)	$11,033,056	$10,429,407	-$603,649	-5.47%
	RW_2.1 (a)	$7,344,218	$6,331,964	-$1,012,254	-13.78%
	RW_2.1 (b)	$7,344,218	$6,331,964	-$1,012,254	-13.78%
SVHE 2007-OPT1	MF_1.0 (a)	$1,588,037	$1,000,574	-$587,463	-36.99%
	MF_1.0 (b)	$1,818,057	$1,269,008	-$549,049	-30.20%
	MF_1.1 (a)	$109,403	$66,003	-$43,400	-39.67%
	MF_1.1 (b)	$475,254	$431,441	-$43,813	-9.22%
	MF_2.0 (a)	$9,414,991	$6,000,388	-$3,414,603	-36.27%
	MF_2.0 (b)	$9,420,869	$6,002,411	-$3,418,458	-36.29%
	MF_2.1 (a)	$2,323,001	$1,228,781	-$1,094,220	-47.10%
	MF_2.1 (b)	$2,485,196	$1,416,783	-$1,068,413	-42.99%
	MF_3.0 (a)	$2,048,310	$1,182,837	-$865,473	-42.25%
	MF_3.0 (b)	$2,177,093	$1,436,639	-$740,455	-34.01%
	MF_3.1 (a)	$332,607	$159,624	-$172,983	-52.01%
	MF_3.1 (b)	$625,576	$521,554	-$104,022	-16.63%

Exhibit 14

Reductions in Mr. Milner's Damages Excluding Interest for Loans That Liquidated Prior to Funding Dates[1]

For Illustrative Purposes Only[2]

Notes:

1. Recalculated Amounts is intended to be an exercise to illustrate how Mr. Milner's damages change when his make whole interest amounts are excluded from his purchase price calculations using his damages calculations. All damages amounts reported include statutory interest using Mr. Milner's damages calculations. Amounts would be less if the statutory interest is excluded. Scenarios with a damages reduction greater than $100 are reported.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. Combined scenarios incorporate the allegations and assumptions from scenarios reflecting damages relating to Mortgage File Defect Loans ("MF Scenario") and scenarios reflecting damages relating to R&W Breach Loans ("RW Scenario") according to the descriptions in Exhibit D of the Milner Report. For loans being claimed for damages in both the MF Scenario and the RW Scenario, Mr. Milner's combined scenario assumes repurchase at the earlier Funding Date.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 15

Mr. Milner's Damages for MF Scenarios Excluding Loans Without Material Exceptions[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	MF_1.0 (a)	$10,214,901	-$1,697,784	-$11,912,685	-116.62%
	MF_1.0 (b)	$10,365,186	-$1,697,784	-$12,062,970	-116.38%
	MF_1.1 (a)	$5,656,718	-$1,858,985	-$7,515,704	-132.86%
	MF_1.1 (b)	$6,553,976	-$1,854,540	-$8,408,516	-128.30%
	MF_2.0 (a)	$12,873,969	-$1,041,385	-$13,915,354	-108.09%
	MF_2.0 (b)	$12,828,834	-$1,041,385	-$13,870,218	-108.12%
	MF_2.1 (a)	$12,199,932	-$1,573,873	-$13,773,806	-112.90%
	MF_2.1 (b)	$12,275,977	-$1,573,873	-$13,849,850	-112.82%
	MF_3.0 (a)	$11,591,985	-$1,629,351	-$13,221,337	-114.06%
	MF_3.0 (b)	$11,697,089	-$1,629,351	-$13,326,440	-113.93%
	MF_3.1 (a)	$6,823,178	-$1,803,281	-$8,626,459	-126.43%
	MF_3.1 (b)	$7,286,227	-$1,803,449	-$9,089,676	-124.75%
FFML 2006-FF15	MF_1.0 (a)	$30,057,324	$27,323,197	-$2,734,127	-9.10%
	MF_1.0 (b)	$30,135,829	$27,486,866	-$2,648,963	-8.79%
	MF_1.1 (a)	$28,150,418	$9,145,936	-$19,004,482	-67.51%
	MF_1.1 (b)	$28,784,446	$17,415,494	-$11,368,952	-39.50%
	MF_2.0 (a)	$30,062,073	$27,445,612	-$2,616,461	-8.70%
	MF_2.0 (b)	$29,994,405	$27,441,233	-$2,553,171	-8.51%
	MF_2.1 (a)	$30,196,893	$27,642,833	-$2,554,060	-8.46%
	MF_2.1 (b)	$30,196,736	$27,706,146	-$2,490,590	-8.25%
FFML 2006-FF17	MF_1.0 (a)	$8,034,746	$74,920	-$7,959,826	-99.07%
	MF_1.0 (b)	$8,066,826	$82,887	-$7,983,938	-98.97%
	MF_1.1 (a)	$3,485,496	$43,956	-$3,441,539	-98.74%
	MF_1.1 (b)	$6,435,637	$56,853	-$6,378,784	-99.12%
	MF_2.0 (a)	$8,762,329	$775,404	-$7,986,925	-91.15%
	MF_2.0 (b)	$8,445,671	$801,630	-$7,644,041	-90.51%
	MF_2.1 (a)	$8,255,410	$88,113	-$8,167,298	-98.93%
	MF_2.1 (b)	$8,254,727	$120,487	-$8,134,239	-98.54%
HVMLT 2006-11	MF_1.0 (a)	$48,611,537	$0	-$48,611,537	-100.00%
	MF_1.0 (b)	$44,228,952	$0	-$44,228,952	-100.00%
	MF_1.1 (a)	$68,541,037	$0	-$68,541,037	-100.00%
	MF_1.1 (b)	$47,558,441	$0	-$47,558,441	-100.00%

Exhibit 15

Mr. Milner's Damages for MF Scenarios Excluding Loans Without Material Exceptions[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2006-11	MF_2.0 (a)	$22,220,922	$0	-$22,220,922	-100.00%
	MF_2.0 (b)	$22,325,575	$0	-$22,325,575	-100.00%
	MF_2.1 (a)	$38,746,951	$0	-$38,746,951	-100.00%
	MF_2.1 (b)	$38,316,948	$0	-$38,316,948	-100.00%
	MF_4.0 (a)	$31,223,569	$0	-$31,223,569	-100.00%
	MF_4.0 (b)	$31,398,061	$0	-$31,398,061	-100.00%
HVMLT 2006-12	MF_1.0 (a)	$51,215,998	$903,290	-$50,312,708	-98.24%
	MF_1.0 (b)	$47,386,729	$903,290	-$46,483,439	-98.09%
	MF_1.1 (a)	$70,207,205	$1,220,372	-$68,986,833	-98.26%
	MF_1.1 (b)	$53,062,384	$1,222,268	-$51,840,116	-97.70%
	MF_2.0 (a)	$27,902,823	$446,324	-$27,456,499	-98.40%
	MF_2.0 (b)	$27,627,579	$446,324	-$27,181,255	-98.38%
	MF_2.1 (a)	$42,883,152	$682,528	-$42,200,624	-98.41%
	MF_2.1 (b)	$42,883,152	$682,528	-$42,200,624	-98.41%
	MF_3.0 (a)	$30,010,649	$718,717	-$29,291,932	-97.61%
	MF_3.0 (b)	$29,962,058	$718,717	-$29,243,342	-97.60%
	MF_3.1 (a)	$46,874,303	$688,964	-$46,185,339	-98.53%
	MF_3.1 (b)	$46,023,843	$688,964	-$45,334,880	-98.50%
	MF_4.0 (a)	$36,681,182	$1,028,212	-$35,652,970	-97.20%
	MF_4.0 (b)	$36,750,255	$1,028,212	-$35,722,043	-97.20%
HVMLT 2007-1	MF_1.0 (a)	$122,322,539	$843,828	-$121,478,712	-99.31%
	MF_1.0 (b)	$110,390,499	$843,828	-$109,546,672	-99.24%
	MF_1.1 (a)	$140,593,231	$1,081,243	-$139,511,988	-99.23%
	MF_1.1 (b)	$75,964,129	$1,110,563	-$74,853,566	-98.54%
	MF_2.0 (a)	$101,262,809	-$226,903	-$101,489,712	-100.22%
	MF_2.0 (b)	$101,262,809	-$226,903	-$101,489,712	-100.22%
	MF_2.1 (a)	$121,460,314	$106,430	-$121,353,884	-99.91%
	MF_2.1 (b)	$116,973,023	$106,430	-$116,866,593	-99.91%
	MF_4.0 (a)	$123,582,833	$176,103	-$123,406,730	-99.86%
	MF_4.0 (b)	$119,227,777	$176,103	-$119,051,675	-99.85%
SVHE 2007-OPT1	MF_1.0 (a)	$1,588,037	-$2,160,788	-$3,748,825	-236.07%
	MF_1.0 (b)	$1,818,057	-$2,150,331	-$3,968,389	-218.28%

Exhibit 15

Mr. Milner's Damages for MF Scenarios Excluding Loans Without Material Exceptions[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
SVHE 2007-OPT1	MF_1.1 (a)	$109,403	-$2,423,986	-$2,533,389	-2315.66%
	MF_1.1 (b)	$475,254	-$2,393,406	-$2,868,659	-603.61%
	MF_2.0 (a)	$9,414,991	-$231,752	-$9,646,743	-102.46%
	MF_2.0 (b)	$9,420,869	-$237,952	-$9,658,822	-102.53%
	MF_2.1 (a)	$2,323,001	-$1,986,310	-$4,309,310	-185.51%
	MF_2.1 (b)	$2,485,196	-$1,977,607	-$4,462,802	-179.58%
	MF_3.0 (a)	$2,048,310	-$1,994,432	-$4,042,742	-197.37%
	MF_3.0 (b)	$2,177,093	-$1,985,051	-$4,162,145	-191.18%
	MF_3.1 (a)	$332,607	-$2,451,178	-$2,783,785	-836.96%
	MF_3.1 (b)	$625,576	-$2,428,689	-$3,054,265	-488.23%

Notes:

1. All damages amounts reported include statutory interest as calculated in Mr. Milner's (B) scenarios. Amounts would be less if the statutory interest is excluded. I understand that Oak Branch located the missing documents in the productions for certain alleged Mortgage File Defect Loans, and thus the exceptions were "cured." Also, Mr. Ross, based on Oak Branch's review, classified certain mortgage file exceptions as "curable." Finally, Mr. Ross has also independently determined that certain loans are free of material exceptions. I recalculated Mr. Milner's damages in the MF scenarios by excluding these loans, as well as excluding loans with "cured" or "curable" exceptions.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.
- ncua_oakbranch_cured.csv.
- ncua_oakbranch_cured_curable.csv.
- ncua_ross_immaterial.csv.
- Ross, Peter M. Rebuttal Expert Report of Peter M. Ross. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (June 20, 2019) and related materials.

Exhibit 16
Results of Risk Profile Analysis

ABFC 2006-OPT2
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
101054996	✓	121048450	✓	161047655	✓	211046329	
101056433	✓	121048503	✓	161048842		211046345	✓
101056604	✓	121048506	✓	161049677	✓	211046348	✓
101056655	✓	121048570	✓	161049954		211046613	✓
101057761	✓	121048574	✓	161049989	✓	211046693	✓
101058491	✓	121048625		171033644	✓	211046792	✓
101058703	✓	121048630	✓	171033747	✓	211046835	✓
101059134	✓	121048667		171033750	✓	211046857	✓
101059498		121048684	✓	171033808	✓	211047025	✓
101059506	✓	121048801	✓	171033949	✓	211047199	✓
101059628	✓	121048818	✓	171033976	✓	231081761	✓
101059634	✓	121048832	✓	171033984		231082219	
101059667	✓	121048849	✓	171034013	✓	231082437	✓
101059694	✓	121048908	✓	171034014	✓	231082822	
101059767	✓	141055265	✓	171034037	✓	231082948	✓
101059788		141055809	✓	171034057	✓	231082955	✓
101059793	✓	141056037	✓	171034075	✓	231083107	✓
101059897	✓	141056039	✓	171034198		231083348	✓
101060157	✓	141056102	✓	171034201	✓	231083399	
101060218	✓	141056185	✓	171034213		231083495	✓
101060315	✓	151034579	✓	171034273	✓	231083569	
101060399	✓	151034816	✓	171034301	✓	231083868	✓
101060479	✓	151035126	✓	171034331	✓	231083982	✓
101060492	✓	151035127	✓	171034407	✓	231083985	
101060572	✓	151035249	✓	191031665	✓	231084059	✓
101060614	✓	151035252	✓	191031687	✓	231084213	✓
101060618	✓	151035567	✓	191032145	✓	231084271	✓
101060637	✓	151035643	✓	191032588		231084413	✓
101060814	✓	151035655	✓	191032884	✓	231084594	✓
101060913	✓	151035926	✓	211045549	✓	231084621	✓
101061060	✓	151035979	✓	211045820	✓	231084775	✓
101061434	✓	151036087	✓	211045998		231084838	✓
111002004	✓	151036285	✓	211046077	✓	261057318	✓
121048412	✓	151036339	✓	211046083	✓	261057787	✓
121048421	✓	151036459	✓	211046169	✓	261057934	✓

Exhibit 16
Results of Risk Profile Analysis

ABFC 2006-OPT2
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
271028719	✓	31044698		351038159	✓	371036744	✓
271029343	✓	31044778	✓	351038265	✓	371036936	✓
271029364	✓	321034158		351038303	✓	371036987	✓
271029415	✓	321034909	✓	351038314	✓	371037050	✓
271029445	✓	321035745	✓	371033447	✓	371037088	✓
271029517	✓	321036265	✓	371033542	✓	371037120	✓
271029522	✓	331046337	✓	371034980	✓	371037178	✓
271029552	✓	331046443	✓	371035078	✓	371037182	
271029599	✓	331046457		371035244	✓	371037189	✓
271029660	✓	331047191	✓	371035510	✓	371037318	✓
271029693	✓	331048070	✓	371035578		381028425	✓
271029704	✓	331048268	✓	371035708	✓	381028518	✓
271029715		331048306	✓	371035787	✓	381028766	✓
271029808	✓	331048334	✓	371035793	✓	381028794	✓
291003346	✓	331048363	✓	371035809	✓	381028820	✓
291005515	✓	331048420		371035831	✓	381028857	✓
291006679	✓	331048440		371035990	✓	381028859	✓
291006862	✓	331048499	✓	371036039	✓	381028924	
291007008	✓	331048519	✓	371036044	✓	381028998	✓
291007035	✓	331048680	✓	371036066	✓	381029039	✓
291007066	✓	331048694	✓	371036142	✓	401007857	✓
291007231	✓	331048755	✓	371036184	✓	401008460	✓
291007318	✓	341029599	✓	371036198	✓	401009009	✓
31043808		341032936		371036200		401009101	✓
31043946		341033780	✓	371036293	✓	401009186	✓
31044032		341034637	✓	371036347		401009193	✓
31044128	✓	341034798	✓	371036358	✓	401009197	
31044215	✓	341034816	✓	371036369		401009285	
31044286	✓	341034825	✓	371036378	✓	401009299	✓
31044314	✓	341035017	✓	371036384		401009302	✓
31044345		341035028	✓	371036434		401009424	✓
31044415	✓	341035140	✓	371036458		401009446	✓
31044421	✓	351037339	✓	371036628	✓	401009546	✓
31044549	✓	351037867	✓	371036654	✓	51064734	✓
31044666	✓	351038081		371036706		51064877	✓

Exhibit 16
Results of Risk Profile Analysis

ABFC 2006-OPT2
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
51064987	✓	511048994	✓	521042219	✓	581011526	✓
51065085		511049038	✓	521042571	✓	581011536	✓
51065126	✓	511049097	✓	521042915		581011571	✓
51066020	✓	511049103	✓	521043263	✓	581011618	✓
51067642	✓	511049116	✓	521043308	✓	581011632	✓
51068142	✓	511049133	✓	521043628		581011815	✓
51068316	✓	511049198	✓	551015070	✓	581011864	✓
51068578	✓	511049202	✓	551015794	✓	61066511	
51068649	✓	511049215	✓	551016039	✓	61069381	✓
51068693	✓	511049221	✓	551016568	✓	61069447	✓
51068735	✓	511049223	✓	551017203	✓	61069484	✓
51068800	✓	511049232	✓	551017205		61069812	✓
51069058		511049251		551017243	✓	61070011	✓
51069187	✓	511049252		551017710	✓	61070029	✓
51069227	✓	511049271	✓	551017953	✓	61070071	
511043031	✓	511049325	✓	551018004	✓	61070275	✓
511045950	✓	511049341	✓	551018512	✓	61070296	✓
511046495	✓	511049515	✓	551018600	✓	61070304	✓
511046510	✓	511049653		551019064		61070538	✓
511047385	✓	511049666	✓	551019066	✓	61070610	✓
511048063	✓	511049667	✓	551019438	✓	61070828	✓
511048180	✓	511049672		561005875	✓	611022940	✓
511048198	✓	511049748	✓	571010811	✓	611023989	✓
511048375	✓	511049792	✓	581009891	✓	611024428	✓
511048502	✓	521036639		581010541	✓	611024455	✓
511048516	✓	521038833		581010941	✓	611024488	✓
511048587	✓	521039077	✓	581010998	✓	611024558	✓
511048764	✓	521039539	✓	581011003	✓	611024560	✓
511048787	✓	521041318	✓	581011129	✓	611024868	✓
511048829		521041802	✓	581011173	✓	611024882	✓
511048833	✓	521041927	✓	581011193		621016552	✓
511048841	✓	521041994	✓	581011250	✓	621016652	✓
511048880		521042113		581011321	✓	621016700	✓
511048889	✓	521042157	✓	581011329	✓	621016953	✓
511048948	✓	521042186	✓	581011338	✓	621016975	✓

Exhibit 16
Results of Risk Profile Analysis

ABFC 2006-OPT2

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
621017119	✓	631014654	✓	661017914	✓	671014132	✓
621017137	✓	651018749	✓	661017992	✓	671014135	✓
621017317	✓	651019639	✓	661018077		671014152	
621017332	✓	651019771	✓	671009548	✓	671014156	✓
621017423	✓	651020325	✓	671010129	✓	671014213	✓
621017433	✓	651020390	✓	671012387	✓	671014309	✓
621017487	✓	651020544	✓	671013396	✓	681012259	✓
621017550	✓	651020628	✓	671013419	✓	681013104	✓
621017622	✓	651020630	✓	671013453	✓	681013113	
621017626	✓	651020900	✓	671013597	✓	681013218	✓
621017628	✓	651021041	✓	671013610		681013322	✓
621017713	✓	661016421	✓	671013733	✓	681013334	✓
621017735		661016545	✓	671013795	✓	681013405	✓
621017756	✓	661016834	✓	671013822	✓	691009456	✓
621017774	✓	661016942	✓	671013840	✓	691009500	✓
621017812	✓	661017080	✓	671013845	✓	691009514	✓
621017870		661017198	✓	671013856	✓	691009518	✓
621017872	✓	661017265	✓	671013858	✓	691009551	✓
621017922	✓	661017330	✓	671013893	✓	691009605	✓
621017942		661017382	✓	671013901		701004044	✓
621017963	✓	661017549	✓	671013914	✓	701004219	✓
621017964	✓	661017556	✓	671013959	✓	701004306	✓
621017983		661017650	✓	671013994	✓	71072054	✓
621018025	✓	661017714	✓	671014006	✓	71072130	✓
621018072	✓	661017741	✓	671014008		71072722	✓
621018146	✓	661017752	✓	671014014	✓	71073075	✓
621018198	✓	661017760	✓	671014029	✓	71073128	
621018209	✓	661017768	✓	671014038	✓	71073349	✓
631014187	✓	661017790	✓	671014040	✓	71073363	✓
631014232	✓	661017797	✓	671014042	✓	71073399	✓
631014317	✓	661017812	✓	671014059	✓	71073428	
631014343	✓	661017829	✓	671014084	✓	71073489	✓
631014402	✓	661017857	✓	671014096	✓	71073514	
631014405	✓	661017883	✓	671014111	✓	71073612	
631014542	✓	661017886	✓	671014114	✓	71073653	✓

Exhibit 16
Results of Risk Profile Analysis

ABFC 2006-OPT2

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
71073686	✓	831065716	✓	831066546	✓	861001856	
71073719	✓	831065718	✓	831066548	✓	861002700	✓
71073747	✓	831065913	✓	831066619		861002841	✓
721011252	✓	831065979	✓	831066621	✓	861002929	✓
721011436	✓	831065993	✓	831066623	✓	861002972	
741017031	✓	831065997	✓	831067043	✓	861003003	✓
741017065	✓	831066001	✓	831067528		861003071	✓
741017091	✓	831066027	✓	841012639		861003120	✓
741017130	✓	831066126	✓	841013854	✓	861003187	✓
761017057	✓	831066148	✓	841014030	✓	861003194	✓
761017126	✓	831066151	✓	841016396	✓	861003202	✓
761017153	✓	831066177	✓	841016729	✓	861003210	✓
761017160	✓	831066260	✓	841016759	✓	861003229	
791007069	✓	831066264	✓	841016972	✓	861003251	✓
791007148		831066271		841017229		861003506	✓
831064214	✓	831066293	✓	841017568	✓	871005376	✓
831065491		831066341	✓	841017643	✓	871005478	
831065534	✓	831066501	✓	841017669	✓	871005500	✓
831065596	✓	831066503	✓	841017753	✓	871005501	✓
831065603		831066514	✓	841017869	✓	871005557	✓
831065620	✓	831066521	✓	841018105	✓	871005699	✓
831065640	✓	831066526	✓	861000450	✓	871005704	✓

FFML 2006-FF15

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
121364418	✓	121928162	✓	122327398	✓	122328099	✓
121365225	✓	121930283		122327448	✓	122328164	✓
121385413	✓	121931349	✓	122327497	✓	122328313	✓
121898423	✓	121938617	✓	122327687	✓	122328354	✓
121903090	✓	121949234	✓	122327778	✓	122328560	
121906952	✓	121950620	✓	122327794	✓	122328636	✓
121907125	✓	121951255	✓	122327935	✓	122328735	✓
121927545	✓	122327265	✓	122328024	✓	122328776	

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122328792		122332604	✓	122336027	✓	122340656	✓
122328842	✓	122332653	✓	122336126	✓	122340805	✓
122329055	✓	122332828	✓	122336167	✓	122341019	✓
122329592		122332950	✓	122336357	✓	122341076	✓
122329600		122333008	✓	122336423	✓	122341209	✓
122329832	✓	122333115	✓	122336514	✓	122341217	
122329857	✓	122333305	✓	122336571	✓	122341290	✓
122329865	✓	122333495	✓	122336662	✓	122341399	
122330038		122333545		122336886	✓	122341852	
122330293	✓	122333586	✓	122336951	✓	122341969	
122330475	✓	122333669	✓	122337298	✓	122342124	✓
122330715	✓	122333727	✓	122337314	✓	122342199	✓
122330798	✓	122333800	✓	122337504	✓	122342272	✓
122330822	✓	122334006	✓	122337652	✓	122342280	✓
122330830	✓	122334097		122337900	✓	122342389	✓
122330947		122334113	✓	122338296	✓	122342744	✓
122331119	✓	122334253	✓	122338387	✓	122342769	✓
122331135	✓	122334311	✓	122338510	✓	122342868	✓
122331226	✓	122334428	✓	122338544	✓	122343247	✓
122331291	✓	122334485	✓	122338585	✓	122343411	✓
122331309		122334782		122338593	✓	122343452	✓
122331374	✓	122334832	✓	122338726		122343536	✓
122331549	✓	122334881		122338767	✓	122343551	✓
122331572	✓	122334907	✓	122338775	✓	122343635	✓
122331598	✓	122335029	✓	122338791	✓	122343742	✓
122331648	✓	122335094	✓	122338841		122343783	✓
122331838	✓	122335326	✓	122338981	✓	122343858	
122331929	✓	122335334	✓	122339021	✓	122343916	✓
122331952	✓	122335524	✓	122339138	✓	122344161	✓
122332026	✓	122335656	✓	122339633	✓	122344294	✓
122332042		122335839	✓	122339773	✓	122344385	✓
122332125		122335847	✓	122340102	✓	122344419	✓
122332232	✓	122335862	✓	122340177	✓	122344500	✓
122332257		122336001	✓	122340391	✓	122344617	✓
122332323	✓	122336019	✓	122340490	✓	122344757	

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122344815	✓	122347636	✓	122351711	✓	122355399	
122344930	✓	122347966	✓	122351760	✓	122355472	✓
122344997	✓	122348139	✓	122351943	✓	122355654	✓
122345010	✓	122348147	✓	122351976	✓	122355662	✓
122345044		122348170	✓	122351984		122355753	✓
122345051	✓	122348295	✓	122352354	✓	122355795	✓
122345598	✓	122348303	✓	122352495		122355936	✓
122345622	✓	122348741	✓	122352586	✓	122355993	
122345630	✓	122348808	✓	122352834	✓	122356173	✓
122345655	✓	122348824	✓	122352859	✓	122356199	✓
122345739	✓	122348915	✓	122352982	✓	122356397	✓
122345937	✓	122348956	✓	122353014	✓	122356454	✓
122346042	✓	122349061		122353048	✓	122356694	✓
122346083		122349376	✓	122353212	✓	122356744	
122346117	✓	122349822	✓	122353311		122356827	✓
122346133	✓	122349848		122353378	✓	122356835	✓
122346273	✓	122350028	✓	122353428	✓	122357189	✓
122346331		122350135	✓	122353550	✓	122357247	
122346349	✓	122350168	✓	122353568	✓	122357254	✓
122346562	✓	122350184	✓	122353675		122357338	✓
122346604	✓	122350283	✓	122353683		122357395	✓
122346638		122350325	✓	122353733	✓	122357429	✓
122346687	✓	122350374	✓	122353808	✓	122357577	✓
122346737	✓	122350440	✓	122354053	✓	122357742	✓
122346752		122350465	✓	122354111	✓	122357841	✓
122346943	✓	122350531	✓	122354202	✓	122357908	✓
122346992	✓	122350598	✓	122354665		122357973	
122347115	✓	122350838	✓	122354681		122358039	✓
122347123	✓	122350887	✓	122354699	✓	122358229	✓
122347222	✓	122350978	✓	122354947	✓	122358328	✓
122347248	✓	122351000	✓	122355092	✓	122358336	✓
122347347	✓	122351299	✓	122355167	✓	122358393	✓
122347388	✓	122351422	✓	122355266	✓	122358559	✓
122347396	✓	122351448		122355308	✓	122358567	✓
122347446	✓	122351687	✓	122355340	✓	122358658	

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122358732	✓	122362809	✓	122366743	✓	122370273	
122358872	✓	122362924	✓	122366792	✓	122370323	✓
122358922	✓	122363013	✓	122366800		122370331	✓
122358948	✓	122363039	✓	122366842	✓	122370372	✓
122359219	✓	122363138	✓	122366883	✓	122370380	✓
122359664	✓	122363310		122367089	✓	122370398	✓
122359698	✓	122363328	✓	122367303	✓	122370406	✓
122359854	✓	122363955	✓	122367352		122370448	✓
122359862	✓	122364110	✓	122367410		122370810	✓
122359995	✓	122364136	✓	122367436		122370984	✓
122360274	✓	122364235	✓	122367543		122371123	✓
122360332	✓	122364268	✓	122367931	✓	122371149	✓
122360407	✓	122364383	✓	122367956	✓	122371180	✓
122360548	✓	122364417	✓	122368046	✓	122371370	✓
122360605	✓	122364508		122368129		122371438	
122360886	✓	122364557	✓	122368178	✓	122371495	✓
122360936		122364599	✓	122368186	✓	122371669	✓
122360977	✓	122364631	✓	122368301	✓	122371743	
122361108	✓	122364748	✓	122368392	✓	122371776	✓
122361181	✓	122364896	✓	122369002	✓	122371826	✓
122361280	✓	122364961		122369143	✓	122371842	✓
122361355	✓	122364979	✓	122369424	✓	122371875	✓
122361363	✓	122364995	✓	122369481		122371883	✓
122361439	✓	122365265	✓	122369663	✓	122371909	✓
122361553	✓	122365398	✓	122369739	✓	122371958	✓
122361561	✓	122365497	✓	122369762	✓	122372014	
122361595	✓	122365760	✓	122369820		122372196	✓
122361660	✓	122365976	✓	122369952	✓	122372337	✓
122361926	✓	122366065	✓	122369978	✓	122372436	✓
122362031	✓	122366123	✓	122370034	✓	122372477	✓
122362064	✓	122366412	✓	122370083	✓	122372493	✓
122362148	✓	122366420	✓	122370141		122372501	✓
122362213	✓	122366511		122370190	✓	122372568	✓
122362320	✓	122366586	✓	122370208	✓	122372683	✓
122362437		122366677	✓	122370265		122372741	

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122372949	✓	122378896	✓	122382542	✓	122385768	✓
122372980	✓	122378995	✓	122382666	✓	122385859	✓
122373244		122379027	✓	122382716		122385990	✓
122373368	✓	122379092	✓	122382807	✓	122386071	✓
122373426		122379217	✓	122383391	✓	122386139	
122373699	✓	122379225	✓	122383425	✓	122386287	✓
122373772	✓	122379258	✓	122383607		122386352	✓
122373871	✓	122379266	✓	122383706	✓	122386436	✓
122374119	✓	122379290	✓	122383771	✓	122387053	✓
122374234	✓	122379431	✓	122384001	✓	122387350	✓
122374580	✓	122379613	✓	122384043		122387376	✓
122374705	✓	122379761		122384076	✓	122387699	✓
122374846	✓	122379837		122384183	✓	122388077	✓
122374853	✓	122379977	✓	122384340	✓	122388200	✓
122374994		122380090	✓	122384399	✓	122388325	✓
122375314	✓	122380116	✓	122384506	✓	122388374	✓
122375611		122380322	✓	122384639	✓	122388390	✓
122376130	✓	122380470	✓	122384720	✓	122388432	✓
122376817	✓	122380579	✓	122384795	✓	122388440	✓
122376932	✓	122380736	✓	122384886	✓	122388457	✓
122376940		122380835	✓	122385057	✓	122388549	✓
122377021	✓	122380876	✓	122385123	✓	122388986	✓
122377054	✓	122380983	✓	122385131	✓	122389208	✓
122377138		122381098	✓	122385198	✓	122389372	✓
122377161	✓	122381163	✓	122385206	✓	122389489	✓
122377211	✓	122381320	✓	122385255	✓	122389984	✓
122377245	✓	122381478	✓	122385339	✓	122390248	✓
122377252	✓	122381619	✓	122385412	✓	122390354	✓
122377435	✓	122381874	✓	122385446	✓	122390461	
122377591	✓	122381908	✓	122385479	✓	122390727	✓
122377617	✓	122382013	✓	122385487	✓	122390735	
122377997	✓	122382088		122385511	✓	122390792	
122378391	✓	122382179	✓	122385610	✓	122390818	✓
122378458	✓	122382229	✓	122385677	✓	122390826	
122378607	✓	122382286	✓	122385701		122391139	

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122391212		122395395	✓	122399785	✓	122404064	✓
122391253		122395460	✓	122399876	✓	122404239	
122391295	✓	122395577	✓	122399900	✓	122404551	✓
122391469	✓	122395650	✓	122400161	✓	122404577	✓
122391626		122395874	✓	122400211	✓	122404627	✓
122391667	✓	122395999	✓	122400385	✓	122404650	✓
122391725	✓	122396047	✓	122400450	✓	122404817	
122391790		122396112	✓	122400575	✓	122404825	✓
122392343	✓	122396401	✓	122400591	✓	122404890	
122392624	✓	122396435	✓	122400609	✓	122405186	✓
122392681	✓	122396468	✓	122400666	✓	122405293	✓
122392699	✓	122396526	✓	122400773		122405400	✓
122392871	✓	122396609	✓	122401060		122405434	✓
122392921	✓	122396625	✓	122401128	✓	122405632	✓
122392939	✓	122396716	✓	122401243	✓	122405764	✓
122393333	✓	122396872	✓	122401458	✓	122405889	✓
122393366	✓	122397433	✓	122401516	✓	122405996	✓
122393382	✓	122397573	✓	122401581	✓	122406168	✓
122393473	✓	122397581	✓	122401607	✓	122406283	✓
122393564	✓	122397656	✓	122401771	✓	122406341	✓
122393754	✓	122397763	✓	122402050	✓	122406390	✓
122393812	✓	122397797		122402811	✓	122406556	✓
122393887	✓	122397839	✓	122402852		122406739	✓
122393952		122397862	✓	122402902	✓	122406796	✓
122394018	✓	122397896	✓	122403173	✓	122406895	✓
122394075	✓	122398019	✓	122403231	✓	122406978	✓
122394158	✓	122398084	✓	122403348	✓	122407067	✓
122394547	✓	122398514	✓	122403355	✓	122407190	✓
122394711	✓	122398555	✓	122403447	✓	122407224	✓
122395049	✓	122398738	✓	122403538	✓	122407471	✓
122395247	✓	122399116	✓	122403751	✓	122407588	✓
122395262	✓	122399140	✓	122403785	✓	122407612	✓
122395288	✓	122399173	✓	122403868		122407661	✓
122395338	✓	122399298	✓	122403884	✓	122407711	✓
122395346	✓	122399405	✓	122403926	✓	122407836	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122408099	✓	122411226		122415516	✓	122419179	✓
122408149	✓	122411382	✓	122415722	✓	122419211	✓
122408248	✓	122411465	✓	122415755	✓	122419294	✓
122408545	✓	122411515	✓	122415763	✓	122419344	✓
122408552	✓	122411614		122415920	✓	122419476	✓
122408578	✓	122411622	✓	122416092	✓	122419484	✓
122408594	✓	122411713	✓	122416241	✓	122419658	✓
122408628	✓	122412182		122416290	✓	122419690	✓
122408669	✓	122412208	✓	122416357	✓	122419831	✓
122408826	✓	122412224	✓	122416449	✓	122419997	✓
122408867	✓	122412463	✓	122416498	✓	122420219	✓
122409014		122412620	✓	122416522	✓	122420268	✓
122409212		122412638	✓	122416530	✓	122420581	✓
122409303	✓	122412851	✓	122416548	✓	122420730	✓
122409592	✓	122412968	✓	122416753	✓	122420771	
122409618		122413008	✓	122416761	✓	122420854	✓
122409832	✓	122413123	✓	122416928	✓	122421241	✓
122409873		122413214	✓	122416969		122421282	✓
122410277	✓	122413305	✓	122417025	✓	122421316	✓
122410301	✓	122413347	✓	122417041	✓	122421456	✓
122410327	✓	122413446	✓	122417165	✓	122421688	✓
122410343		122413560	✓	122417330	✓	122421977	✓
122410376	✓	122413735		122417405	✓	122422066	✓
122410442	✓	122414022		122417538		122422108	✓
122410517	✓	122414071	✓	122417561		122422140	✓
122410566		122414113	✓	122417645	✓	122422157	✓
122410632	✓	122414204	✓	122417801	✓	122422330	✓
122410731	✓	122414253		122417900	✓	122422421	✓
122410756	✓	122414683	✓	122418296	✓	122422462	✓
122410780		122414691	✓	122418460	✓	122423072	✓
122410954	✓	122414790	✓	122418494	✓	122423098	✓
122410996	✓	122414857	✓	122418502	✓	122423361	✓
122411119	✓	122415128	✓	122418569		122423569	✓
122411127	✓	122415169		122418650	✓	122423726	✓
122411143	✓	122415409	✓	122418890	✓	122423874	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122424096	✓	122427016	✓	122430226	✓	122434582	✓
122424153	✓	122427057	✓	122430317	✓	122434590	✓
122424245	✓	122427123	✓	122430721	✓	122434731	✓
122424294		122427230	✓	122430762		122434756	✓
122424344	✓	122427321	✓	122430770		122434780	✓
122424542	✓	122427578	✓	122430952	✓	122434848	✓
122424823	✓	122427669	✓	122431471	✓	122434855	✓
122424880	✓	122427685	✓	122431521	✓	122435134	
122424898	✓	122427693	✓	122431562	✓	122435142	✓
122424971	✓	122427750	✓	122431596	✓	122435159	✓
122425010	✓	122427859	✓	122431661	✓	122435175	✓
122425036		122427990	✓	122431695	✓	122435183	✓
122425127	✓	122428006	✓	122431885	✓	122435605	
122425143	✓	122428071	✓	122431901	✓	122435654	✓
122425150	✓	122428220	✓	122431984	✓	122435738	✓
122425226	✓	122428253	✓	122432040	✓	122436108	
122425259	✓	122428394	✓	122432214	✓	122436207	✓
122425408	✓	122428477	✓	122432396	✓	122436371	✓
122425424	✓	122428758	✓	122432453		122436405	
122425481	✓	122428808	✓	122432776	✓	122436439	✓
122425531	✓	122428899		122432800	✓	122436454	✓
122425572	✓	122428972	✓	122432818	✓	122436462	✓
122425648	✓	122429053	✓	122432883	✓	122436538	✓
122425747	✓	122429251	✓	122433279	✓	122436702	✓
122425754	✓	122429277	✓	122433410	✓	122436728	✓
122425788	✓	122429285	✓	122433535		122436819	✓
122425853	✓	122429319	✓	122433808		122437148	✓
122425911	✓	122429368	✓	122433915		122437213	✓
122426034		122429384	✓	122433949	✓	122437239	✓
122426075	✓	122429483	✓	122433956	✓	122437494	✓
122426273		122429525		122434053	✓	122437544	✓
122426315	✓	122429608	✓	122434368		122437684	✓
122426596	✓	122429749	✓	122434400	✓	122437700	✓
122426752	✓	122429905	✓	122434459	✓	122437759	✓
122426943	✓	122430218		122434574	✓	122437916	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF15
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122438005	✓	122439953	✓	122442338	✓	122445752	✓
122438021	✓	122439987	✓	122442353	✓	122446024	✓
122438070	✓	122440019		122442395	✓	122446123	✓
122438088		122440050	✓	122442403	✓	122446131	✓
122438385	✓	122440498	✓	122442817		122446586	✓
122438401	✓	122440647	✓	122442866	✓	122446792	✓
122438492	✓	122440688	✓	122442882	✓	122446925	✓
122438500	✓	122440944	✓	122442924	✓	122447113	✓
122438567	✓	122441132	✓	122443179	✓	122447998	✓
122438591	✓	122441272	✓	122443195	✓	122448152	✓
122438617	✓	122441389	✓	122443260		122448277	✓
122438690	✓	122441462	✓	122443534	✓	122448293	✓
122438906	✓	122441496	✓	122443567	✓	122448368	✓
122438963	✓	122441538		122443906	✓	122448418	✓
122438989	✓	122441629	✓	122443930		122448780	✓
122439011		122441769		122444128	✓	122449028	✓
122439060	✓	122441785	✓	122444250	✓	122449119	✓
122439268	✓	122441801	✓	122444581	✓	122449135	✓
122439409	✓	122441819	✓	122444730	✓	122449176	✓
122439417	✓	122441835	✓	122445323		122449242	✓
122439433	✓	122441850	✓	122445430	✓	122449291	✓
122439532	✓	122441868		122445497	✓	122449341	✓
122439540	✓	122442270	✓	122445661	✓	122449671	✓
122439896	✓	122442320	✓	122445729	✓	122449721	✓

FFML 2006-FF17
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
120585237	✓	121389340	✓	121926331	✓	122330111	
120602487	✓	121899256	✓	121929848	✓	122330350	✓
120609755		121903298	✓	121941900		122331366	✓
121346175	✓	121906440	✓	121949853	✓	122340995	✓
121362115	✓	121907307		122327463	✓	122341613	✓
121370233	✓	121923213	✓	122328412	✓	122343114	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF17

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122344427	✓	122838568	✓	122840135	✓	122843097	
122352099	✓	122838659	✓	122840184		122843204	✓
122355126	✓	122838675	✓	122840218	✓	122843212	✓
122357478	✓	122838683	✓	122840291		122843246	✓
122368384	✓	122838733		122840309	✓	122843295	✓
122377088		122838873	✓	122840317	✓	122843329	✓
122381437	✓	122838899	✓	122840416		122843352	✓
122382047	✓	122838907	✓	122840424	✓	122843360	✓
122382237		122839004		122840432		122843402	✓
122384894	✓	122839020		122840515	✓	122843428	✓
122395809	✓	122839046		122840531	✓	122843444	✓
122404254		122839061	✓	122840796	✓	122843592	✓
122404676	✓	122839111	✓	122840887	✓	122843675	✓
122407398		122839160	✓	122840895	✓	122843691	✓
122407497	✓	122839210	✓	122841158	✓	122843709	✓
122411184	✓	122839244	✓	122841265	✓	122843717	✓
122411671	✓	122839285	✓	122841273	✓	122843816	✓
122412919	✓	122839293		122841422	✓	122844178	✓
122416936	✓	122839327	✓	122841455	✓	122844293	
122418775		122839400	✓	122841554	✓	122844301	
122418858	✓	122839418	✓	122841653	✓	122844335	✓
122420037		122839459	✓	122841661	✓	122844608	✓
122422082	✓	122839467	✓	122841844	✓	122844616	✓
122422546	✓	122839582	✓	122841984	✓	122844657	✓
122429103	✓	122839590	✓	122842024	✓	122844715	✓
122432156	✓	122839608	✓	122842040	✓	122844723	
122441637	✓	122839640	✓	122842123		122844996	✓
122441827	✓	122839665	✓	122842206	✓	122845084	✓
122443005		122839673	✓	122842230	✓	122845100	✓
122447667	✓	122839681	✓	122842321	✓	122845134	
122838279	✓	122839749		122842354	✓	122845142	✓
122838378	✓	122839806	✓	122842479	✓	122845373	✓
122838501	✓	122839939		122842651	✓	122845431	✓
122838527	✓	122839988	✓	122842925	✓	122845456	✓
122838550	✓	122840069	✓	122843048	✓	122845498	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF17

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122845514	✓	122847791		122850811	✓	122853658	✓
122845589	✓	122847940	✓	122851058	✓	122853815	✓
122845647		122848062	✓	122851108	✓	122853914	✓
122845738	✓	122848146	✓	122851363		122854003	✓
122845753	✓	122848252	✓	122851371	✓	122854151	✓
122845787	✓	122848351	✓	122851439	✓	122854342	✓
122845803	✓	122848369	✓	122851447	✓	122854664	✓
122845811	✓	122848385	✓	122851454	✓	122854672	✓
122845829	✓	122848393		122851462	✓	122854797	✓
122845852	✓	122848708	✓	122851512	✓	122855059	✓
122845878	✓	122848757	✓	122851587	✓	122855083	✓
122845951	✓	122848781		122851637	✓	122855208	✓
122846173		122848856	✓	122851660	✓	122855281	✓
122846199	✓	122848955	✓	122851678	✓	122855430	
122846223	✓	122848963	✓	122851694	✓	122855679	✓
122846249	✓	122849110	✓	122851843	✓	122855794	✓
122846314	✓	122849169	✓	122851876	✓	122855976	✓
122846363	✓	122849227	✓	122851918	✓	122856032	✓
122846512	✓	122849235	✓	122851934	✓	122856206	✓
122846603	✓	122849391	✓	122852346	✓	122856230	
122846702		122849433	✓	122852395		122856263	✓
122846710	✓	122849565	✓	122852437	✓	122856271	✓
122846835	✓	122849649	✓	122852486	✓	122856388	✓
122846918		122849672	✓	122852494	✓	122856479	✓
122847056	✓	122849847	✓	122852593	✓	122856511	✓
122847114	✓	122849870	✓	122852619	✓	122856537	✓
122847148	✓	122849912	✓	122852635		122856735	✓
122847163	✓	122849920	✓	122852668	✓	122856784	✓
122847189		122850175	✓	122852676	✓	122856800	
122847338	✓	122850233	✓	122852783		122856891	✓
122847353	✓	122850399	✓	122853013	✓	122857048	✓
122847627	✓	122850407	✓	122853054		122857162	✓
122847635		122850423		122853203	✓	122857212	✓
122847676		122850688	✓	122853328	✓	122857295	✓
122847692	✓	122850795	✓	122853419	✓	122857469	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF17
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122857535	✓	122860299	✓	122863160	✓	122865371	✓
122857634	✓	122860349	✓	122863202	✓	122865405	✓
122857709	✓	122860356	✓	122863368	✓	122865413	
122857717	✓	122860422	✓	122863434	✓	122865512	✓
122858012		122860505	✓	122863491	✓	122865520	✓
122858061	✓	122860588	✓	122863517	✓	122865538	
122858152		122860596	✓	122863574	✓	122865546	✓
122858160	✓	122860711		122863624	✓	122865579	✓
122858244	✓	122861305	✓	122863681	✓	122865728	✓
122858285	✓	122861347	✓	122863715	✓	122865793	✓
122858376		122861446	✓	122863764	✓	122865876	✓
122858384	✓	122861628	✓	122863871	✓	122865892	✓
122858517	✓	122861669	✓	122863897	✓	122866254	
122858657	✓	122861701	✓	122863970	✓	122866262	✓
122858665	✓	122861800		122864093	✓	122866361	✓
122858855	✓	122861909	✓	122864135	✓	122866379	✓
122858871	✓	122862063	✓	122864184	✓	122866544	✓
122858970	✓	122862089	✓	122864325	✓	122866569	✓
122859028	✓	122862139	✓	122864341	✓	122866577	✓
122859044	✓	122862204	✓	122864465		122866916	✓
122859259	✓	122862212		122864473	✓	122867039	✓
122859291		122862329		122864481		122867096	✓
122859382	✓	122862501	✓	122864499		122867245	✓
122859416	✓	122862592		122864507	✓	122867252	✓
122859424	✓	122862600	✓	122864515	✓	122867310	
122859481	✓	122862691		122864556	✓	122867377	✓
122859531	✓	122862923		122864580	✓	122867484	✓
122859556	✓	122862931	✓	122864697	✓	122867708	✓
122859580	✓	122862949		122864739	✓	122867716	✓
122859655	✓	122862956		122864846		122867849	✓
122859788	✓	122862980	✓	122864994	✓	122867864	✓
122859804	✓	122862998	✓	122865116	✓	122867997	✓
122859994	✓	122863012		122865140	✓	122868102	✓
122860018	✓	122863038	✓	122865181	✓	122868169	✓
122860281	✓	122863061	✓	122865348	✓	122868185	✓

Exhibit 16
Results of Risk Profile Analysis

FFML 2006-FF17
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
122868375	✓	122870330	✓	122872773	✓	122875321	
122868417	✓	122870462	✓	122872799	✓	122875404	✓
122868441	✓	122870645	✓	122872815		122875529	✓
122868490	✓	122870710	✓	122872856	✓	122875602	✓
122868557	✓	122870751	✓	122872971	✓	122875636	✓
122868599	✓	122870942	✓	122872997	✓	122875693	✓
122868607	✓	122871072		122873128	✓	122875768	✓
122868615	✓	122871130		122873201	✓	122875867	✓
122868649	✓	122871148	✓	122873243	✓	122875883	✓
122868656		122871155		122873631	✓	122875909	✓
122868748		122871213	✓	122873714	✓	122876295	✓
122868821	✓	122871445	✓	122873748	✓	122876378	✓
122868839	✓	122871452	✓	122873904	✓	122876535	✓
122868896	✓	122871478	✓	122873920	✓	122876790	
122868920	✓	122871585	✓	122873946	✓	122876808	✓
122868961		122871718	✓	122873961		122877061	
122869043	✓	122871841	✓	122873987	✓	122877129	✓
122869068	✓	122871866	✓	122874340	✓	122877137	✓
122869316		122871940	✓	122874365	✓	122877202	
122869324	✓	122872021	✓	122874431	✓	122877228	✓
122869472		122872104	✓	122874472	✓	122877251	✓
122869688	✓	122872179	✓	122874654	✓	122877269	
122869787	✓	122872229	✓	122874662	✓	122877293	✓
122869852	✓	122872245	✓	122874746	✓	122877475	✓
122869894	✓	122872302	✓	122874761	✓	122877525	
122869985	✓	122872336	✓	122874829	✓	122877541	✓
122870009	✓	122872476	✓	122874928	✓	122877558	✓
122870058		122872526	✓	122874969		122877582	✓
122870074	✓	122872609	✓	122875008	✓	122877590	✓
122870132	✓	122872658		122875024	✓	122877632	✓
122870231	✓	122872674		122875081	✓	122877699	✓
122870256	✓	122872757		122875255	✓		

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2006-12
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
107175700	✓	130654409	✓	131233842	✓	131484065	✓
117837780	✓	130683149		131234122	✓	131488770	✓
118943698	✓	130728426	✓	131245931	✓	131490338	✓
119167572	✓	130745244	✓	131251892	✓	131497059	✓
119263344	✓	130765999		131258805	✓	131516141	✓
119389096	✓	130786858	✓	131288376	✓	131536648	✓
119551476	✓	130798643	✓	131295417	✓	131546113	✓
119557301	✓	130817165	✓	131301290	✓	131564451	
119581632	✓	130818646	✓	131309659	✓	131565267	✓
119753421	✓	130826367	✓	131312435	✓	131566483	✓
119838224	✓	130829199	✓	131320901	✓	131566707	✓
121456391	✓	130846897	✓	131322821		131569484	✓
123665565		130873540	✓	131324269	✓	131569764	
127881334	✓	130873572	✓	131347504	✓	131618538	
127983916	✓	130898792	✓	131367018	✓	131637836	✓
128130189	✓	130904616	✓	131373547	✓	131638828	✓
128597823	✓	130925115	✓	131379796		131639028	✓
128748178	✓	130932236	✓	131389925		131660951	✓
129487959	✓	130933356	✓	131393926	✓	131682050	✓
129791453	✓	130951678	✓	131395638	✓	131702756	✓
129794565	✓	130957655	✓	131399918	✓	131708189	✓
129910916	✓	130981818	✓	131407927	✓	131715230	✓
129947609		130983834	✓	131414864	✓	131718038	✓
129962514	✓	130984898	✓	131421865		131719830	✓
130050109	✓	130988587	✓	131422137	✓	131721215	✓
130079185	✓	131010046	✓	131435123	✓	131731720	
130303677	✓	131012886	✓	131440604	✓	131732672	✓
130383799	✓	131018927	✓	131445028	✓	131733136	✓
130404938	✓	131019399	✓	131461270	✓	131740113	✓
130464961	✓	131020199	✓	131464326	✓	131751242	✓
130532698	✓	131056171	✓	131466183	✓	131760564	✓
130538082	✓	131095760	✓	131466943	✓	131761540	✓
130548052	✓	131158032	✓	131467863	✓	131762140	✓
130586024	✓	131162657	✓	131470623	✓	131771093	✓
130587393	✓	131164929	✓	131474928	✓	131785399	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2006-12

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
131786271		132081964	✓	140596413	✓	144622701	✓
131787367	✓	132087316	✓	140839980	✓	144625037	✓
131809058		132095614	✓	140990413	✓	144638858	✓
131818755	✓	132097606	✓	141320149	✓	144679265	✓
131821707	✓	132101006	✓	141440956	✓	144683298	✓
131825172		132106935	✓	141649132	✓	144684002	✓
131828900	✓	132778226		141652692	✓	144990470	✓
131829164	✓	132941417	✓	142165249	✓	145005679	✓
131832933	✓	134335215	✓	142373671	✓	145052168	✓
131835477	✓	134370400	✓	142418352	✓	145105036	
131835989	✓	134515442	✓	142689647	✓	145113341	✓
131840270	✓	134526987	✓	142927790	✓	145185271	✓
131875554	✓	134760086	✓	143048147	✓	145205519	✓
131880419	✓	134798766	✓	143223489	✓	145210568	✓
131906206	✓	134853524	✓	143309086	✓	145213256	✓
131910670		134918320	✓	143397678		145246987	✓
131917879	✓	134988345	✓	143445283		145258430	✓
131917919		136082352	✓	143575696	✓	145292515	✓
131920592	✓	136171676	✓	143655790	✓	145293299	✓
131925880	✓	136303615	✓	143656046	✓	145309509	✓
131926192	✓	136370177	✓	143794413	✓	145341747	✓
131926584	✓	136490190	✓	143872423	✓	145355089	✓
131928329	✓	136638275	✓	143872767	✓	145375522	✓
131928457	✓	136708923		143890444		145376194	✓
131936402	✓	136800568	✓	143898077	✓	145380779	✓
131939802	✓	136917742	✓	144106285	✓	145386508	✓
131954748	✓	137159640	✓	144180368	✓	145433681	✓
131956892		137386033	✓	144205801	✓	145437450	✓
131960981	✓	137479784	✓	144208066	✓	145437602	✓
131972902	✓	137844376	✓	144297183	✓	145438898	
131988032	✓	138579044	✓	144358811	✓	145443138	✓
132003738	✓	138748927	✓	144452649	✓	145519260	✓
132019796	✓	139915779	✓	144561825	✓	145521980	✓
132031670	✓	139918603	✓	144576963	✓	145524053	✓
132038654	✓	140518135	✓	144577987	✓	145530325	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2006-12
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
145544695	✓	146018582	✓	146439464	✓	147146357	✓
145598124	✓	146025423	✓	146446305		147311587	✓
145598652	✓	146025431	✓	146447193	✓	147354944	✓
145665901	✓	146050402	✓	146447521	✓	147382548	✓
145692284	✓	146055939	✓	146451849	✓	147412656	✓
145725494		146062484	✓	146467211	✓	147413160	
145725614	✓	146077310		146470324	✓	147496098	✓
145751925	✓	146077366	✓	146479397	✓	147656918	✓
145751941	✓	146081502	✓	146480237		148362871	✓
145754205	✓	146081814	✓	146492671	✓	148368399	✓
145755830	✓	146083623	✓	146505760	✓	148373336	✓
145772560		146083807	✓	146506832	✓	150011181	✓
145773816	✓	146083823	✓	146506968	✓	150023140	✓
145791634	✓	146083975	✓	146545581	✓	150028785	✓
145796667	✓	146084423	✓	146575518		150030473	✓
145802907		146089351	✓	146622420	✓	150125053	✓
145809844	✓	146133589	✓	146627724	✓	150125589	✓
145815021		146134309	✓	146649087	✓	150126477	✓
145818381	✓	146136229	✓	146665961	✓	150127117	
145824398	✓	146183688	✓	146673658	✓	150129405	
145839584	✓	146187112	✓	146729113	✓	150131013	✓
145840064	✓	146187624	✓	146729417	✓	150142549	
145858010	✓	146197098	✓	146748172	✓	150163088	✓
145859018	✓	146244896	✓	146891453	✓	150163104	✓
145859827	✓	146247312	✓	146920673	✓	150163136	✓
145876237	✓	146248256	✓	146964775	✓	150163152	✓
145889902	✓	146310944	✓	146972288	✓	150211447	
145891151	✓	146342436	✓	146985849	✓	150212223	✓
145893927	✓	146356478	✓	146990450	✓	150212783	✓
145896303	✓	146362374	✓	147008908	✓	150216624	✓
145931700	✓	146370567	✓	147021302	✓	150218728	✓
145950350	✓	146377112		147025790	✓	150218968	✓
145990811	✓	146401867	✓	147081213	✓	150257764	✓
146011566	✓	146429999		147098447	✓	150335652	✓
146011950	✓	146437688	✓	147117874	✓	150337484	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2006-12
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
150340500	✓	150768341	✓	151321997	✓	151759336	
150342940	✓	150768861	✓	151329286	✓	151815230	✓
150344269	✓	150770413	✓	151331206	✓	151818814	✓
150376219	✓	150776334	✓	151358545		151821239	✓
150416457	✓	150778830	✓	151474113	✓	151821447	✓
150417049	✓	150799381	✓	151474937	✓	151821991	✓
150418417	✓	150848305	✓	151475809	✓	151828592	✓
150420130	✓	150850285	✓	151479026	✓	151892652	✓
150422722	✓	150859511	✓	151481722	✓	151898148	✓
150423338	✓	150862856	✓	151482842	✓	151899476	
150432073	✓	150863144	✓	151483338		151909989	✓
150477374	✓	150864176		151484258	✓	151911205	✓
150512517		150865248	✓	151484338		151915435	
150520806	✓	150948505	✓	151531223	✓	151921642	✓
150521110	✓	150949137	✓	151546387	✓	151925061	
150551257	✓	150951857	✓	151640072	✓	151946452	✓
150600125	✓	150956786	✓	151645260	✓	151946468	✓
150602158	✓	150959026	✓	151656506	✓	151975166	
150605334	✓	150962170	✓	151662442	✓	151975622	
150650001	✓	151036449	✓	151663010	✓	151980334	✓
150668363	✓	151039697	✓	151665779	✓	151981335	✓
150683008	✓	151041673	✓	151693208	✓	151987519	✓
150683969	✓	151118080	✓	151707051	✓	151987655	✓
150687393	✓	151127519	✓	151712429	✓	152058053	
150687745	✓	151131255	✓	151712709	✓	152059165	✓
150718417	✓	151137504	✓	151713405	✓	152077027	✓
150718513	✓	151218971	✓	151739215	✓	152077315	✓
150729512	✓	151219435	✓	151741888	✓	152091026	✓
150755995	✓	151225524	✓	151741904	✓	152094354	✓
150760556	✓	151228876	✓	151741912	✓	152098775	✓
150761020		151263441	✓	151742160	✓	152119600	✓
150763508	✓	151270352	✓	151743432	✓	152147162	✓
150766581	✓	151301149	✓	151748816	✓	152193447	✓
150767613	✓	151319117	✓	151749257	✓	152205509	✓
150767861	✓	151320773	✓	151751729	✓	152219944	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2006-12

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
152232232	✓	152767932	✓	153089881	✓	153697370	✓
152233393	✓	152768004	✓	153159651	✓	153699354	✓
152259417	✓	152784010	✓	153165756	✓	153702250	✓
152311424	✓	152787506		153169037	✓	153773181	✓
152315049	✓	152787970	✓	153223147	✓	153780374	
152317295	✓	152789554	✓	153224747	✓	153793735	
152386021	✓	152789778	✓	153233765	✓	153805890	✓
152386957	✓	152791370	✓	153239518	✓	153844675	✓
152387045	✓	152791450	✓	153239590	✓	153848907	✓
152389637	✓	152791498	✓	153239606	✓	153850003	✓
152389981	✓	152792499	✓	153291818	✓	153853012	✓
152391693	✓	152792651	✓	153296690	✓	153853908	✓
152398078		152798307	✓	153324306	✓	153945836	
152434736	✓	152798371		153361615	✓	153970188	✓
152456512	✓	152818452	✓	153368099	✓	154040600	✓
152456968	✓	152821294	✓	153381259	✓	154046345	✓
152461201	✓	152821462		153383603	✓	154078114	✓
152462361	✓	152824489	✓	153385083	✓	154130530	✓
152463561	✓	152870454	✓	153392476	✓	154359239	✓
152466865	✓	152873670		153460810	✓	154371688	✓
152549449	✓	152875726	✓	153465802	✓	154371976	✓
152550321	✓	152944664	✓	153466498	✓	154377241	✓
152553233	✓	152946424	✓	153472491	✓	154415866	✓
152555897	✓	152946744	✓	153508517		154425540	✓
152559122	✓	152946944	✓	153532210	✓	154450462	✓
152564402	✓	152952337	✓	153537762	✓	154453255	✓
152565523	✓	152953513	✓	153539306	✓	154455799	✓
152567419		153020670	✓	153539434		154456759	✓
152634194	✓	153020894	✓	153543867	✓	154457327	✓
152634474	✓	153026503	✓	153544563	✓	154457495	✓
152638818	✓	153081160	✓	153546963	✓	154576213	✓
152640611	✓	153082832	✓	153548132	✓	154651501	✓
152644123	✓	153083872	✓	153621696	✓	154666775	✓
152716520	✓	153084984	✓	153693321	✓	154705686	✓
152718496	✓	153085352	✓	153697050	✓	154705710	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2006-12
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
154824903	✓	155126255	✓	155473800	✓	156319312	✓
154825767	✓	155178568	✓	155553861	✓	3475809	✓
154829111	✓	155204301	✓	155662429	✓	77155620	✓
154831384	✓	155227625	✓	155764079	✓	9483865	✓
154977052	✓	155238226	✓	155875224	✓	99701911	✓
155035521	✓	155327265	✓	155938877	✓		
155083063	✓	155331545		156230159	✓		

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
108561841	✓	117385626	✓	124748106		126898089	✓
109614836	✓	117412669	✓	125188229	✓	126907666	
109614844	✓	117433708	✓	125244626	✓	126907674	✓
110390675	✓	117447646	✓	125246450	✓	126968591	✓
115772087	✓	117457791	✓	125286590	✓	126968967	✓
116088039	✓	117466592	✓	125401690	✓	126969247	✓
116090183	✓	117493092		125406267	✓	126974319	✓
116442060	✓	117542002	✓	125408651	✓	127018161	✓
116511044	✓	117588776		125481203	✓	127069444	✓
116523494	✓	117599785	✓	125549287	✓	127072024	✓
116541688	✓	117600481	✓	125798287	✓	127074152	✓
116609929		117602761	✓	125828717	✓	127081177	✓
116615177	✓	117626916	✓	125982946	✓	127083753	
116675497	✓	117735935	✓	126048270	✓	127086529	✓
116676177	✓	117932375		126063608	✓	127088466	
116729800		118317161		126067099	✓	127089498	✓
116817467	✓	119391008	✓	126147584	✓	127112049	✓
116847879	✓	119472234	✓	126219190	✓	127137984	✓
116852663		119517320		126263180	✓	127152319	
116870385	✓	120880277	✓	126263236	✓	127154439	
116895549	✓	122182365	✓	126317602	✓	127159735	
116916703	✓	122283743		126607399	✓	127159895	✓
116963461	✓	122694276	✓	126608943	✓	127192152	✓
117063970	✓	123141256	✓	126614568	✓	127222238	✓
117106119	✓	123239216		126619857	✓	127232759	✓
117113368	✓	123304523	✓	126701903	✓	127232919	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
117119977	✓	123312528	✓	126725655	✓	127236992	✓
117293710	✓	123509532	✓	126729631		127311631	✓
117302407		123567258		126733728	✓	127314815	✓
117305592	✓	124232477	✓	126766211	✓	127321640	✓
117331059		124365020	✓	126766557	✓	127324528	
117348269		124574132	✓	126772800		127360837	✓
117364711	✓	124679076	✓	126814893		127364027	
117365671	✓	124686077	✓	126823142	✓	127400940	
117385098	✓	124699737	✓	126830207		127401244	✓
127412797	✓	131424545	✓	133880871	✓	138434019	✓
127413253	✓	131454749		134047244	✓	138500604	✓
127473898	✓	131471759		134270482	✓	138507640	✓
127473938	✓	131484585	✓	134814856	✓	138533210	
127497761	✓	131519613	✓	134898247	✓	138541203	
127505594	✓	131697540		134988385		138822538	✓
127524104		131737737		135112739	✓	138853793	✓
127580252	✓	131765580	✓	135235240	✓	138951353	✓
127618911		131799384	✓	135235520		139046437	
127651625		131806761	✓	135318327	✓	139113336	✓
127670441	✓	131810562	✓	135385450	✓	139114592	✓
127717001	✓	131836109	✓	135545285	✓	139208620	
127737261	✓	131855527		136301103		139217517	✓
127746559	✓	131925488	✓	136504324	✓	139224702	✓
127778949	✓	131981879	✓	136527194	✓	139303581	✓
127833151	✓	132017628	✓	136615897	✓	139370811	✓
127933165	✓	132042359	✓	136623565	✓	139411685	✓
127954256		132057713		136713172	✓	139452324	✓
128265446	✓	132067674	✓	136745292	✓	139454900	✓
128331526	✓	132068794		136799176	✓	139582631	✓
128379508	✓	132082428	✓	137002031	✓	139591048	
128484241		132109679	✓	137085478	✓	139681037	✓
128877579		132123331	✓	137151991	✓	139993601	✓
128910383		132219467	✓	137434386	✓	139997401	✓
129273420	✓	132220099	✓	137531708	✓	140121537	
129470501	✓	132254262	✓	137781758	✓	140277594	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
129649099		132291038	✓	137877148		140382948	✓
129760513		132354851		138004396	✓	140388084	
129870543		132361102	✓	138034760		140388332	
130164524	✓	132488432	✓	138039009		140390293	✓
131130197	✓	132981156	✓	138131631	✓	140486059	✓
131181427	✓	133214024	✓	138243293		140587596	✓
131192220		133814213		138246222	✓	140648713	✓
131229361		133851585	✓	138333293	✓	140656522	✓
131249556		133860594	✓	138358187	✓	140761871	✓
141041405	✓	144947576		146171142	✓	146585399	✓
141041693	✓	145101156	✓	146179663	✓	146586551	✓
141154987		145109805	✓	146185688	✓	146587039	✓
141294587	✓	145110141	✓	146214756	✓	146600553	✓
141294595	✓	145124694		146217836	✓	146604041	✓
141294627	✓	145777160	✓	146230022	✓	146628132	✓
141487651	✓	145808924	✓	146240183	✓	146634485	✓
141640131		145811501		146244936	✓	146651751	✓
141643923	✓	145897919	✓	146264138		146653832	✓
141694811		145916498	✓	146300142		146675986	✓
141699605		145918946	✓	146309152	✓	146684316	✓
141699981	✓	145951646		146331538	✓	146685340	
141787649	✓	145954582	✓	146336547	✓	146686044	✓
141810663		145967464	✓	146339451	✓	146691380	✓
141912602	✓	145969512	✓	146355717		146697997	✓
141918148	✓	145991971	✓	146356422	✓	146698901	
141937726	✓	146021775	✓	146370119	✓	146706286	✓
141965921		146025415		146378328	✓	146718536	✓
141998860	✓	146038745	✓	146380441	✓	146721288	✓
142379640		146049802		146388666	✓	146729337	✓
142429312	✓	146068165	✓	146397283	✓	146730273	✓
142451455	✓	146078006	✓	146409260		146737322	✓
142658262	✓	146079310	✓	146439368	✓	146739394	
142658422	✓	146080374	✓	146449209	✓	146743059	✓
142669789	✓	146080438	✓	146458026	✓	146747307	✓
142736616	✓	146083399	✓	146495607	✓	146748116	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
142736640	✓	146084343	✓	146524963	✓	146748812	✓
143321168		146085735	✓	146529979	✓	146760453	✓
143860953	✓	146086759	✓	146541389		146842647	✓
143880974	✓	146089943	✓	146567573		146870475	✓
144097860	✓	146093600	✓	146576094	✓	146871059	✓
144623541	✓	146103105	✓	146579094	✓	146873771	✓
144661468		146107154	✓	146585255	✓	146878260	✓
144769389	✓	146122908	✓	146585351	✓	146882164	✓
144929800	✓	146131565	✓	146585367	✓	146886213	✓
146886973	✓	147053858	✓	147264765	✓	147421017	✓
146887677	✓	147054058		147267885	✓	147424745	✓
146897774	✓	147059915	✓	147268478	✓	147424753	
146912080	✓	147066707	✓	147268662	✓	147424761	✓
146913672	✓	147081541	✓	147269174	✓	147429434	✓
146920353	✓	147086326	✓	147270982	✓	147435506	✓
146921561	✓	147086654	✓	147290256	✓	147449252	✓
146933755		147093959	✓	147293497	✓	147477496	
146956398	✓	147094055	✓	147293577		147477704	✓
146958742	✓	147098711	✓	147294217		147485769	
146963054	✓	147098887	✓	147296993		147486113	✓
146963695		147108225		147297161	✓	147486809	✓
146964519	✓	147110985	✓	147304730	✓	147490649	✓
146966471		147119202	✓	147304762	✓	147491649	✓
146969087	✓	147125195	✓	147309451	✓	147496250	✓
146970583	✓	147125235		147323764	✓	147503067	✓
146970935		147129435	✓	147323820	✓	147511436	✓
146982897		147134900	✓	147323836		147515724	✓
146989242		147153982	✓	147331245		147517197	✓
146991098	✓	147166937	✓	147342535	✓	147527886	
146994170	✓	147168697	✓	147375675	✓	147534583	✓
146997579	✓	147172546	✓	147382900	✓	147534623	✓
147009292	✓	147172874	✓	147391293	✓	147537631	✓
147011653		147173106	✓	147391445	✓	147542408	✓
147012693	✓	147189356	✓	147391709	✓	147560890	✓
147012869	✓	147200701	✓	147395445		147572060	

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
147014285		147202085	✓	147397822		147592566	✓
147016421	✓	147203621	✓	147398606	✓	147608632	✓
147016917	✓	147211454	✓	147398902	✓	147608776	✓
147026006	✓	147227312	✓	147408015	✓	147614769	✓
147027334	✓	147233465	✓	147408783	✓	147621466	✓
147031031	✓	147235017	✓	147410911	✓	147633539	✓
147036920	✓	147249171		147410967	✓	147633779	✓
147038824	✓	147251323	✓	147411551		147633891	✓
147053450	✓	147257860		147413344	✓	147646437	
147650477	✓	147829532	✓	147905053	✓	150763892	
147654046	✓	147831556	✓	147922711	✓	150776982	✓
147657094	✓	147831724	✓	147935113	✓	150802911	✓
147657134	✓	147840565	✓	147944602	✓	150803657	
147657342	✓	147870585		147963045	✓	150954009	✓
147657822		147873489		147965341	✓	150961746	✓
147657870		147873529	✓	147967781	✓	151138320	✓
147657886	✓	147873665		147973870	✓	151326870	
147662943	✓	147874009	✓	147999121	✓	151359585	✓
147668424	✓	147874385		148025940	✓	151655474	
147705988	✓	147874393	✓	148070322	✓	151658962	✓
147706172	✓	147874473	✓	148071074	✓	151660906	
147706244	✓	147874529	✓	148073570	✓	151664451	✓
147707469	✓	147874889	✓	148127817		151669540	
147714373	✓	147875162	✓	148143171	✓	151713365	✓
147714557	✓	147875234		148150564	✓	151745064	✓
147720046		147875642	✓	148175223	✓	151747688	
147723374	✓	147875858	✓	148201082	✓	151813478	✓
147734816	✓	147875986	✓	148207275		151817150	✓
147736768	✓	147876050	✓	148207795		151817446	✓
147741969	✓	147876082	✓	148215876	✓	151866898	✓
147745081	✓	147876210	✓	148219045	✓	151901980	✓
147759035		147876258		148250689	✓	151904644	
147762779	✓	147876298	✓	148302247		151912597	✓
147764980	✓	147876370	✓	148303087		151913501	✓
147767108	✓	147876402	✓	148374000	✓	151925069	

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
147770188	✓	147876490	✓	148376224	✓	152077651	✓
147790095	✓	147879106	✓	148377776		152146826	
147799248	✓	147881314	✓	150023180	✓	152158635	✓
147799280	✓	147882770	✓	150142436	✓	152201015	✓
147801280	✓	147883427	✓	150218160	✓	152228968	✓
147814746		147892244	✓	150223393	✓	152236457	✓
147814930	✓	147895844	✓	150518550	✓	152237033	✓
147820811	✓	147900125	✓	150521838	✓	152237225	✓
147826099		147904085	✓	150624299	✓	152303663	✓
152322565	✓	153092297	✓	153540795	✓	153964179	✓
152387205		153154347	✓	153544923	✓	153965043	✓
152452840	✓	153158875	✓	153546827	✓	153965939	✓
152459808	✓	153159515	✓	153573576	✓	153966763	✓
152473655	✓	153164180	✓	153610639	✓	153967819	
152482444	✓	153218067		153611863		153968387	✓
152484457	✓	153218331	✓	153615575		153993337	✓
152513794	✓	153222643	✓	153617472		154012590	✓
152550633	✓	153223779	✓	153617976	✓	154028110	✓
152554761	✓	153224395	✓	153620680	✓	154039488	✓
152564514		153232996	✓	153690905		154039824	
152566931		153234717	✓	153691617	✓	154044905	✓
152567011	✓	153240063	✓	153693497	✓	154048393	✓
152616502	✓	153240647		153702690		154053498	✓
152636666	✓	153289466	✓	153704251	✓	154053770	✓
152712656	✓	153291466	✓	153732325	✓	154053850	✓
152784138	✓	153303331		153747132	✓	154078010	
152793587	✓	153384563		153779301	✓	154124857	✓
152799451	✓	153390452		153780414	✓	154126329	✓
152818988		153395780	✓	153791767	✓	154128426	✓
152819684	✓	153395901	✓	153791831		154130194	✓
152860813		153407743	✓	153792839	✓	154130850	✓
152861757		153407751	✓	153794335	✓	154132682	✓
152862397	✓	153407775	✓	153845627		154136138	✓
152863757		153442339	✓	153846475	✓	154136715	✓
152870030	✓	153463482	✓	153847467	✓	154138851	

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Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
152870470	✓	153466602		153848291	✓	154151654	
152945688	✓	153467002	✓	153852316	✓	154359559	✓
152947856		153488066	✓	153853236	✓	154362055	
152948705	✓	153508373		153859077	✓	154366503	✓
152971211	✓	153516155	✓	153924391	✓	154371760	
153016510		153532746	✓	153946788	✓	154372776	
153018726	✓	153532978	✓	153957186		154373192	✓
153022222	✓	153538450		153963483	✓	154375145	✓
153082968	✓	153538626	✓	153963691	✓	154443862	✓
154444398	✓	154593591		154830727	✓	154996530	✓
154447142		154629647	✓	154830992	✓	155000298	✓
154447214	✓	154654365		154831184		155001386	
154447806	✓	154656406	✓	154831352	✓	155002554	
154449238	✓	154660478	✓	154831664		155002578	✓
154449366	✓	154661102	✓	154831712	✓	155002634	✓
154449590	✓	154661758	✓	154833440	✓	155003427	
154450686	✓	154665615	✓	154835288	✓	155004083	✓
154455175	✓	154665847		154836312	✓	155007899	✓
154455303	✓	154666903	✓	154836328	✓	155007955	✓
154456015	✓	154696259	✓	154837216	✓	155012500	✓
154456703	✓	154704008	✓	154838024		155012580	✓
154456839		154706290	✓	154840329	✓	155017917	✓
154457239	✓	154745827	✓	154889840	✓	155065237	✓
154457431	✓	154745867		154894487	✓	155066053	✓
154459952		154767587	✓	154896695	✓	155066317	✓
154533115	✓	154800860	✓	154897511	✓	155066733	
154563066	✓	154801124		154898407	✓	155067389	
154573460		154803940	✓	154899455	✓	155068989	✓
154575301	✓	154805292	✓	154899735	✓	155069805	✓
154577205	✓	154807253		154899847		155073022	
154578085	✓	154809133	✓	154900295	✓	155073174	✓
154581165	✓	154811661	✓	154900879	✓	155075430	
154582005		154812709	✓	154900911		155075646	✓
154585070	✓	154812917	✓	154901479	✓	155075966	
154586182	✓	154813781	✓	154902224	✓	155076430	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1

Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
154589966	✓	154828263	✓	154907344	✓	155124751	✓
154590863	✓	154828367		154908280	✓	155126759	✓
154591663	✓	154828607	✓	154922385	✓	155128839	
154591799	✓	154830423	✓	154995618	✓	155131704	
154592655	✓	154830487		154995930	✓	155132608	✓
155133992	✓	155324905	✓	155451266		155559334	✓
155134760	✓	155325689	✓	155452146	✓	155559934	
155135056	✓	155325937	✓	155452202	✓	155560246	✓
155137792		155327089	✓	155455315	✓	155560318	
155172995	✓	155327193	✓	155455571		155560526	✓
155173771		155327369	✓	155456667	✓	155560534	✓
155174267		155328377	✓	155457347	✓	155562974	✓
155174723	✓	155329121		155460123	✓	155563334	✓
155174899	✓	155329473		155461292	✓	155564430	✓
155175757		155329497	✓	155461444	✓	155567687	✓
155178552		155330681	✓	155462412	✓	155569383	✓
155178640	✓	155330809		155462484	✓	155570159	
155189779	✓	155334090	✓	155462796	✓	155570319	✓
155218287		155335154	✓	155463564	✓	155570807	✓
155226537		155336354	✓	155463804	✓	155620162	
155227193	✓	155336706	✓	155465948	✓	155650493	✓
155231873		155339290		155468212	✓	155650501	✓
155235506	✓	155340026	✓	155469965	✓	155659629	✓
155235522	✓	155341731	✓	155470925	✓	155660357	
155236082	✓	155341843	✓	155471517		155660733	
155236210		155343019		155473045		155661317	
155236506	✓	155343123	✓	155478752	✓	155661653	
155237090		155343739	✓	155543320	✓	155661701	✓
155237154		155343955	✓	155550061		155661845	✓
155237522	✓	155363824	✓	155550901		155662061	
155237586	✓	155388330	✓	155551277		155663517	✓
155274208	✓	155447866		155552405	✓	155664261	✓
155281174		155448010		155553341	✓	155669926	✓
155281742	✓	155449066	✓	155553693	✓	155670374	
155281798		155449202	✓	155554789	✓	155671006	✓

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Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
155282230		155449546		155555717	✓	155671334	✓
155282398	✓	155449762	✓	155556229	✓	155672790	✓
155286293	✓	155450442	✓	155556357		155672998	✓
155312155		155450754		155557549		155673934	
155312502	✓	155451130	✓	155558998		155674246	✓
155674974		155770456	✓	155954602	✓	156089009	✓
155675126	✓	155771648	✓	155954770	✓	156103702	✓
155675566	✓	155772672	✓	155954914	✓	156126218	✓
155676207		155773952		155956059	✓	156129018	✓
155677615	✓	155774648		155956115	✓	156129458	✓
155678503	✓	155775088		155957651	✓	156130938	✓
155679399	✓	155825905	✓	155958251		156132906	✓
155689286	✓	155860367	✓	155960323	✓	156134971	✓
155730099	✓	155861383	✓	155960499	✓	156135523	✓
155745426		155861655	✓	155961019		156137939	✓
155745482	✓	155866759	✓	155961131	✓	156138539	
155751758	✓	155867239	✓	155962675		156138571	
155751998	✓	155867383	✓	155963227	✓	156140331	✓
155753398	✓	155868992		155963243		156167426	✓
155755038	✓	155870416	✓	155963459	✓	156209897	✓
155756062	✓	155872024	✓	155964788	✓	156211417	✓
155757798		155873128	✓	155974187	✓	156214081	✓
155759278		155873288	✓	156033571		156214993	✓
155759591	✓	155873848	✓	156036839	✓	156216857	✓
155760207		155875384	✓	156038591	✓	156219298	✓
155761127	✓	155876337	✓	156041167	✓	156219690	✓
155762023	✓	155876873		156041839	✓	156224738	
155763311	✓	155876977		156043151	✓	156225835	
155764143		155882201	✓	156046672		156225979	✓
155764167	✓	155882289		156048616	✓	156226739	✓
155764447	✓	155909364	✓	156049200		156227275	
155765327	✓	155948490	✓	156049528		156242304	
155765407	✓	155948698	✓	156049544		156258613	✓
155766279	✓	155948722		156049928		156278168	✓
155767239	✓	155951058		156050224	✓	156282072	✓

Exhibit 16
Results of Risk Profile Analysis

HVMLT 2007-1
Risk Profiles Indistinguishable at the 95% Confidence Level[1, 2]

Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable	Loan ID	Indistinguishable
155767944	✓	155951346	✓	156053041	✓	156282488	✓
155768456	✓	155952722	✓	156053553		156282512	
155770280	✓	155953418	✓	156064809	✓	156283352	✓
155770344		155953730	✓	156078231	✓	156283760	✓
155770432	✓	155954074	✓	156089001	✓	156284240	
156284504	✓	156382950		156607014	✓	156999511	
156284912	✓	156383758	✓	156607462	✓	157056644	
156286177	✓	156384390	✓	156609143	✓	157124288	
156288521		156435158	✓	156609255	✓	157130240	
156288697	✓	156435702		156642066	✓	157130352	
156294202	✓	156450057		156662097	✓	157135169	✓
156295098	✓	156450841		156668305	✓	157239522	✓
156295626	✓	156450929	✓	156668593	✓	157271063	✓
156296714		156451609	✓	156673082	✓	157417716	✓
156298010	✓	156454441		156675298	✓	6609321	✓
156319320	✓	156456065		156733768	✓	6883704	✓
156319328		156456081	✓	156735320	✓	73363559	✓
156366202	✓	156459050	✓	156766619		73365863	✓
156367668	✓	156460786	✓	156766963	✓	77155388	✓
156369252		156471702	✓	156768035	✓	82062130	
156370436	✓	156519669		156768395	✓	97868399	✓
156371652	✓	156523805	✓	156770611	✓	97873776	✓
156372620	✓	156524573	✓	156771643	✓	97897715	✓
156373796	✓	156525261	✓	156851830	✓	97909228	✓
156375037		156529406	✓	156857455		97918101	✓
156375381	✓	156532478	✓	156886885	✓	97927279	✓
156375845	✓	156533887	✓	156889317	✓	97996690	✓
156376093	✓	156534903	✓	156890237		98007739	✓
156376485	✓	156535183	✓	156890998		98008284	
156377917	✓	156593445		156892326		98059167	✓
156378069	✓	156595973	✓	156895286	✓	98060871	✓
156378533	✓	156600814		156926040	✓	98061951	✓
156379701	✓	156601230		156983061		98064623	✓
156379901	✓	156601758		156989645		98416291	✓
156382350	✓	156605398	✓	156991366	✓	98424556	✓
156382406		156605934	✓	156998125	✓		

Exhibit 16
Results of Risk Profile Analysis

Notes:

1. Where the risk profiles in the *Plaintiffs' claims scenario* and the *baseline scenario* were statistically indistinguishable at the 95 percent confidence level, I concluded that Plaintiffs' Loan Characteristic Claims, even if true, had no statistically significant impact on the risk of the loan.
2. Where the risk profiles in the *Plaintiffs' claims scenario* and the *baseline scenario* were *not* statistically indistinguishable at the 95 percent confidence level, I have not concluded that these loans should have been included in Mr. Milner's damages calculations.
3. For HVMLT 2006-12, Mr. Shev was unable to locate loan file information for loan #154590022. I have excluded this loan from my analysis.

Sources:

- HVMLT 2006-12 Claim Review.xlsx.
- Loan Tapes: ABFC 2006-OPT2 (WF_NCUA_000259021); FFML 2006-FF15 (WF_NCUA_000035583); FFML 2006-FF17 (WF_NCUA_000035584); HVMLT 2006-12 (WF_NCUA_000035588, WF_NCUA_000035589, and WF_NCUA_000035590); and HVMLT 2007-1 (WF_NCUA_000035591).
- Moody's Analytics Mortgage Database.
- Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) at Exhibit 1.

Exhibit 17

Mr. Milner's Damages Calculations for RW Scenarios Excluding Loans with Statistically Indistinguishable Risk Profiles[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	RW_1.0 (a)	$20,136,656	$2,633,526	-$17,503,130	-86.92%
	RW_1.0 (b)	$20,136,656	$2,633,526	-$17,503,130	-86.92%
	RW_1.1 (a)	$15,875,456	$996,469	-$14,878,987	-93.72%
	RW_1.1 (b)	$15,837,272	$998,827	-$14,838,445	-93.69%
	RW_2.0 (a)	$18,717,128	$3,981,870	-$14,735,259	-78.73%
	RW_2.0 (b)	$18,717,128	$3,981,870	-$14,735,259	-78.73%
	RW_2.1 (a)	$19,965,828	$712,360	-$19,253,468	-96.43%
	RW_2.1 (b)	$19,965,828	$712,360	-$19,253,468	-96.43%
FFML 2006-FF15	RW_1.0 (a)	$28,803,286	$882,505	-$27,920,781	-96.94%
	RW_1.0 (b)	$28,803,286	$882,505	-$27,920,781	-96.94%
	RW_1.1 (a)	$29,170,931	$498,545	-$28,672,386	-98.29%
	RW_1.1 (b)	$29,173,130	$499,028	-$28,674,102	-98.29%
	RW_2.0 (a)	$28,597,909	$1,081,968	-$27,515,941	-96.22%
	RW_2.0 (b)	$28,597,909	$1,081,968	-$27,515,941	-96.22%
	RW_2.1 (a)	$29,038,455	$646,804	-$28,391,651	-97.77%
	RW_2.1 (b)	$29,038,733	$646,804	-$28,391,929	-97.77%
FFML 2006-FF17	RW_1.0 (a)	$8,502,089	$26,936	-$8,475,154	-99.68%
	RW_1.0 (b)	$8,501,958	$26,936	-$8,475,023	-99.68%
	RW_1.1 (a)	$8,375,765	$54,701	-$8,321,065	-99.35%
	RW_1.1 (b)	$8,377,331	$54,701	-$8,322,630	-99.35%
	RW_2.0 (a)	$8,396,258	$35,510	-$8,360,748	-99.58%
	RW_2.0 (b)	$8,396,041	$35,510	-$8,360,531	-99.58%
	RW_2.1 (a)	$8,602,442	$26,432	-$8,576,010	-99.69%
	RW_2.1 (b)	$8,603,182	$26,432	-$8,576,750	-99.69%
HVMLT 2006-12	RW_1.0 (a)	$11,565,046	$2,330,057	-$9,234,989	-79.85%
	RW_1.0 (b)	$11,565,046	$2,330,057	-$9,234,989	-79.85%
	RW_1.1 (a)	$12,607,424	$2,163,045	-$10,444,379	-82.84%
	RW_1.1 (b)	$12,607,424	$2,163,045	-$10,444,379	-82.84%
	RW_2.0 (a)	$11,033,056	$1,775,420	-$9,257,636	-83.91%
	RW_2.0 (b)	$11,033,056	$1,775,420	-$9,257,636	-83.91%
	RW_2.1 (a)	$7,344,218	$1,812,678	-$5,531,540	-75.32%
	RW_2.1 (b)	$7,344,218	$1,812,678	-$5,531,540	-75.32%

Exhibit 17

Mr. Milner's Damages Calculations for RW Scenarios Excluding Loans with Statistically Indistinguishable Risk Profiles[1]

For Illustrative Purposes Only[2]

Trust	Funding Scenario	Mr. Milner's Alleged Damages	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2007-1	RW_1.0 (a)	$95,775,981	$33,577,587	-$62,198,394	-64.94%
	RW_1.0 (b)	$95,775,981	$33,577,587	-$62,198,394	-64.94%
	RW_1.1 (a)	$107,868,348	$27,366,667	-$80,501,682	-74.63%
	RW_1.1 (b)	$107,616,387	$27,354,528	-$80,261,859	-74.58%

Notes:

1. I recalculated Mr. Milner's damages in his (B) scenarios excluding loans where my Risk Profile Analysis found the risk profiles in the Plaintiffs' claims scenario and the baseline scenario statistically indistinguishable at the 95 percent confidence level. See **Appendix D**: *Technical Appendix for Risk Profile Analysis* for additional details. All damages amounts reported include statutory interest as calculated by Mr. Milner. Amounts would be less if the statutory interest is excluded.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.
- Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials.

Exhibit 18

Mr. Milner's Damages Excluding Loans Using Mr. Warren's Performance and DCF Analyses[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario	Mr. Milner's Alleged Damages	Two Year and DCF Analysis[4]			Three Year and DCF Analysis[5]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	RW_1.0 (a)	$20,136,656	$15,053,166	-$5,083,490	-25.24%	$18,575,497	-$1,561,159	-7.75%
	RW_1.0 (b)	$20,136,656	$15,053,166	-$5,083,490	-25.24%	$18,575,497	-$1,561,159	-7.75%
	RW_1.1 (a)	$15,875,456	$12,436,427	-$3,439,029	-21.66%	$14,725,911	-$1,149,545	-7.24%
	RW_1.1 (b)	$15,837,272	$12,436,427	-$3,400,845	-21.47%	$14,723,459	-$1,113,813	-7.03%
	RW_2.0 (a)	$18,717,128	$15,585,449	-$3,131,679	-16.73%	$17,864,330	-$852,798	-4.56%
	RW_2.0 (b)	$18,717,128	$15,585,449	-$3,131,679	-16.73%	$17,864,330	-$852,798	-4.56%
	RW_2.1 (a)	$19,965,828	$15,075,459	-$4,890,369	-24.49%	$18,538,984	-$1,426,845	-7.15%
	RW_2.1 (b)	$19,965,828	$15,075,459	-$4,890,369	-24.49%	$18,538,984	-$1,426,845	-7.15%
FFML 2006-FF15	RW_1.0 (a)	$28,803,286	$26,989,416	-$1,813,870	-6.30%	$27,607,015	-$1,196,271	-4.15%
	RW_1.0 (b)	$28,803,286	$26,989,416	-$1,813,870	-6.30%	$27,607,015	-$1,196,271	-4.15%
	RW_1.1 (a)	$29,170,931	$27,470,942	-$1,699,989	-5.83%	$28,076,389	-$1,094,542	-3.75%
	RW_1.1 (b)	$29,173,130	$27,470,942	-$1,702,188	-5.83%	$28,076,389	-$1,096,741	-3.76%
	RW_2.0 (a)	$28,597,909	$26,764,144	-$1,833,765	-6.41%	$27,385,349	-$1,212,560	-4.24%
	RW_2.0 (b)	$28,597,909	$26,764,144	-$1,833,765	-6.41%	$27,385,349	-$1,212,560	-4.24%
	RW_2.1 (a)	$29,038,455	$27,278,439	-$1,760,016	-6.06%	$27,889,575	-$1,148,880	-3.96%
	RW_2.1 (b)	$29,038,733	$27,278,439	-$1,760,294	-6.06%	$27,889,575	-$1,149,158	-3.96%
FFML 2006-FF17	RW_1.0 (a)	$8,502,089	$8,074,088	-$428,001	-5.03%	$8,264,023	-$238,067	-2.80%
	RW_1.0 (b)	$8,501,958	$8,074,088	-$427,870	-5.03%	$8,264,023	-$237,936	-2.80%
	RW_1.1 (a)	$8,375,765	$7,726,701	-$649,065	-7.75%	$7,954,939	-$420,826	-5.02%
	RW_1.1 (b)	$8,377,331	$7,726,701	-$650,631	-7.77%	$7,954,939	-$422,392	-5.04%
	RW_2.0 (a)	$8,396,258	$8,058,195	-$338,063	-4.03%	$8,226,489	-$169,768	-2.02%
	RW_2.0 (b)	$8,396,041	$8,058,195	-$337,846	-4.02%	$8,226,489	-$169,552	-2.02%
	RW_2.1 (a)	$8,602,442	$8,079,282	-$523,160	-6.08%	$8,282,130	-$320,312	-3.72%
	RW_2.1 (b)	$8,603,182	$8,079,282	-$523,900	-6.09%	$8,282,130	-$321,052	-3.73%
HVMLT 2007-1	RW_1.0 (a)	$95,775,981	$58,820,422	-$36,955,559	-38.59%	$86,643,212	-$9,132,770	-9.54%
	RW_1.0 (b)	$95,775,981	$58,820,422	-$36,955,559	-38.59%	$86,643,212	-$9,132,770	-9.54%
	RW_1.1 (a)	$107,868,348	$37,120,382	-$70,747,966	-65.59%	$94,677,948	-$13,190,400	-12.23%
	RW_1.1 (b)	$107,616,387	$37,120,382	-$70,496,005	-65.51%	$94,677,948	-$12,938,439	-12.02%

Exhibit 18

Mr. Milner's Damages Excluding Loans Using Mr. Warren's Performance and DCF Analyses[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario	Mr. Milner's Alleged Damages	Two Year and DCF Analysis[4]			Three Year and DCF Analysis[5]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2006-12 (I)	RW_1.0 (a)	$11,565,046	$9,086,389	-$2,478,657	-21.43%	$10,875,083	-$689,964	-5.97%
	RW_1.0 (b)	$11,565,046	$9,086,389	-$2,478,657	-21.43%	$10,875,083	-$689,964	-5.97%
	RW_1.1 (a)	$12,607,424	$10,355,457	-$2,251,967	-17.86%	$11,826,655	-$780,768	-6.19%
	RW_1.1 (b)	$12,607,424	$10,355,457	-$2,251,967	-17.86%	$11,826,655	-$780,768	-6.19%
	RW_2.0 (a)	$11,033,056	$8,637,649	-$2,395,407	-21.71%	$10,167,730	-$865,326	-7.84%
	RW_2.0 (b)	$11,033,056	$8,637,649	-$2,395,407	-21.71%	$10,167,730	-$865,326	-7.84%
	RW_2.1 (a)	$7,344,218	$6,001,170	-$1,343,048	-18.29%	$6,739,292	-$604,926	-8.24%
	RW_2.1 (b)	$7,344,218	$6,001,170	-$1,343,048	-18.29%	$6,739,292	-$604,926	-8.24%
HVMLT 2006-12 (II)	RW_1.0 (a)	$11,565,046	$7,623,082	-$3,941,964	-34.09%	$9,355,021	-$2,210,025	-19.11%
	RW_1.0 (b)	$11,565,046	$7,623,082	-$3,941,964	-34.09%	$9,355,021	-$2,210,025	-19.11%
	RW_1.1 (a)	$12,607,424	$8,949,552	-$3,657,872	-29.01%	$10,415,409	-$2,192,015	-17.39%
	RW_1.1 (b)	$12,607,424	$8,949,552	-$3,657,872	-29.01%	$10,415,409	-$2,192,015	-17.39%
	RW_2.0 (a)	$11,033,056	$7,214,893	-$3,818,163	-34.61%	$8,658,329	-$2,374,728	-21.52%
	RW_2.0 (b)	$11,033,056	$7,214,893	-$3,818,163	-34.61%	$8,658,329	-$2,374,728	-21.52%
	RW_2.1 (a)	$7,344,218	$5,417,340	-$1,926,879	-26.24%	$6,152,107	-$1,192,111	-16.23%
	RW_2.1 (b)	$7,344,218	$5,417,340	-$1,926,879	-26.24%	$6,152,107	-$1,192,111	-16.23%

Notes:

1. All damages amounts reported include statutory interest as calculated in Mr. Milner's (B) scenarios. Amounts would be less if the statutory interest is excluded.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. For HVMLT 2006-12 (I), Mr. Milner's damages are recalculated by excluding loans that Mr. Warren determined to be without breaches that materially and adversely affect the value of the loans or the interests of the certificateholders using a performance analysis and a DCF analysis. For HVMLT 2006-12 (II), Mr. Milner's damages are recalculated by excluding loans that Mr. Warren determined to be without breaches that materially and adversely affect the value of the loans or the interests of the certificateholders using a performance analysis and a DCF analysis, as well as the 93 loans for which Mr. Shev does not find material breaches according to his June 4, 2019 HVMLT 2006-12 Claim Review.
4. I recalculated Mr. Milner's damages in the RW scenarios excluding loans that Mr. Warren identified as not becoming seriously delinquent until more than two years after they originated and loans that did not satisfy his criteria of "Materially and Adversely Affects" in the Warren Report.
5. I recalculated Mr. Milner's damages in the RW scenarios excluding loans that Mr. Warren identified as not becoming seriously delinquent until more than three years after they originated and loans that did not satisfy his criteria of "Materially and Adversely Affects" in the Warren Report.

Exhibit 18

Mr. Milner's Damages Excluding Loans Using Mr. Warren's Performance and DCF Analyses[1]

For Illustrative Purposes Only [2]

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.
- Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials.
- Warren, Samuel. Expert Report of Samuel Warren. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (July 3, 2019) and related materials.

Exhibit 19

Mr. Milner's Damages Excluding Loans Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario	Mr. Milner's Alleged Damages	Day One Analysis[4]			Post-Origination Analysis[5]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	RW_1.0 (a)	$20,136,656	$2,399,438	-$17,737,218	-88.08%	$3,623,872	-$16,512,783	-82.00%
	RW_1.0 (b)	$20,136,656	$2,399,438	-$17,737,218	-88.08%	$3,623,872	-$16,512,783	-82.00%
	RW_1.1 (a)	$15,875,456	$1,590,829	-$14,284,627	-89.98%	$2,518,686	-$13,356,770	-84.13%
	RW_1.1 (b)	$15,837,272	$1,601,899	-$14,235,373	-89.89%	$2,525,686	-$13,311,586	-84.05%
	RW_2.0 (a)	$18,717,128	$5,669,538	-$13,047,591	-69.71%	$7,049,245	-$11,667,884	-62.34%
	RW_2.0 (b)	$18,717,128	$5,669,538	-$13,047,591	-69.71%	$7,049,245	-$11,667,884	-62.34%
	RW_2.1 (a)	$19,965,828	$2,755,614	-$17,210,214	-86.20%	$3,989,428	-$15,976,400	-80.02%
	RW_2.1 (b)	$19,965,828	$2,755,614	-$17,210,214	-86.20%	$3,989,428	-$15,976,400	-80.02%
FFML 2006-FF15	RW_1.0 (a)	$28,803,286	$562,139	-$28,241,147	-98.05%	$3,803,595	-$24,999,691	-86.79%
	RW_1.0 (b)	$28,803,286	$562,139	-$28,241,147	-98.05%	$3,803,595	-$24,999,691	-86.79%
	RW_1.1 (a)	$29,170,931	$330,777	-$28,840,154	-98.87%	$1,660,717	-$27,510,214	-94.31%
	RW_1.1 (b)	$29,173,130	$330,903	-$28,842,227	-98.87%	$1,662,704	-$27,510,427	-94.30%
	RW_2.0 (a)	$28,597,909	$702,273	-$27,895,636	-97.54%	$5,505,252	-$23,092,657	-80.75%
	RW_2.0 (b)	$28,597,909	$702,273	-$27,895,636	-97.54%	$5,505,252	-$23,092,657	-80.75%
	RW_2.1 (a)	$29,038,455	$412,720	-$28,625,735	-98.58%	$2,264,303	-$26,774,152	-92.20%
	RW_2.1 (b)	$29,038,733	$412,720	-$28,626,013	-98.58%	$2,264,303	-$26,774,430	-92.20%
FFML 2006-FF17	RW_1.0 (a)	$8,502,089	$24,913	-$8,477,177	-99.71%	$48,501	-$8,453,589	-99.43%
	RW_1.0 (b)	$8,501,958	$24,913	-$8,477,046	-99.71%	$48,501	-$8,453,458	-99.43%
	RW_1.1 (a)	$8,375,765	$35,727	-$8,340,039	-99.57%	$60,997	-$8,314,769	-99.27%
	RW_1.1 (b)	$8,377,331	$35,727	-$8,341,604	-99.57%	$60,997	-$8,316,335	-99.27%
	RW_2.0 (a)	$8,396,258	$25,215	-$8,371,043	-99.70%	$88,112	-$8,308,146	-98.95%
	RW_2.0 (b)	$8,396,041	$25,215	-$8,370,826	-99.70%	$88,112	-$8,307,929	-98.95%
	RW_2.1 (a)	$8,602,442	$25,130	-$8,577,312	-99.71%	$29,037	-$8,573,405	-99.66%
	RW_2.1 (b)	$8,603,182	$25,130	-$8,578,052	-99.71%	$29,037	-$8,574,145	-99.66%
HVMLT 2007-1	RW_1.0 (a)	$95,775,981	$15,420,322	-$80,355,659	-83.90%	$37,549,317	-$58,226,664	-60.79%
	RW_1.0 (b)	$95,775,981	$15,420,322	-$80,355,659	-83.90%	$37,549,317	-$58,226,664	-60.79%
	RW_1.1 (a)	$107,868,348	$17,849,486	-$90,018,863	-83.45%	$30,487,640	-$77,380,708	-71.74%
	RW_1.1 (b)	$107,616,387	$17,842,268	-$89,774,119	-83.42%	$30,464,736	-$77,151,651	-71.69%

Exhibit 19

Mr. Milner's Damages Excluding Loans Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario	Mr. Milner's Alleged Damages	Day One Analysis[4]			Post-Origination Analysis[5]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2006-12 (I)	RW_1.0 (a)	$11,565,046	$4,699,736	-$6,865,310	-59.36%	$4,715,368	-$6,849,678	-59.23%
	RW_1.0 (b)	$11,565,046	$4,699,736	-$6,865,310	-59.36%	$4,715,368	-$6,849,678	-59.23%
	RW_1.1 (a)	$12,607,424	$5,256,217	-$7,351,207	-58.31%	$5,277,681	-$7,329,743	-58.14%
	RW_1.1 (b)	$12,607,424	$5,256,217	-$7,351,207	-58.31%	$5,277,681	-$7,329,743	-58.14%
	RW_2.0 (a)	$11,033,056	$4,143,219	-$6,889,838	-62.45%	$4,368,869	-$6,664,188	-60.40%
	RW_2.0 (b)	$11,033,056	$4,143,219	-$6,889,838	-62.45%	$4,368,869	-$6,664,188	-60.40%
	RW_2.1 (a)	$7,344,218	$4,237,193	-$3,107,026	-42.31%	$4,262,678	-$3,081,540	-41.96%
	RW_2.1 (b)	$7,344,218	$4,237,193	-$3,107,026	-42.31%	$4,262,678	-$3,081,540	-41.96%
HVMLT 2006-12 (II)	RW_1.0 (a)	$11,565,046	$3,371,703	-$8,193,343	-70.85%	$3,400,134	-$8,164,912	-70.60%
	RW_1.0 (b)	$11,565,046	$3,371,703	-$8,193,343	-70.85%	$3,400,134	-$8,164,912	-70.60%
	RW_1.1 (a)	$12,607,424	$3,333,453	-$9,273,971	-73.56%	$3,354,105	-$9,253,319	-73.40%
	RW_1.1 (b)	$12,607,424	$3,333,453	-$9,273,971	-73.56%	$3,354,105	-$9,253,319	-73.40%
	RW_2.0 (a)	$11,033,056	$2,958,874	-$8,074,182	-73.18%	$2,983,030	-$8,050,026	-72.96%
	RW_2.0 (b)	$11,033,056	$2,958,874	-$8,074,182	-73.18%	$2,983,030	-$8,050,026	-72.96%
	RW_2.1 (a)	$7,344,218	$2,879,910	-$4,464,308	-60.79%	$2,890,422	-$4,453,796	-60.64%
	RW_2.1 (b)	$7,344,218	$2,879,910	-$4,464,308	-60.79%	$2,890,422	-$4,453,796	-60.64%

Notes:

1. All damages amounts reported include statutory interest as calculated in Mr. Milner's (B) scenarios. Amounts would be less if the statutory interest is excluded.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. For HVMLT 2006-12 (I), Mr. Milner's damages are recalculated by excluding loans that were deemed to be without material and adverse R&W breaches by Mr. Spolin. For HVMLT 2006-12 (II), Mr. Milner's damages are recalculated by excluding loans that were deemed to be without material and adverse R&W breaches by Mr. Spolin, as well as the 93 loans for which Mr. Shev does not find material breaches according to his June 4, 2019 HVMLT 2006-12 Claim Review.
4. I understand that Ms. Keith's, Ms. Gentry's, and Mr. Spolin's "Day One Analysis" included a review of loans using only the information in the loan files that would have been available to an underwriter at the time of origination. I recalculated Mr. Milner's damages in the RW scenarios excluding loans that were deemed to be without material and adverse R&W breaches in their "Day One Analysis."

Exhibit 19

Mr. Milner's Damages Excluding Loans Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only [2]

Notes (cont.):

5. I understand that Ms. Keith's, Ms. Gentry's, and Mr. Spolin's "Post-Origination Analysis" included a review of loans using information in the loan files at the time of origination as well as post-origination and third-party information that the original underwriter could not have considered, or would not have been required to consider. I recalculated Mr. Milner's damages in the RW scenarios excluding loans that were deemed to be without material and adverse R&W breaches in their "Post-Origination Analysis."

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
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- Keith, Kori. Expert Report of Kori Keith. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.
- Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials.
- Spolin, Joel B. Rebuttal Expert Report of Joel B. Spolin. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) and related materials.

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5]			Post-Origination Analysis[6]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	Primary Damages	$24,400,805	$2,210,113	-$22,190,692	-90.94%	$3,434,509	-$20,966,296	-85.92%
	Combined_1.0 (b)	$24,252,519	$2,210,113	-$22,042,406	-90.89%	$3,434,509	-$20,818,009	-85.84%
	Combined_1.1 (a)	$18,455,695	$1,516,076	-$16,939,619	-91.79%	$2,460,839	-$15,994,857	-86.67%
	Combined_1.1 (b)	$18,815,929	$1,531,512	-$17,284,418	-91.86%	$2,472,252	-$16,343,678	-86.86%
	Combined_2.0 (a)	$20,312,747	$5,751,413	-$14,561,334	-71.69%	$7,129,234	-$13,183,512	-64.90%
	Combined_2.0 (b)	$20,266,835	$5,751,413	-$14,515,422	-71.62%	$7,129,234	-$13,137,600	-64.82%
	Combined_2.1 (a)	$24,129,038	$2,818,899	-$21,310,139	-88.32%	$4,052,534	-$20,076,504	-83.20%
	Combined_2.1 (b)	$23,985,741	$2,818,899	-$21,166,842	-88.25%	$4,052,534	-$19,933,207	-83.10%
	Combined_3.0 (a)	$24,434,707	$2,459,980	-$21,974,727	-89.93%	$3,684,497	-$20,750,210	-84.92%
	Combined_3.0 (b)	$24,270,161	$2,459,980	-$21,810,180	-89.86%	$3,684,497	-$20,585,664	-84.82%
	Combined_3.1 (a)	$19,239,163	$1,647,348	-$17,591,815	-91.44%	$2,561,185	-$16,677,978	-86.69%
	Combined_3.1 (b)	$19,290,616	$1,658,067	-$17,632,550	-91.40%	$2,567,319	-$16,723,297	-86.69%
	MF_1.0 (a)	$10,214,901	-$1,697,784	-$11,912,685	-116.62%	-$1,697,784	-$11,912,685	-116.62%
	MF_1.0 (b)	$10,365,186	-$1,697,784	-$12,062,970	-116.38%	-$1,697,784	-$12,062,970	-116.38%
	MF_1.1 (a)	$5,656,718	-$1,858,985	-$7,515,704	-132.86%	-$1,858,985	-$7,515,704	-132.86%
	MF_1.1 (b)	$6,553,976	-$1,854,540	-$8,408,516	-128.30%	-$1,854,540	-$8,408,516	-128.30%
	MF_2.0 (a)	$12,873,969	-$1,041,385	-$13,915,354	-108.09%	-$1,041,385	-$13,915,354	-108.09%
	MF_2.0 (b)	$12,828,834	-$1,041,385	-$13,870,218	-108.12%	-$1,041,385	-$13,870,218	-108.12%
	MF_2.1 (a)	$12,199,932	-$1,573,873	-$13,773,806	-112.90%	-$1,573,873	-$13,773,806	-112.90%
	MF_2.1 (b)	$12,275,977	-$1,573,873	-$13,849,850	-112.82%	-$1,573,873	-$13,849,850	-112.82%
	MF_3.0 (a)	$11,591,985	-$1,629,351	-$13,221,337	-114.06%	-$1,629,351	-$13,221,337	-114.06%
	MF_3.0 (b)	$11,697,089	-$1,629,351	-$13,326,440	-113.93%	-$1,629,351	-$13,326,440	-113.93%
	MF_3.1 (a)	$6,823,178	-$1,803,281	-$8,626,459	-126.43%	-$1,803,281	-$8,626,459	-126.43%
	MF_3.1 (b)	$7,286,227	-$1,803,449	-$9,089,676	-124.75%	-$1,803,449	-$9,089,676	-124.75%
	RW_1.0 (a)	$20,136,656	$2,399,438	-$17,737,218	-88.08%	$3,623,872	-$16,512,783	-82.00%
	RW_1.0 (b)	$20,136,656	$2,399,438	-$17,737,218	-88.08%	$3,623,872	-$16,512,783	-82.00%
	RW_1.1 (a)	$15,875,456	$1,590,829	-$14,284,627	-89.98%	$2,518,686	-$13,356,770	-84.13%
	RW_1.1 (b)	$15,837,272	$1,601,899	-$14,235,373	-89.89%	$2,525,686	-$13,311,586	-84.05%
	RW_2.0 (a)	$18,717,128	$5,669,538	-$13,047,591	-69.71%	$7,049,245	-$11,667,884	-62.34%
	RW_2.0 (b)	$18,717,128	$5,669,538	-$13,047,591	-69.71%	$7,049,245	-$11,667,884	-62.34%
	RW_2.1 (a)	$19,965,828	$2,755,614	-$17,210,214	-86.20%	$3,989,428	-$15,976,400	-80.02%

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5]			Post-Origination Analysis[6]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
ABFC 2006-OPT2	RW_2.1 (b)	$19,965,828	$2,755,614	-$17,210,214	-86.20%	$3,989,428	-$15,976,400	-80.02%
FFML 2006-FF15	Primary Damages	$34,803,748	$28,264,741	-$6,539,006	-18.79%	$28,814,139	-$5,989,609	-17.21%
	Combined_1.0 (b)	$34,605,097	$28,384,487	-$6,220,610	-17.98%	$28,923,391	-$5,681,706	-16.42%
	Combined_1.1 (a)	$31,040,143	$19,429,631	-$11,610,513	-37.40%	$25,253,036	-$5,787,107	-18.64%
	Combined_1.1 (b)	$31,477,667	$26,721,174	-$4,756,493	-15.11%	$27,714,351	-$3,763,316	-11.96%
	Combined_2.0 (a)	$35,030,686	$28,043,566	-$6,987,120	-19.95%	$28,391,871	-$6,638,815	-18.95%
	Combined_2.0 (b)	$34,536,655	$28,024,108	-$6,512,547	-18.86%	$28,363,470	-$6,173,185	-17.87%
	Combined_2.1 (a)	$34,185,096	$28,245,063	-$5,940,033	-17.38%	$28,587,049	-$5,598,047	-16.38%
	Combined_2.1 (b)	$33,928,499	$28,287,165	-$5,641,334	-16.63%	$28,621,601	-$5,306,898	-15.64%
	MF_1.0 (a)	$30,057,324	$27,323,197	-$2,734,127	-9.10%	$27,323,197	-$2,734,127	-9.10%
	MF_1.0 (b)	$30,135,829	$27,486,866	-$2,648,963	-8.79%	$27,486,866	-$2,648,963	-8.79%
	MF_1.1 (a)	$28,150,418	$9,145,936	-$19,004,482	-67.51%	$9,145,936	-$19,004,482	-67.51%
	MF_1.1 (b)	$28,784,446	$17,415,494	-$11,368,952	-39.50%	$17,415,494	-$11,368,952	-39.50%
	MF_2.0 (a)	$30,062,073	$27,445,612	-$2,616,461	-8.70%	$27,445,612	-$2,616,461	-8.70%
	MF_2.0 (b)	$29,994,405	$27,441,233	-$2,553,171	-8.51%	$27,441,233	-$2,553,171	-8.51%
	MF_2.1 (a)	$30,196,893	$27,642,833	-$2,554,060	-8.46%	$27,642,833	-$2,554,060	-8.46%
	MF_2.1 (b)	$30,196,736	$27,706,146	-$2,490,590	-8.25%	$27,706,146	-$2,490,590	-8.25%
	RW_1.0 (a)	$28,803,286	$562,139	-$28,241,147	-98.05%	$3,803,595	-$24,999,691	-86.79%
	RW_1.0 (b)	$28,803,286	$562,139	-$28,241,147	-98.05%	$3,803,595	-$24,999,691	-86.79%
	RW_1.1 (a)	$29,170,931	$330,777	-$28,840,154	-98.87%	$1,660,717	-$27,510,214	-94.31%
	RW_1.1 (b)	$29,173,130	$330,903	-$28,842,227	-98.87%	$1,662,704	-$27,510,427	-94.30%
	RW_2.0 (a)	$28,597,909	$702,273	-$27,895,636	-97.54%	$5,505,252	-$23,092,657	-80.75%
	RW_2.0 (b)	$28,597,909	$702,273	-$27,895,636	-97.54%	$5,505,252	-$23,092,657	-80.75%
	RW_2.1 (a)	$29,038,455	$412,720	-$28,625,735	-98.58%	$2,264,303	-$26,774,152	-92.20%
	RW_2.1 (b)	$29,038,733	$412,720	-$28,626,013	-98.58%	$2,264,303	-$26,774,430	-92.20%
FFML 2006-FF17	Primary Damages	$9,228,518	$1,000,979	-$8,227,539	-89.15%	$5,044,400	-$4,184,118	-45.34%
	Combined_1.0 (b)	$9,331,710	$1,636,164	-$7,695,546	-82.47%	$4,955,534	-$4,376,176	-46.90%
	Combined_1.1 (a)	$9,141,644	$97,586	-$9,044,058	-98.93%	$603,883	-$8,537,761	-93.39%
	Combined_1.1 (b)	$9,385,993	$368,816	-$9,017,177	-96.07%	$1,555,446	-$7,830,547	-83.43%
	Combined_2.0 (a)	$9,529,953	$6,304,781	-$3,225,172	-33.84%	$7,710,164	-$1,819,789	-19.10%
	Combined_2.0 (b)	$9,184,853	$6,340,993	-$2,843,861	-30.96%	$7,693,674	-$1,491,180	-16.24%

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5]			Post-Origination Analysis[6]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
FFML 2006-FF17	Combined_2.1 (a)	$10,267,854	$1,663,915	-$8,603,939	-83.79%	$5,099,553	-$5,168,301	-50.33%
	Combined_2.1 (b)	$10,065,625	$2,015,296	-$8,050,330	-79.98%	$5,403,272	-$4,662,353	-46.32%
	MF_1.0 (a)	$8,034,746	$74,920	-$7,959,826	-99.07%	$74,920	-$7,959,826	-99.07%
	MF_1.0 (b)	$8,066,826	$82,887	-$7,983,938	-98.97%	$82,887	-$7,983,938	-98.97%
	MF_1.1 (a)	$3,485,496	$43,956	-$3,441,539	-98.74%	$43,956	-$3,441,539	-98.74%
	MF_1.1 (b)	$6,435,637	$56,853	-$6,378,784	-99.12%	$56,853	-$6,378,784	-99.12%
	MF_2.0 (a)	$8,762,329	$775,404	-$7,986,925	-91.15%	$775,404	-$7,986,925	-91.15%
	MF_2.0 (b)	$8,445,671	$801,630	-$7,644,041	-90.51%	$801,630	-$7,644,041	-90.51%
	MF_2.1 (a)	$8,255,410	$88,113	-$8,167,298	-98.93%	$88,113	-$8,167,298	-98.93%
	MF_2.1 (b)	$8,254,727	$120,487	-$8,134,239	-98.54%	$120,487	-$8,134,239	-98.54%
	RW_1.0 (a)	$8,502,089	$24,913	-$8,477,177	-99.71%	$48,501	-$8,453,589	-99.43%
	RW_1.0 (b)	$8,501,958	$24,913	-$8,477,046	-99.71%	$48,501	-$8,453,458	-99.43%
	RW_1.1 (a)	$8,375,765	$35,727	-$8,340,039	-99.57%	$60,997	-$8,314,769	-99.27%
	RW_1.1 (b)	$8,377,331	$35,727	-$8,341,604	-99.57%	$60,997	-$8,316,335	-99.27%
	RW_2.0 (a)	$8,396,258	$25,215	-$8,371,043	-99.70%	$88,112	-$8,308,146	-98.95%
	RW_2.0 (b)	$8,396,041	$25,215	-$8,370,826	-99.70%	$88,112	-$8,307,929	-98.95%
	RW_2.1 (a)	$8,602,442	$25,130	-$8,577,312	-99.71%	$29,037	-$8,573,405	-99.66%
	RW_2.1 (b)	$8,603,182	$25,130	-$8,578,052	-99.71%	$29,037	-$8,574,145	-99.66%
HVMLT 2006-11	Primary Damages	$48,611,537	$0	-$48,611,537	-100.00%	$0	-$48,611,537	-100.00%
	MF_1.0 (b)	$44,228,952	$0	-$44,228,952	-100.00%	$0	-$44,228,952	-100.00%
	MF_1.1 (a)	$68,541,037	$0	-$68,541,037	-100.00%	$0	-$68,541,037	-100.00%
	MF_1.1 (b)	$47,558,441	$0	-$47,558,441	-100.00%	$0	-$47,558,441	-100.00%
	MF_2.0 (a)	$22,220,922	$0	-$22,220,922	-100.00%	$0	-$22,220,922	-100.00%
	MF_2.0 (b)	$22,325,575	$0	-$22,325,575	-100.00%	$0	-$22,325,575	-100.00%
	MF_2.1 (a)	$38,746,951	$0	-$38,746,951	-100.00%	$0	-$38,746,951	-100.00%
	MF_2.1 (b)	$38,316,948	$0	-$38,316,948	-100.00%	$0	-$38,316,948	-100.00%
	MF_4.0 (a)	$31,223,569	$0	-$31,223,569	-100.00%	$0	-$31,223,569	-100.00%
	MF_4.0 (b)	$31,398,061	$0	-$31,398,061	-100.00%	$0	-$31,398,061	-100.00%
HVMLT 2007-1	Primary Damages	$128,339,082	$18,504,863	-$109,834,219	-85.58%	$37,000,728	-$91,338,353	-71.17%
	Combined_1.0 (b)	$124,358,796	$18,504,863	-$105,853,933	-85.12%	$37,000,728	-$87,358,068	-70.25%
	Combined_1.1 (a)	$154,390,639	$18,179,329	-$136,211,310	-88.23%	$30,794,053	-$123,596,586	-80.05%

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5]			Post-Origination Analysis[6]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2007-1	Combined_1.1 (b)	$134,230,179	$18,205,390	-$116,024,789	-86.44%	$30,803,630	-$103,426,549	-77.05%
	Combined_2.0 (a)	$101,262,809	$15,730,433	-$85,532,376	-84.47%	$38,026,115	-$63,236,694	-62.45%
	Combined_2.0 (b)	$101,262,809	$15,730,433	-$85,532,376	-84.47%	$38,026,115	-$63,236,694	-62.45%
	Combined_2.1 (a)	$131,473,926	$18,024,117	-$113,449,809	-86.29%	$30,571,119	-$100,902,807	-76.75%
	Combined_2.1 (b)	$131,377,161	$18,016,763	-$113,360,398	-86.29%	$30,548,527	-$100,828,634	-76.75%
	MF_1.0 (a)	$122,322,539	$843,828	-$121,478,712	-99.31%	$843,828	-$121,478,712	-99.31%
	MF_1.0 (b)	$110,390,499	$843,828	-$109,546,672	-99.24%	$843,828	-$109,546,672	-99.24%
	MF_1.1 (a)	$140,593,231	$1,081,243	-$139,511,988	-99.23%	$1,081,243	-$139,511,988	-99.23%
	MF_1.1 (b)	$75,964,129	$1,110,563	-$74,853,566	-98.54%	$1,110,563	-$74,853,566	-98.54%
	MF_2.0 (a)	$101,262,809	-$226,903	-$101,489,712	-100.22%	-$226,903	-$101,489,712	-100.22%
	MF_2.0 (b)	$101,262,809	-$226,903	-$101,489,712	-100.22%	-$226,903	-$101,489,712	-100.22%
	MF_2.1 (a)	$121,460,314	$106,430	-$121,353,884	-99.91%	$106,430	-$121,353,884	-99.91%
	MF_2.1 (b)	$116,973,023	$106,430	-$116,866,593	-99.91%	$106,430	-$116,866,593	-99.91%
	MF_4.0 (a)	$123,582,833	$176,103	-$123,406,730	-99.86%	$176,103	-$123,406,730	-99.86%
	MF_4.0 (b)	$119,227,777	$176,103	-$119,051,675	-99.85%	$176,103	-$119,051,675	-99.85%
	RW_1.0 (a)	$95,775,981	$15,420,322	-$80,355,659	-83.90%	$37,549,317	-$58,226,664	-60.79%
	RW_1.0 (b)	$95,775,981	$15,420,322	-$80,355,659	-83.90%	$37,549,317	-$58,226,664	-60.79%
	RW_1.1 (a)	$107,868,348	$17,849,486	-$90,018,863	-83.45%	$30,487,640	-$77,380,708	-71.74%
	RW_1.1 (b)	$107,616,387	$17,842,268	-$89,774,119	-83.42%	$30,464,736	-$77,151,651	-71.69%
SVHE 2007-OPT1	Primary Damages	$1,588,037	-$2,160,788	-$3,748,825	-236.07%	-$2,160,788	-$3,748,825	-236.07%
	MF_1.0 (b)	$1,818,057	-$2,150,331	-$3,968,389	-218.28%	-$2,150,331	-$3,968,389	-218.28%
	MF_1.1 (a)	$109,403	-$2,423,986	-$2,533,389	-2315.66%	-$2,423,986	-$2,533,389	-2315.66%
	MF_1.1 (b)	$475,254	-$2,393,406	-$2,868,659	-603.61%	-$2,393,406	-$2,868,659	-603.61%
	MF_2.0 (a)	$9,414,991	-$231,752	-$9,646,743	-102.46%	-$231,752	-$9,646,743	-102.46%
	MF_2.0 (b)	$9,420,869	-$237,952	-$9,658,822	-102.53%	-$237,952	-$9,658,822	-102.53%
	MF_2.1 (a)	$2,323,001	-$1,986,310	-$4,309,310	-185.51%	-$1,986,310	-$4,309,310	-185.51%
	MF_2.1 (b)	$2,485,196	-$1,977,607	-$4,462,802	-179.58%	-$1,977,607	-$4,462,802	-179.58%

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5] Recalculated Amounts	Day One Analysis[5] Difference	Day One Analysis[5] Percentage Difference	Post-Origination Analysis[6] Recalculated Amounts	Post-Origination Analysis[6] Difference	Post-Origination Analysis[6] Percentage Difference
SVHE 2007-OPT1	MF_3.0 (a)	$2,048,310	-$1,994,432	-$4,042,742	-197.37%	-$1,994,432	-$4,042,742	-197.37%
	MF_3.0 (b)	$2,177,093	-$1,985,051	-$4,162,145	-191.18%	-$1,985,051	-$4,162,145	-191.18%
	MF_3.1 (a)	$332,607	-$2,451,178	-$2,783,785	-836.96%	-$2,451,178	-$2,783,785	-836.96%
	MF_3.1 (b)	$625,576	-$2,428,689	-$3,054,265	-488.23%	-$2,428,689	-$3,054,265	-488.23%
HVMLT 2006-12 (I)	Primary Damages	$51,215,998	$5,044,241	-$46,171,758	-90.15%	$5,060,556	-$46,155,442	-90.12%
	Combined_1.0 (b)	$47,386,651	$5,044,241	-$42,342,410	-89.36%	$5,060,556	-$42,326,095	-89.32%
	Combined_1.1 (a)	$70,206,495	$5,850,642	-$64,355,853	-91.67%	$5,871,965	-$64,334,530	-91.64%
	Combined_1.1 (b)	$53,060,759	$5,852,702	-$47,208,056	-88.97%	$5,874,026	-$47,186,733	-88.93%
	Combined_2.0 (a)	$27,940,622	$4,160,562	-$23,780,061	-85.11%	$4,386,524	-$23,554,099	-84.30%
	Combined_2.0 (b)	$27,639,451	$4,160,562	-$23,478,890	-84.95%	$4,386,524	-$23,252,928	-84.13%
	Combined_2.1 (a)	$42,883,152	$4,255,953	-$38,627,199	-90.08%	$4,281,438	-$38,601,714	-90.02%
	Combined_2.1 (b)	$42,883,152	$4,255,953	-$38,627,199	-90.08%	$4,281,438	-$38,601,714	-90.02%
	Combined_3.0 (a)	$30,043,028	$4,641,270	-$25,401,758	-84.55%	$4,660,637	-$25,382,391	-84.49%
	Combined_3.0 (b)	$29,976,760	$4,641,270	-$25,335,490	-84.52%	$4,660,637	-$25,316,123	-84.45%
	Combined_3.1 (a)	$46,874,303	$5,270,544	-$41,603,758	-88.76%	$5,292,008	-$41,582,295	-88.71%
	Combined_3.1 (b)	$46,086,674	$5,270,544	-$40,816,129	-88.56%	$5,292,008	-$40,794,666	-88.52%
	MF_1.0 (a)	$51,215,998	$903,290	-$50,312,708	-98.24%	$903,290	-$50,312,708	-98.24%
	MF_1.0 (b)	$47,386,729	$903,290	-$46,483,439	-98.09%	$903,290	-$46,483,439	-98.09%
	MF_1.1 (a)	$70,207,205	$1,220,372	-$68,986,833	-98.26%	$1,220,372	-$68,986,833	-98.26%
	MF_1.1 (b)	$53,062,384	$1,222,268	-$51,840,116	-97.70%	$1,222,268	-$51,840,116	-97.70%
	MF_2.0 (a)	$27,902,823	$446,324	-$27,456,499	-98.40%	$446,324	-$27,456,499	-98.40%
	MF_2.0 (b)	$27,627,579	$446,324	-$27,181,255	-98.38%	$446,324	-$27,181,255	-98.38%
	MF_2.1 (a)	$42,883,152	$682,528	-$42,200,624	-98.41%	$682,528	-$42,200,624	-98.41%
	MF_2.1 (b)	$42,883,152	$682,528	-$42,200,624	-98.41%	$682,528	-$42,200,624	-98.41%
	MF_3.0 (a)	$30,010,649	$718,717	-$29,291,932	-97.61%	$718,717	-$29,291,932	-97.61%
	MF_3.0 (b)	$29,962,058	$718,717	-$29,243,342	-97.60%	$718,717	-$29,243,342	-97.60%
	MF_3.1 (a)	$46,874,303	$688,964	-$46,185,339	-98.53%	$688,964	-$46,185,339	-98.53%
	MF_3.1 (b)	$46,023,843	$688,964	-$45,334,880	-98.50%	$688,964	-$45,334,880	-98.50%
	MF_4.0 (a)	$36,681,182	$1,028,212	-$35,652,970	-97.20%	$1,028,212	-$35,652,970	-97.20%
	MF_4.0 (b)	$36,750,255	$1,028,212	-$35,722,043	-97.20%	$1,028,212	-$35,722,043	-97.20%

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5]			Post-Origination Analysis[6]		
			Recalculated Amounts	Difference	Percentage Difference	Recalculated Amounts	Difference	Percentage Difference
HVMLT 2006-12 (I)	RW_1.0 (a)	$11,565,046	$4,699,736	-$6,865,310	-59.36%	$4,715,368	-$6,849,678	-59.23%
	RW_1.0 (b)	$11,565,046	$4,699,736	-$6,865,310	-59.36%	$4,715,368	-$6,849,678	-59.23%
	RW_1.1 (a)	$12,607,424	$5,256,217	-$7,351,207	-58.31%	$5,277,681	-$7,329,743	-58.14%
	RW_1.1 (b)	$12,607,424	$5,256,217	-$7,351,207	-58.31%	$5,277,681	-$7,329,743	-58.14%
	RW_2.0 (a)	$11,033,056	$4,143,219	-$6,889,838	-62.45%	$4,368,869	-$6,664,188	-60.40%
	RW_2.0 (b)	$11,033,056	$4,143,219	-$6,889,838	-62.45%	$4,368,869	-$6,664,188	-60.40%
	RW_2.1 (a)	$7,344,218	$4,237,193	-$3,107,026	-42.31%	$4,262,678	-$3,081,540	-41.96%
	RW_2.1 (b)	$7,344,218	$4,237,193	-$3,107,026	-42.31%	$4,262,678	-$3,081,540	-41.96%
HVMLT 2006-12 (II)	Primary Damages	$51,215,998	$3,581,407	-$47,634,591	-93.01%	$3,600,275	-$47,615,723	-92.97%
	Combined_1.0 (b)	$47,386,651	$3,581,407	-$43,805,244	-92.44%	$3,600,275	-$43,786,375	-92.40%
	Combined_1.1 (a)	$70,206,495	$3,922,129	-$66,284,367	-94.41%	$3,943,895	-$66,262,600	-94.38%
	Combined_1.1 (b)	$53,060,759	$3,924,178	-$49,136,581	-92.60%	$3,945,945	-$49,114,814	-92.56%
	Combined_2.0 (a)	$27,940,622	$2,821,485	-$25,119,138	-89.90%	$2,839,479	-$25,101,143	-89.84%
	Combined_2.0 (b)	$27,639,451	$2,821,485	-$24,817,967	-89.79%	$2,839,479	-$24,799,972	-89.73%
	Combined_2.1 (a)	$42,883,152	$2,896,574	-$39,986,578	-93.25%	$2,907,081	-$39,976,071	-93.22%
	Combined_2.1 (b)	$42,883,152	$2,896,574	-$39,986,578	-93.25%	$2,907,081	-$39,976,071	-93.22%
	Combined_3.0 (a)	$30,043,028	$3,394,655	-$26,648,373	-88.70%	$3,423,076	-$26,619,952	-88.61%
	Combined_3.0 (b)	$29,976,760	$3,394,655	-$26,582,105	-88.68%	$3,423,076	-$26,553,684	-88.58%
	Combined_3.1 (a)	$46,874,303	$3,347,727	-$43,526,575	-92.86%	$3,368,378	-$43,505,925	-92.81%
	Combined_3.1 (b)	$46,086,674	$3,347,727	-$42,738,946	-92.74%	$3,368,378	-$42,718,296	-92.69%
	MF_1.0 (a)	$51,215,998	$903,290	-$50,312,708	-98.24%	$903,290	-$50,312,708	-98.24%
	MF_1.0 (b)	$47,386,729	$903,290	-$46,483,439	-98.09%	$903,290	-$46,483,439	-98.09%
	MF_1.1 (a)	$70,207,205	$1,220,372	-$68,986,833	-98.26%	$1,220,372	-$68,986,833	-98.26%
	MF_1.1 (b)	$53,062,384	$1,222,268	-$51,840,116	-97.70%	$1,222,268	-$51,840,116	-97.70%
	MF_2.0 (a)	$27,902,823	$446,324	-$27,456,499	-98.40%	$446,324	-$27,456,499	-98.40%
	MF_2.0 (b)	$27,627,579	$446,324	-$27,181,255	-98.38%	$446,324	-$27,181,255	-98.38%
	MF_2.1 (a)	$42,883,152	$682,528	-$42,200,624	-98.41%	$682,528	-$42,200,624	-98.41%
	MF_2.1 (b)	$42,883,152	$682,528	-$42,200,624	-98.41%	$682,528	-$42,200,624	-98.41%
	MF_3.0 (a)	$30,010,649	$718,717	-$29,291,932	-97.61%	$718,717	-$29,291,932	-97.61%
	MF_3.0 (b)	$29,962,058	$718,717	-$29,243,342	-97.60%	$718,717	-$29,243,342	-97.60%

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only[2]

Trust[3]	Funding Scenario[4]	Mr. Milner's Alleged Damages	Day One Analysis[5] Recalculated Amounts	Day One Analysis[5] Difference	Day One Analysis[5] Percentage Difference	Post-Origination Analysis[6] Recalculated Amounts	Post-Origination Analysis[6] Difference	Post-Origination Analysis[6] Percentage Difference
HVMLT 2006-12 (II)	MF_3.1 (a)	$46,874,303	$688,964	-$46,185,339	-98.53%	$688,964	-$46,185,339	-98.53%
	MF_3.1 (b)	$46,023,843	$688,964	-$45,334,880	-98.50%	$688,964	-$45,334,880	-98.50%
	MF_4.0 (a)	$36,681,182	$1,028,212	-$35,652,970	-97.20%	$1,028,212	-$35,652,970	-97.20%
	MF_4.0 (b)	$36,750,255	$1,028,212	-$35,722,043	-97.20%	$1,028,212	-$35,722,043	-97.20%
	RW_1.0 (a)	$11,565,046	$3,371,703	-$8,193,343	-70.85%	$3,400,134	-$8,164,912	-70.60%
	RW_1.0 (b)	$11,565,046	$3,371,703	-$8,193,343	-70.85%	$3,400,134	-$8,164,912	-70.60%
	RW_1.1 (a)	$12,607,424	$3,333,453	-$9,273,971	-73.56%	$3,354,105	-$9,253,319	-73.40%
	RW_1.1 (b)	$12,607,424	$3,333,453	-$9,273,971	-73.56%	$3,354,105	-$9,253,319	-73.40%
	RW_2.0 (a)	$11,033,056	$2,958,874	-$8,074,182	-73.18%	$2,983,030	-$8,050,026	-72.96%
	RW_2.0 (b)	$11,033,056	$2,958,874	-$8,074,182	-73.18%	$2,983,030	-$8,050,026	-72.96%
	RW_2.1 (a)	$7,344,218	$2,879,910	-$4,464,308	-60.79%	$2,890,422	-$4,453,796	-60.64%
	RW_2.1 (b)	$7,344,218	$2,879,910	-$4,464,308	-60.79%	$2,890,422	-$4,453,796	-60.64%

Notes:

1. All damages amounts reported include statutory interest as calculated in Mr. Milner's damages calculations. Amounts would be less if the statutory interest is excluded.
2. This exercise is for illustrative purposes only and is not a calculation of damages nor an opinion about how damages should be calculated.
3. For HVMLT 2006-12 (I), Mr. Milner's damages are recalculated excluding loans that were deemed to be without material and adverse R&W breaches by Mr. Spolin. For HVMLT 2006-12 (II), Mr. Milner's damages are recalculated excluding loans that were deemed to be without material and adverse R&W breaches by Mr. Spolin, as well as the 93 loans for which Mr. Shev does not find material breaches according to his June 4, 2019 HVMLT 2006-12 Claim Review.
4. Combined scenarios incorporate the allegations and assumptions from the mortgage file exception scenarios ("MF Scenario") and R&W damages scenarios ("RW Scenario") according to the descriptions in Exhibit D of the Milner Report. For loans being claimed for damages in both the MF Scenario and the RW Scenario, Mr. Milner's Combined scenario assumes repurchase at the earlier Funding Date.
5. Recalculated Amounts are calculated excluding loans that I understand Mr. Ross independently determined free of material exceptions, as well as loans with "cured" or "curable" exceptions; and loans that were deemed to be without material and adverse R&W breaches in the "Day One Analysis." I understand that Ms. Keith's, Ms. Gentry's, and Mr. Spolin's "Day One Analysis" included a review of loans using only the information in the loan files that would have been available to an underwriter at the time of origination.

Exhibit 20

Mr. Milner's Damages Excluding Loans Without Material Exceptions and Without Material and Adverse R&W Breaches[1]

For Illustrative Purposes Only [2]

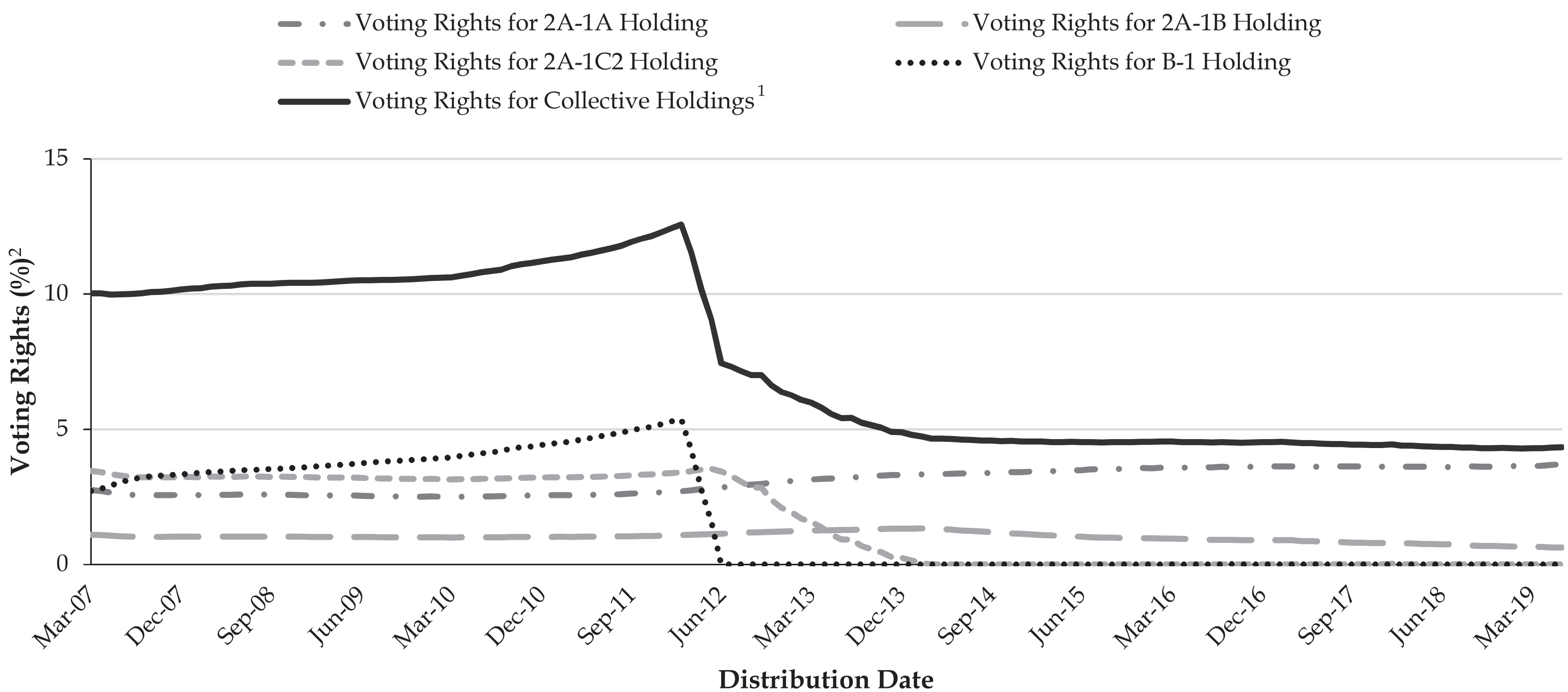
Notes (cont.):

6. Recalculated Amounts are calculated in each scenario excluding loans that I understand Mr. Ross independently determined free of material exceptions, as well as loans with "cured" or "curable" exceptions; and loans that were deemed to be without material and adverse R&W breaches in the "Post-Origination Analysis." I understand that Ms. Keith's, Ms. Gentry's, and Mr. Spolin's "Post-Origination Analysis" included a review of loans using information in the loan files at the time of origination as well as post-origination and third-party information that the original underwriter could not have considered, or would not have been required to consider.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Gentry, Beverly. Rebuttal Expert Report of Beverly Gentry. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) and related materials.
- HVMLT 2006-12 Claim Review.xlsx.
- Keith, Kori. Expert Report of Kori Keith. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.
- ncua_oakbranch_cured.csv.
- ncua_oakbranch_cured_curable.csv.
- ncua_ross_immaterial.csv.
- Ross, Peter M. Rebuttal Expert Report of Peter M. Ross. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (June 20, 2019) and related materials.
- Shev, Gary. Opening Expert Report of Gary Shev. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Jan. 18, 2019) and related materials.
- Spolin, Joel B. Rebuttal Expert Report of Joel B. Spolin. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected July 18, 2019) and related materials.

Exhibit 21
Voting Rights Percent Over Time for Relevant Certificates in HVMLT 2007-1
(Mar. 2007 - Jun. 2019)



Notes:

1. Collective Holdings is calculated based on the percentage of the total certificate balance of all certificates acquired by the Credit Unions and transferred to Plaintiffs according to Plaintiffs' Aug. 21, 2017 R&Os and the Third Amended Complaint.
2. Voting Rights refers to the aggregate Voting Rights allocated to the ownership of the Relevant Certificates within HVMLT 2007-1. According to the PSA, 99 percent of the Voting Rights are allocated to Regular Certificates that are not Class C, Class P, or Class R. Voting Rights are calculated according to a fraction of which the numerator is the outstanding certificate principal balance of the Relevant Certificates and the denominator is the outstanding aggregate certificate principal balance of Regular Certificates using the month-ending balance as of each distribution date.

Sources:

- Plaintiffs' Supplemental Responses and Objections to Wells Fargo Bank, N.A.'s Contention Interrogatories Numbers 7, 8 and 10 and First Set of Interrogatories Number 5. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Aug. 21, 2017) at Exhibit A ("Plaintiffs' Aug. 21, 2017 R&Os").
- Pooling and Servicing Agreement: HVMLT 2007-1 (WF_NCUA_000030340 at WF_NCUA_000030387 and WF_NCUA_000030396).
- Remittance Reports: HVMLT 2007-1 (Mar. 19, 2007 - June 19, 2019).
- Third Amended Complaint. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (filed Aug. 31, 2017).

Exhibit 22
Plaintiffs' Alleged Highest Voting Rights or Voting Interests in Each Relevant Trust

Trust	Plaintiffs' Highest Voting Rights or Voting Interests (%)[1]	Date[2]
ABFC 2006-OPT2	14.05	May 2019
FFML 2006-FF15	21.60	Nov. 2013
FFML 2006-FF17	2.39	Dec. 2010
HVMLT 2006-11	30.23	Dec. 2011
HVMLT 2006-12	8.70	Apr. 2012
HVMLT 2007-1	12.57	Feb. 2012
SVHE 2007-OPT1	10.03	Sept. 2017

Notes:

1. Voting rights or voting interests (in percentage) are calculated monthly according to the provisions in the governing agreements and based upon the outstanding certificate balances at the end of each remittance cycle using the collective ownership of all holdings for a Relevant Trust, as reported in Exhibit A to Plaintiffs' Aug. 21, 2017 R&Os.
2. Date represents the month and year in which the remittance cycle ended and when the highest collective Voting Rights, as a percentage, for the Relevant Trust was observed starting from the first available remittance data through June 2019.

Sources:

- Governing Agreements: ABFC 2006-OPT2 (WF_NCUA_000035016 at WF_NCUA_000035100); FFML 2006-FF15 (WF_NCUA_000011488 at WF_NCUA_000011511); FFML 2006-FF17 (WF_NCUA_000018367 at WF_NCUA_000018431); HVMLT 2006-11 (WF_NCUA_000016160 at WF_NCUA_000016216); HVMLT 2006-12 (WF_NCUA_000002289 at WF_NCUA_000002350-51); HVMLT 2007-1 (WF_NCUA_000030340 at WF_NCUA_000030396); and SVHE 2007-OPT1 (WF_NCUA_000027753 at WF_NCUA_000027828-29).
- Plaintiffs' Supplemental Responses and Objections to Wells Fargo Bank, N.A.'s Contention Interrogatories Numbers 7, 8 and 10 and First Set of Interrogatories Number 5. *National Credit Union Administration Board, as Liquidating Agent, et al. v. Wells Fargo Bank, N.A.* , (S.D.N.Y. No. 1:14-cv-10067) (Aug. 21, 2017) at Exhibit A.
- Remittance Reports: ABFC 2006-OPT2 (Oct. 25, 2006 - June 25, 2019); FFML 2006-FF15 (Nov. 27, 2006 - June 25, 2019); FFML 2006-FF17 (Dec. 26, 2006 - June 25, 2019); HVMLT 2006-11 (Nov. 20, 2006 - June 19, 2019); HVMLT 2006-12 (Dec. 19, 2006 - June 19, 2019); HVMLT 2007-1 (Mar. 19, 2007 - June 19, 2019); and SVHE 2007-OPT1 (May 25, 2007 - June 25, 2019).

Exhibit 23

Example Tranches with Lower Cumulative Payments in Certain of Mr. Milner's But-for Scenarios[1]

Trust	Tranche	Scenario Number	Cumulative Payment Difference[2] Combined Scenarios	MF Scenarios	RW Scenarios
ABFC 2006-OPT2	A3B	1.1 (a)	(324,748.20)	(290,581.26)	(227,212.89)
		1.1 (b)	(250,494.71)	(196,673.81)	(227,212.89)
		3.1 (a)	(227,212.89)	(201,593.51)	N/A
		3.1 (b)	(227,212.89)	(179,085.77)	N/A
	A3C	1.0 (a)	(1,217,126.78)	(90,593.97)	(1,085,239.88)
		1.0 (b)	(1,210,472.98)	(78,524.20)	(1,085,239.88)
		1.1 (a)	(1,903,913.81)	38,654.42	(1,663,463.57)
		1.1 (b)	(1,867,318.49)	30,562.28	(1,659,769.09)
		2.0 (a)	(268,366.59)	(263,604.94)	(268,366.59)
		2.0 (b)	(268,366.59)	(261,933.67)	(268,366.59)
		2.1 (a)	(946,358.84)	(580,724.38)	(946,358.84)
		2.1 (b)	(946,358.84)	(563,114.08)	(946,358.84)
		3.0 (a)	(1,085,239.88)	(601,213.82)	N/A
		3.0 (b)	(1,085,239.88)	(581,457.18)	N/A
		3.1 (a)	(1,942,794.88)	(49,402.64)	N/A
		3.1 (b)	(1,891,187.00)	(24,720.83)	N/A
FFML 2006-FF15	A3	1.0 (a)	(19,697.18)	(19,697.18)	0.00
		1.0 (b)	(19,697.18)	(19,697.18)	0.00
		1.1 (a)	(6,775,311.61)	(6,775,311.61)	(2,532.99)
		1.1 (b)	(3,447,584.46)	(3,447,584.46)	(2,532.99)
	A4	1.0 (a)	(584,853.35)	(584,853.35)	0.00
		1.0 (b)	(584,853.35)	(584,853.35)	0.00
		1.1 (a)	(1,434,844.10)	(1,434,844.10)	(465,975.01)
		1.1 (b)	(1,186,480.18)	(1,186,480.18)	(465,975.01)
		2.1 (a)	(76,175.07)	(76,175.07)	(76,175.07)
		2.1 (b)	(76,175.07)	(76,175.07)	(76,175.07)
FFML 2006-FF17	A3	1.0 (a)	(6,391.55)	(6,391.55)	(293.76)
		1.0 (b)	(6,391.55)	(6,391.55)	(293.76)
		1.1 (a)	(2,265,141.28)	(2,265,141.28)	(1,901.64)
		1.1 (b)	(1,273,138.70)	(1,273,138.70)	(1,905.45)
		2.0 (a)	(293.76)	(293.76)	(293.76)

Exhibit 23

Example Tranches with Lower Cumulative Payments in Certain of Mr. Milner's But-for Scenarios[1]

Trust	Tranche	Scenario Number	Cumulative Payment Difference[2]		
			Combined Scenarios	MF Scenarios	RW Scenarios
FFML 2006-FF17	A3	2.0 (b)	(293.76)	(293.76)	(293.76)
		2.1 (a)	(293.76)	(293.76)	(293.76)
		2.1 (b)	(293.76)	(293.76)	(293.76)
	A4	1.0 (a)	(218,760.51)	(218,760.51)	(26.88)
		1.0 (b)	(218,760.51)	(218,760.51)	(26.88)
		1.1 (a)	(483,610.42)	(483,610.42)	(191,179.34)
		1.1 (b)	(411,122.91)	(411,122.91)	(191,179.34)
		2.0 (a)	(26.92)	(26.92)	(26.88)
		2.0 (b)	(26.92)	(26.92)	(26.88)
		2.1 (a)	(52,150.06)	(46,688.08)	(52,150.06)
		2.1 (b)	(52,150.06)	(46,688.08)	(52,150.06)
HVMLT 2006-12	2A-1A2	1.0 (a)	(275,883.35)	(275,883.35)	0.00
		1.0 (b)	(275,883.35)	(275,883.35)	0.00
		1.1 (a)	(2,852,785.82)	(2,852,785.82)	(102,657.94)
		1.1 (b)	(2,105,144.13)	(2,105,144.13)	(102,657.94)
		2.1 (a)	(16,606.84)	(16,606.84)	(16,606.84)
		2.1 (b)	(16,606.84)	(16,606.84)	(16,606.84)
		3.1 (a)	(102,657.94)	(102,657.94)	N/A
		3.1 (b)	(102,657.94)	(102,657.94)	N/A
HVMLT 2007-1	2A1C1	1.0 (a)	(104,216.53)	(104,216.53)	0.00
		1.0 (b)	(86,133.40)	(85,976.75)	0.00
		1.1 (a)	(610,694.66)	(557,624.48)	(9,739.97)
		1.1 (b)	(342,974.46)	(284,257.63)	(9,342.88)
		2.1 (a)	(10,942.94)	(10,110.98)	N/A
		2.1 (b)	(10,942.94)	(8,292.93)	N/A
		4.0 (a)	No Scenario	(1,194.78)	N/A
		4.0 (b)	No Scenario	(1,129.45)	N/A

Exhibit 23

Example Tranches with Lower Cumulative Payments in Certain of Mr. Milner's But-for Scenarios[1]

Notes:

1. The example tranches in this exhibit are tranches that have lower cumulative payments across certain of Mr. Milner's but-for scenarios.
2. Cumulative Payment Difference is calculated using Mr. Milner's waterfall models and represents the net change in principal plus the net change in interest plus the incremental value from the ending balance. This is equivalent to the "Total Damages (Excluding 9% Statutory Simple Interest)" column at Exhibit I of the Milner Report.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.

Exhibit 24

Comparison Between Mr. Milner's "Cost of Repurchase Activity" and Simulated Repurchase and Make Whole Amounts[1]

Funding Scenario	Mr. Milner's Expense by Securitization Trust (in Millions)	Simulated Repurchase and Make Whole Amounts (in Millions)	Difference (in Millions)	Percentage Difference
Primary Damages[2]	$1,620.00	$4,966.08	$3,346.08	206.55%
Combined_1.0 (b)	$1,554.10	$4,564.28	$3,010.18	193.69%
Combined_1.1 (a)	$313.40	$5,208.01	$4,894.61	1,561.78%
Combined_1.1 (b)	$329.10	$5,033.48	$4,704.38	1,429.47%
Combined_2.0 (a)	$3,379.50	$4,187.63	$808.13	23.91%
Combined_2.0 (b)	$3,381.20	$4,104.69	$723.49	21.40%
Combined_2.1 (a)	$2,270.20	$4,329.84	$2,059.64	90.73%
Combined_2.1 (b)	$2,176.10	$4,204.61	$2,028.51	93.22%
Combined_3.0 (a)	$1,854.50	$2,584.19	$729.69	39.35%
Combined_3.0 (b)	$1,856.30	$2,520.10	$663.80	35.76%
Combined_3.1 (a)	$902.00	$2,945.06	$2,043.06	226.50%
Combined_3.1 (b)	$910.30	$2,840.33	$1,930.03	212.02%
MF_1.0 (a)[2]	$1,143.30	$4,435.34	$3,292.04	287.94%
MF_1.0 (b)	$1,156.50	$4,270.52	$3,114.02	269.26%
MF_1.1 (a)	$41.40	$4,998.58	$4,957.18	11,973.86%
MF_1.1 (b)	$55.60	$4,816.28	$4,760.68	8,562.38%
MF_2.0 (a)	$3,011.80	$3,853.64	$841.84	27.95%
MF_2.0 (b)	$3,013.50	$3,767.55	$754.05	25.02%
MF_2.1 (a)	$1,990.40	$4,059.11	$2,068.71	103.93%
MF_2.1 (b)	$1,996.50	$3,930.06	$1,933.56	96.85%
MF_3.0 (a)	$1,798.50	$2,515.38	$716.88	39.86%
MF_3.0 (b)	$1,800.50	$2,449.43	$648.93	36.04%
MF_3.1 (a)	$889.80	$2,883.86	$1,994.06	224.10%
MF_3.1 (b)	$898.20	$2,776.95	$1,878.75	209.17%
MF_4.0 (a)	$1,949.30	$3,166.09	$1,216.79	62.42%
MF_4.0 (b)	$1,952.30	$3,074.52	$1,122.22	57.48%
RW_1.0 (a)	$1,334.90	$1,442.88	$107.98	8.09%
RW_1.0 (b)	$1,334.90	$1,442.87	$107.97	8.09%
RW_1.1 (a)	$866.30	$1,329.40	$463.10	53.46%

Exhibit 24

Comparison Between Mr. Milner's "Cost of Repurchase Activity" and Simulated Repurchase and Make Whole Amounts[1]

Funding Scenario	Mr. Milner's Expense by Securitization Trust (in Millions)	Simulated Repurchase and Make Whole Amounts (in Millions)	Difference (in Millions)	Percentage Difference
RW_1.1 (b)	$866.60	$1,326.89	$460.29	53.11%
RW_2.0 (a)	$1,020.90	$1,037.12	$16.22	1.59%
RW_2.0 (b)	$1,020.90	$1,037.11	$16.21	1.59%
RW_2.1 (a)	$767.70	$882.79	$115.09	14.99%
RW_2.1 (b)	$767.70	$882.77	$115.07	14.99%

Notes:

1. The difference is calculated as Simulated Repurchase and Make Whole Amounts minus Mr. Milner's Expense by Securitization Trust. It is also equal to the sum of Unpaid Principal Balances for liquidated loans.
2. Amounts related to the MF_1.0 (a) scenario for HVMLT 2006-11 and SVHE 2007-OPT1 are included in both the Primary Damages and the MF_1.0 (a) scenarios.

Sources:

- Declaration of Christopher J. Milner Regarding Wells Fargo's March 5, 2019 Letter. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (Mar. 19, 2019) and related materials.
- Milner, Christopher J. Expert Report of Christopher J. Milner. *National Credit Union Administration Board, et al. v. Wells Fargo Bank, N.A.* (S.D.N.Y. No. 1:14-cv-10067) (corrected Jan. 25, 2019) and related materials.