COMMERCIAL CREDIT QUALITY INDICATORS In addition to monitoring commercial loan concentration risk, we manage a consistent process for assessing commercial loan credit quality. Generally, commercial loans are subject to individual risk assessment using our internal borrower and collateral quality ratings. Our ratings are aligned to Pass and Criticized categories. The Criticized category includes Special Mention, Substandard, and Doubtful categories which are defined by bank regulatory agencies.

Table 5.8 provides a breakdown of outstanding commercial loans by risk category. Of the $22.3 billion in criticized commercial and industrial loans and $6.0 billion in criticized commercial real estate (CRE) loans at September 30, 2016, $3.3 billion and $839 million, respectively, have been placed on nonaccrual status and written down to net realizable collateral value.

Table 5.8: Commercial Loans by Risk Category

(in millions)	Commercial and industrial	Real estate mortgage	Real estate construction	Lease financing	Total
September 30, 2016					
By risk category:					
Pass	**$ 301,402**	**124,350**	**22,729**	**17,616**	**466,097**
Criticized	**22,251**	**5,463**	**551**	**1,255**	**29,520**
Total commercial loans (excluding PCI)	**323,653**	**129,813**	**23,280**	**18,871**	**495,617**
Total commercial PCI loans (carrying value)	**367**	**410**	**60**	**—**	**837**
Total commercial loans	**$ 324,020**	**130,223**	**23,340**	**18,871**	**496,454**
December 31, 2015					
By risk category:					
Pass	$ 281,356	115,025	21,546	11,772	429,699
Criticized	18,458	6,593	526	595	26,172
Total commercial loans (excluding PCI)	299,814	121,618	22,072	12,367	455,871
Total commercial PCI loans (carrying value)	78	542	92	—	712
Total commercial loans	$ 299,892	122,160	22,164	12,367	456,583

Table 5.9 provides past due information for commercial loans, which we monitor as part of our credit risk management practices.

Table 5.9: Commercial Loans by Delinquency Status

(in millions)	Commercial and industrial	Real estate mortgage	Real estate construction	Lease financing	Total
September 30, 2016					
By delinquency status:					
Current-29 days past due (DPD) and still accruing	**$ 319,764**	**128,888**	**23,197**	**18,645**	**490,494**
30-89 DPD and still accruing	**511**	**141**	**24**	**134**	**810**
90+ DPD and still accruing	**47**	**4**	**—**	**—**	**51**
Nonaccrual loans	**3,331**	**780**	**59**	**92**	**4,262**
Total commercial loans (excluding PCI)	**323,653**	**129,813**	**23,280**	**18,871**	**495,617**
Total commercial PCI loans (carrying value)	**367**	**410**	**60**	**—**	**837**
Total commercial loans	**$ 324,020**	**130,223**	**23,340**	**18,871**	**496,454**
December 31, 2015					
By delinquency status:					
Current-29 DPD and still accruing	$ 297,847	120,415	21,920	12,313	452,495
30-89 DPD and still accruing	507	221	82	28	838
90+ DPD and still accruing	97	13	4	—	114
Nonaccrual loans	1,363	969	66	26	2,424
Total commercial loans (excluding PCI)	299,814	121,618	22,072	12,367	455,871
Total commercial PCI loans (carrying value)	78	542	92	—	712
Total commercial loans	$ 299,892	122,160	22,164	12,367	456,583

CONSUMER CREDIT QUALITY INDICATORS We have various classes of consumer loans that present unique risks. Loan delinquency, FICO credit scores and LTV for loan types are common credit quality indicators that we monitor and utilize in our evaluation of the appropriateness of the allowance for credit losses for the consumer portfolio segment.

Many of our loss estimation techniques used for the allowance for credit losses rely on delinquency-based models; therefore, delinquency is an important indicator of credit quality and the establishment of our allowance for credit losses. Table 5.10 provides the outstanding balances of our consumer portfolio by delinquency status.

Table 5.10: Consumer Loans by Delinquency Status

(in millions)	Real estate 1-4 family first mortgage	Real estate 1-4 family junior lien mortgage	Credit card	Automobile	Other revolving credit and installment	Total
September 30, 2016						
By delinquency status:						
Current-29 DPD	**$ 237,074**	**47,094**	**34,158**	**61,498**	**39,821**	**419,645**
30-59 DPD	**1,810**	**288**	**262**	**1,032**	**150**	**3,542**
60-89 DPD	**714**	**147**	**180**	**253**	**113**	**1,407**
90-119 DPD	**312**	**102**	**151**	**85**	**85**	**735**
120-179 DPD	**338**	**112**	**239**	**5**	**24**	**718**
180+ DPD	**1,894**	**320**	**2**	**—**	**20**	**2,236**
Government insured/guaranteed loans (1)	**19,717**	**—**	**—**	**—**	**—**	**19,717**
Total consumer loans (excluding PCI)	**261,859**	**48,063**	**34,992**	**62,873**	**40,213**	**448,000**
Total consumer PCI loans (carrying value)	**16,830**	**42**	**—**	**—**	**—**	**16,872**
Total consumer loans	**$ 278,689**	**48,105**	**34,992**	**62,873**	**40,213**	**464,872**
December 31, 2015						
By delinquency status:						
Current-29 DPD	$ 225,195	51,778	33,208	58,503	38,690	407,374
30-59 DPD	2,072	325	257	1,121	175	3,950
60-89 DPD	821	184	177	253	107	1,542
90-119 DPD	402	110	150	84	86	832
120-179 DPD	460	145	246	4	21	876
180+ DPD	3,376	393	1	1	19	3,790
Government insured/guaranteed loans (1)	22,353	—	—	—	—	22,353
Total consumer loans (excluding PCI)	254,679	52,935	34,039	59,966	39,098	440,717
Total consumer PCI loans (carrying value)	19,190	69	—	—	—	19,259
Total consumer loans	$ 273,869	53,004	34,039	59,966	39,098	459,976

(1) Represents loans whose repayments are predominantly insured by the FHA or guaranteed by the VA. Loans insured/guaranteed by the FHA/VA and 90+ DPD totaled $9.8 billion at September 30, 2016, compared with $12.4 billion at December 31, 2015.

Of the $3.7 billion of consumer loans not government insured/guaranteed that are 90 days or more past due at September 30, 2016, $802 million was accruing, compared with $5.5 billion past due and $867 million accruing at December 31, 2015.

Real estate 1-4 family first mortgage loans 180 days or more past due totaled $1.9 billion, or 0.7% of total first mortgages (excluding PCI), at September 30, 2016, compared with $3.4 billion, or 1.3%, at December 31, 2015.

Table 5.11 provides a breakdown of our consumer portfolio by FICO. Most of the scored consumer portfolio has an updated FICO of 680 and above, reflecting a strong current borrower credit profile. FICO is not available for certain loan types and may not be obtained if we deem it unnecessary due to strong collateral and other borrower attributes, substantially all of which are security-based loans originated through retail brokerage of $7.6 billion at September 30, 2016, and $7.0 billion at December 31, 2015.

Table 5.11: Consumer Loans by FICO

(in millions)	Real estate 1-4 family first mortgage	Real estate 1-4 family junior lien mortgage	Credit card	Automobile	Other revolving credit and installment	Total
September 30, 2016						
By FICO:						
< 600	**$ 7,177**	**2,720**	**3,245**	**9,919**	**943**	**24,004**
600-639	**5,661**	**2,017**	**2,984**	**6,982**	**1,052**	**18,696**
640-679	**11,334**	**3,910**	**5,492**	**10,447**	**2,396**	**33,579**
680-719	**23,451**	**6,783**	**7,124**	**11,341**	**4,395**	**53,094**
720-759	**38,387**	**9,864**	**7,357**	**8,718**	**5,997**	**70,323**
760-799	**100,971**	**15,365**	**5,938**	**8,159**	**8,548**	**138,981**
800+	**49,460**	**6,638**	**2,776**	**6,881**	**6,600**	**72,355**
No FICO available	**5,701**	**766**	**76**	**426**	**2,651**	**9,620**
FICO not required	**—**	**—**	**—**	**—**	**7,631**	**7,631**
Government insured/guaranteed loans (1)	**19,717**	**—**	**—**	**—**	**—**	**19,717**
Total consumer loans (excluding PCI)	**261,859**	**48,063**	**34,992**	**62,873**	**40,213**	**448,000**
Total consumer PCI loans (carrying value)	**16,830**	**42**	**—**	**—**	**—**	**16,872**
Total consumer loans	**$ 278,689**	**48,105**	**34,992**	**62,873**	**40,213**	**464,872**
December 31, 2015						
By FICO:						
< 600	$ 8,716	3,025	2,927	9,260	965	24,893
600-639	6,961	2,367	2,875	6,619	1,086	19,908
640-679	13,006	4,613	5,354	10,014	2,416	35,403
680-719	24,460	7,863	6,857	10,947	4,388	54,515
720-759	38,309	10,966	7,017	8,279	6,010	70,581
760-799	92,975	16,369	5,693	7,761	8,351	131,149
800+	44,452	6,895	3,090	6,654	6,510	67,601
No FICO available	3,447	837	226	432	2,395	7,337
FICO not required	—	—	—	—	6,977	6,977
Government insured/guaranteed loans (1)	22,353	—	—	—	—	22,353
Total consumer loans (excluding PCI)	254,679	52,935	34,039	59,966	39,098	440,717
Total consumer PCI loans (carrying value)	19,190	69	—	—	—	19,259
Total consumer loans	$ 273,869	53,004	34,039	59,966	39,098	459,976

(1) Represents loans whose repayments are predominantly insured by the FHA or guaranteed by the VA.

LTV refers to the ratio comparing the loan's unpaid principal balance to the property's collateral value. CLTV refers to the combination of first mortgage and junior lien mortgage (including unused line amounts for credit line products) ratios. LTVs and CLTVs are updated quarterly using a cascade approach which first uses values provided by automated valuation models (AVMs) for the property. If an AVM is not available, then the value is estimated using the original appraised value adjusted by the change in Home Price Index (HPI) for the property location. If an HPI is not available, the original appraised value is used. The HPI value is normally the only method considered for high value properties, generally with an original value of $1 million or more, as the AVM values have proven less accurate for these properties.

Table 5.12 shows the most updated LTV and CLTV distribution of the real estate 1-4 family first and junior lien mortgage loan portfolios. We consider the trends in residential real estate markets as we monitor credit risk and establish our allowance for credit losses. In the event of a default, any loss should be limited to the portion of the loan amount in excess of the net realizable value of the underlying real estate collateral value. Certain loans do not have an LTV or CLTV due to industry data availability and portfolios acquired from or serviced by other institutions.

Table 5.12: Consumer Loans by LTV/CLTV

(in millions)	September 30, 2016 Real estate 1-4 family first mortgage by LTV	Real estate 1-4 family junior lien mortgage by CLTV	Total	December 31, 2015 Real estate 1-4 family first mortgage by LTV	Real estate 1-4 family junior lien mortgage by CLTV	Total
By LTV/CLTV:						
0-60%	$ **119,444**	**16,499**	**135,943**	109,558	15,805	125,363
60.01-80%	**100,450**	**15,571**	**116,021**	92,005	16,579	108,584
80.01-100%	**16,509**	**9,381**	**25,890**	22,765	11,385	34,150
100.01-120% (1)	**3,015**	**4,055**	**7,070**	4,480	5,545	10,025
> 120% (1)	**1,385**	**2,041**	**3,426**	2,065	3,051	5,116
No LTV/CLTV available	**1,339**	**516**	**1,855**	1,453	570	2,023
Government insured/guaranteed loans (2)	**19,717**	**—**	**19,717**	22,353	—	22,353
Total consumer loans (excluding PCI)	**261,859**	**48,063**	**309,922**	254,679	52,935	307,614
Total consumer PCI loans (carrying value)	**16,830**	**42**	**16,872**	19,190	69	19,259
Total consumer loans	$ **278,689**	**48,105**	**326,794**	273,869	53,004	326,873

(1) Reflects total loan balances with LTV/CLTV amounts in excess of 100%. In the event of default, the loss content would generally be limited to only the amount in excess of 100% LTV/CLTV.
(2) Represents loans whose repayments are predominantly insured by the FHA or guaranteed by the VA.

NONACCRUAL LOANS Table 5.13 provides loans on nonaccrual status. PCI loans are excluded from this table because they continue to earn interest from accretable yield, independent of performance in accordance with their contractual terms.

Table 5.13: Nonaccrual Loans

(in millions)	Sep 30, 2016	Dec 31, 2015
Commercial:		
Commercial and industrial	$ **3,331**	1,363
Real estate mortgage	**780**	969
Real estate construction	**59**	66
Lease financing	**92**	26
Total commercial	**4,262**	2,424
Consumer:		
Real estate 1-4 family first mortgage (1)	**5,310**	7,293
Real estate 1-4 family junior lien mortgage	**1,259**	1,495
Automobile	**108**	121
Other revolving credit and installment	**47**	49
Total consumer	**6,724**	8,958
Total nonaccrual loans (excluding PCI)	$ **10,986**	11,382

(1) Includes MHFS of $150 million and $177 million at September 30, 2016, and December 31, 2015, respectively.

LOANS IN PROCESS OF FORECLOSURE Our recorded investment in consumer mortgage loans collateralized by residential real estate property that are in process of foreclosure was $8.5 billion and $11.0 billion at September 30, 2016 and December 31, 2015, respectively, which included $5.0 billion and $6.2 billion, respectively, of loans that are government insured/guaranteed. We commence the foreclosure process on consumer real estate loans when a borrower becomes 120 days delinquent in accordance with Consumer Finance Protection Bureau Guidelines. Foreclosure procedures and timelines vary depending on whether the property address resides in a judicial or non-judicial state. Judicial states require the foreclosure to be processed through the state's courts while non-judicial states are processed without court intervention. Foreclosure timelines vary according to state law.

LOANS 90 DAYS OR MORE PAST DUE AND STILL ACCRUING
Certain loans 90 days or more past due as to interest or principal are still accruing, because they are (1) well-secured and in the process of collection or (2) real estate 1-4 family mortgage loans or consumer loans exempt under regulatory rules from being classified as nonaccrual until later delinquency, usually 120 days past due. PCI loans of $2.2 billion at September 30, 2016, and $2.9 billion at December 31, 2015, are not included in these past due and still accruing loans even though they are 90 days or more contractually past due. These PCI loans are considered to be accruing because they continue to earn interest from accretable yield, independent of performance in accordance with their contractual terms.

Table 5.14 shows non-PCI loans 90 days or more past due and still accruing by class for loans not government insured/guaranteed.

Table 5.14: Loans 90 Days or More Past Due and Still Accruing

(in millions)		Sep 30, 2016	Dec 31, 2015
Total (excluding PCI):	$	**12,068**	14,380
Less: FHA insured/guaranteed by the VA (1)(2)		**11,198**	13,373
Less: Student loans guaranteed under the FFELP (3)		**17**	26
Total, not government insured/guaranteed	$	**853**	981
By segment and class, not government insured/guaranteed:			
Commercial:			
Commercial and industrial	$	**47**	97
Real estate mortgage		**4**	13
Real estate construction		**—**	4
Total commercial		**51**	114
Consumer:			
Real estate 1-4 family first mortgage (2)		**171**	224
Real estate 1-4 family junior lien mortgage (2)		**54**	65
Credit card		**392**	397
Automobile		**81**	79
Other revolving credit and installment		**104**	102
Total consumer		**802**	867
Total, not government insured/guaranteed	$	**853**	981

(1) Represents loans whose repayments are predominantly insured by the FHA or guaranteed by the VA.
(2) Includes mortgages held for sale 90 days or more past due and still accruing.
(3) Represents loans whose repayments are predominantly guaranteed by agencies on behalf of the U.S. Department of Education under the FFELP.

IMPAIRED LOANS Table 5.15 summarizes key information for impaired loans. Our impaired loans predominantly include loans on nonaccrual status in the commercial portfolio segment and loans modified in a TDR, whether on accrual or nonaccrual status. These impaired loans generally have estimated losses which are included in the allowance for credit losses. We have impaired loans with no allowance for credit losses when loss content has been previously recognized through charge-offs and we do not anticipate additional charge-offs or losses, or certain loans are currently performing in accordance with their terms and for which no loss has been estimated. Impaired loans exclude PCI loans. Table 5.15 includes trial modifications that totaled \$348 million at September 30, 2016, and \$402 million at December 31, 2015.

For additional information on our impaired loans and allowance for credit losses, see Note 1 (Summary of Significant Accounting Policies) in our 2015 Form 10-K.

Table 5.15: Impaired Loans Summary

		Recorded investment		
(in millions)	Unpaid principal balance (1)	Impaired loans	Impaired loans with related allowance for credit losses	Related allowance for credit losses
September 30, 2016				
Commercial:				
Commercial and industrial	**$ 5,054**	**3,885**	**3,444**	**780**
Real estate mortgage	**1,996**	**1,588**	**1,566**	**292**
Real estate construction	**186**	**103**	**103**	**23**
Lease financing	**119**	**96**	**96**	**18**
Total commercial	**7,355**	**5,672**	**5,209**	**1,113**
Consumer:				
Real estate 1-4 family first mortgage	**17,189**	**15,028**	**9,898**	**1,328**
Real estate 1-4 family junior lien mortgage	**2,486**	**2,236**	**1,645**	**344**
Credit card	**294**	**294**	**294**	**100**
Automobile	**156**	**89**	**32**	**5**
Other revolving credit and installment	**101**	**94**	**84**	**17**
Total consumer (2)	**20,226**	**17,741**	**11,953**	**1,794**
Total impaired loans (excluding PCI)	**$ 27,581**	**23,413**	**17,162**	**2,907**
December 31, 2015				
Commercial:				
Commercial and industrial	$ 2,746	1,835	1,648	435
Real estate mortgage	2,369	1,815	1,773	405
Real estate construction	262	131	112	23
Lease financing	38	27	27	9
Total commercial	5,415	3,808	3,560	872
Consumer:				
Real estate 1-4 family first mortgage	19,626	17,121	11,057	1,643
Real estate 1-4 family junior lien mortgage	2,704	2,408	1,859	447
Credit card	299	299	299	94
Automobile	173	105	41	5
Other revolving credit and installment	86	79	71	15
Total consumer (2)	22,888	20,012	13,327	2,204
Total impaired loans (excluding PCI)	$ 28,303	23,820	16,887	3,076

(1) Excludes the unpaid principal balance for loans that have been fully charged off or otherwise have zero recorded investment.
(2) Includes the recorded investment of \$1.6 billion and 1.8 billion at September 30, 2016, and December 31, 2015, respectively, of government insured/guaranteed loans that are predominantly insured by the FHA or guaranteed by the VA and generally do not have an allowance. Impaired loans may also have limited, if any, allowance when the recorded investment of the loan approximates estimated net realizable value as a result of charge-offs prior to a TDR modification.

Commitments to lend additional funds on loans whose terms have been modified in a TDR amounted to $440 million and $363 million at September 30, 2016 and December 31, 2015, respectively.

Table 5.16 provides the average recorded investment in impaired loans and the amount of interest income recognized on impaired loans by portfolio segment and class.

Table 5.16: Average Recorded Investment in Impaired Loans

	Quarter ended September 30,				Nine months ended September 30,			
	2016		2015		**2016**		2015	
(in millions)	**Average recorded investment**	**Recognized interest income**	Average recorded investment	Recognized interest income	**Average recorded investment**	**Recognized interest income**	Average recorded investment	Recognized interest income
Commercial:								
Commercial and industrial	$ **3,961**	**25**	1,407	21	**3,350**	**65**	1,108	64
Real estate mortgage	**1,644**	**33**	2,109	34	**1,699**	**99**	2,241	108
Real estate construction	**108**	**3**	232	7	**117**	**8**	260	22
Lease financing	**99**	**—**	27	—	**89**	**—**	24	—
Total commercial	**5,812**	**61**	3,775	62	**5,255**	**172**	3,633	194
Consumer:								
Real estate 1-4 family first mortgage	**15,471**	**203**	17,761	231	**16,224**	**635**	18,125	697
Real estate 1-4 family junior lien mortgage	**2,268**	**32**	2,467	34	**2,327**	**99**	2,499	103
Credit card	**292**	**9**	310	10	**294**	**26**	321	30
Automobile	**90**	**3**	111	3	**95**	**9**	118	11
Other revolving credit and installment	**91**	**2**	61	1	**84**	**5**	57	3
Total consumer	**18,212**	**249**	20,710	279	**19,024**	**774**	21,120	844
Total impaired loans (excluding PCI)	$ **24,024**	**310**	24,485	341	**24,279**	**946**	24,753	1,038
Interest income:								
Cash basis of accounting		$ **87**		104		**274**		323
Other (1)		**223**		237		**672**		715
Total interest income		$ **310**		341		**946**		1,038

(1) Includes interest recognized on accruing TDRs, interest recognized related to certain impaired loans which have an allowance calculated using discounting, and amortization of purchase accounting adjustments related to certain impaired loans.

TROUBLED DEBT RESTRUCTURINGS (TDRs) When, for economic or legal reasons related to a borrower's financial difficulties, we grant a concession for other than an insignificant period of time to a borrower that we would not otherwise consider, the related loan is classified as a TDR, the balance of which totaled $21.5 billion and $22.7 billion at September 30, 2016 and December 31, 2015, respectively. We do not consider any loans modified through a loan resolution such as foreclosure or short sale to be a TDR.

We may require some consumer borrowers experiencing financial difficulty to make trial payments generally for a period of three to four months, according to the terms of a planned permanent modification, to determine if they can perform according to those terms. These arrangements represent trial modifications, which we classify and account for as TDRs. While loans are in trial payment programs, their original terms are not considered modified and they continue to advance through delinquency status and accrue interest according to their original terms. The planned modifications for these arrangements primarily involve interest rate reductions; however, the exact concession type and resulting financial effect are usually not finalized and do not take effect until the loan is permanently modified. The trial period terms are developed in accordance with our proprietary programs or the U.S. Treasury's Making Home Affordable programs for real estate 1-4 family first lien (i.e. Home Affordable Modification Program – HAMP) and junior lien (i.e. Second Lien Modification Program – 2MP) mortgage loans.

At September 30, 2016, the loans in trial modification period were $146 million under HAMP, $28 million under 2MP and $174 million under proprietary programs, compared with $130 million, $32 million and $240 million at December 31, 2015, respectively. Trial modifications with a recorded investment of $125 million at September 30, 2016, and $136 million at December 31, 2015, were accruing loans and $223 million and $266 million, respectively, were nonaccruing loans. Our experience is that most of the mortgages that enter a trial payment period program are successful in completing the program requirements and are then permanently modified at the end of the trial period. Our allowance process considers the impact of those modifications that are probable to occur.

Table 5.17 summarizes our TDR modifications for the periods presented by primary modification type and includes the financial effects of these modifications. For those loans that modify more than once, the table reflects each modification that occurred during the period. Loans that both modify and pay off within the period, as well as changes in recorded investment during the period for loans modified in prior periods, are not included in the table.

Table 5.17: TDR Modifications

(in millions)		Primary modification type (1)				Financial effects of modifications		
		Principal (2)	Interest rate reduction	Other concessions (3)	Total	Charge-offs (4)	Weighted average interest rate reduction	Recorded investment related to interest rate reduction (5)
Quarter ended September 30, 2016								
Commercial:								
Commercial and industrial	**$**	**—**	**10**	**1,032**	**1,042**	**61**	**1.28%**	**$ 10**
Real estate mortgage		**—**	**28**	**168**	**196**	**1**	**0.99**	**29**
Real estate construction		**—**	**12**	**—**	**12**	**—**	**0.80**	**12**
Lease financing		**—**	**—**	**4**	**4**	**—**	**—**	**—**
Total commercial		**—**	**50**	**1,204**	**1,254**	**62**	**1.01**	**51**
Consumer:								
Real estate 1-4 family first mortgage		**84**	**79**	**330**	**493**	**11**	**2.56**	**138**
Real estate 1-4 family junior lien mortgage		**5**	**25**	**22**	**52**	**9**	**3.08**	**29**
Credit card		**—**	**46**	**—**	**46**	**—**	**12.13**	**46**
Automobile		**1**	**4**	**15**	**20**	**11**	**6.42**	**4**
Other revolving credit and installment		**—**	**9**	**3**	**12**	**—**	**6.86**	**9**
Trial modifications (6)		**—**	**—**	**15**	**15**	**—**	**—**	**—**
Total consumer		**90**	**163**	**385**	**638**	**31**	**4.82**	**226**
Total	**$**	**90**	**213**	**1,589**	**1,892**	**93**	**4.13%**	**$ 277**
Quarter ended September 30, 2015								
Commercial:								
Commercial and industrial	$	3	11	487	501	58	1.66 %	$ 11
Real estate mortgage		—	44	154	198	—	1.46	44
Real estate construction		—	1	9	10	—	1.00	1
Lease financing		—	—	—	—	—	—	—
Total commercial		3	56	650	709	58	1.48	56
Consumer:								
Real estate 1-4 family first mortgage		114	98	514	726	11	2.51	188
Real estate 1-4 family junior lien mortgage		8	24	39	71	10	3.12	31
Credit card		—	41	—	41	—	11.48	41
Automobile		—	1	22	23	10	7.84	1
Other revolving credit and installment		—	7	1	8	—	5.85	7
Trial modifications (6)		—	—	(1)	(1)	—	—	—
Total consumer		122	171	575	868	31	4.06	268
Total	$	125	227	1,225	1,577	89	3.61 %	$ 324

Note 5: Loans and Allowance for Credit Losses (*continued*)

	Primary modification type (1)				Financial effects of modifications		
(in millions)	Principal (2)	Interest rate reduction	Other concessions (3)	Total	Charge-offs (4)	Weighted average interest rate reduction	Recorded investment related to interest rate reduction (5)
Nine months ended September 30, 2016							
Commercial:							
Commercial and industrial	**$ 42**	**123**	**2,361**	**2,526**	**304**	**1.95%**	**$ 123**
Real estate mortgage	**—**	**81**	**462**	**543**	**1**	**1.14**	**81**
Real estate construction	**—**	**26**	**62**	**88**	**—**	**0.94**	**26**
Lease financing	**—**	**—**	**8**	**8**	**—**	**—**	**—**
Total commercial	**42**	**230**	**2,893**	**3,165**	**305**	**1.55**	**230**
Consumer:							
Real estate 1-4 family first mortgage	**272**	**222**	**1,094**	**1,588**	**36**	**2.66**	**395**
Real estate 1-4 family junior lien mortgage	**17**	**81**	**82**	**180**	**30**	**3.03**	**96**
Credit card	**—**	**131**	**—**	**131**	**—**	**12.02**	**131**
Automobile	**2**	**11**	**44**	**57**	**27**	**6.45**	**11**
Other revolving credit and installment	**—**	**25**	**8**	**33**	**1**	**6.64**	**25**
Trial modifications (6)	**—**	**—**	**47**	**47**	**—**	**—**	**—**
Total consumer	**291**	**470**	**1,275**	**2,036**	**94**	**4.80**	**658**
Total	**$ 333**	**700**	**4,168**	**5,201**	**399**	**3.96%**	**$ 888**
Nine months ended September 30, 2015							
Commercial:							
Commercial and industrial	$ 3	26	1,136	1,165	60	1.17 %	$ 26
Real estate mortgage	4	114	734	852	1	1.55	114
Real estate construction	11	4	66	81	—	0.77	4
Lease financing	—	—	—	—	—	—	—
Total commercial	18	144	1,936	2,098	61	1.46	144
Consumer:							
Real estate 1-4 family first mortgage	296	269	1,455	2,020	38	2.53	508
Real estate 1-4 family junior lien mortgage	25	65	129	219	30	3.17	86
Credit card	—	125	—	125	—	11.36	125
Automobile	1	3	66	70	27	8.59	3
Other revolving credit and installment	—	20	5	25	1	5.85	20
Trial modifications (6)	—	—	43	43	—	—	—
Total consumer	322	482	1,698	2,502	96	4.21	742
Total	$ 340	626	3,634	4,600	157	3.76 %	$ 886

(1) Amounts represent the recorded investment in loans after recognizing the effects of the TDR, if any. TDRs may have multiple types of concessions, but are presented only once in the first modification type based on the order presented in the table above. The reported amounts include loans remodified of $484 million and $369 million, for quarters ended September 30, 2016 and 2015, and $1.1 billion and $1.5 billion for the first nine months of 2016 and 2015, respectively.
(2) Principal modifications include principal forgiveness at the time of the modification, contingent principal forgiveness granted over the life of the loan based on borrower performance, and principal that has been legally separated and deferred to the end of the loan, with a zero percent contractual interest rate.
(3) Other concessions include loan renewals, term extensions and other interest and noninterest adjustments, but exclude modifications that also forgive principal and/or reduce the contractual interest rate.
(4) Charge-offs include write-downs of the investment in the loan in the period it is contractually modified. The amount of charge-off will differ from the modification terms if the loan has been charged down prior to the modification based on our policies. In addition, there may be cases where we have a charge-off/down with no legal principal modification. Modifications resulted in legally forgiving principal (actual, contingent or deferred) of $16 million and $32 million for the quarters ended September 30, 2016 and 2015, and $54 million and $78 million for the first nine months of 2016 and 2015, respectively.
(5) Reflects the effect of reduced interest rates on loans with an interest rate concession as one of their concession types, which includes loans reported as a principal primary modification type that also have an interest rate concession.
(6) Trial modifications are granted a delay in payments due under the original terms during the trial payment period. However, these loans continue to advance through delinquency status and accrue interest according to their original terms. Any subsequent permanent modification generally includes interest rate related concessions; however, the exact concession type and resulting financial effect are usually not known until the loan is permanently modified. Trial modifications for the period are presented net of previously reported trial modifications that became permanent in the current period.

Table 5.18 summarizes permanent modification TDRs that have defaulted in the current period within 12 months of their permanent modification date. We are reporting these defaulted TDRs based on a payment default definition of 90 days past due for the commercial portfolio segment and 60 days past due for the consumer portfolio segment.

Table 5.18: Defaulted TDRs

	Recorded investment of defaults			
	Quarter ended September 30,		Nine months ended September 30,	
(in millions)	**2016**	2015	**2016**	2015
Commercial:				
Commercial and industrial	$ **39**	12	**84**	58
Real estate mortgage	**7**	31	**58**	103
Real estate construction	**—**	—	**3**	2
Total commercial	**46**	43	**145**	163
Consumer:				
Real estate 1-4 family first mortgage	**36**	49	**97**	143
Real estate 1-4 family junior lien mortgage	**6**	5	**15**	13
Credit card	**15**	12	**41**	39
Automobile	**4**	3	**10**	9
Other revolving credit and installment	**—**	1	**2**	3
Total consumer	**61**	70	**165**	207
Total	$ **107**	113	**310**	370

Purchased Credit-Impaired Loans

Substantially all of our PCI loans were acquired from Wachovia on December 31, 2008, at which time we acquired commercial and consumer loans with a carrying value of $18.7 billion and $40.1 billion, respectively. The unpaid principal balance on December 31, 2008 was $98.2 billion for the total of commercial and consumer PCI loans. Table 5.19 presents PCI loans net of any remaining purchase accounting adjustments. Commercial and industrial PCI loans at September 30, 2016, included $290 million from the GE Capital business acquisitions. Real estate 1-4 family first mortgage PCI loans are predominantly Pick-a-Pay loans.

Table 5.19: PCI Loans

(in millions)	**Sep 30, 2016**	Dec 31, 2015
Commercial:		
Commercial and industrial	$ **367**	78
Real estate mortgage	**410**	542
Real estate construction	**60**	92
Total commercial	**837**	712
Consumer:		
Real estate 1-4 family first mortgage	**16,830**	19,190
Real estate 1-4 family junior lien mortgage	**42**	69
Total consumer	**16,872**	19,259
Total PCI loans (carrying value)	$ **17,709**	19,971
Total PCI loans (unpaid principal balance)	$ **25,423**	28,278