

## > *The Power of Knowing*



## Real-Time REO Asset Management

*Proactive process management of REO properties  
to reduce loss severity*

## REDUCE LOSS SEVERITY

Residential Mortgage Solution (and its affiliate RAM) offers REO Asset Management services to ensure that REO portfolio owners receive timely, decision-quality analysis for effective liquidation strategies ... *in real time!*

Our skilled management team is enabled by our revolutionary, web-based technology called Mortgage Market Management (M3).

This powerful combination of talent and technology can make the critical difference in mitigating loss and protecting the value of your portfolio. We call it *The Power of Knowing*



“We understand the needs and concerns of residential real estate finance companies ... because we are one. Since 2003, Residential Mortgage Solution has acquired more than \$1.3 billion UPB of troubled residential mortgage assets. To protect and enhance the value of our own investments, we engineered a highly efficient process to manage and oversee our REO portfolio and to access all decision-making data on command. At the core of this process is our web-based Mortgage Market Management technology (M3). M3 provides real-time, property level surveillance of entire portfolios. Its capacity to consolidate vital process and timeline management data in real-time is unsurpassed.

M3 gave our Asset Management Team what we needed; the ability to immediately identify and resolve costly delays and fast-track REO property liquidation. This reduced our loss severity and maximized our recovery. The combination of skilled operatives and advanced technology gave us *The Power of Knowing* ... on a daily basis. This power is now available to you.”

DAVID SKLAR, *Managing Director*  
Residential Mortgage Solution LLC



*Experience  
what the  
Power of  
Knowing can  
do to protect  
the value of  
your REO  
portfolio.*



## *Talent + Technology = The Power of Knowing*

**K**nowing the detailed status of your REO properties -- *on command* -- gives you the power to make critical and timely decisions. Our REO Management Team, together with M3's web-based REO management technology has the ability to proactively manage your REO assets in real-time to mitigate loss severity and maximize recovery.

- Improve process management
- Reduce number of total days on market
- Reduce loss severity
- Target end-user buyers

### **A Vast Information Hub**

M3, in the hands of our REO Asset Management Team, equates to more timely and deliberate decision-making. Residential Mortgage Solution delivers the singular most powerful and effective system available for managing your REO assets.

*Maximize Net Proceeds*



## **Accelerate REO Timelines**

Faster sales mean less price erosion and more value for property liquidations. M3's on-command data gathering system, in the hands of our skilled REO Asset Managers, saves precious time during each step of the foreclosure process.

- Acquisition
- Eviction
- Valuation
- Listing
- Sale

*Sell Assets Faster...  
Control Price Erosion*

# M3 Application Modules

## Active REO Summary

Asset Manager:

State:

Vault:

Status	Count	Value	Criteria	Compliant		Needs Attention		Critical	
[-] Acquired	15	1,958,500.00	Days In Status	15	100.00%	0	0.00%	0	0.00%
[+] ConfRedem	15	4,625,000.00	Exp Date	15	100.00%	0	0.00%	0	0.00%
[+] Eviction	255	90,915,000.00	Exp Date	255	100.00%	0	0.00%	0	0.00%
[-] Pending Listing	75	21,360,000.00	Days In Status	74	98.66%	1	1.34%	0	0.00%
[+] Repair	70	27,795,000.00	Sch Comp Date	70	100.00%	0	0.00%	0	0.00%
[+] Listed	396	89,477,495.00	Days In Status	368	93.92%	27	6.81%	7	1.76%
[-] Under Contract	185	58,045,000.00	Closing Date	185	100.00%	0	0.00%	0	0.00%
[+] Hold	20	7,975,000.00	Days in Status	4	100.00%	0	0.00%	0	0.00%
<b>Totals:</b>	<b>1021</b>	<b>302,150,995.00</b>		<b>986</b>	<b>96.57%</b>	<b>28</b>	<b>2.74%</b>	<b>7</b>	<b>0.69%</b>

## Active REO Summary

- Allows for effective communication of REO statuses between lender, Residential Mortgage Solution and servicer
- Ensures REO Assets are managed effectively

<b>Order Information</b>		<b>Order Date:</b> 02/09/2011		<b>Inspection Date:</b> 02/09/2011		
<b>Inspection Type:</b> Interior	<b>Order Owner:</b> Tom Smith	<b>APN:</b> 00-41-47-25-17-123-4567				
<b>Info Source:</b> Tax	<b>Broker Name:</b> Marty Brown	<b>Broker Number:</b> 5612458843203	<b>Reviewed By:</b> Sally Sue			
<b>Completed:</b> 02/09/2011						
<b>Subject Information</b>						
<b>Vacant:</b> Yes	<b>Secured:</b> Yes	<b>Assessed Lnd Value:</b> \$145,800.00				
<b>Mkt1 Hent:</b> \$1,200.00	<b>Assessed Value:</b> \$145,600.00	<b>Assessed Year:</b> 2010				
<b>HOA:</b> Yes	<b>HOA Name:</b> ABC Community Association	<b>HOA Phone:</b> (567) 555 1212				
<b>HOA Fee:</b> \$335.00	<b>HOA Payment Per:</b> Quarter	<b>Taxes:</b> \$3,577.00				
<b>DUGNT Tax:</b> \$0.00	<b>Current LP:</b> \$0.00	<b>Original LP:</b> \$0.00				
<b>Currently Listed:</b> No	<b>Listing Company:</b>	<b>Listing Phone:</b>				
<b>DCM:</b>	<b>Sale Price:</b> \$0.00	<b>Sale Date:</b>				
<b>Sold (past 12 mo):</b> No	<b>Listing Company:</b>	<b>Listing Phone:</b>				
<b>DCM:</b>						
<b>Neighborhood/Market Information</b>						
<b>Location:</b> Suburban	<b>Value Range - Low:</b> \$74,500.00	<b>Value Range - High:</b> \$570,000.00				
<b>Home Value:</b> Declining	<b>Crime:</b> Stable	<b>Trend:</b> Declining				
<b>Supply:</b> Increasing	<b>Demand:</b> Declining	<b>Competing Listings:</b> 71				
<b>Start Sales:</b> 25	<b>Boarded Homes:</b> 0	<b>External Issues:</b> No				
<b>Pride of Ownership:</b> Average	<b>Current Market:</b> Depressed	<b>Employment:</b> Declining				
<b>Prefersential Buyer:</b> Fast Time	<b>Owner Occ: (%)</b> 97					
<b>Comparable Information</b>						
						
<b>Title:</b> Subject	<b>Comp 1</b>	<b>Comp 2</b>	<b>Comp 3</b>	<b>Comp 4</b>	<b>Comp 5</b>	<b>Comp 6</b>
<b>Address:</b>						
<b>City:</b> BEECH HAVEN	BEECH HAVEN	BEECH HAVEN	BEECH HAVEN	BEECH HAVEN	BEECH HAVEN	BEECH HAVEN
<b>State:</b> FL	FL	FL	FL	FL	FL	FL
<b>Zip:</b> 33428	33428	33428	33428	33428	33428	33428
<b>County:</b> PALM BEACH	PALM BEACH	PALM BEACH	PALM BEACH	PALM BEACH	PALM BEACH	PALM BEACH
<b>Proximity:</b> 0	25	35	5 Miles	8 Miles	35 Miles	1 Mile
<b>MLS #:</b>	R3002840	R3102599	R3112024	P1117720	R3071728	R3112898
<b>Comp Type:</b>	Sold Comp 1	Sold Comp 2	Sold Comp 3	List Comp 1	List Comp 2	List Comp 3
<b>Sale Type:</b>	Start Sale	Other	REO	REO	Start Sale	Start Sale

## RMS BPO

- RMS' Valuation module is used for an internal review of the servicer's value to assess a reconciled "RMS Value" for the underlying collateral
- RMS' Valuation Team considers factors such as property condition, area condition and type, location, obsolescence as part of its internal review process