

### 11.1.7 Strategic Relationships

#### **Dialogue Marketing, Inc.**

Located at centers in Auburn Hills, MI (250 stations), Troy, MI (210 stations) and Orem, UT (140 stations), DMI a nationally recognized leader in customer management and will employ the talents, skills, and expertise of its staff on behalf of our clients. DMI is known for recruiting the top talent in marketing, inside sales, sales management, and IT development. With millions of dollars invested in telephony systems and three fully redundant contact centers throughout the United States.

DMI's contact centers operate on a technologically advanced platform featuring open system architecture, allowing for integration of new technologies, custom design innovations, and process efficiencies that deliver unparalleled results.

Key People:

#### ***Alejandro Vargas, President/COO***

Mr. Vargas has worked in the call center industry for 16 years. Before joining Dialogue Marketing, Mr. Vargas was President & CEO at Marketing Ally for three years. During his career he has worked for Convergys, ADVANTA Bank in various capacities within the call center environment. Mr. Vargas' vast knowledge and understanding of the call center dynamics, client relations and marketing strategies add tremendous value to our organization. He received his MBA from the University of Utah where he also completed his undergraduate work in business management.

#### ***Bernie Lillis, Senior Vice President of Sales***

Mr. Lillis works with the management team to set strategic direction of the business, establish key client partnerships, and provide overall account oversight for DMI.

#### ***Brian Poelman, Senior Vice President Operations***

Mr. Poelman is directly responsible for managing the Dialogue Business Solutions Strategic Business Unit, representing 90% of total company revenues. DBS provides Customer Relationship Management services with a concentrated expertise in developing customized "Customer Nurturing" solutions. They partner with like-minded business partners who value customer care; typically with those whose customer base requires "high-touch" service. They deliver results by leveraging the right mix of people and technology to streamline best practices and drive higher efficiencies for our clients.

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#### ***Mike Sherrill, Director of Business Development***

Mr. Sherrill is the Director of Business Development at Dialogue-Marketing. Mr. Sherrill is responsible for leading the company's sales efforts in targeting the top-tier lenders in the US mortgage industry. His experience includes more than 13 years in the mortgage industry, where he has focused on loss mitigation/default services and technology solutions to the lending community.

#### **Precision Asset Management (PAMC)**

Precision Asset Management Corporation (PAMC) is a nationwide property management and marketing outsourcer located in Torrance, California, approximately 10 miles south of Los Angeles. PAMC's founders pride themselves in having over 21 years in REO experience where they initially commenced as REO Brokers. PAMC was incorporated in the State of California in 1998 and has continuously been servicing REO assets since that time.

PAMC qualifies as a minority owned and managed company. I met the certification criteria established by the National Minority Supplier Development Council and was approved by the Southern California Minority Business Development Council, Inc. Board of Directors. PAMC maintains a diversity vendor base and is affiliated with organizations such as Women in Default Services as well as NAHREP (National Association of Hispanic Real Estate Professionals). PAMC serves on the NAHREP Corporate Board of Governors. The company's staff includes over 50 individuals of all ethnic diversities. PAMC manages and markets residential properties throughout the United States of America.

PAMC presently manages REO portfolios for JPM Chase, Washington Mutual and Fifth Third Bank. With approximately 28,000 square feet of office space, the company has the ability to maintain a staff of 275 employees and manage a portfolio of up to 25,000 assets. The current set-up capacity is 150 employees and expansion to maximize the office space can be implemented in a short period of time.

Key People:

#### ***Rosan Hermosillo Johnson, President***

Ms. Hermosillo Johnson is a micro-manager who supervises the initial file assignments to asset managers; the occupancy status; the eviction process; the property evaluation process; the property preservation process; the insurance claim process (if applicable); the title curative process; the listing process; the marketing process; and the offer and closing processes.

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#### ***Michael Hermosillo, Operations Manager***

Mr. Hermosillo is responsible for co-managing a staff of approximately 65 employees and overseeing the successful operation of ORE asset liquidation in a nationwide capacity. Through Mr. Hermosillo's efforts, PAMC has successfully closed and reconciled more than 20,000 transactions from its inception. PAMC recently expanded to a 28,000 square foot office facility in order to accommodate its constant growth. The PAMC office has the ability to accommodate over 300 employees which in turn would allow for a file capacity count of 25,000 assets at any given time.

#### ***Steve A. Johnson, Chief Executive Officer***

Mr. Johnson is a macro-manager who supervises managers in the following departments: Asset Assignment; Asset Valuation; Asset Managers; Title Curative; Property Preservation; Property Repair; Eviction; Accounting; Property Management; Closing; Human Resources and IT development. Mr. Johnson oversees sales, eviction, and closing projections.

### **Phoenix Asset Management**

Located in Denver, CO with full service offices in Salt Lake City, Phoenix Asset Management is winner of the Pinnacle Award for Best Outsourcer. PAM's mission is to provide its clients with efficient and cost effective solutions for the management and disposition of residential assets.

Since its formation in 2000, PAM has focused on providing the best-in-class asset management and disposition services to institutional clients within the framework of a fully customized, high-touch environment. PAM's long term goal is to create enterprise value, as opposed to simply generating short-term revenue—especially important given the objectionable opportunistic ventures that have been formed solely to take advantage of current economic conditions.

Key People:

#### ***Lorenz Schwarz, President***

Mr. Schwarz has been active in the commercial and residential mortgage servicing industry for over 20 years. Prior to joining Phoenix in March 2007, Mr. Schwarz was with Select Portfolio Servicing as Director of REO, where he oversaw the management of a portfolio of up to 9,000 REO assets. He also held the position of VP REO at Wilshire Credit Corp, and Director of Real Estate at JE Robert Co. In addition to REO

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management, he has also been deeply involved with other aspects of mortgage servicing including loss mitigation, foreclosure, and valuation. He has served on various panels for USFN and REOMAC, as well as other industry organizations.

#### ***David Francis, AVP***

David Francis joined Phoenix in March 2008 after a six-year affiliation with Select Portfolio Servicing, primarily in REO operations.

Along with the default operations management background, David brings an additional nine years of experience in the mortgage origination, escrow and title industries, including two years with First American Title working with their top default clients, and six years with SunTrust Mortgage, where he worked his way to the position of AVP of Operations.

Having gained experience in so many different facets of this industry helps make David uniquely qualified to anticipate the needs of his clients and guide them successfully through the multiple dynamics that enter into the Short Sale and REO disposition processes.

#### ***Jackie Alsalem, Director of Closing and Title***

Jackie Alsalem joined Phoenix in May 2005. With over 16 years of industry experience, Jackie has a wealth of knowledge dating back to her days as a Real Estate Paralegal, with extensive experience in Title, Foreclosure, Bankruptcy, Loss Mitigation and Contract Law.

Jackie has a history of building successful and efficient teams and has pioneered a number of technology enhancements that produced even greater gains for Phoenix and our clients.

Jackie is recognized as an expert on resolving complex title issues and for effectively communicating with clients on technical matters

Prior to joining Phoenix, Jackie worked with FNAMS for over five years where she held various asset management positions.

#### ***Jim Steffen, VP***

Prior to joining Phoenix in June 2005, Jim spent three years at Select Portfolio Services, where he was consistently one of the top performing REO Asset Managers, handling accounts for their most demanding institutional clients.

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Jim was also asked to help Select pioneer the development of their offshore REO operations and he spent several weeks in India designing processes and training local personnel.

Jim also spent 2 years in Residential property management after receiving his MBA in 2000 from Westminster College, Salt Lake City, Utah.

Jim's past experience in accounting provides him with a superior command of the growing volumes of data generated in our increasingly automated environment.

Jim's ability to extract the most meaningful information from reams of data and identify important trends in advance helps keep Phoenix in a position to provide the best insight to our clients and constantly improve our processes.

#### **Quantum Default Services**

Located in Salt Lake City, UT  
Strategic Alliance with QuREOs, Inc.

Quantum Default Services is a sister company to Quantum REO Solutions (QuREOs) which is also known as REO Centric.

Quantum Default Services was formed to bring together different core competencies to handle the separate parts of the short sale process:

1. Compassionate outreach to the distressed buyer
2. Streamlined and cost-effective Asset Management procedures
3. Listing and marketing the properties to the highest price to time available

The three parts have no overlapping competence. It takes a synthesis of the best in each area. Synthesis requires integration of systems, standards and management of the inter-relationships to make it work.

QDS has brought together a Strategic Alliance of the best in breed for their competence. Each member of the Strategic Alliance is contractually bound together, forming a joint venture which is more than the sum of its parts.

QuREOs (Quantum REO Solutions) was formed in 2007 out of a consulting project with Wells Fargo to address the issues of REO properties and the dysfunctional nature of the relationship between the lenders and the real estate agents who represent them. It was

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determined that the lack of training, accountability and skill in working with buyers was causing the system to degenerate into a system of feeding insider investors and not getting the highest price and best post-foreclosure price for the properties. The banks and even to the communities hit with high foreclosure rates were not being served.

QuREOs created a managed system of working with REO properties. The result of that managed system is higher prices for the properties without sacrificing time to contract. A side benefit is that the properties were more often sold to consumer homeowners than to investors.

Key People:

#### ***Douglas Yeaman, CEO***

Doug Yeaman, who has trained more than 140,000 professionals, is the founder of Quantum Management Systems Inc. A highly respected management consultant, he is known for his ability to create people-effective systems and train and consult within organizations, enabling them to become high-performance work groups and significantly increasing profitability. He has worked for 30 years extensively with senior management of many of the largest companies in the country. He is a recognized leader in the real estate industry and his work has influenced most of the best-run real estate companies in the U.S.

Mr. Yeaman established his national recognition and reputation by founding a soft drink company at the age of 23 which he subsequently sold to a Fortune 500 company. Mr. Yeaman spent several years as a business consultant in Europe and the United Kingdom. Upon his return to the United States in the early 1970s, he organized a large management consulting company in the San Francisco Bay area. The firm specialized in organizational development, and management consulting and training. His education is in physics and math, with extensive post-graduate work in management and human resource development.

#### ***David Boxall, Vice President***

David Boxall – Recently - Wells Fargo Premier Asset Services Vendor and Marketing Director, has now moved into establishing a new enterprise focusing on changing the paradigm for foreclosed REO properties. David is a recognized speaker for several Fortune 500 companies including Kodak, Lockheed Martin, AGFA as well as targeted organizations such as the NRBA, NAHREP, NAREB, Five Star and REOMAC.

David is the originating member of "Open Door" a new and exciting organization focused on all vendors involved in the real estate industry rather than the former

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fixation exclusively on brokers. He is currently helping reposition experienced real estate brokers for each MSA, to become educational and communication conduits for Cities and Municipalities.

To broaden his concept David has recently returned from a "Repossessions" Investigation business trip to the UK. He met with several large lending institutions, Real Estate Agents, Legal companies, and Maintenance corporations. David is well informed on market trends, directions and potential weaknesses of the housing market. The intelligence for his in-depth knowledge has been (and continues to be) obtained from regularly conducting focus and face-to-face meetings with high profile personal contacts.

For the past five years David has driven several major marketing and sales initiatives focused on improving the communication, sales tools and training programs for agents, brokers, clients and vendors within the Short Sale and REO marketplace. He is CEO of The Greenovation Institute. This organization has developed an on-line training course for agents. It covers REO Green Building modifications at no additional costs for: Banks Institutions and Note Holders, it also produces "White Papers" (Short Sale and the Home Owners experience, Green for existing buildings etc.) He is currently working on HERS certification programs.

David's business experience spans 30 years of senior management, as well as, running his own successful international consulting business. David specializes in identifying leading edge technologies and predicting future market trends while adapting product strategies to take advantage of global opportunities.

David has also managed several large public companies in his home country, (UK) before making the move to live in the US some twenty-five years ago.

#### ***Sherry Pitcock, VP Corporate Services***

Ms. Pitcock has been a real estate executive and a Realtor for thirty years. She has managed top real estate offices for Prudential California Realty, Coldwell Banker, and Jon Douglas, and has held training positions with other companies such as Fred Sands and Keller Williams. She fully understands real estate at all levels, including the issues of managing agents and creating accountability. She is uniquely prepared to address and resolve the issues involved in system design, training, and working with agents and managers to implement a successful program.

Prior to her real estate career, Ms. Pitcock was a rocket scientist and mathematician, both areas of expertise which bring a valuable analytic approach to her work.

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#### ***Ellaine Calhoun, VP Operations***

Ms. Calhoun is VP Operations officer for Quantum Management Systems and Quantum Default Services. She came to Quantum in 1991 from Prudential Mortgage Bank, where, during her 18 year career, she had been a senior loan officer and ultimately a Vice President. In 1998 she took a sabbatical from Quantum at the request of Prudential Real Estate to help start Prudential Preferred Properties real estate in Chicago as Vice President of Operations.

Currently, she is a seasoned trainer and responsible for certifying Quantum's trainers. Her strong systems management skills have made her a highly sought after professional within the real estate industry.

#### ***Ray Mathoda, HAFA Advisor to QDS and Board Member***

Ms. Mathoda is the former Chief 'People and Efficiency' Officer of IndyMac, now OneWest Bank. In that role, she was in charge of all in-person and online employee training and education for 10,000 people, in addition to all other aspects of workforce management, process and expense. She is highly experienced in training and education, knowing how to prepare theoretical models and putting them into practice in order to make a workforce, process and operation succeed.

In addition, she has significant experience on the policy and implementation-experience front. She proposed HAFA to Treasury in early 2009, and has been advising them on HAFA this year.



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#### **Major Committed Regional Real Estate Brokerage Companies across the country**

In general, the residential real estate industry provides marginal oversight and little accountability. We recognized immediately that these flaws would need to be addressed through reorganization, standardized management, and an effective accountability system.

A consortium of many of the top real estate companies in the country committed under contract to dedicate a Project Manager to manage a real estate agent team.

With over 20,000 agents in these firms, Quantum Default Systems (QDS) can offer scalable national service to meet any demand. Both the listing and the buyer-agent specialist are managed to make sure that issues with consumers are properly remediated, that transactions are properly handled, and that the needs of Bank of America are being addressed.

Each member of the team will be trained and certified by a nationally recognized certification organization. This will guarantee that agents are trained to Bank of America's standards and procedures, and are managed to the bank's level of performance requirements.

After certification, the real estate agent is held accountable by the internal Project Manager. The Project Manager reports to Quantum Default Services (QDS). Without accountability, any training is marginally valuable in producing the desired results.

These companies were selected on the basis of meeting strict criteria as follows:

They have:

- The financial resources to carry large inventory and provide marketing the current market requires
- Agreed to assign a Project Manager with the internal authority to manage the project under the supervision of Quantum Default Services (QDS)
- Experience with marketing and selling of distressed properties at prices higher than the average REO agent with less time to contract
- Existing infrastructure for handling an increase in volume and this infrastructure is easily upwardly scalable
- Mature and seasoned agent population that can be easily trained and engaged to specific standards and performance
- Clear leadership in their market and have a major market share causing properties to sell normally at top dollar

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- Presence in and capable of handling the specified geographic market requirements
- Agreed to hold their agents accountable to insure that the standards are met and processes are properly managed so that properties are marketed at the highest price in the shortest period of time
- Political connections in the cities and communities and have/can meet with those leaders
- Committed to this project

We have determined that we can add brokers in any area and have them onboard and operating within 45 days. We continue to give them intense scrutiny for six months.

They are: [approximately 20,000 total agents]

Company	Area covered	Total Agents	Potential S.S. units	Units/\$Vol 2008	President and/or CEO
Coldwell Banker Premier	Las Vegas, Henderson Nevada	325	500+	3797/\$.74B	Molly Hamrick
Coldwell Banker NRT	Salt Lake City, UT	900	250+		Dan Christensen
Fuller Sotheby's	Denver, CO	200	500+	1353/\$.85B	Scott Webber
Prudential Rubloff	Chicago	800	1800+	3800/\$1.3B	David Bracy
Baird & Warner	Chicago	1700+	2000+	11,300/\$3.4B	Jennifer Warden
Prudential California	Southern California	3400	2-3000	16000/\$13B	Jon Cook
Keyes Realty	Southern Florida	600	1500+	7200/\$1.8B	Mike Pappas
Russ Lyons Sotheby's	Phoenix	500	2000+	2100/\$.5B	Glenn Niere
Intero Real Estate	Northern California	1600	1000+	4053/\$2.8B	Gino Blefari
Prudential Georgia	Georgia	1500	2-3000	6825/\$1.7B	Dan Foresman
Greenridge Realty	Western Michigan	500	1000		Thomas Paarlberg

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REMAX Elite	Albuquerque	250	200		Michael Dreskin
Surovell Realty	SW Michigan	250	1500		Ed Surovell
Coldwell Banker United	Southern Texas & Gulf area	3000	2000	28,000/\$6B	Helen Edwards
David Winans GMAC	Dallas - Fort Worth	400	1500	\$876M	David Winans
D'Ann Harper	San Antonio	400	1000	4,000/	D'Ann Harper
Edina Realty	MN, WI, ND	2500	2500	24,000/\$5.8B	Bob Peletier

#### † Listing Agents Profile

Full time commitment to real estate. No other jobs.  
 More than two years active in real estate.  
 Track record of 10 - 25 successful listings sold.  
 Current MLS, Board, NAR member.  
 Answers phone promptly.  
 Carries a cell phone that is answered promptly  
 Checks email regularly or has push technology.

#### ‡ Marketing/Buyers Agent Profile

Full time commitment to real estate. No other job.  
 Completed new agent training.  
 Current MLS, board and NAR member.  
 Answers phone promptly.  
 Carries cell phone which is answered promptly.  
 Checks email regularly or has push technology.

### **3.1 Business Continuity Plan/Disaster Recovery Plan**

National Real Estate Information Services' (NREIS) up-to-date Business Continuity Plan/Disaster Recovery Plan is currently on the Archer Platform as coordinated by Donna Dzimian of Bank of America.

### 11.1.1 Long Term Vision and Strategic Plans

#### **Vision:**

Although the real estate crisis is far from over, we believe that the program we have created will become an important tool that makes Bank of America a leader in helping resolve this crisis. In order to accomplish this, the overriding goal of our program is to minimize the damage to both the homeowner and Bank of America and to create a dialogue that will lead to future positive business relationships between both.

Homeowners are anxious and ill-informed while their housing problems remain largely unresolved. When homeowners make poor choices regarding their property, these decisions result in three victims: the homeowner (credit rating plummets, family is disrupted,) the bank (full foreclosure is more expensive than the alternatives) and the neighborhood (surrounding home values decline.)

The first step in our program is to provide a compassionate voice to homeowners and help them sort through their negative feelings and any misinformation they have about the options available to them. Once we have created trust, we can then inform and help guide homeowners to make decisions that result in maximum financial stability. With this education, the homeowners realize they have a second chance to rebuild their lives and can make a graceful exit, as opposed to the destructive effects that result from foreclosure.

The second step is to continue creating a positive experience for the homeowner as they are handed over to an asset manager and listing agent. We have spent a great deal of time fine tuning these processes and embedding accountability and customer-satisfaction feedback throughout each stage.

For Bank of America, our program is the best way to avoid possible litigation due to lack of disclosure. We have created interactive learning materials for the homeowner, as well as extensive training for each staff member who will be working with homeowners. One of primary goals for the Bank is to make sure that homes are sold at the maximum recovery value. To this end, we have made the offer-submission process as transparent as possible, removing it from the sole control of the listing agent.

Each phase of our program has multiple levels of accountability, with uniform standards and methodologies that can always be adapted quickly to maximize results. This is why we've made customer feedback such an important component.

### 11.1.1 Long Term Vision and Strategic Plans

Our program can also be easily scalable based on the needs of Bank of America. It is a cost-effective solution for the Bank that allows it to maximize asset values while creating positive relationships with homeowners, thus retaining them as customers.

#### **Strategic Plans:**

The solutions are very complex, requiring various and disparate expertise. We have elected to form Strategic Alliances with some of the most competent leaders in their specialties.

As we see it, there are three parts to the process:

- High-touch, compassionate outreach to the borrower
- Asset management, evaluation and task management
- Listing and marketing to insure the highest return

The three parts have no overlapping competence. It takes a synthesis of the best in each area. Synthesis requires integration of computer systems and management of the inter-relationships to make it work.

Today, there is no integrated solution in the industry that handles all of the pieces with complete competence. As a result the damage and loss to Bank of America is significantly higher than it needs to be. We can reduce that loss.

Our plan is to bring the disparate entities together and coordinate the services into a streamlined process.

We will provide outreach services that assist the borrower in understanding their options, and then provide asset management services to carry out the process and finally, assure that properties are marketed to the highest price available.

It is of the utmost importance that in the process the borrower maintains a positive impression regarding Bank of America since they should remain customers for Bank of America in banking, credit card and mortgage. Measuring and managing that relationship is a part of our strategy.

#### **Future Plans**

Our plans are to grow the capabilities of the alliance. We will include a company in our alliance only if they can meet our high standards of care and competence.

#### 11.1.1 Long Term Vision and Strategic Plans

We will add new real estate firms to our consortium. Our methods for getting them committed to our processes, trained and reporting make it possible for us to add coverage with an additional company in a new area within 30-45 days.

By testing and reporting customer satisfaction, it has been shown that performance is improved quickly. It is our future plan to take advantage of that phenomenon, bringing to Bank of America ever more satisfied customers in spite of the current real estate market conditions.

As we mature in the process and understand the needs of the program, we would consider the commitment of placing on-site representation at Bank of America for better communication and consistent delivery.

### 11.1.3 Purpose and Business

#### **NREIS Business:**

National Real Estate Information Services (NREIS) is a nationwide provider of title, appraisal, settlement and default services. From its beginnings more than 28 years ago, NREIS has grown to become one of the country's largest privately-owned providers of third-party real estate products by always looking toward the future and anticipating our clients' needs. The success of NREIS has been built on four pillars that serve as the foundation for our company:

- Leadership
- Employee Participation and Development
- Quality
- Continuous Improvement

This foundation has enabled NREIS to grow into a company with annual revenues of more than \$300 million that employs more than 1,000 staff. Our goal is to provide our clients with real estate products that are the most competitive in their respective marketplaces; furthermore, our customer-focused business strategies allow our clients to consistently realize peak efficiencies and profitability. As a result, NREIS has gained the reputation of being a valued partner that creates strategic solutions for our customers through flexible technology and dynamic process solutions specifically designed to meet and exceed each customer's needs.

NREIS hopes to expand its current relationship with Bank of America in more than the volume of products and services ordered. It is our intention to provide innovative solutions to the short sale process and uniform standards of practice. Through rigorous disclosure it will enable the consumer to make educated decisions while maintaining strict regulatory compliance in order to protect Bank of America and mitigate liability.

#### **Project Purpose:**

##### *Increase Return to Bank of America and Reduction of Liability*

The current housing climate demands a model that addresses time-to-money issues. Historically, the existing systems were not integrated to manage the timelines and the quality of the short sale process. The NREIS model integrates specialty component services joined in a Strategic Alliance designed to maximize efficiencies, raise the return and minimize risk.

Our model uses innovative and seamless short sale processes with uniform standards and practices that enable the consumer to make educated decisions and maintain the strict regulatory compliance necessary to protect the lender and mitigate liability. The key to reducing lender liability is to implement a standardized methodology that



### 11.1.3 Purpose and Business

generates a strict compliance environment that manages every interaction between the homeowner and the real estate agent. With this safety net in place, we are able to create an environment of trust—this allows for increased homeowner satisfaction even while their financial realities are in turmoil. As a result, we maximize the return on the underlying asset and repair the relationship between the lender, homeowner and community.

Our short-sale business model is built on new structures and processes that resolve the above issues through:

1. Standardized short-sale education and certification of the real estate agent and all involved personnel
2. Clear definitions of risks, benefits and alternative strategies to the homeowner

These business activities have been proven to result in higher net sales, benefiting the lender. They also allow borrowers to make an informed choice that best meet their needs.

The Strategic Alliance we've created for our model utilizes a consortium of regional brokerages to produce supervision of the listing agents. Project managers at each brokerage are designated and trained—they will report directly to Quantum Default Services (QDS) and make sure a system of accountability and supervision is maintained that ensures that the highest standards are upheld. Furthermore, a project specific Quality Control team administered by the Strategic Alliance provides an additional level of oversight, supervision and accountability. The result of this proactive management and accountability platform is a driving force behind this proposal.

#### *Retain homeowners as future Bank of America customers*

Homeowners in trouble who choose financial stability are more likely to become homeowners and business partners who will need the services of a bank. It is important that their experience during the short sale process is positive, thereby leading them to choose Bank of America for their future financial products.

Through our outreach partner, Dialogue Marketing and the broker consortium, we will engage a higher percentage of homeowners in the opportunity for foreclosure alternatives. Our approach is compassionate and focused on customer satisfaction. Homeowners anticipating the loss of their home are often weighed down with their personal circumstances, making the process seem overwhelming and hopeless. Without a high level of hands-on guidance and support, these homeowners often give up, therefore the percentage of packages returned is very low. Our goal is to assist a

### 11.1.3 Purpose and Business

substantially higher percentage of homeowners to make decisions they can feel good about. By making them feel that Bank of America cares about their financial stability, they are far more likely to remain loyal to the bank, loyalty which is extremely valuable during these times of anger toward financial institutions.

#### 11.1.4 The Solution

The recent upsurge in short sales and the downturn in the national economy affects homeowners and note holders in devastating ways. Our purpose is to mitigate negative outcomes as much as possible. Our solution emphasizes softening the blow to homeowners, since they are potential future customers for Bank of America. Another important concern is to prevent Bank of America from being the victim of incompetence and fraud at the brokerage level.

##### **Perform per the Statement of Work**

Being able to perform the work as outlined in the Statement of Work is critical. Our Asset Manager subcontractors are proven suppliers with positive national reputations.<sup>1</sup> Additionally, they will operate as a coordinated team to balance fluctuating, high volumes of properties. We have developed an internal structure that assures the ability to distribute changing volumes among themselves without any interruption to delivery of service. These firms have the existing resources and infrastructure to handle three thousand properties immediately and can ramp up significantly with minimal lead time. This alliance can be scaled almost without limit.

##### **Mitigate Loss and Risk**

Unnecessary cost to note-holders in this circumstance most often comes from two sources: intentional fraud and incompetence. Our Solution has created processes and systems that focus on the many ways in which intentional fraud and incompetence emerge and provides constant vigilance to identify and preempt both.

We begin the mitigation of this risk by contractual agreements with regional brokerages to manage the properties in the same way they manage RELO and other third party listings.<sup>2</sup> They agree to provide managers, administrative staff and marketing. In addition, we provide training, immediate and ongoing quality control, and oversight on a weekly basis. A large firm, rooted in the community, can provide a level of quality and integrity that a multitude of single, unknown, and unmanaged real estate agents cannot.

Intentional fraud is often at the real estate agent level where a listing agent is given control of the flow of information regarding the property. It is easy for these agents to increase their own income by lowering the expectation of the lender through downgrading the valuation of the property. This makes the sale to insiders quicker and more profitable. Also, when one person has control of offers presented for approval, it is extremely easy to withhold offers and create a fraudulent lack of competition. Our system has built in double safeguards for initial valuation of property. We take control of offer presentation out of the hands of the listing agent and move it to a web-based system, making the submittal of offers direct and transparent.<sup>3</sup>

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<sup>1</sup> Refer to [8] in drawing below

<sup>2</sup> Refer to [2] in drawing below

<sup>3</sup> Refer to [3] in drawing below

#### 11.1.4 The Solution

Another way that we keep the real estate agents from succumbing to the temptation of fraud or mismanagement is by isolating listing agents from contact with the buying prospects.<sup>4</sup> The For Sale sign on the property will have an 800 number which is answered by a professional call center; an appointment will be made and the buyer handled by an agent other than the listing agent.<sup>5</sup>

We understand there is a serious damage to reputation and litigation risk to Bank of America from borrowers who are not given complete disclosure of the options available to them. It is folly to expect hundreds of real estate agents all over the country to have the same level of competence in presenting complex choices to the borrower. Our model provides for consistent, complete disclosure of consumer foreclosure alternatives to the borrower in the form of a DVD plus a manual/workbook—borrowers will acknowledge receipt and viewing of the materials and will be asked to provide us with customer feedback at three stages of the process.<sup>6</sup>

In order to have truly competent real estate agents who fully understand the Short Sale and HAFA program, it is necessary to control the certification they receive. We reviewed a number of the current Short Sale certifications on the market and found that most of them were designed to train the agent in a short sale situation by persuading homeowners to list with the real estate agent. They were focused more on marketing real estate services than insuring the homeowner understands the complexities of the alternatives and solutions available to them. Our agents only become eligible when they have completed the program administered by Asset Plan USA. It was developed by Ray Mathoda, who was instrumental in working with the Treasury in developing the HAFA program itself.<sup>7</sup> The certification offered by Asset Plan USA is, in our opinion, the most comprehensive and demanding certification available.

#### **Strategic Alliance**

To expect a single company to provide exemplary results in every aspect of a short sale program is unrealistic. Should a company try this approach, it would undoubtedly produce compromised results, especially in areas outside its zone of expertise. Our comprehensive model is based on having the best providers perform the tasks for which they are industry leaders. To that end we have created an extraordinary Strategic Alliance. We will be working with the finest, most reputable Outreach and Asset Management companies available. Quantum Default Services (QDS), through its partner, QuREOs has provided world-class training, consulting and quality assurance programs to the real estate industry. We have assembled a consortium of the finest real estate brokerages across the country that will manage the agents representing the homeowners. Even the products we will be using for this Solution, such as technology platforms, training and certification, customer satisfaction measurement and Quality Assurance/Quality Control models, are the most effective and cutting edge in their fields.

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<sup>4</sup> Refer to [4] in drawing below

<sup>5</sup> Refer to [5] in drawing below

<sup>6</sup> Refer to [6] in drawing below

<sup>7</sup> Refer to [7] in drawing below

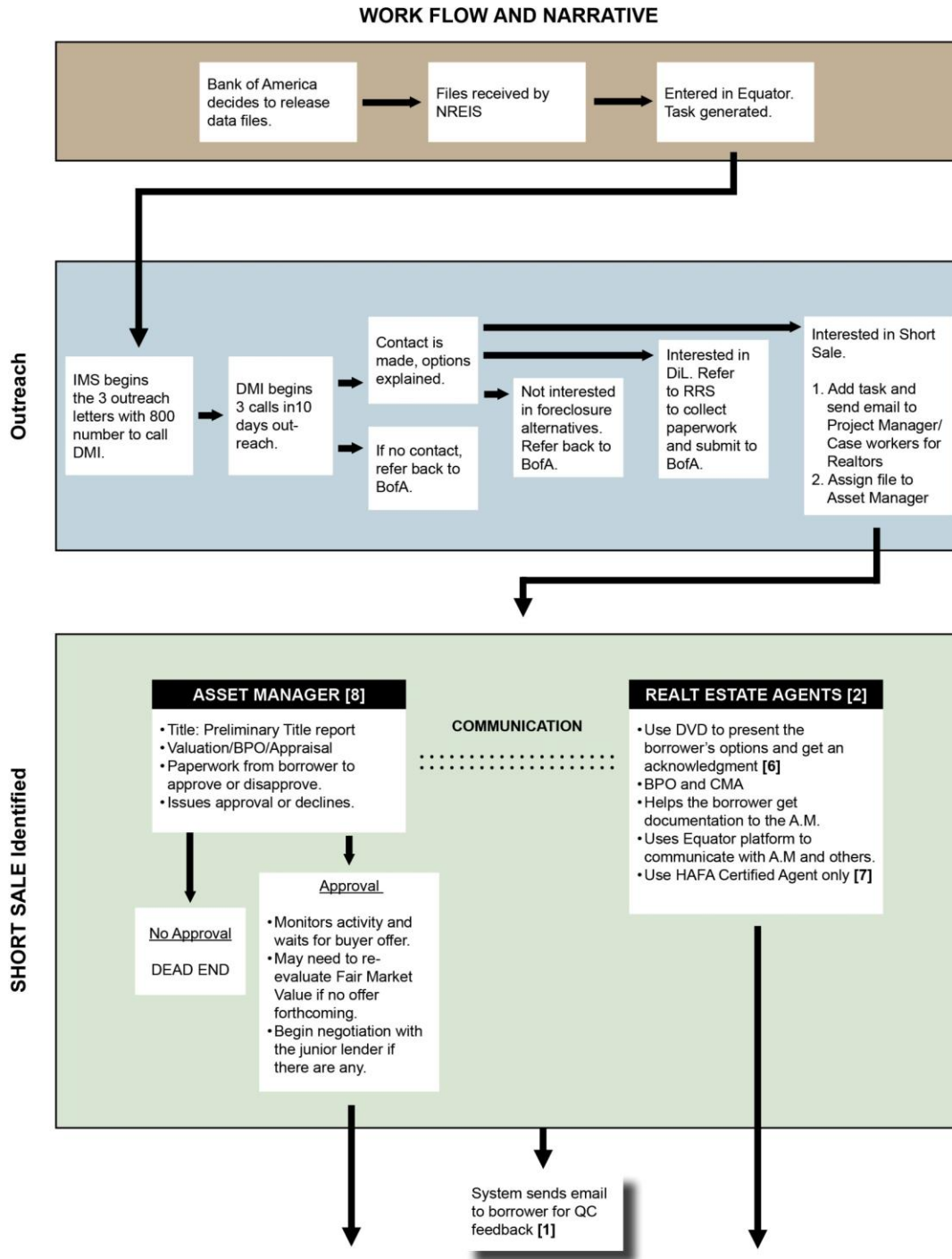
#### 11.1.4 The Solution

We believe by treating the distressed homeowner with respect and compassion, we will create the best solution for them and by extension, lay the groundwork for future mortgage and banking business for Bank of America. We have built in several Customer Satisfaction and Quality of Service feedback processes<sup>8</sup> to monitor and immediately correct any negative responses. This insures that the out-reach personnel, servicers and real estate agents are all maintaining exemplary relationships with the borrowers.

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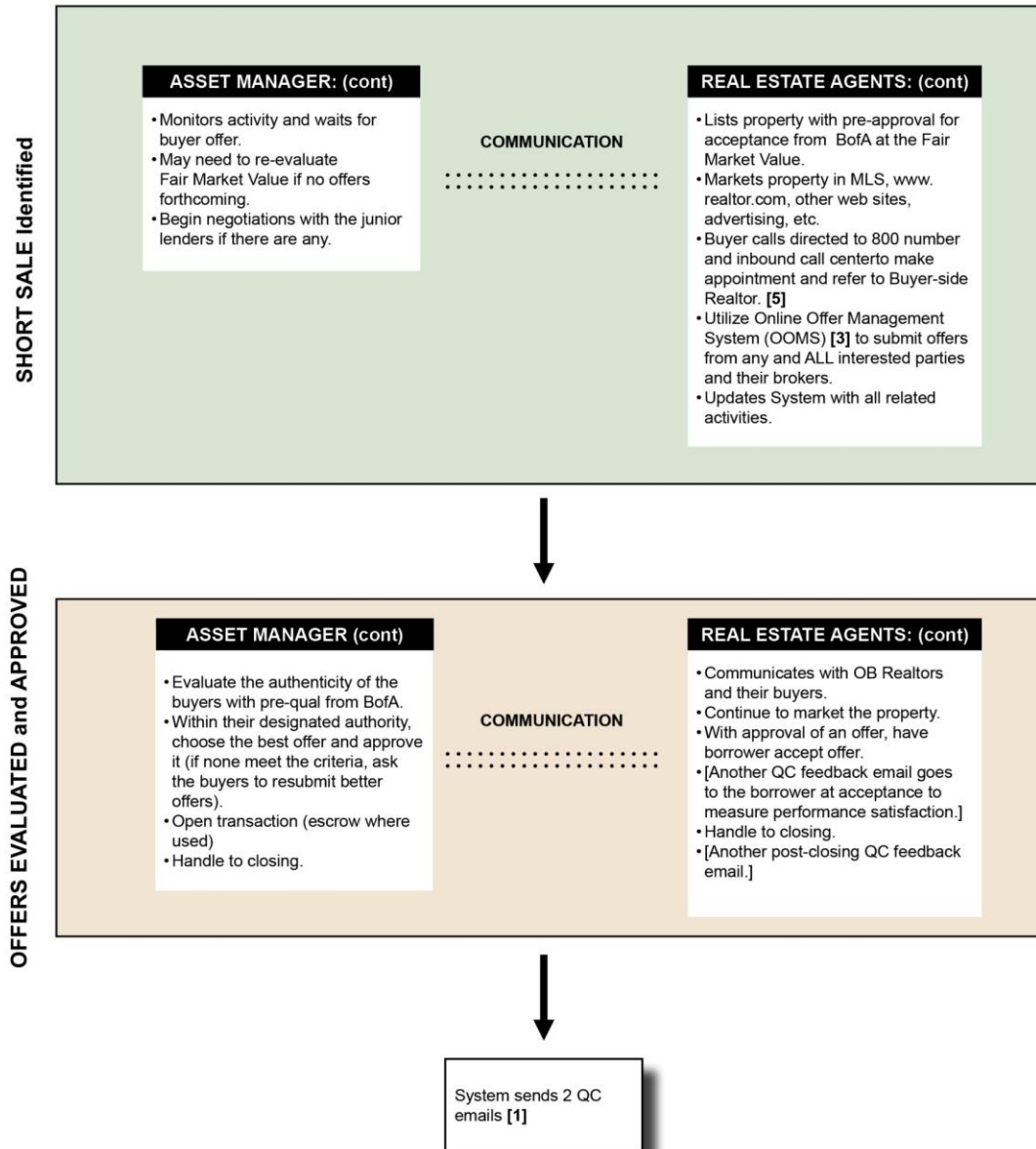
<sup>8</sup> Refer to [1] in drawing below

## 11.1.4 The Solution

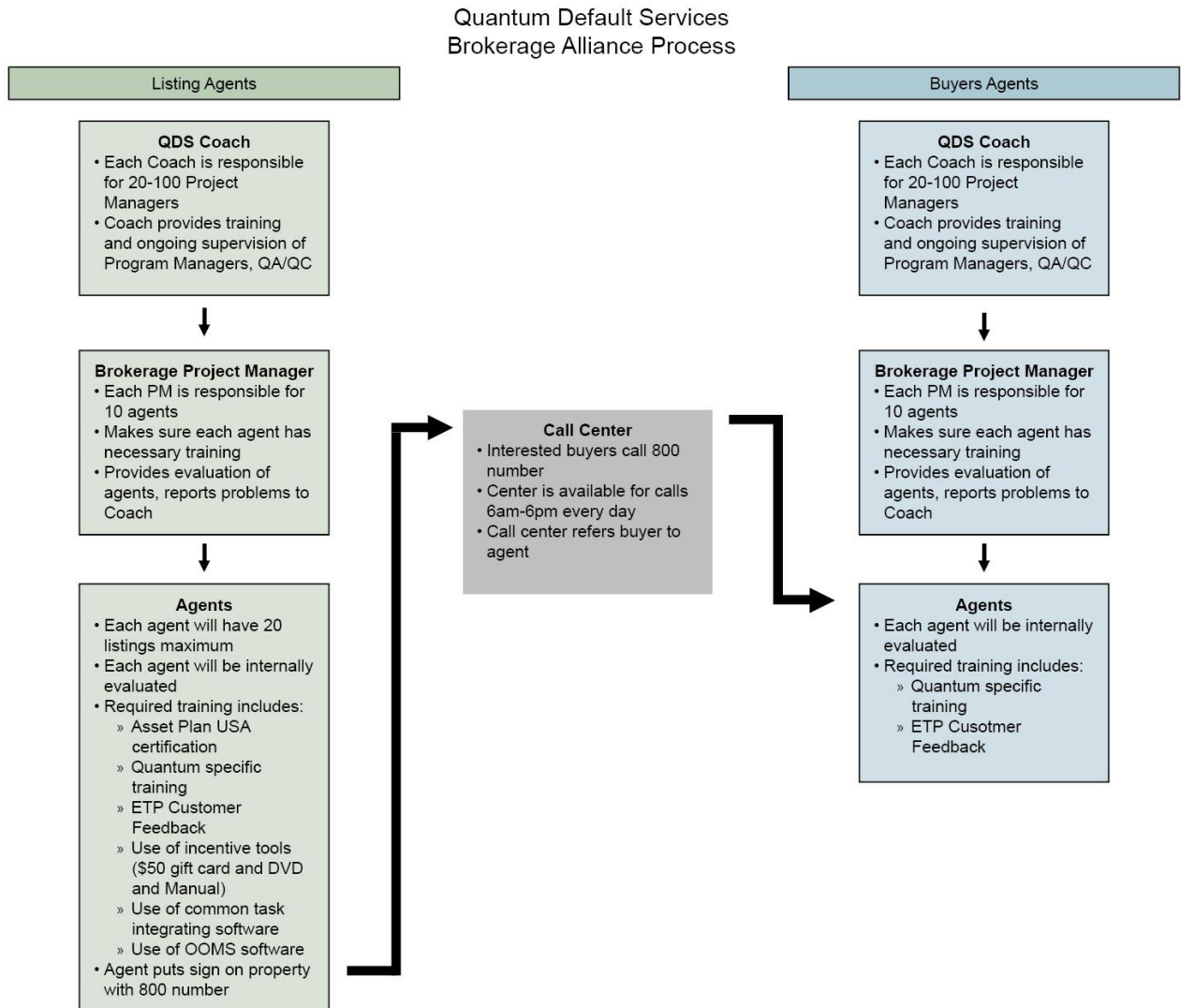


#### 11.1.4 The Solution

##### WORK FLOW AND NARRATIVE



#### 11.1.4 The Solution





### 11.1.5 Quality Certifications (most likely 2K only)

Our Strategic Alliance holds the following quality certifications.

- ✓ SAS 70
- ✓ ISO 9000
- ✓ ISO 9001
- ✓ Precision Asset Management is a Minority-Owned Business Enterprise #7446
- ✓ Precision Asset Management is a Woman-Owned Business Enterprise #2005114685
- ✓ Teaming agreement with DVBE
- ✓ PCI Compliant
- ✓ Fair Debt Compliant
- ✓ Six Sigma

### 11.1.6 Improvement Programs

The following innovative programs are included in the model we would provide Bank of America:

1. **Consumer Foreclosure Alternatives Disclosure**

This product consists of a DVD and reference manual/workbook provided to the homeowner describing in print and on video (initially in English and Spanish) the alternatives and the consequences of each alternative. It is played for the homeowner by the real estate agent *prior* to listing the property. An acknowledgement of receipt is obtained. Additionally, it is referenced in the first Quality Assurance/Customer Satisfaction questionnaire. The DVD and printed material will be customized to Bank of America's needs.

2. **Quality Assurance & Customer Satisfaction Questionnaire (QA & CS)**

In order to assure that all of the component parts of the system work to the satisfaction of the homeowner, we provide a mail and/or web-based questionnaire regarding issues of communication, care, courtesy, etc. We also ask whether the disclosure DVD was played and all questions in the manual/workbook answered. The questionnaire is handled and reported by Quality Service Certification, Inc. (QSC) a leading third-party consumer assurance company. It also provides to the consumer the ability for complaints and questions to immediately be addressed. An email goes to the Quality Assurance & Quality Control (QA & QC) center and immediately (within hours) an intervention and remediation occurs.

3. **Online Offer Management System (OOMS)**

A real source of duplicity in the short sale process is in handling offers from brokers other than the listing agent. The temptation to limit or restrict offers is always present, especially if the listing agent is the gatekeeper for the information and an artificially low sale price works to the agent and his investors' advantage (e.g. flipping a property). OOMS allows outside brokers to submit their offers independently and directly. The URL where the online system resides will appear in every listing in the MLS. The offers are immediately available to the asset manager for review. Since the HAFA guidelines disallow counter-offers to an offer that meets its requirement unless there are multiples, this system will give Bank of America a chance to counter-offer over the approved amount when there are in fact multiple offers. Using this system means that no offer is screened, restricted or ignored.

4. **Required Buyer Pre-approval by Bank of America**

Not every offer submitted is authentic or has a properly approved buyer. We can ask that every buyer offer is accompanied by an approval letter from a Bank of America loan officer or an approved lender after a standard pre-approval process requiring

verification of borrowers income and cash reserves. This will aid in an effort to make the best choice among buyers and decrease the fall-out rate.

**5. Brokerage Controlled Agent Population**

Because of our Consortium, we have the capacity to provide to the homeowner as many trained, certified agents that are necessary to satisfy the homeowner. Listing agents are otherwise drawn from a general pool of unmanaged real estate agents.

We have assembled and have contractually controlled arrangements with powerful regional real estate companies such as Coldwell Banker, Prudential, and Sotheby's [see section 11.1.7 for list.] They provide management oversight, administrative and marketing support to the program. We will also provide tracking and reporting of all marketing efforts. Each brokerage will use Asset Plan USA to make sure its agents are trained to the highest standards. Each brokerage will provide a Project Manager for our program who will provide accountability and oversight.

There are two Project Managers, one for the Listing agent team and another for the Buyer-side agent team.

Quantum Default Services, through their partner QuREOs, Inc., manages quality assurance by providing training and oversight for the internal project management team within the brokerage. The brokerage's internal project management team has a dotted line of reporting and accountability to QuREOs. We monitor their results and provide weekly feedback sessions. We will closely track the results of the listing agents to maintain high standards of performance.

**6. 800 Number and In-bound Call Center**

Every for-sale sign will have an 800 number on it for the buyer-consumer to call. The call will be answered by a professional call center that then makes an appointment for the buyer prospect. The prospect is handed off to a trained real estate agent on the brokerage Buyer-side agent team. To insure that all buyers have an equal opportunity to buy a property, Listing Agent teams are kept separate from Buyer Agent teams.

The performance standard for the Call Center is 60% [6 out of 10] appointments made with potential buyers. The consistent nationwide statistics for *asking* for an appointment by a real estate agent is 2%. Fannie Mae did a recent "mystery shopper" study that confirmed those results.

The internal Project Manager for the Buyer Agent team monitors and tracks the results of his or her individual real estate agents. This allows us to keep close track of results. An underperforming agent can either be retrained or removed from the team.

## **Optional Innovations:**

### **7. Loan Capture by Bank of America Loan Officers**

Because of our close management of buyer-side agents, we can assist in loan capture opportunities for Bank of America mortgage agents. We know that the buyer's choice of a loan agent is influenced early in the process. The real estate agent has influence with the buyer in that choice.

We can ask the buyer-side real estate agents to connect the buyer with a Bank of America loan agent immediately so the loan agent becomes an integrated part of the buyer's team. The capture rates are many times greater when introduced early rather than as a requirement at the presentation of an offer. It also provides for lead capture for buyers that are not writing offers on the subject property.

This loan capture model requires a high level of interaction with the corresponding mortgage agents in the local territory.

8. **Send a credit card that will be activated when the homeowner calls.** It can be for any amount that Bank of America feels will motivate the homeowner.

### **9. Face-to-Face Home Solutions**

Our door knock service establishes contact with borrowers who have been unreachable by phone and mail campaigns. Our Agents have a proven track record of improving Right Party Contact and facilitating the resolution of collection and borrower outreach initiatives.

Agents are in direct communication with a fully staffed Servicing Department providing:

- 7 day a week Loan Counselors with coverage for nationwide time zones
- Instant communication with decision makers
- Real time data interface
- Expeditious resolution

Over 1,600 door knocks completed / approximate UPB > \$175 million

- 66% Right Party/ Borrower Contact
- 21% Non-Borrower Contact/ tenant, new owner, neighbor
- 7% Vacant
- 6% Unsuccessful Result/ No Contact
- Total Cost to Clients = approximately \$162,000
- Total Recovery Dollars = in excess of \$663,600\*

\* reflects the 2010 Q1 and Q2 cash flows of re-performing loans door knocked in Q4 of 2009

### 11.1.7 Strategic Relationships

#### **Dialogue Marketing, Inc.**

Located at centers in Auburn Hills, MI (250 stations), Troy, MI (210 stations) and Orem, UT (140 stations), DMI a nationally recognized leader in customer management and will employ the talents, skills, and expertise of its staff on behalf of our clients. DMI is known for recruiting the top talent in marketing, inside sales, sales management, and IT development. With millions of dollars invested in telephony systems and three fully redundant contact centers throughout the United States.

DMI's contact centers operate on a technologically advanced platform featuring open system architecture, allowing for integration of new technologies, custom design innovations, and process efficiencies that deliver unparalleled results.

Key People:

#### ***Alejandro Vargas, President/COO***

Mr. Vargas has worked in the call center industry for 16 years. Before joining Dialogue Marketing, Mr. Vargas was President & CEO at Marketing Ally for three years. During his career he has worked for Convergys, ADVANTA Bank in various capacities within the call center environment. Mr. Vargas' vast knowledge and understanding of the call center dynamics, client relations and marketing strategies add tremendous value to our organization. He received his MBA from the University of Utah where he also completed his undergraduate work in business management.

#### ***Bernie Lillis, Senior Vice President of Sales***

Mr. Lillis works with the management team to set strategic direction of the business, establish key client partnerships, and provide overall account oversight for DMI.

#### ***Brian Poelman, Senior Vice President Operations***

Mr. Poelman is directly responsible for managing the Dialogue Business Solutions Strategic Business Unit, representing 90% of total company revenues. DBS provides Customer Relationship Management services with a concentrated expertise in developing customized "Customer Nurturing" solutions. They partner with like-minded business partners who value customer care; typically with those whose customer base requires "high-touch" service. They deliver results by leveraging the right mix of people and technology to streamline best practices and drive higher efficiencies for our clients.

### 11.1.7 Strategic Relationships

#### ***Mike Sherrill, Director of Business Development***

Mr. Sherrill is the Director of Business Development at Dialogue-Marketing. Mr. Sherrill is responsible for leading the company's sales efforts in targeting the top-tier lenders in the US mortgage industry. His experience includes more than 13 years in the mortgage industry, where he has focused on loss mitigation/default services and technology solutions to the lending community.

#### **Precision Asset Management (PAMC)**

Precision Asset Management Corporation (PAMC) is a nationwide property management and marketing outsourcer located in Torrance, California, approximately 10 miles south of Los Angeles. PAMC's founders pride themselves in having over 21 years in REO experience where they initially commenced as REO Brokers. PAMC was incorporated in the State of California in 1998 and has continuously been servicing REO assets since that time.

PAMC qualifies as a minority owned and managed company. I met the certification criteria established by the National Minority Supplier Development Council and was approved by the Southern California Minority Business Development Council, Inc. Board of Directors. PAMC maintains a diversity vendor base and is affiliated with organizations such as Women in Default Services as well as NAHREP (National Association of Hispanic Real Estate Professionals). PAMC serves on the NAHREP Corporate Board of Governors. The company's staff includes over 50 individuals of all ethnic diversities. PAMC manages and markets residential properties throughout the United States of America.

PAMC presently manages REO portfolios for JPM Chase, Washington Mutual and Fifth Third Bank. With approximately 28,000 square feet of office space, the company has the ability to maintain a staff of 275 employees and manage a portfolio of up to 25,000 assets. The current set-up capacity is 150 employees and expansion to maximize the office space can be implemented in a short period of time.

Key People:

#### ***Rosan Hermosillo Johnson, President***

Ms. Hermosillo Johnson is a micro-manager who supervises the initial file assignments to asset managers; the occupancy status; the eviction process; the property evaluation process; the property preservation process; the insurance claim process (if applicable); the title curative process; the listing process; the marketing process; and the offer and closing processes.

### 11.1.7 Strategic Relationships

#### ***Michael Hermosillo, Operations Manager***

Mr. Hermosillo is responsible for co-managing a staff of approximately 65 employees and overseeing the successful operation of ORE asset liquidation in a nationwide capacity. Through Mr. Hermosillo's efforts, PAMC has successfully closed and reconciled more than 20,000 transactions from its inception. PAMC recently expanded to a 28,000 square foot office facility in order to accommodate its constant growth. The PAMC office has the ability to accommodate over 300 employees which in turn would allow for a file capacity count of 25,000 assets at any given time.

#### ***Steve A. Johnson, Chief Executive Officer***

Mr. Johnson is a macro-manager who supervises managers in the following departments: Asset Assignment; Asset Valuation; Asset Managers; Title Curative; Property Preservation; Property Repair; Eviction; Accounting; Property Management; Closing; Human Resources and IT development. Mr. Johnson oversees sales, eviction, and closing projections.

### **Phoenix Asset Management**

Located in Denver, CO with full service offices in Salt Lake City, Phoenix Asset Management is winner of the Pinnacle Award for Best Outsourcer. PAM's mission is to provide its clients with efficient and cost effective solutions for the management and disposition of residential assets.

Since its formation in 2000, PAM has focused on providing the best-in-class asset management and disposition services to institutional clients within the framework of a fully customized, high-touch environment. PAM's long term goal is to create enterprise value, as opposed to simply generating short-term revenue—especially important given the objectionable opportunistic ventures that have been formed solely to take advantage of current economic conditions.

Key People:

#### ***Lorenz Schwarz, President***

Mr. Schwarz has been active in the commercial and residential mortgage servicing industry for over 20 years. Prior to joining Phoenix in March 2007, Mr. Schwarz was with Select Portfolio Servicing as Director of REO, where he oversaw the management of a portfolio of up to 9,000 REO assets. He also held the position of VP REO at Wilshire Credit Corp, and Director of Real Estate at JE Robert Co. In addition to REO

### **11.1.7 Strategic Relationships**

management, he has also been deeply involved with other aspects of mortgage servicing including loss mitigation, foreclosure, and valuation. He has served on various panels for USFN and REOMAC, as well as other industry organizations.

#### ***David Francis, AVP***

David Francis joined Phoenix in March 2008 after a six-year affiliation with Select Portfolio Servicing, primarily in REO operations.

Along with the default operations management background, David brings an additional nine years of experience in the mortgage origination, escrow and title industries, including two years with First American Title working with their top default clients, and six years with SunTrust Mortgage, where he worked his way to the position of AVP of Operations.

Having gained experience in so many different facets of this industry helps make David uniquely qualified to anticipate the needs of his clients and guide them successfully through the multiple dynamics that enter into the Short Sale and REO disposition processes.

#### ***Jackie Alsalem, Director of Closing and Title***

Jackie Alsalem joined Phoenix in May 2005. With over 16 years of industry experience, Jackie has a wealth of knowledge dating back to her days as a Real Estate Paralegal, with extensive experience in Title, Foreclosure, Bankruptcy, Loss Mitigation and Contract Law.

Jackie has a history of building successful and efficient teams and has pioneered a number of technology enhancements that produced even greater gains for Phoenix and our clients.

Jackie is recognized as an expert on resolving complex title issues and for effectively communicating with clients on technical matters

Prior to joining Phoenix, Jackie worked with FNAMS for over five years where she held various asset management positions.

#### ***Jim Steffen, VP***

Prior to joining Phoenix in June 2005, Jim spent three years at Select Portfolio Services, where he was consistently one of the top performing REO Asset Managers, handling accounts for their most demanding institutional clients.



### **11.1.7 Strategic Relationships**

Jim was also asked to help Select pioneer the development of their offshore REO operations and he spent several weeks in India designing processes and training local personnel.

Jim also spent 2 years in Residential property management after receiving his MBA in 2000 from Westminster College, Salt Lake City, Utah.

Jim's past experience in accounting provides him with a superior command of the growing volumes of data generated in our increasingly automated environment.

Jim's ability to extract the most meaningful information from reams of data and identify important trends in advance helps keep Phoenix in a position to provide the best insight to our clients and constantly improve our processes.

#### **Quantum Default Services**

Located in Salt Lake City, UT  
Strategic Alliance with QuREOs, Inc.

Quantum Default Services is a sister company to Quantum REO Solutions (QuREOs) which is also known as REO Centric.

Quantum Default Services was formed to bring together different core competencies to handle the separate parts of the short sale process:

1. Compassionate outreach to the distressed buyer
2. Streamlined and cost-effective Asset Management procedures
3. Listing and marketing the properties to the highest price to time available

The three parts have no overlapping competence. It takes a synthesis of the best in each area. Synthesis requires integration of systems, standards and management of the inter-relationships to make it work.

QDS has brought together a Strategic Alliance of the best in breed for their competence. Each member of the Strategic Alliance is contractually bound together, forming a joint venture which is more than the sum of its parts.

QuREOs (Quantum REO Solutions) was formed in 2007 out of a consulting project with Wells Fargo to address the issues of REO properties and the dysfunctional nature of the relationship between the lenders and the real estate agents who represent them. It was

### **11.1.7 Strategic Relationships**

determined that the lack of training, accountability and skill in working with buyers was causing the system to degenerate into a system of feeding insider investors and not getting the highest price and best post-foreclosure price for the properties. The banks and even to the communities hit with high foreclosure rates were not being served.

QuREOs created a managed system of working with REO properties. The result of that managed system is higher prices for the properties without sacrificing time to contract. A side benefit is that the properties were more often sold to consumer homeowners than to investors.

Key People:

#### ***Douglas Yeaman, CEO***

Doug Yeaman, who has trained more than 140,000 professionals, is the founder of Quantum Management Systems Inc. A highly respected management consultant, he is known for his ability to create people-effective systems and train and consult within organizations, enabling them to become high-performance work groups and significantly increasing profitability. He has worked for 30 years extensively with senior management of many of the largest companies in the country. He is a recognized leader in the real estate industry and his work has influenced most of the best-run real estate companies in the U.S.

Mr. Yeaman established his national recognition and reputation by founding a soft drink company at the age of 23 which he subsequently sold to a Fortune 500 company. Mr. Yeaman spent several years as a business consultant in Europe and the United Kingdom. Upon his return to the United States in the early 1970s, he organized a large management consulting company in the San Francisco Bay area. The firm specialized in organizational development, and management consulting and training. His education is in physics and math, with extensive post-graduate work in management and human resource development.

#### ***David Boxall, Vice President***

David Boxall – Recently - Wells Fargo Premier Asset Services Vendor and Marketing Director, has now moved into establishing a new enterprise focusing on changing the paradigm for foreclosed REO properties. David is a recognized speaker for several Fortune 500 companies including Kodak, Lockheed Martin, AGFA as well as targeted organizations such as the NRBA, NAHREP, NAREB, Five Star and REOMAC.

David is the originating member of "Open Door" a new and exciting organization focused on all vendors involved in the real estate industry rather than the former

### 11.1.7 Strategic Relationships

fixation exclusively on brokers. He is currently helping reposition experienced real estate brokers for each MSA, to become educational and communication conduits for Cities and Municipalities.

To broaden his concept David has recently returned from a "Repossessions" Investigation business trip to the UK. He met with several large lending institutions, Real Estate Agents, Legal companies, and Maintenance corporations. David is well informed on market trends, directions and potential weaknesses of the housing market. The intelligence for his in-depth knowledge has been (and continues to be) obtained from regularly conducting focus and face-to-face meetings with high profile personal contacts.

For the past five years David has driven several major marketing and sales initiatives focused on improving the communication, sales tools and training programs for agents, brokers, clients and vendors within the Short Sale and REO marketplace. He is CEO of The Greenovation Institute. This organization has developed an on-line training course for agents. It covers REO Green Building modifications at no additional costs for: Banks Institutions and Note Holders, it also produces "White Papers" (Short Sale and the Home Owners experience, Green for existing buildings etc.) He is currently working on HERS certification programs.

David's business experience spans 30 years of senior management, as well as, running his own successful international consulting business. David specializes in identifying leading edge technologies and predicting future market trends while adapting product strategies to take advantage of global opportunities.

David has also managed several large public companies in his home country, (UK) before making the move to live in the US some twenty-five years ago.

#### ***Sherry Pitcock, VP Corporate Services***

Ms. Pitcock has been a real estate executive and a Realtor for thirty years. She has managed top real estate offices for Prudential California Realty, Coldwell Banker, and Jon Douglas, and has held training positions with other companies such as Fred Sands and Keller Williams. She fully understands real estate at all levels, including the issues of managing agents and creating accountability. She is uniquely prepared to address and resolve the issues involved in system design, training, and working with agents and managers to implement a successful program.

Prior to her real estate career, Ms. Pitcock was a rocket scientist and mathematician, both areas of expertise which bring a valuable analytic approach to her work.

### 11.1.7 Strategic Relationships

#### ***Ellaine Calhoun, VP Operations***

Ms. Calhoun is VP Operations officer for Quantum Management Systems and Quantum Default Services. She came to Quantum in 1991 from Prudential Mortgage Bank, where, during her 18 year career, she had been a senior loan officer and ultimately a Vice President. In 1998 she took a sabbatical from Quantum at the request of Prudential Real Estate to help start Prudential Preferred Properties real estate in Chicago as Vice President of Operations.

Currently, she is a seasoned trainer and responsible for certifying Quantum's trainers. Her strong systems management skills have made her a highly sought after professional within the real estate industry.

#### ***Ray Mathoda, HAFA Advisor to QDS and Board Member***

Ms. Mathoda is the former Chief 'People and Efficiency' Officer of IndyMac, now OneWest Bank. In that role, she was in charge of all in-person and online employee training and education for 10,000 people, in addition to all other aspects of workforce management, process and expense. She is highly experienced in training and education, knowing how to prepare theoretical models and putting them into practice in order to make a workforce, process and operation succeed.

In addition, she has significant experience on the policy and implementation-experience front. She proposed HAFA to Treasury in early 2009, and has been advising them on HAFA this year.

### 11.1.7 Strategic Relationships

#### **Major Committed Regional Real Estate Brokerage Companies across the country**

In general, the residential real estate industry provides marginal oversight and little accountability. We recognized immediately that these flaws would need to be addressed through reorganization, standardized management, and an effective accountability system.

A consortium of many of the top real estate companies in the country committed under contract to dedicate a Project Manager to manage a real estate agent team.

With over 20,000 agents in these firms, Quantum Default Systems (QDS) can offer scalable national service to meet any demand. Both the listing and the buyer-agent specialist are managed to make sure that issues with consumers are properly remediated, that transactions are properly handled, and that the needs of Bank of America are being addressed.

Each member of the team will be trained and certified by a nationally recognized certification organization. This will guarantee that agents are trained to Bank of America's standards and procedures, and are managed to the bank's level of performance requirements.

After certification, the real estate agent is held accountable by the internal Project Manager. The Project Manager reports to Quantum Default Services (QDS). Without accountability, any training is marginally valuable in producing the desired results.

These companies were selected on the basis of meeting strict criteria as follows:

They have:

- The financial resources to carry large inventory and provide marketing the current market requires
- Agreed to assign a Project Manager with the internal authority to manage the project under the supervision of Quantum Default Services (QDS)
- Experience with marketing and selling of distressed properties at prices higher than the average REO agent with less time to contract
- Existing infrastructure for handling an increase in volume and this infrastructure is easily upwardly scalable
- Mature and seasoned agent population that can be easily trained and engaged to specific standards and performance
- Clear leadership in their market and have a major market share causing properties to sell normally at top dollar

### 11.1.7 Strategic Relationships

- Presence in and capable of handling the specified geographic market requirements
- Agreed to hold their agents accountable to insure that the standards are met and processes are properly managed so that properties are marketed at the highest price in the shortest period of time
- Political connections in the cities and communities and have/can meet with those leaders
- Committed to this project

We have determined that we can add brokers in any area and have them onboard and operating within 45 days. We continue to give them intense scrutiny for six months.

They are: {approximately 20,000 total agents}

Company	Area covered	Total Agents	Potential S.S. units	Units/\$Vol 2008	President and/or CEO
Coldwell Banker Premier	Las Vegas, Henderson Nevada	325	500+	3797/\$.74B	Molly Hamrick
Coldwell Banker NRT	Salt Lake City, UT	900	250+		Dan Christensen
Fuller Sotheby's	Denver, CO	200	500+	1353/\$.85B	Scott Webber
Prudential Rubloff	Chicago	800	1800+	3800/\$1.3B	David Bracy
Baird & Warner	Chicago	1700+	2000+	11,300/\$3.4B	Jennifer Warden
Prudential California	Southern California	3400	2-3000	16000/\$13B	Jon Cook
Keyes Realty	Southern Florida	600	1500+	7200/\$1.8B	Mike Pappas
Russ Lyons Sotheby's	Phoenix	500	2000+	2100/\$.5B	Glenn Niere
Intero Real Estate	Northern California	1600	1000+	4053/\$2.8B	Gino Blefari
Prudential Georgia	Georgia	1500	2-3000	6825/\$1.7B	Dan Foresman
Greenridge Realty	Western Michigan	500	1000		Thomas Paarlberg

### 11.1.7 Strategic Relationships

REMAX Elite	Albuquerque	250	200		Michael Dreskin
Surovell Realty	SW Michigan	250	1500		Ed Surovell
Coldwell Banker United	Southern Texas & Gulf area	3000	2000	28,000/\$6B	Helen Edwards
David Winans GMAC	Dallas - Fort Worth	400	1500	\$876M	David Winans
D'Ann Harper	San Antonio	400	1000	4,000/	D'Ann Harper
Edina Realty	MN, WI, ND	2500	2500	24,000/\$5.8B	Bob Peletier

#### † Listing Agents Profile

Full time commitment to real estate. No other jobs.  
 More than two years active in real estate.  
 Track record of 10 - 25 successful listings sold.  
 Current MLS, Board, NAR member.  
 Answers phone promptly.  
 Carries a cell phone that is answered promptly  
 Checks email regularly or has push technology.

#### ‡ Marketing/Buyers Agent Profile

Full time commitment to real estate. No other job.  
 Completed new agent training.  
 Current MLS, board and NAR member.  
 Answers phone promptly.  
 Carries cell phone which is answered promptly.  
 Checks email regularly or has push technology.

### 11.2.1 Staffing Model

Given the complex nature of the model, interaction and coordination amongst the entities and subcontractors is crucial to the success of the project. To that end we have devised a relationship management system.

NREIS working with Quantum Default Services (QDS) will act as project manager, with the subcontractors [DMI, Precision, Phoenix and NREIS] reporting to QDS. There will be a single point of contact between NREIS and Bank of America and a single point of contact between QDS and each subcontractor.

Additionally, NREIS and QDS have created a Service Committee made up of a senior member of each organization. The purpose of the Service Committee is to facilitate the flow of information, issues and training into the sister organizations; to make sure the number of assignments is balanced and fair; to disseminate top down directives; to insure standards and performance are met across the group.

We will designate a high level member of staff to be the single point of contact with Bank of America. That person will be in constant contact with the head of NREIS and QDS to create a triumvirate of control within the overall organization.

The subcontractors will report up and down the organizational chart.

#### Staffing Capacity

All of the subcontractors are presently capable of easily managing the ramp-up capacity as stated in Section 6.

The present utilization of capacity for our Asset Manager subcontractors is 75% with the additional ability to expand immediately to 50% above that. The Asset Management companies are engaged in REO and other foreclosure transactions. Since the volume on those is reduced, there is unused capacity.

DMI has the ability to hire and train staff to be up and running within 60 days of a need for additional capacity.

The following table identifies the teams' key staff and briefly outlines their C.V.



### 11.2.1 Staffing Model

Key Personnel	Brief Description	Years Experience/Education /Certifications
<b>National Real Estate Information Services</b>		
Michael E. Forgas President and COO	<p>Michael E. Forgas is President/COO of National Real Estate Information Services and all of its subsidiaries. In his role Mr. Forgas is responsible for all day to day operations and decisions for the NATIONAL family of companies. Prior to joining National Real Estate Information Services in 1996, Mr. Forgas was a certified public accountant and partner in a large regional accounting firm headquartered in Pittsburgh, PA.</p> <p>Michael is very active in issues facing the residential real estate services industry through the Title/Appraisal Vendor Management Association (TAVMA) and the Real Estate Service's Providers Council (RESPRO). Michael is Past-President of TAVMA and has been a member of its executive committee since its formation. He is also a member of the RESPRO Board of Directors. Michael graduated from West Virginia University, magna cum laude, in 1981.</p>	<ul style="list-style-type: none"> <li>✓ 14 Years Experience</li> <li>✓ BA Accounting</li> <li>✓ Certified Public Accountant</li> <li>✓ Past President of TAVMA and current Member of Board of Directors</li> </ul>

### 11.2.1 Staffing Model

<p>Tom Huddleston – Director of Asset Management</p>	<p>As Director of Asset Management, Tom Huddleston works with the management team to set strategic direction of the business, establish key client partnerships, and provide overall account oversight for NREIS.</p> <p>With more than 25 years of experience in the financial services industry, Tom possesses extensive knowledge of Real estate management, cash management operations, support services and product management. Tom gained experience in the creation of vendor management captives for lending institutions through his work as a senior manager of Consumer Lending for Pittsburgh-based Mellon Financial, as well as serving as an executive in the real estate settlement services industry for five years. During his tenure in the financial services industry, Huddleston was also responsible for Procurement Services of \$3.2 Billion annually in material leasing and acquisition, and lead integration and due diligence teams as a result of bank merger activity.</p> <p>In his previous positions, Tom leveraged technology to create and successfully introduce innovative products to the market. NREIS continues to capitalize on this experience as they champion enhanced customer service.</p> <p>Tom is a certified cash manager, was on the faculty of the BAI School of Banking for 6 years, a former member of the Board of Directors for the National Home Equity Association, a member of the Mortgage Bankers Association, a member of the National Association of Mortgage Brokers Association, and a volunteer for a number of local Pittsburgh Charities.</p>	<ul style="list-style-type: none"><li>✓ 25 Years Experience</li><li>✓ faculty of the BAI School of Banking for 6 years</li><li>✓ Former member of the Board of Directors for the National Home Equity Association</li><li>✓ Member of the Mortgage Bankers Association</li><li>✓ Member of the National Association of Mortgage Brokers Association</li></ul>
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### 11.2.1 Staffing Model

Cristy Ward Executive Vice President, Sales and Marketing	<p>Cristy Ward is the Executive Vice President of Sales and Marketing at National Real Estate Information Services. Cristy is responsible for leading the company's sales efforts in targeting the top-tier lenders in the US mortgage industry. Her experience includes more than 17 years in the mortgage industry, where she has focused on real estate information and technology solutions to the lending community.</p> <p>Cristy, who studied Business Administration and Marketing at the University of Tennessee, has been a member of various industry related committees and Associations. She was also a recipient of the prestigious National MBA Doc Jore awarded in 2000.</p>	✓ 17 Years Experience
<b>Dialogue Marketing, Inc. (DMI)</b>		
Alejandro Vargas President/COO	Alejandro Vargas is President/COO of Dialogue-Marketing and all of its subsidiaries. In his role Mr. Vargas is responsible for all day to day operations and decisions for the family of DMI companies.	✓ 20 Years Experience
Bernie Lillis Senior Vice President of Sales	As SVP of National Sales Manager, Bernie Lillis works with the management team to set strategic direction of the business, establish key client partnerships, and provide overall account oversight for DMI.	✓ 18 Years Experience

### 11.2.1 Staffing Model

Brian Poelman Senior Vice President Operations	<p>Direct responsibility for managing the Dialogue Business Solutions Strategic Business Unit, representing 90% of total company revenues.</p> <p>DBS provides Customer Relationship Management services with a concentrated expertise in developing customized "Customer Nurturing" solutions. They partner with like-minded business partners who value customer care; typically with those whose customer base requires "high-touch" service. They deliver results by leveraging the right mix of people and technology to streamline best practices and drive higher efficiencies for our clients.</p> <p>Education: BA in International Relations (Minor in Chinese) and an MBA from Brigham Young University.</p>	<ul style="list-style-type: none"><li>✓ 15 Years Experience</li><li>✓ MBA</li><li>✓ BA, International Relations</li></ul>
Mike Sherrill Director of Business Development	<p>Mike Sherrill is the Director of Business Development at Dialogue-Marketing. Mike is responsible for leading the company's sales efforts in targeting the top-tier lenders in the US mortgage industry. His experience includes more than 13 years in the mortgage industry, where he has focused on loss mitigation/default services and technology solutions to the lending community.</p>	<ul style="list-style-type: none"><li>✓ 13 Years Experience</li></ul>

### 11.2.1 Staffing Model

Precision Asset Management (PAMC)		
Michael Hermosillo Operations Manager	<p>Michael Angel Hermosillo is able to provide values and opinions on real property located in the State of California. With commercial and residential development projects having been realized under Michael's direction, Precision Asset Management benefits from a knowledgeable land developer. Having served as President of a distinguished International company for over 10 years who employed and oversaw 400 workers, Michael additionally brings impressive multi-cultural leadership qualities as well as finance expertise to Precision.</p> <p>At Precision Asset Management, Michael is responsible for the coordination of asset assignments, the supervision of marketing efforts and the evaluation of performances throughout the company. Michael, distinguished as one of four PAMC's Senior Managers, is also directly responsible for the development of Precision's continuous growth process via statistical and feasibility studies.</p>	<ul style="list-style-type: none"><li>✓ 13 Years Experience</li><li>✓ BA, Finance and Economics</li><li>✓ Licensed by California Real Estate Board</li><li>✓ Sits on Board of Governors</li><li>✓ Sits on Advisory Board of the Open Door Institute</li></ul>

### 11.2.1 Staffing Model

<p>Steven Johnson CEO</p>	<p>Steve Anthony Johnson has served various banks and financial institutions as one of the nation's leading real estate disposition specialists over the last two decades. Having graduated with a Marketing degree, Steve selected the real estate industry as his profession. The California Real Estate Commissioner issued Steven a Broker's license in 1989 and he has been active in real estate property evaluations and the marketing of bank owned assets for over 21 years.</p> <p>In 1998 both Steve opened Precision Asset Management in Southern California. Precision is a nationwide REO outsourcing company which has been designated as a highly rated REO management and disposition company by lending institutions such as 5th 3rd Bank, Washington Mutual and JPM Chase. Precision currently services the real estate owned portfolios for these three banks under the direct supervision of Steven.</p> <p>Over the 12 years that Precision has been in operations he has positioned himself as an expert in property evaluations, eviction procedures, title curative work, escrows, redemption periods, financing issues (FHA and Conventional), listing agent selection process, personal property eviction procedures, environmental issues, property preservation procedures, property management and various other real estate disposition matters. Thousands of licensed real estate agents throughout the United States of America work under Steve's guidance in order to successfully sell bank owned assets.</p>	<ul style="list-style-type: none"><li>✓ 21 Years Experience</li><li>✓ BA, Marketing</li><li>✓ Licensed by California Real Estate Board</li></ul>
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### 11.2.1 Staffing Model

<p>Rosan Johnson President</p>	<p>Rosan Hermosillo Johnson has over 21 years of real estate owned background. Licensed by the California Real Estate Commissioner, Rosan is able to not only negotiate the sale of real property but also analyze current market conditions and advise on fair market values.</p> <p>From 1990 through 1998 Rosan and her husband Steve diligently worked side by side with lending institutions in order to evaluate property values on assets owned by banks and dispose of said assets through various marketing techniques. Rosan has diverse knowledge in nationwide marketing procedures, escrow procedures, title curative issues, eviction process, personal property eviction process, property inspection guidelines, property valuations, HOA guidelines, Insurance Recovery claims, MLS submission procedures, property management, property preservation issues, code violation issues and various other real estate expertise.</p> <p>In 1998 Rosan and Steve both opened Precision Asset Management in Southern California. Precision is a nationwide REO outsourcing company which has the distinction of being not only woman owned but also minority owned. What began as a 12 person operation in a 1,500 square foot facility has now grown to a 28,000 square foot office building with the possibility of employing over 275 workers. Rosan's real estate background, legal knowledge from her college studies and her strong drive has put her in the forefront as one of the top Latina REO asset management owners in the Country.</p> <p>Precision Asset Management, through Rosan Hermosillo Johnson, has been certified as a Woman Owned, Minority Owned business.</p>	<ul style="list-style-type: none"><li>✓ 21 Years Experience</li><li>✓ Licensed by California Real Estate Board</li></ul>
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### 11.2.1 Staffing Model

Ali Dhanji Operations Manager	<p>Ali Dhanji, an attendee of Oxford University as well as Cambridge University, received his Marketing degree in 1998. Ali has extensive training in computer programming. Wishing to pursue a career in the real estate industry, Mr. Dhanji was successful in obtaining his real estate license from the State of California. Ali has been with PAMC since its inception.</p> <p>Successfully combining his real estate skills, marketing skills as well as his computer programming skills, Ali has been a key player in co-developing PAMC's REO software. Not only does Ali continue to improve and/or modify PAMC's software to custom fit clients' needs, he also is one of the lead supervisors at PAMC supervises day-to-day operations at Precision using a micromanagement approach.</p>	<ul style="list-style-type: none"> <li>✓ 12 Years Experience</li> <li>✓ BA, Marketing</li> <li>✓ Licensed by California Real Estate Board</li> </ul>
<b>Phoenix Asset Management (PAM)</b>		
Lorenz Schwarz, President	<p>Lorenz Schwarz has been active in the commercial and residential mortgage servicing industry for over 20 years. Prior to joining Phoenix in March 2007, Lorenz was with Select Portfolio Servicing as Director of REO, where he oversaw the management of a portfolio of up to 9,000 REO assets. He also held the position of VP REO at Wilshire Credit Corp, and Director of Real Estate at JE Robert Co. In addition to REO management, he has also been deeply involved with other aspects of mortgage servicing including loss mitigation, foreclosure, and valuation.</p>	<ul style="list-style-type: none"> <li>✓ 20 Years of Experience</li> <li>✓ Served on various panels for USFN and REOMAC, as well as other industry organizations.</li> </ul>



### 11.2.1 Staffing Model

<p>David Francis, AVP</p>	<p>David Francis joined Phoenix in March 2008 after a six-year affiliation with Select Portfolio Servicing, primarily in REO operations.</p> <p>Along with the default operations management background, David brings an additional nine years of experience in the mortgage origination, escrow and title industries, including two years with First American Title working with their top default clients, and six years with SunTrust Mortgage, where he worked his way to the position of AVP of Operations.</p> <p>Having gained experience in so many different facets of this industry helps make David uniquely qualified to anticipate the needs of his clients and guide them successfully through the multiple dynamics that enter into the Short Sale and REO disposition processes.</p>	<ul style="list-style-type: none"> <li>✓ 17 Years Experience</li> <li>✓ B.S. Int'l Business Mgt</li> <li>✓ Licensed &amp; Bonded Escrow Officer (inactive)</li> <li>✓ Former ALTA member</li> <li>✓ Panelist for CMBA</li> </ul>
<p>Jackie Alsalem, Director of Closing and Title</p>	<p>Jackie Alsalem, Director of Closing and Title joined Phoenix in May 2005. With over 16 years of industry experience, Jackie has a wealth of knowledge dating back to her days as a Real Estate Paralegal, with extensive experience in Title, Foreclosure, Bankruptcy, Loss Mitigation and Contract Law.</p> <p>Jackie has a history of building successful and efficient teams and has pioneered a number of technology enhancements that produced even greater gains for Phoenix and our clients.</p> <p>Jackie is recognized as an expert on resolving complex title issues and for effectively communicating with clients on technical matters</p> <p>Prior to joining Phoenix, Jackie worked with FNAMS for over five years where she held various asset management positions.</p>	<ul style="list-style-type: none"> <li>✓ 16 Years Experience</li> <li>✓ Licensed by Colorado Real Estate Board (inactive)</li> <li>✓ Paralegal Certificate</li> <li>✓ AAOS Degree in Human Resource Management</li> <li>✓ Phi Theta Kappa</li> </ul>

### 11.2.1 Staffing Model

<p>Jim Steffen, VP</p>	<p>Prior to joining Phoenix in June 2005, Jim spent three years at Select Portfolio Services, where he was consistently one of the top performing REO Asset Managers, handling accounts for their most demanding institutional clients.</p> <p>Jim was also asked to help Select pioneer the development of their offshore REO operations and he spent several weeks in India designing processes and training local personnel.</p> <p>Jim also spent 2 years in Residential property management after receiving his MBA in 2000 from Westminster College, Salt Lake City, Utah.</p> <p>Jim's past experience in accounting provides him with a superior command of the growing volumes of data generated in our increasingly automated environment.</p> <p>Jim's ability to extract the most meaningful information from reams of data and identify important trends in advance helps keep Phoenix in a position to provide the best insight to our clients and constantly improve our processes.</p>	<ul style="list-style-type: none"><li>✓ 10 Years Experience</li><li>✓ B.A. in Accounting</li><li>✓ MBA in Accounting</li><li>✓ Licensed Real Estate Agent (inactive)</li><li>✓ REOMAC member and panelist</li></ul>
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### 11.2.1 Staffing Model

Quantum Default Services (QDS)		
Douglas M. Yeaman President and CEO	<p>Doug Yeaman, President and CEO of Quantum Default Services, Quantum Management Systems and QuREOs has been consulting and training management systems for over 30 years. In that capacity, he has had the opportunity to examine in detail the consequences of training, accountability, executive relationships and systems used within organizations. He taught a management program for UCLA, titled “Creating High Performance Organizations”.</p> <p>In 1978, Mr. Yeaman developed a management training called Laser™ Management. It was created out of his work in management consulting and applying the science of business and principle. It brought to Real Estate some of the very first <i>real</i> management training introducing the concept of <i>standards</i> to the industry for the very first time. He is credited with changing the industry on this point. Apart from understanding real management principles, he is highly skilled at presenting, personally implementing or modeling and managing those principles in an organization.</p> <p>Mr. Yeaman is a student of the principles of leadership and believes them to be powerful tools in building and growing an organization. In 1983, he worked with Peter Senge, Learning Center MIT, Tom Drucker, Director of Human Resources, Xerox, Elsa Porter, Assistant Secretary of Commerce and John Nesbitt , Author of Megatrends as organizers, to explore the nature of leadership in a national leadership conference. As part of that project, they gathered approximately 100 world-class leaders together to dialogue on the qualities of leadership. He was instrumental in cataloguing certain characteristics and qualities of leadership as they occur in the business environment as seen by those working with them and around them. He is very qualified in implementing and working with these traits in an organization helping to grow and develop the management team and its people.</p>	<ul style="list-style-type: none"> <li>✓ 30 Years Consulting Experience</li> <li>✓ 8 Years University Physics and Math</li> <li>✓ Licensed by the Illinois Department of Financial and Professional Regulation</li> </ul>

### 11.2.1 Staffing Model

Sherry Pitcock EVP Corporate Services	<p>Sherry Pitcock is VP Corporate Service of Quantum Default Services. She has been a Real Estate Agent for thirty years, a manager since 1988. Sherry has managed top real estate offices for Prudential California Realty, Coldwell Banker, Jon Douglas and held training positions with other companies like Fred Sands and Keller Williams. She fully understands real estate at all levels, including the issues of managing agents and creating accountability around their work. Sherry is uniquely prepared to understand the issues involved in system design, training and working with agents and managers to implement a successful program.</p> <p>Prior to her real estate career, she was a rocket scientist and mathematician which bring a valuable analytic approach to the work.</p>	<ul style="list-style-type: none"><li>✓ 30 Years Experience in Real Estate Management</li><li>✓ BA Mathematics, Cal State MA Mathematics UCLA</li><li>✓ CA Real Estate Broker</li></ul>
Ellaine Calhoun, VP Operations	<p>Ms. Calhoun is VP Operations officer for Quantum Management Systems and Quantum Default Services. She came to Quantum in 1991 from Prudential Mortgage Bank, where, during her 18 year career, she had been a senior loan officer and ultimately a Vice President. In 1998 she took a sabbatical from Quantum at the request of Prudential Real Estate to help start Prudential Preferred Properties real estate in Chicago as Vice President of Operations.</p> <p>Currently, she is a seasoned trainer and responsible for certifying Quantum's trainers. Her strong systems management skills have made her a highly sought after professional within the real estate industry.</p>	<ul style="list-style-type: none"><li>✓ 18 Years Experience in Banking and Mortgage Services</li><li>✓ IL Real Estate Broker</li></ul>

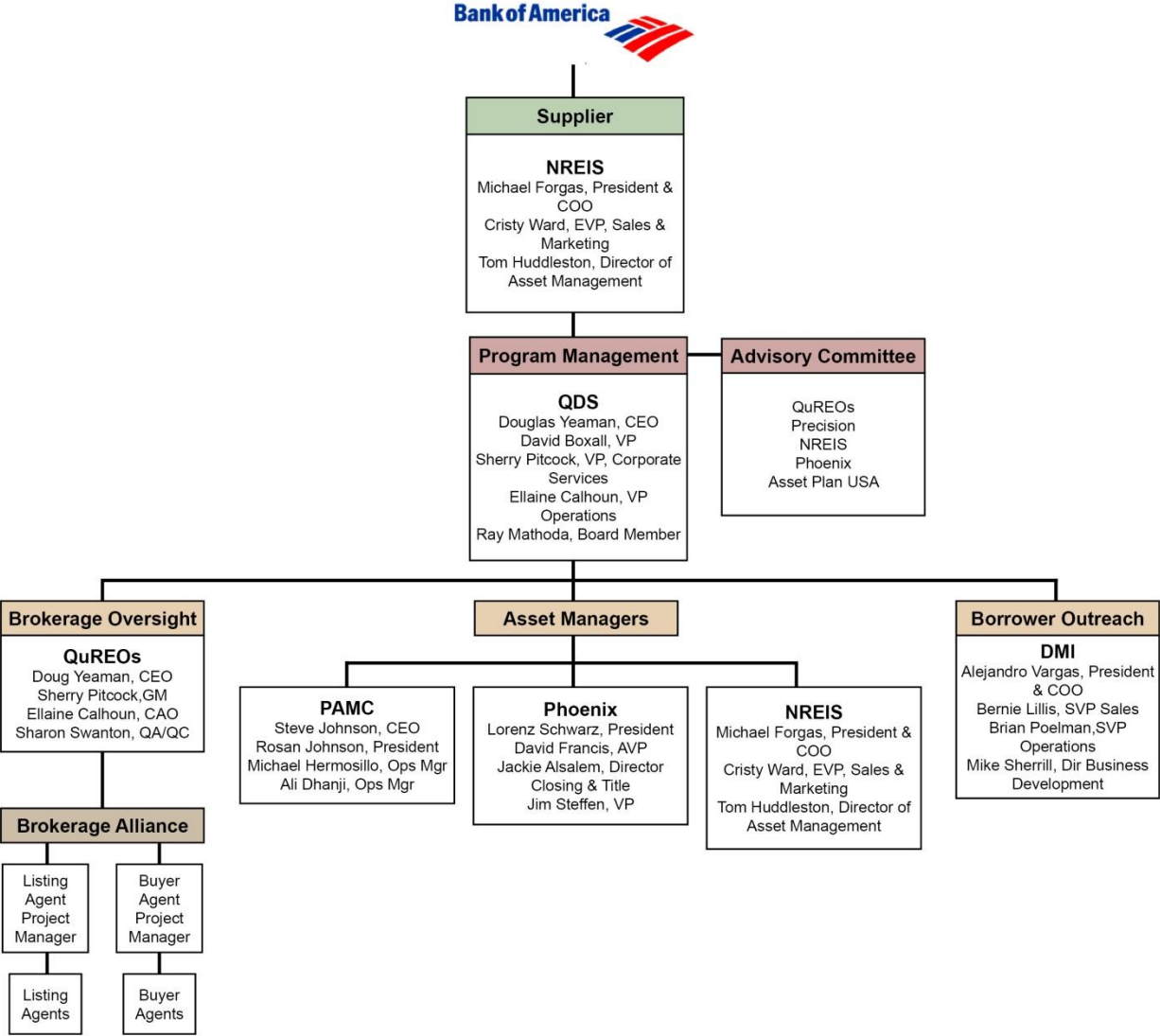
### 11.2.1 Staffing Model

<p>David Boxall VP</p>	<p>David Boxall – Recently - Wells Fargo Premier Asset Services Vendor and Marketing Director, has now moved into establishing a new enterprise focusing on changing the paradigm for foreclosed REO properties. David is a recognized speaker for several Fortune 500 companies including Kodak, Lockheed Martin, AGFA as well as targeted organizations such as the NRBA, NAHREP, NAREB, Five Star and REOMAC.</p> <p>David is the originating member of "Open Door" a new and exciting organization focused on all vendors involved in the real estate industry rather than the former fixation exclusively on brokers. He is currently helping reposition experienced real estate brokers for each MSA, to become educational and communication conduits for Cities and Municipalities.</p> <p>To broaden his concept David has recently returned from a "Repossessions" Investigation business trip to the UK. He met with several large lending institutions, Real Estate Agents, Legal companies, and Maintenance corporations. David is well informed on market trends, directions and potential weaknesses of the housing market. The intelligence for his in-depth knowledge has been (and continues to be) obtained from regularly conducting focus and face-to-face meetings with high profile personal contacts.</p> <p>For the past five years David has driven several major marketing and sales initiatives focused on improving the communication, sales tools and training programs for agents, brokers, clients and vendors within the Short Sale and REO marketplace. He is CEO of The Greenovation Institute. This organization has developed an on-line training course for agents. It covers REO Green Building modifications at no additional costs for: Banks Institutions and Note Holders, it also produces "White Papers" (Short Sale and the Home Owners experience, Green for existing buildings etc.) He is currently working on HERS certification programs.</p> <p>David's business experience spans 30 years of senior management, as well as, running his own successful international consulting business. David specializes in identifying leading edge technologies and predicting future market trends while adapting product strategies to take advantage of global opportunities.</p> <p>David has also managed several large public companies in his home country, (UK) before making the move to live in the US some twenty-five years ago.</p>	<ul style="list-style-type: none"> <li>✓ MBA Marketing and Communication</li> <li>✓ 30 years Management Experience</li> <li>✓ Panel Member of NRBA, NAHREP, NAREB, Five Star and REOMAC</li> <li>✓ Exec Director of Open Door Institute</li> <li>✓ Exec Directory of Denver Technology Transfer, Inc.</li> </ul>
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### 11.2.1 Staffing Model

Ray Mathoda Short Sale Advisor and Board Member	<p>Ray Mathoda is the former Chief 'People and Efficiency' Officer of IndyMac, now OneWest Bank. In that role, Ray was in charge of all in-person and online employee training and education for 10,000 people, in addition to all other aspects of workforce process and expense management. Therefore, she is not only highly experienced in training and education, she knows what it takes to make a workforce, process and operation succeed.</p> <p>Ray also has significant experience on the policy and implementation front. She proposed HAFA to Treasury in early 2009, and has been advising them on HAFA this year. In fact, all of the incentive changes made by the Treasury to the HAFA program in March were a result of Ray's recommendations.</p>	<ul style="list-style-type: none"><li>✓ 12 Years Experience</li><li>✓ Business Analysis Public Policy, Princeton</li><li>✓ MBA Marketing &amp; Entrepreneurship, Northwestern</li></ul>
Sharon Swanton VP Training and Coaching	<p>Sharon Swanton is a senior manager of our Consortium Director Network. She resides in Las Vegas. Sharon has handled thousands of REO assignments and sales. She functions as a senior coach, trainer and manager for our REO Director candidates. Sharon monitors all their work and finally, when they are ready, certifies them. She is also the Quality Control Manager of QDS' consortium.</p>	<ul style="list-style-type: none"><li>✓ 30 Years Experience</li></ul>

11.2.2 Organization Chart



## **11.2.3 Training**

### **Outbound Outreach Team Training**

Dialogue Marketing demonstrates best in class Adult Learning methodologies in conducting New Hire and ongoing refresher training programs. Employees are exposed to an array of content delivery methods; including instructor led classroom discussions, role-plays, computer based modules, individual (self-paced) and group activities/assignments and live environment mentoring sessions.

Classroom training focuses on customer service and sales skills whereas computer training and systems navigation takes place in the nesting facility. It is here that the agents are able to listen to inbound calls, critique calls, and take calls themselves. This area is also used to make outbound calls.

To assure that our clients are involved in all of the training process, prior to developing any strategy or training materials, we assess and prioritize specific project requirements with the involvement of both Dialogue Marketing and our partners. After an initial analysis, end results and project success measures are defined and provide a framework for the development and customization of training curriculum. In addition, Dialogue Marketing encourages our clients to participate in the facilitation of training when they are available.

Dialogue ensures that assessments given prior to making an offer are vigorous and contain detailed information for the specific opportunity. Once an agent is hired and ready for training, Dialogue develops a comprehensive certification process that evaluates agent's understanding and retention of materials in all areas: process, language skills, and product knowledge. Certification examinations require a demonstrable use of knowledge. Agents receiving a score of B or above score on certification exams are certified to handle customer calls. These agents are released to attend program specific training. Agents receiving a B- or C+ are re-enrolled to reinforce areas of weakness.

The Outreach team will be given specific Short Sale and HAFA training specific to Bank of America.

### **Asset Management Training**

To maximize the efficiencies of the operational structure of the Asset Management companies, we have developed a targeted training program that focuses on individual client requirements.

Training is primarily conducted by Team Leads and Senior Asset Managers, each of whom have years of experience in the industry, and are responsible for the ongoing performance of their team members.

- We will develop training manuals and desk-top reference manuals specifically for Bank of America short sale program.
- Team-specific and task-specific training is an on-going process, and involves individual



### 11.2.3 Training

sessions between a Team Lead and their team members. The duration of these sessions is determined by the rate of progress. The Team Leads closely monitor the performance of the trainee for the first 90 days, during which time they assess the necessity for additional training, utilizing Asset Managers or Team Leads to ensure completion.

- New employees shadow experienced employees for the first two weeks to gain knowledge of the day-to-day tasks related to the specific position.
- New employees are assigned a reduced portfolio, which is increased steadily based upon individual performance.
- Cross training for different departments is conducted throughout the year to expose employees to related Short Sale topics and further their understanding of the Short Sale process in its entirety.
- We make regular calls with our clients to review processes and performance. Client specific topics are discussed, and necessary changes are implemented.
- We regularly invite industry professionals to its offices to provide information on local markets, changes in legislation, and industry trends.
- The asset management team will be given HAFA and Short Sale training specific to Bank of America.

#### **Broker Consortium Training**

##### ***Customer Satisfaction:***

Customer satisfaction with real estate agents by the consumer is notoriously low. The consumer perceives the agent as being non-responsive and they feel unheard. QuREOs is a licensee for the Quantum Management Systems trainings for agent productivity, communication and customer satisfaction. These trainings have been demonstrated over thirty years that when the agent is trained to interview the consumer in the prescribed way, the connection between the consumer and the agent is extraordinarily high and the resultant customer satisfaction is very high.

After contact with the customer [borrower], we will cause a satisfaction questionnaire to go out to the consumer. It is supplied by a third-party provider, Quality Services Certification, Inc. The purpose is to insure the interchange is satisfactory. We will use the results of the questionnaire to assist in identifying agents to be targeted for further training.

##### ***Short Sale Certification:***

We have examined many short sale training programs. Most of them are more instructive in how to market real estate services to distressed borrowers. They are fractionally concerned with understanding the foreclosure alternatives including the HAFA program, Deed in Lieu and other aspects that are critical for the homeowner to consider and understand.

The outstanding exception is provided by Asset Plan USA, whose creator/owner is Ray Mathoda. Ray has personally been involved in the emerging short sale process. She was the Chief Admin

### 11.2.3 Training

Officer at IndyMac and an advisor to the Treasury on HAFA. The Asset Plan USA training is the most comprehensive and in-depth of any on the scene.

In order to be considered for the Listing agent team, the Realtor must complete the Asset Plan USA training and be certified.

#### ***Internal Training:***

Additionally, within each company we work with, there is a Project Manager who is trained by Quantum Default Services (QDS). They are charged with the further training and supervision of the listing agent to assure they perform to standards. They instruct and oversee any BPO that is created by a listing agent.

#### ***Technical Training:***

QDS, through its coaches and trainers, will provide marketing training and BPO training to the listing agents to insure accuracy. The real estate Consortium of large brokers have been working closely with QuREOs, a partner in QDS, for over two years training and coaching agents in working with lenders needs in the distressed properties capacity. In that capacity our agents have out-performed other, non-QuREOs, agents across the board in accuracy and time to contract.

We coach and train our Project Managers in conference call trainings once per week plus a series of live regional trainings available to the entire QDS agent population.

QDS has made a portion of the training available online for refreshers and access for newly eligible agents.

We use on-site and web-based workshops for training all the real estate people in the program. We record any web-based workshops and make them available on the web for future reference. On a quarterly basis, the communication and technical trainings will be scheduled for regions across the country.

#### ***Consumers' Foreclosure Alternatives***

Borrowers need to clearly understand their options and the consequences of the choices they make. Rather than attempt to train a multitude of agents to accurately and comprehensively explain the information to the consumer, we will create a complete disclosure interview for the real estate agent to use with the consumer. It consists of a custom DVD with the information explained on video and includes an accompanying manual/workbook with the material in printed format. It will be customized to suit Bank of America's policies and procedures.

The plan is for it to be an understanding and compassionate presentation as well as informative.

## 11.3.1 Customer Lists and References

### Customer Lists

The following are representative customer lists from the supplier and subcontractor. The following are customers that we have provided services similar to the services outlined in Bank of America's request for proposal. We would be happy to provide a list of all of our customers, past and present, upon request from Bank of America.

#### ***National Real Estate Information Services***

- ✓ One West Bank
- ✓ Key Bank
- ✓ PNC
- ✓ Wells Fargo formerly Wachovia
- ✓ HSBC
- ✓ Provident Funding
- ✓ Flagstar
- ✓ Fannie Mae
- ✓ FDIC

#### ***Dialogue Marketing, Inc.***

- ✓ Equi-Trax Asset Solutions, LP
- ✓ Channel Inc.
- ✓ Frito-Lay

#### ***Precision Asset Management***

- ✓ JP Morgan Chase/Washington Mutual
- ✓ Fifth Third Bank

#### ***Phoenix Asset Management***

- |                             |                             |
|-----------------------------|-----------------------------|
| ✓ GreenTree Servicing       | ✓ Dovenmuehle Mortgage Inc. |
| ✓ GreenTree Capital Markets | ✓ John Galt Enterprises     |
| ✓ Fannie Mae                | ✓ Varde Partners            |
| ✓ SunTrust Mortgage         |                             |

#### ***Quantum***

- ✓ Coldwell Banker, Utah
- ✓ Sotheby's
- ✓ Prudential Realty
- ✓ McKinnen Broadcasting
- ✓ Clear Channel
- ✓ Wells Fargo
- ✓ Grubb & Ellis

### 11.3.1 Customer Lists and References

#### References

We strive to consistently provide superior service to our respected clients. Members of the team have successfully performed services similar to the scope of services identified in Bank of America's Request for Proposal. The clients chosen to verify our consultants' reputation will confirm our team's dedication to excellent service, expert technical ability, and commitment to a job well done. We would be happy to provide additional references upon request from Bank of America.

Client	Contact Name/Title	Contact Information	Description of Services
<b>National Real Estate Information Services</b>			
Bank of America	Steve Cazzaniga SVP Strategic Business Development	St. Louis, MO (314) 465-5287	Appraisal, Title and Settlement Services
Household/Beneficial Finance	Barbara Ford Vice President	(800) 753-3339 ext. 4133 Fax (800) 487-4498	HVE/AVM, 2055 Exterior Appraisal, URAR Appraisal, Tax Services, BPO/FAV, Basic Flood Certification / LOL, Property Reports, Mortgage Filing and Release
Regions	Richard Weaver Assistant Vice President	Hoover, AL (205) 560-7113	Title and Settlement Services
Fannie Mae	John Liszka Senior Manager	Washington, DC and Dallas Texas (972) 676-2832	Title and Settlement Services on Default Properties
<b>Dialogue Marketing, Inc.</b>			
Equi-Trax Asset Solutions, LP	Guy Taylor CEO	(805) 837-9899	All levels of consumer contact
Channel Inc.	John Nicholas CEO	(949) 294-4114	All levels of consumer contact

### 11.3.1 Customer Lists and References

Client	Contact Name/Title	Contact Information	Description of Services
<b>Precision Asset Management</b>			
JP Morgan Chase	Carol Wilkinson REO VP	(858) 605-2160 carol.wilkinson@Chase.com	"Traditional" REO management, from the redemption/confirmation stage through the successful marketing of the property and the closing of escrow.
Fifth Third Bank	Michele McCoy VP Default Loan Servicing	(513) 358-0792 Michele.McCoy@53.com	"Traditional" REO management, from the redemption/confirmation stage through the successful marketing of the property and the closing of escrow.
Blackrock	Kevin Rendino Senior Fund Manager	(609) 853 5600 Kevin.Rendino@blackrock.com	Reference
Bank of America	Jack Hsia VP Wealth Management	(310) 792-3223 Jack.Hsia@ml.com	Reference
<b>Phoenix Asset Management</b>			
GreenTree Credit Solutions	Jeremy Prahm Portfolio Analyst, Capital Markets	345 St. Peter Street, Suite 600 St. Paul, MN 55102 (651) 293-4828 Jeremy.Prahm@greentr ecreditsolutions.com	"Traditional" REO management, from the redemption and confirmation stage through the successful marketing of the property and the closing of escrow.

### 11.3.1 Customer Lists and References

Client	Contact Name/Title	Contact Information	Description of Services
Lender Business Process Services	Bryce Fendall AVP Default Oversight	14523 SW Millikan Way, Suite 200 Beaverton, OR 97005 (503) 270-4120 Bryce.fendall@lbps.com	"Traditional" REO management, from the redemption and confirmation stage through the successful marketing of the property and the closing of escrow.
American Home Mortgage Servicing, Inc. Power REO Management Services, Inc.	Sally Walker Assistant Vice President, REO	PO Box 630648 Irving, TX 75063 (877) 304-3100 ext. 53240 (972) 829-7140 fax Sally.Walker@Power-REO.com	"Traditional" REO management, from the redemption and confirmation stage through the successful marketing of the property and the closing of escrow.
Fannie Mae	Chris Barker Director REO Sales Outsourcing	14221 Dallas Parkway Dallas, TX 75254 (972) 676-2764 Christopher_a_barker@fanniemae.com	"Traditional" REO management, from the redemption and confirmation stage through the successful marketing of the property and the closing of escrow.
SunTrust Mortgage	Mark Paniccia Group VP – REO	1001 Semmes Avenue Richmond, VA 23224 (804) 319-2632 Mark.Paniccia@suntrust.com	"Traditional" REO management, from the redemption and confirmation stage through the successful marketing of the property and the closing of escrow.

### 11.3.1 Customer Lists and References

Client	Contact Name/Title	Contact Information	Description of Services
<b>Quantum Default Services (QDS)</b>			
Merrill Lynch	Bob LeFever Former President, Southern California	Orange County, California (949) 887-1010	Management Consulting and Training
Impact Marketing	Milt Naylor Former President of Grubb & Ellis	Orange County, California (949) 348-2292	Management Consulting and Training
Sotheby's	Scott Webber President	Denver, Colorado (435) 729-9500	Management Consulting and Training
Bailey Properties	Paul Bailey President/CEO Robert Bailey, Chairman of Task Force for California Association of Realtors on Short Sales	Santa Cruz, California (831) 688-7434	Management Consulting and Training

### **11.3.2 Success Stories**

The following are success stories of proven customer results due to Supplier's or its subcontractors' commitment to quality and operating efficiency.

#### **National Real Estate Information Services**

NREIS has successfully implemented a centralized closing process for Fannie Mae's alternative disposition group. Previously, FNMA utilized the original foreclosure attorneys to retain the property through foreclosure to sale, and then each attorney would perform the closing and escrow on their respective property. This work flow created numerous inefficiencies and delayed the ultimate disposition of properties, causing unneeded costs to be incurred as well as creating a high level of dissatisfaction with FNMA's investor/buyers.

NREIS established a centralized closing unit which upon the foreclosure process being completed, the file/property is turned over. Once a pool of homes has been acquired, NREIS ensures the deeds are in FNMA's name, contacts the buyer to arrange the closing, escrows the money of the winning buyer, performs the closing and ensures the conveyance of the deed occurs. The result of this program has been the instant collection of proceeds by FNMA, a single closing event for the investor/buyer of the pool (versus a closing per attorney within a pool which could be as many as 70 taking weeks to complete), an immediate conveyance of the property, a single source for all accounting of the sale, and a reduction of the time to close from weeks to a single day.

This case is indicative of NREIS constant creativity and commitment to improving our client's processes.

#### **Phoenix Asset Management**

Phoenix has provided REO Asset Management services for GreenTree for over eight years, and was enlisted in Q4 2009 to provide Short Sale services for their Capital Markets Group (SerVertis). Analysts at SerVertis identified a portfolio of distressed, highly delinquent loans requiring special treatment and services that fell outside the scope provided by their Servicer. Phoenix assembled a team within its organization, and was able to design and implement a proactive short sale program that worked in concert with their Servicer, creating an immediate, cost effective solution with operational flexibility.

To initiate the relationship, Phoenix and SerVertis carefully evaluated the loan portfolio, and designed a customized short sale program specifically tailored for the characteristics of the loans. Phoenix assisted SerVertis in creating a document package,



### **11.3.2 Success Stories**

customer contact scripting, and incentive program to encourage customer participation. Phoenix also designed unique workflows, delegations of authority, communication channels, financial analysis tools, and reporting packages to meet the requirements of SerVertis.

Relying upon years of REO Asset Management experience, Phoenix enlisted a select group of highly experience REO Agents to manage and market the properties, and to assist with customer communication and document transfer. In order to maintain consistency across various geographic regions, Phoenix conducted introductory conference calls with the Agents to ensure policies, procedures, and expectations were properly communicated.

Phoenix also took control over the title order, review and curative process, and worked closely with the Servicer's preferred vendor to obtain a low cost product to facilitate the program.

In conclusion, the flexibility of Phoenix's organizational structure provided SerVertis with a transparent, cost effective solution that has resulted in cure rates that exceeded its expectations while avoiding a transfer of servicing.

#### **Dialogue Marketing**

Just ask Extend Health, the nation's leading Medicare Coordination Company that had a short-fused requirement for several hundred licensed insurance agents to help serve its client General Motors with its 100,000+ retirees. In mid-summer 2008, Extend Health's client, General Motors, decided that it needed to convert its salaried retirees from its group Medicare plan to individual plans thus creating the need for several hundred licensed insurance agents.

Extend Health called upon seven different outsourcers as it needed the licensed agents by September 1, 2008 and it wanted operational redundancy across the nation. Dialogue Business Services and the other outsource partners began recruiting in earnest in July and they all met their recruiting goals by the end of August. However, this is where Dialogue Business Services started to emerge as the leading organization. As training began, most of the outsource partners began to have significant turnover demonstrating weaknesses in their recruiting processes. Dialogue Business Services was not one of these. In fact, Dialogue Business Service lost less than 10% of its licensed insurance agents during the whole program. Dialogue attributes these achievements because of a regimented recruiting process and the fact that they are located in the economically challenged area of Detroit, MI.

### 11.3.2 Success Stories

Dialogue Business Services' standout performance was not only in the recruiting phase of this program. It was also a standout performer in the training phase and most important in the execution phase of the program. During the training phase, Dialogue was the first outsourcer to have its people completely trained and certified without any discrepancies. Extend Health's Vice President of Operations, Shaun Greene, said of Dialogue Business Services, "Dialogue doesn't just meet the standard when it comes to getting tasks done, it exceeds it in everything it does."

Exceeding the standard was further demonstrated during the execution phase of the program which was the enrollment of General Motors' numerous retirees in individual Medicare plans. There were two metrics used to measure the success of the outsourcers and those were call quality scores and conversion rate. In call quality scores Dialogue's licensed agents were scoring well above 90%, the standard, placing it in the top tier of performance. In conversion Dialogue was converting retirees at a better than 50% rate compared with all the other outsourced partners that were converting in the low forties percentage-wise.

"Dialogue hit it out of the park," said Shaun Greene. When conducting an after action review on Dialogue Business Services performance, Shaun asked Brian Poelman, the leader of Dialogue Business Services, what is it about them that made them standout? Brian's response was simple, "Dialogue Business Services employs a recruiting process that demands high standards and does not compromise. Couple that with our experienced management team and we perform at a high level."

#### Quantum Default Services

QuREOs, a partner in Quantum Default Services, uses the services of prime real estate brokerages who have a long-term commitment to the communities they serve. It is more than just making a commission.

As a part of the REO process in Denver, one of our Consortium agents was assigned a property. The first task was to do an occupancy check and post the *Know Your Options* (K.Y.O.) information on the door. She did weekly occupancy checks and never found anyone home or anyone in the neighborhood who knew if it was occupied. By peeking through the windows, she noticed personal property and an eviction process was begun.

Finally the eviction was scheduled with the Sheriff. The agent went to the property with the Sheriff to secure it.

### 11.3.2 Success Stories

To everyone's surprise, they found a woman in her 80's living in the home. She had not paid any attention to the K.Y.O. and had no idea that the property was in foreclosure. Her husband had never told her. Both she and her husband were physically disabled and were confused.

QuREOs coach intervened and decided that a level of compassion was in order and convinced the Sheriff to put off the eviction for 30 days. Our Coach felt that it was not in anyone's best interest to throw the elderly couple on the street.

During the 30 day reprieve, we coached the agent to look into community organizations that assist the elderly and disabled. She was ultimately able to find suitable housing for them. She and a couple of her Realtor™ colleagues went to the home with boxes and bubble wrap to help the couple pack their lifelong treasures. Soon the couple was successfully settled in their new home.

In the end everyone was served. The bank wasn't on the *Today Show* or *60 Minutes*, the couple was in a new home and the community had its citizens cared for. Sometimes it is more important to do the right thing than to do a thing exactly right.

## 11.4.1 Summary of Internal Performance Standards

We have developed a comprehensive suite of reports to manage the portfolios. A number of metrics are measured on daily, weekly, and/or monthly frequencies, with report content and format designed specifically for the client. Below is a summary description of the areas utilized for data integrity and exception compliance, as well as a sample weekly Asset Manager Scorecard monitoring internal performance.

On a weekly basis, we produce two “Score Cards” (one for Asset Managers, one for Closers) that measure key performance metrics identified as the most important statistics required to maintaining strong portfolio performance. These metrics are composed of month-to-date measurements of data integrity and timeline compliance and disposition performance. Team Leads use this information to monitor and fine-tune overall portfolio management.

In an effort to foster and encourage “healthy competition” within its subcontractors, we provide the results of the Score Card to all asset management companies so they can see exactly where they rank within the organization. This practice has proven to be very successful in increasing performance.

### 1. Timeline Management

We and Bank of America establish timelines for each phase of the lifecycle which include:

- Pre-Marketing
- Marketing
- Closing / Escrow

Once benchmarks are established for each phase, we generate monthly reports to measure compliance with each. Outliers are removed, and exceptions are reviewed to determine whether the cause was within or outside the control of the Asset Manager. Additionally, we determine whether the exceptions were anomalies, or are indicative of a trend.

In the event a negative trend is identified, we will investigate the potential cause of the trend, and work with the client to revise or modify policies and procedures to remedy the cause.

### 2. Data Integrity

We will generate weekly reports to identify data integrity errors within the servicing system. The data reviewed includes dates, list amounts, property valuation information, salient property information, vendor information, and any number of other critical data points within the servicing system.

## 11.4.1 Summary of Internal Performance Standards

### 3. Servicing Standards

We generate a number of daily and weekly reports to identify exceptions to servicing standards. Examples of the metrics reviewed include, but are not limited to:

- Portfolio Composition (Percentage of Portfolio within a particular Property Status)
- Percentage List Price to Collateral Value
- Days at Current List Price
- Days with Current Agent
- Total Days on Market
- Last BPO Date
- Market Plan Date
- Marketing Status Report Received

### 4. Delegated Authority

We generate a number of daily and weekly reports to identify exceptions to the limits of delegated authority. Examples of the metrics reviewed include, but are not limited to:

- Relocation Amount
- Property Expenditures
- List Price to Collateral Value
- Offer Price to Collateral Value
- Sale Price to Collateral Value
- Purchase Contract Extensions
- Seller Concessions

11.4.2 Internal Performance Matrix

Example Short-Sale - Tracking & Work-Flow

Stage	Task Sort ID	Status	Days	User Assigned
Initial File Set-Up	10	Boarding - New Short-Sale Property	1	
New Property - TASK	A - 10	Assign to Asset Manager - Assign Property To Team members (AUTO move to Obtain Homeowner Financial Status)	5	
Borrower Outreach				
Impact Marketing Task	A - 20	3 Outbound Letters (one every 3 days)		
Dialogue Mareting Task	A - 30	3 Outbound Calls in 10 days		
	A - 40	If No Contact; UN-BOARD PROPERTY - Send Borrower/Property back to BofA		
Assign to Broker/Agent TASK	A - 50	Assign to Real Estate Agent;		
Assign to Broker/Agent TASK	A - 60	Agent - Presents Foreclosure Alternative Disclosure; and gets Acknowledgement		
Pre-Marketing	20	Obtain Homeowner Financial	2	
Pre-Marketing - TASK	B - 10	Send Out Homeowner Information Package (AUTO move to Assign to Broker)	2	
Pre-Marketing - TASK	B - 20	Receive Homeowner Information Package (AUTO move to TASK Approve Homeowner Info. Package)	10	
Pre-Marketing - TASK	B - 30	Approve Homeowner Info. Package	2	
Pre-Marketing - TASK	B - 40	Is Property Listed ?	1	
Pre-Marketing	30	Assign to Broker	7	
Assign to Broker/Agent TASK	C - 10	Assign Property To Agent if not listed	1	
Assign to Broker/Agent TASK	C - 40	Order Interior BPO from Agent	3	
Assign to Broker/Agent TASK	C - 50	Order 2nd Value (BPO or Appraisal)	3	
Assign to Broker/Agent TASK	C - 60	Review Values and determine List Price	4	
Assign to Broker/Agent TASK	C - 70	Input Property Into MLS; NOTE: MUST HAVE NOTE IN MLS THAT ALL OFFERS GO THROUGH (auto move to "Property Listed")	1	
Automatic TASK	C - 75	Send Customer satisfaction Questionnaire		
Assign to Broker/Agent TASK	C - 80	Upload Listing Agreement & MLS Printout (AUTO move to Status Property Listed)	1	
Assign to Broker/Agent TASK	C - 90	Publish to	1	
Listed	40	Property Listed	90	
Property Listed	D - 10	Order Preliminary Title Report	1	
Property Listed	D - 11	Obtain HOA delinquencies/solvency		
Property Listed	D - 12	Obtain Jr. Lien Information		
Property Listed	D - 13	Negotiate Preapprovals for Jr. Liens		

11.4.2 Internal Performance Matrix

Example Short-Sale - Tracking & Work-Flow

Stage	Task Sort ID		Status	Days	User Assigned
Listed	60		Offer(s) Received - Sealed Bid	14	
	Offers	E- 10	Offer Received	1	
	Offers	E- 11	Offer Reviewed	1	
	Offers	E- 12	Accept / Counter best offer	7	
	Offers	E- 13	Notify selling agent of Best offer and request Original Contracts and Addenda	1	
	Offers	E- 14	Notify all other agents of offer status (Rejected offers)	1	
	Offers	E- 15	Change MLS and Broker information to "Pending/Contingent"	1	
	Offers	E- 16	Receive original accepted contracts	1	
	Offers	E- 17	Send to Listing Agent for Sellers Signatures	1	
	Offers	E- 18	Receive fully executed contracts	1	
	Offers	E- 19	Review fully executed contracts and archive a copy in system	1	
	Offers	E- 20	Order or prepare Preliminary HUD -1	1	
	Offers	E- 21	Review Preliminary HUD -1	1	
	Automatic TASK	E-22	Send Customer satisfaction Questionnaire		
Listed	80		Lien Holder Approval	60	
	Lien Holder Approval	F - 10	Submit Short Sale Package to 1st Lien Holder	1	
	Lien Holder Approval	F - 11	Confirm receipt of Package with 1st Lien Holder	2	
	Lien Holder Approval	F - 12	Get approval from 1st Lien Holder		
	Lien Holder Approval	F - 13	Submit Short Sale Package to Jr.Lien Holder	1	
	Lien Holder Approval	F - 14	Confirm receipt of Package with Jr.Lien Holder	2	
	Lien Holder Approval	F - 15	Get approval from Jr. Lien Holder (if applicable)		
Under Contract	120		Pre- Closing	14	
	Pre-Closing	G - 5	Verify all contingencies have been removed (title, financing and inspections)	7	
	Pre-Closing	G - 6	Check on Buyer's Loan Approval to verify ready for docs (Move to Stage "Loan Approved" or "All Cash Deal" if they aren't getting a loan)	7	
	Pre-Closing	G - 7	Send approved fully executed contract to Title Agent		
	Pre-Closing	G - 8	Set Closing Date		
	Pre-Closing	G - 9	Request Final HUD-1		

11.4.2 Internal Performance Matrix

Example Short-Sale - Tracking & Work-Flow

Stage	Task Sort ID		Status	Days	User Assigned
Closing	130		All Cash Deal	5	
	All Cash Deal	H - 10	Verify funds are deposited & we are ready to close.	1	
	All Cash Deal	H - 11	Verify Loan Funded with Escrow (auto move to Under contract--Loan Funded/Cash Funds Rec'd)	5	
	All Cash Deal	H - 12	Verify HUD-1 is correct	1	
Closing	140		Financed Deal	30	
	Financed Deal	I - 10	Verify Loan Docs Signed (auto move to Under Contract--Loan Docs Signed)	5	
	Financed Deal	I - 11	Watch for Loan Funding (auto move to Loan Funded/Cash Funds Rec'd)	1	
	Financed Deal	I - 12	Verify HUD-1 is correct from Loan	1	
Closing	160		Loan Funded/Cash Funds Received	2	
	Loan Funded/Cash Funds Rec'd	J - 10	Confirm Closing & notify all Agents (auto move to Closed--Waiting on Commission)	1	
Closed	170		Waiting on Fees	5	
	Waiting on Fees	K - 10	Verify fees received (auto move to Closed--Commission Funds Rec'd)	2	
Closed	180		Funds Received	2	
	Funds Received	L - 10	Funds received and validated against HUD-1 Posted to account or confirmed sent to 3rd party	2	
Closed	200		Closed File	0	
	Closed File	M - 20	Update all data in system and verify mortgage is recorded	2	
	Closed File	M-21	Send Customer satisfaction Questionnaire	2	
END					



### 11.4.3 Customer Service

Specifically for this project we have created a customer service and satisfaction questionnaire that is to be sent to the consumer at three stages of the process:

- When the property is listed
- When the offer is approved
- Close of the transaction.

Here is a sample questionnaire. It is sent via mail or email. The questionnaire is web-based or in print. It is in English and Spanish.

Should there be any negative feedback, our team will be notified and will intervene immediately.

#### Customer Satisfaction Survey Results - 1. Initial Contact Report only (1262)

(All numbers are in percent unless noted otherwise.)

	Yes	No	No Response		
1. <a href="#">Did the short sale Service Representative provide you with an adequate explanation of the short sale process, the details and your options, benefits, and obligations?</a>	80.98	6.89	12.12		
2. <a href="#">Were you given the option to meet with or select more than one qualified real estate professional to consider for the short sale process?</a>	90.01	7.36	2.61		
3. <a href="#">Did your real estate professional recommend that you seek independent professional legal, tax and credit advice before proceeding with the short sale process?</a>	80.98	6.89	12.12		
4. <a href="#">Did your real estate professional offer you the opportunity to view the Short Sale Video and answer any questions you may have had?</a>	90.01	7.36	2.61		
How satisfied were you with...	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
5. <a href="#">the Comparable Marketing Analysis that your real estate professional presented, including sold and active listings, and that you received and an accurate picture of market conditions and the likely value of your property?</a>	82.16	12.73	2.86	1.27	0.95
6. <a href="#">the marketing plan and related activities to be employed in the sale of your property?</a>	79.71	13.41	4.23	1.51	1.11
7. <a href="#">the plan for communication, feedback, progress reporting and your ability to request the email Anytime Service Assistance Program<sup>SM</sup>?</a>	58.40	26.64	10.40	2.88	1.68
8. Comments					

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8. Comments					

#### 11.4.4 Customer Satisfaction Article

##### OneWest, Wells Fargo, Freddie Mac, Phoenix Asset Management Take Top Honors in First-Ever Pinnacle Awards

by REO Insider Staff

5:56 PM June 10. 2010

For the first time, the corporate-owned real estate industry has a viable awards program it can call its own. The Pinnacle Awards, announced earlier this week, recognize the nation's top real estate management firms and corporate real estate departments as compiled from extensive survey data involving thousands of real estate agents and brokers nationwide.

The awards are the result of an annual survey conducted by REO Insider earlier this year. As the nation's inventory of repossessed and foreclosed homes has soared in recent years — so, too, has the need for real estate management operations that understand how to effectively market, manage, and sell corporate-owned real estate.

“At their core, the Pinnacle Awards celebrate real estate sales expertise, a skill set that is absolutely fundamental to our nation's recovery,” said Paul Jackson, publisher of REO Insider. “In particular, these awards recognize excellence in REO sales management — a highly specialized area of real estate sales that has often gone unnoticed and underappreciated, but remains critical to the future stabilization of our nation's battered housing markets.”

More than 3,200 real estate professionals participated in the survey underlying the inaugural awards program, generating over 1.4m data points that served as the basis for Pinnacle Awards consideration. Agents and brokers were asked to rate up to five corporate sellers they regularly list properties for, spanning dimensions including staff professionalism, closing processes, and listing practices. All data was analyzed and certified by M/A/R/C Research, a leading independent market research firm.

“This awards program represents the first time REO specialists have had an opportunity to voice their thoughts about the banks and other firms that they regularly list homes for,” said Richard Bitner, associate publisher at REO Insider. “The response we received was overwhelming, and we look forward to building upon this survey in the years to come, bringing much-needed transparency to this market.”

The awards program recognized first and second place winners across 10 different categories, including a “Big 4” category that assessed broker and agents' perception of corporate real estate performance at the nation's four largest commercial banking institutions: Bank of America, JPMorgan Chase, Citi, and Wells Fargo.

#### 11.4.4 Customer Satisfaction Article

REO Insider also announced complete survey results will be made available to those REO industry firms and investors interested in benchmarking real estate management performance across peers, clients and competitors.

2010 Pinnacle Award winners:

Best Overall, Big 4:

Wells Fargo (Premiere Asset Services)

Best Overall, Bank Servicer:

First place — OneWest Bank

Second place — SunTrust Bank

Best Overall, Non-Bank Servicer:

First place — Freddie Mac/HomeSteps

Second place — Select Portfolio Servicing

Best Overall, Outsourcer:

First place — Phoenix Asset Management

Second place — First Preston

Best Listing Practices, Servicer:

First place — OneWest Bank

Second place — Premiere Asset Services (Wells Fargo)

Best Listing Practices, Outsourcer:

First place — First Preston

Second place — Phoenix Asset Management

Best Closing Process, Servicer:

First place — OneWest Bank

Second place — Premiere Asset Services (Wells Fargo)

Best Closing Process, Outsourcer:

First place — Phoenix Asset Management

Second place — Green River Capital

Most Professional Servicer:

First place — OneWest Bank

Second place — SunTrust Bank

#### **11.4.4 Customer Satisfaction Article**

Most Professional Outsourcer:

First place (tie) — Integrated Asset Services and Lenders Asset Management Co.  
(LAMCO)

## 12.2 Supplier Contractors

National Real Estate Information Services (NREIS) has assembled a highly qualified Alliance whose members' experience in their fields sets us apart from other default services consulting firms. The NREIS Alliance includes Dialogue Marketing, Inc. (DMI), Precision Asset Management (Precision), Phoenix Asset Management, LLC (Phoenix) and Quantum Default Services (QDS.) The following table identifies the primary role of each subcontractor and below the table are brief profiles that showcase the outstanding qualifications of these firms:

Subcontractor	Activities/Products/Functions
Dialogue Marketing, Inc.	Outreach
Precision Asset Management	Asset Management
Phoenix Asset Management, LLC	Asset Management
Quantum Default Services, LLC.	Program Management and Brokerage Oversight

### **Dialogue Marketing, Inc.**

Dialogue Marketing is a customer management expert that employs the top talent in marketing, inside sales, sales management, and IT development. With millions of dollars invested in their telephony system alone, and three fully redundant contact centers throughout the United States, they have the infrastructure and experience necessary to deliver dependable results to their clients across a number of industries.

Dialogue Marketing provides near real-time access to call recordings 24/7 to internal leadership and clients alike via their browser based, internet accessible CallPlay system. Call scoring is done in Dialogue Marketing's unique and customizable IMPACT (Interaction Monitoring Performance Assessment Cache Tool) system.

Customized monitoring forms are created and templates provided for direct input while listening to calls. Scoring is weighted by category and is instantly updated and archived for easy retrieval..

Results and trends can be presented at the individual, team and program levels and filtered by specific category or desired time periods.

### **Precision Asset Management (MBE/WBE))**

Precision Asset Management Corporation (PAMC) is a nationwide property management and marketing outsourcer located in Torrance, California. PAMC, a California corporation, has continuously been servicing REO assets since its inception twelve years ago.

## 12.2 Supplier Contractors

PAMC has met the certification criteria established by the National Minority Supplier Development Council and was approved by the Southern California Minority Business Development Council, Inc. Board of Directors. PAMC maintains a diversity vendor base and is affiliated with organizations such as Women in Default Services as well as NAHREP (National Association of Hispanic Real Estate Professionals). PAMC serves on the NAHREP Corporate Board of Governors. The company's staff includes over 50 individuals of all ethnic diversities. PAMC manages and markets residential properties throughout the United States of America.

PAMC presently manages REO portfolios for JPM Chase, Washington Mutual and 5th 3rd Bank. With approximately 28,000 square feet of office space, the company has the ability to maintain a staff of 275 employees and manage a portfolio of up to 25,000 assets. The current set-up capacity is 150 employees. Expansion to maximize the office space can be implemented in a short period of time.

### **Phoenix Asset Management, LLC**

Phoenix Asset Management, LLC is a privately held company formed and registered in the State of Colorado. Phoenix (fka AssetOne Marketing Group, LLC) has been in existence since 2000, providing REO management and disposition services to a number of institutional and private clients. Since its inception, Phoenix has managed over 40,000 REO assets across all 50 states, and successfully closed over 7,600 REO sales in 2008, and closed over 11,500 REO sales in 2009, achieving an average sale price of over 95% of its client's value.

Phoenix headquarters are located in Denver, Colorado, which houses the majority of its infrastructure, including asset management, accounting, and IT. Phoenix also has a satellite office in Salt Lake City, Utah, in addition to asset managers who work remotely. The Salt Lake City office and the ability to hire remotely allows Phoenix to tap into deep talent pools around the country and hire seasoned professionals who desire a smaller, more entrepreneurial environment.

The corporate structure of Phoenix is unique within this space. Phoenix is part of the Phoenix "family" of Companies, which is comprised of five separate entities that provide a wide and diverse variety of mortgage related financial services to eight of the top ten street firms, and six of the top ten mortgage banks in the United States. This structure provides a collaborative approach to the mortgage servicing industry. Guidance, support, and oversight are provided through the Phoenix companies' Board of Directors and Advisory Board, both made up of seasoned industry experts.

## 12.2 Supplier Contractors

### **Quantum Default Services**

Quantum Default Services, LLC. is the sister company to Quantum REO Solutions (QuREOs, LLC.) that is also known as REO Centric™.

QuREOs was formed in 2007 out of a project with Wells Fargo to address the issues of REO properties and the dysfunctional nature of the relationship between the lenders and the real estate agents who represent them. It was determined that the lack of training, accountability and skill in working with buyers was causing the system to degenerate into a system that benefitted insider investors and resulted in not getting the highest price and best post-foreclosure use for the properties. As a result, the banks and communities hit with high foreclosure rates were not being equitably served.

QuREOs created a managed system of working with REO properties. The result of that managed system is significantly higher prices (106%-108% of value) for the properties selling in substantially shorter time (10 days less) with less contract fall-out. A side benefit is that the properties were more often sold to consumer homeowners than to investors.



## 12.3 Subcontractor's Locations

We have created an extraordinary Strategic Alliance of subcontractors. We will be working with Dialogue Marketing, Precision Asset Management, Phoenix Asset Management and Quantum Default Services.

The following are the locations of the NREIS and our subcontractors.

<b>National Real Estate Information Services</b>
100 Beecham Drive, Pittsburgh, PA 15205
<b>Dialogue Marketing, Inc.</b>
3252 University Dr., Suite 165 Auburn Hills MI 48326
300 E. Big Beaver Floor 4 Troy, MI
3252 University Dr., Suite 165 Auburn Hills MI 48326
370 East 800 South Orem, UT 84097-6386
<b>Precision Asset Management</b>
25210 Crenshaw Blvd. Torrance, CA 90505
<b>Phoenix Asset Management</b>
999 18th Street, Suite 1450 Denver, CO 80202
1245 East Brickyard Road, Suite 200 Salt Lake City, UT 84106
<b>Quantum Default Services (QDS)</b>
2150 South 1300 East, Suite 500 Salt Lake City, UT 84106

**SCHEDULE B**

## Service Fees

**1. PRICING**

Short Sale Activity	Fee per unit
<i>Solicitation</i>	\$ 91
<i>Set-Up/Listed</i>	\$ 200
<i>SPO Approved</i>	\$ 85
<i>Prelim HUD</i>	\$ 44
<i>Final HUD/Closed</i>	\$ 31
<b>Total*</b>	<b>\$ 451</b>
<b>DIL*</b>	<b>\$ 245</b>

The above Pricing is based on the attached Addendum - Coop Short Sale Process. Supplier will invoice Bank of American as follows; 1) Upon unsuccessful Solicitation attempt, 2) At the SPO Task 2.3 if prospective Buyer falls out and the File is dispositioned as foreclosure or DIL or 3) Upon successful completion of the Short Sale. Bank of American requests that invoices are provided only upon a successful completion of a Short Sale or if applicable based on the 3 conditions as previously described above in the paragraph.

Pricing includes standard mailing fees related to solicitation and document management with borrower and/or agent. Pricing does not include special delivery fees, i.e., courier, etc.

\*The above will be invoiced separately and does not include the traditional fees which appear on the HUD; such as title insurance, and closing.

## Schedule C: Service Level Agreements (SLA)

### a. Supplier hours of operation are:

#### i. Call Center

M-F: 8am CST to 8pm CST

Saturday: 8am EST to 3pm CST

Upon request of client: Inbound call center is available 24 hours every day, including holidays.

The call center is staffed with Spanish speaking agents during the hours shown.

#### ii. Negotiator/Loss Mitigator

Standard hours:

8AM-8PM EST Monday–Saturday

The inbound call function is available 24 hours of every day

### b. Solicitation

NREIS/DMI will make 3 attempts to contact borrower/agent within 10 business days of receiving the solicitation file from Bank of America.

#### i. Mailing:

NREIS will send three mailers, one every three days to the borrower at the address provided.

#### ii. Telephone Out-Reach calls to borrower:

When there is a phone number available, DMI will call the borrower three times, at different times of the day and including once on a Saturday. The Call center is available from 8AM-8PM EST Monday–Saturday. The inbound call function is available 24 hours of every day.

Dialogue Marketing is qualified to explain liquidation alternative options to the borrower, and will do so on the out-reach calls.

*Risk Management:* In addition, all certified real estate agents will be required to provide the borrower with a custom DVD explaining the HAFA and traditional short sale options. In that way, each real estate agent who goes to help them with the paperwork and the decision-making will provide the exact same disclosure to the borrower. After listing the property, the borrower will get a quality control feedback questionnaire assuring us that they were handled properly.

*Deed in Lieu:* In the event the Asset Manager partner has determined that the short sale is rejected for Short Sale for some reason, NREIS will have the Dialogue Marketing call center re-contact the borrower to determine interest in other voluntary liquidation methods. If, and as appropriate, the agent will also work with the borrower to achieve the DIL..

Note: Dialogue-Marketing has the following certifications:

ISO 9000

## Schedule C: Service Level Agreements (SLA)

SAS 70 Type II Certified  
PCI Compliant  
Fair Debt Compliant

- iii. Calls Abandon Ratio < 5%
- iv. ASA < 30 seconds
- v. Quality Score (with input from client) > 80%
- vi. Outbound Solicitation > 25% right party contact ratio

When there is a phone number associated with the file, we expect the right-party contact to be higher than 25%. In addition, we will be sending three mailers to the borrower.

- vii. Conversions > 60% (welcome packages returned/right party contacts)

Our evidence is that when the package is sent out without any further intervention with the borrower, the returns are less than 15%.

As a result, DMI will have a local, certified Short Sale agent call on the borrower to sit with them to complete the package. In that instance expect the return to be close to 80%.

### c. Asset Management

- i. Liquidations > 40% of the conversions. This metric is stated as a minimum expectation, Bank of America and Supplier are aligned on establishing a process to promote the successful closing of a significantly greater percentage of the files as provided for Short Sale.
- ii. Value and market properties to solicit a contractual offer to liquidate the property within a specific time frame that is outlined and approved by Bank of America, in a 90 day or less time period from listing to closing under certain conditions with 120 days as a benchmark.
- iii. End to End timeline (receipt of file to successful closing) will not exceed 150 days. This timeline is inclusive of (ii) of this Section and is not intended to be an average timeframe for a Short Sale successful completion. As per the Reporting Section, Supplier will provide detail status of each file to promote oversight by Bank of America to escalate/resolve issues and disposition files accordingly based on the total number of days Supplier has had the file.
- iv. Values will be supplied to Supplier within 7 days by 3rd party vendor
- v. Updated values will be ordered every 90 days by Supplier
- vi. Title will be supplied within 10 days
- vii. Bank of America will provide updated delegated Reserve Amounts at a minimum of (90) Days
- viii. Supplier will provide a response to Broker offers with no MI or subordinate lien approval needed within 24 hours (this SLA is only applicable to "Offers") with the following responses:

## Schedule C: Service Level Agreements (SLA)

1. Approve
2. Negotiate
3. Decline Cooperative Program
4. Suspend Cooperative Program

### d. Real Estate Agents and Marketing the Properties

We have created a consortium of contractually aligned real estate firms across the country whom we have indoctrinated, trained and who are committed to our processes. What separates them from the general real estate agent population is:

- Scalability to large numbers of transactions
- Marketing standards which are regularly measured and tracked
- Real-time consumer feedback
- Standard consumer disclosures on a custom DVD
- In-depth Short Sale training
- Internal project management
- Accountability to performance standards

#### 1. Scalability to large numbers of transactions

Initially, with over 20,000 agents in these firms (see below for current list) QDS can offer scalable, national service to meet any demand. Both the listing and the buyer-agent specialist are managed to see that issues with consumers are properly remediated, that transactions are properly handled and that the needs of the bank are being addressed.

At the solicitation stage, it has been demonstrated that having a well-trained real estate agent working with the borrower immediately after initial contact increases the conversion by a multiple of 6 to 8. So the cost-to-value of the outreach program becomes very cost effective.

QDS is prepared to ramp up additional geographical areas and other companies with their agents within 30 days and offer them continued training for an additional 60 days.

#### 2. Marketing standards

Our statistics for the real estate agent consortium show that applying retail-marketing standards to distressed properties causes our listings to get to contract far sooner than the other distressed-property real estate agents can produce and at higher prices.

One source of loss for the lender occurs when the listing agent creates a low expectation for fair market value, inducing the lender to accept much less. Problem listing agents routinely tells callers that the property is under contract or keeps it off the market, off the MLS. The agent then sells it to an insider-investor and collects commission on the whole thing. The difference in price of \$50,000 to the real estate agent is minimal (3% of \$50,000 is \$1,500, which is more than compensated by the 3% of the entire price from the buyer side) but the difference to the lender is \$50,000.

## Schedule C: Service Level Agreements (SLA)

Our real estate agents market the property through normal channels like the MLS, advertising, open houses, websites, brochures etc. The property is treated as a “retail” property. They have a commitment to answer every inquiry from any other broker or buyer-prospect within the hour. They are not allowed to have their own offers on the property without the supervision of their project manager.

Additionally, we put an 800# on the for-sale sign and have a separate team of buyer-side only agents who are assigned the calls from the signs. In that way, we are assured that any caller who is interested has a fair chance to make a bid on the property. We carefully track each call.

3. Real-time consumer feedback

At each stage, such as when a property is listed, when it goes under contract and when it closes, we cause an automatic consumer feedback questionnaire to be used by the borrower to collect information about the performance of the real estate agent. When there is any negative feedback, our Quality Assurance procedure is set into motion within hours. When an agent gets more than normal negatives we eliminate them from the team.

4. Standard consumer disclosures on a DVD

The threat of lawsuits as a result of improper disclosure is real and imminent. The probability that any two real estate agents will disclose the alternatives available to the borrower in a consistent way is very low.

We eliminate the problem by having them sit with the borrower and show a customized disclosure DVD with all the information needed to make an informed decision. The borrower is then asked to acknowledge receipt of related materials and the DVD. The DVD is left at no cost with the borrower for their future reference and use regardless of listing the property with the agent. Again, when the questionnaire is sent to them, one of the questions is, “Did your real estate agent give you the DVD?” The DVD will be adapted to conform to Bank of America’s needs and procedures.

5. In-depth HAFA and Short Sale training

Every real estate agent, asset manager, etc will be certified on HAFA and Short Sale by Asset Plan USA, which is the premier provider of this information. It was created by Ray Mathoda.

Ray Mathoda is the former Chief ‘People and Efficiency’ Officer of IndyMac, now OneWest Bank. In that role, Ray was in charge of all in-person and online employee training and education for 10,000 people, in addition to all other aspects of workforce process and expense management. Therefore, she is not only highly experienced in training and education, she knows what it takes to make a workforce, process and operation succeed.

Ray also has significant experience on the policy and implementation front. She proposed HAFA to Treasury in early 2009, and has been advising them on HAFA this year. In fact, all of the incentive changes made by the Treasury to the HAFA program in March were a result of Ray’s recommendations.

## Schedule C: Service Level Agreements (SLA)

Where most of what passes for Short Sale training covers how to market real estate services to distressed homeowners, this training covers the HAFA program, the traditional program and the Deed in Lieu. Team members are each trained then certified by Mathoda's company, *AssetPlanUSA* before they are candidates with us. This provides for the agents to be trained to the bank's standards and procedures and to be managed to that bank's level of performance requirements.

### 6. Internal project management

Within each consortium firm, there is a project manager assigned to this project. Their job is to oversee, train, report and hold the team accountable to our standards. They have the authority to take real estate agents off the team when they do not perform. The project manager is trained by and is accountable to and reports directly to QDS.

Assigning a real-world Fair Market Value to a property needs to be done with care and competence. Too high and it won't sell; too low and the real estate agent's insiders are the only ones who win. Our real estate agents are double checked by the project manager to assure accuracy.

### 7. Accountability to performance standards

The general residential real estate industry provides marginal oversight and little accountability. It is the central issue that creates the dysfunctional default services system in place today. We recognized early that this would need to be re-organized and a standard management and accountability system put in place.

Any training has marginal value when it is not accompanied by strict accountability to standards. Without accountability the "trained" real estate agent moves to use the least demanding methods, rather than the most effective for Bank of America.

Our firms are chosen because they each meet our demanding standards:

- Financial stability to support the marketing of a large inventory
- Infrastructure including a project manager and administrative support
- Mature and seasoned agent population that can meet the demand
- Willingness to train and create accountability to our specific standards
- Agreement to oversight and supervision by QDS
- Record of marketing and selling distressed properties at prices higher than the average distressed property agent
- Clear leaders in their markets
- Commitment to this project

The companies are:

Company	Area covered	Total Agents	Qualified LA†	Qualified SA‡	Potential Short Sales	Units/\$Vol 2008	President and/or CEO
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## Schedule C: Service Level Agreements (SLA)

Coldwell Banker Premier	Las Vegas, Henderson Nevada	325	25	25	500+	3797/ \$.74 B	Molly Hamrick
Coldwell Banker NRT	Salt Lake City, UT	900	25	25	250+		Dan Christensen
Fuller Sotheby's	Denver, CO	200	25	25	500+	1353/ \$.85 B	Scott Webber
Prudential Rubloff	Chicago	1700+	25	30	2000+	11,300/ \$3.4 B	David Bracy
Baird & Warner	Chicago	1700+	25	30	2000+	11,300/ \$3.4 B	Jennifer Warden
Prudential California	Southern California	3400	30	200	2-3000	16000/ \$13 B	Jon Cook
Keyes Realty	Southern Florida	600	100	100	1500+	7200/ \$1.8 B	Mike Pappas
Russ Lyons Sotheby's	Phoenix	500	30	50	2000+	2100/ \$.5 B	Glenn Niere
Intero Real Estate	Northern California	1600	50	50	1000+	4053/ \$2.8 B	Gino Blefari
Prudential Georgia	Georgia	1500	30	50	2-3000	6825/ \$1.7B	Dan Foresman
Greenridge Realty	Western Michigan	500	25	30	1000		Thomas Paarlberg
REMAX Elite	Albuquerque	250	15	30	200		Michael Dreskin
Surovell Realty	SW Michigan	250	20	30	1500		Ed Surovell
Coldwell Banker United	So. Texas & Gulf area	3000	50	75+	2000	28,000/ \$6 B	Helen Edwards
David Winans GMAC	Dallas - Fort Worth	400	20	40	1500	\$876M	David Winans
D'Ann Harper	San Antonio	400	20	30	1000	4,000/ \$5.8B	D'Ann Harper
Edina Realty	MN, WI, ND	2500	50	75	2500		Bob Peletier



## Schedule C: Service Level Agreements (SLA)

### † Listing Agents Profile

Full time commitment to real estate. No other jobs.

More than two years active in real estate.

Track record of 10 - 25 successful listings sold.

Current MLS, Board, NAR member.

Answers phone promptly.

Carries a cell phone that is answered promptly

Checks email regularly or have push technology.

### ‡ Marketing/Buyers Agent Profile

Full time commitment to real estate. No other job.

Completed new agent training.

Current MLS, board and NAR member.

Answers phone promptly.

Carries cell phone which is answered promptly.

Checks email regularly or have push technology.