



**Report to the Commissioner on FHA Single Family  
Loan Sales**

**Data as of May 30, 2014**

**U.S. Department of Housing and Urban Development  
Federal Housing Administration**

## Single Family Loan Sale (SFLS) Program Key Findings

Note sales are auctions of severely distressed single family mortgages insured by the FHA and assigned to FHA after the payment of a claim. FHA insurance is removed concurrent with the sale of the loan. The SFLS program is a core element of FHA's asset disposition strategy, accounting for a larger share of dispositions as the program has been refined for better execution. The SFLS program is achieving its anticipated goal of minimizing losses to FHA's Mutual Mortgage Insurance Fund (MMI Fund or Fund). Additionally, FHA continues to make adjustments to the program to further improve its impact on the Fund, and the SFLS Program provides lenders an alternative to foreclosure of an FHA-insured mortgage which, in turn, has allowed distressed borrowers to remain in their homes and communities.

- The SFLS program is meeting its intended goal of minimizing losses to the MMI Fund and, as a result, reducing risk to taxpayers.
  - Overall loss rates to the Fund have declined from 63.5% in the first quarter of 2010 to 52.9% in the second quarter of 2014
  - Performance in the SFLS Program has improved from bids 40% of Unpaid Principal Balance (UPB) to ~60% of UPB between 2012 and 2014
- The SFLS Program is also proving to be a preferred alternative for borrowers than REO. Unlike REO, where foreclosure is a required first step, the SFLS program provides an opportunity for borrowers to avoid foreclosure.
  - Approximately 50% of loans sold under the SFLS program remain in delinquent servicing
  - Of the other 50% that have been resolved, 34% have successfully avoided foreclosure, whereas the alternative for these borrowers – where they go through REO – would have led to foreclosure
  - 11% of resolved loans are fully re-performing, allowing borrowers to remain in their homes
- FHA continues to refine the program to further improve returns to the MMIF resulting in improved borrower and neighborhood stabilization. These efforts include:
  - Optimizing loan selection, pooling and reserve price setting
  - Enhancing quality control on loans entering the program, to ensure loss mitigation has been exhausted
  - Exploring further direct sale opportunities with local governments as well as attracting a greater number of nonprofit organizations to participate in the program

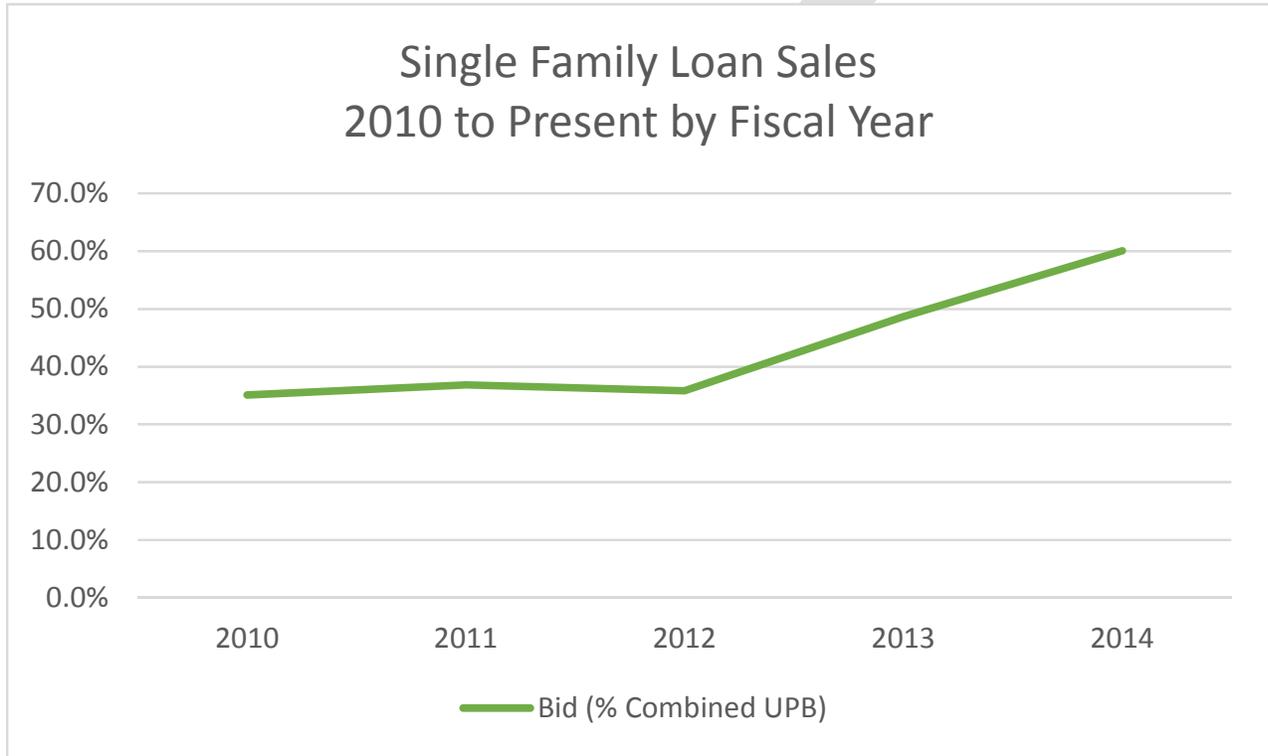
## Single Family Loan Sale (SFLS) Program Background

The SFLS Program was instituted in 2010. Under this program, FHA can accept assignment and sell distressed mortgages, prior to foreclosure and property conveyance to FHA, thereby avoiding costly and potentially lengthy foreclosures. Through the SFLS Program and other FHA non-foreclosure options (e.g., Claims without Conveyance of Title and Pre-foreclosure sales), FHA can assess distressed insured loans to determine the best means of proceeding with the insurance claim where loss mitigation is not successful in modifying or bringing a loan current.

The SFLS Program maximizes recoveries to the MMI Fund, reduces claim costs, minimizes the time that

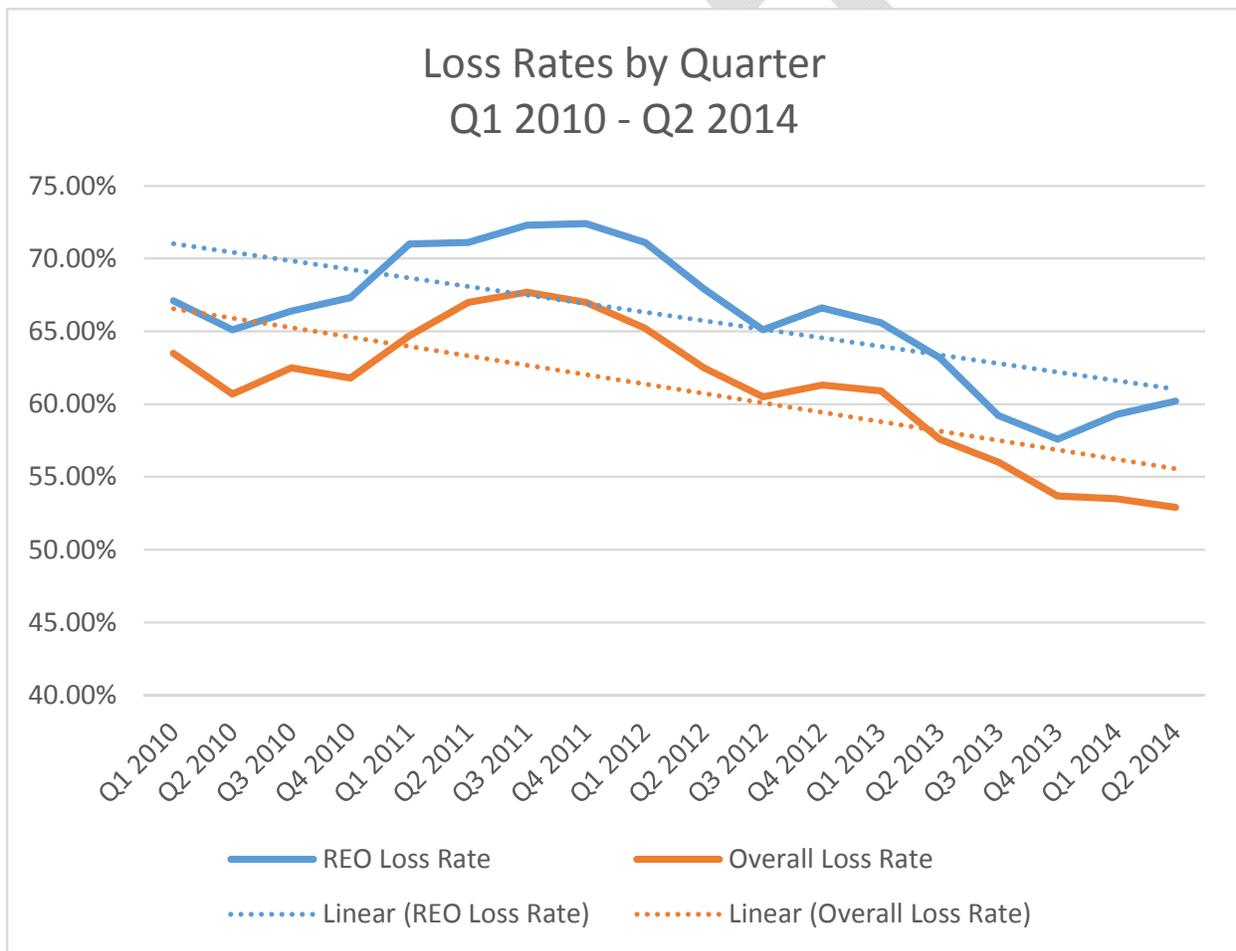
assets are held by FHA, and helps keep borrowers—otherwise headed to foreclosure—in the home. The Program also serves as part of FHA’s effort to target relief to areas experiencing high foreclosure activities. For purchasers, the program is an opportunity to acquire assets at competitive prices with the flexibility to service the assets while providing borrowers an opportunity to avoid costly foreclosures. The program is meeting financial goals as the amounts offered for these assets are steadily rising as volume has increased in recent years.

**Exhibit 1: Average Price by Fiscal Year**



Loan sales generate savings for FHA by avoiding claim, holding, and sales expenses that would otherwise be incurred if these loans had proceeded to foreclosure and FHA had paid a claim through its REO program. Before launching alternative disposition options including the SFLS Program, FHA disposed of nearly all of its assets through its standard claims payment/REO process. Since Q4 of 2012, as FHA expanded the diversification of its asset disposition strategy with alternative disposition methods, FHA has seen its overall loss rates decrease steadily. Exhibit 2 below illustrates the loss rates for the REO program over time and the overall loss rates, which incorporate loan sales and other FHA disposition strategies. As the chart displays, FHA's overall loss rates have declined over time from 63.5% in the first quarter of 2010 to 52.9% in the second quarter of 2014. Note that the differences in loss rates between the REO program and alternative dispositions vary geographically.

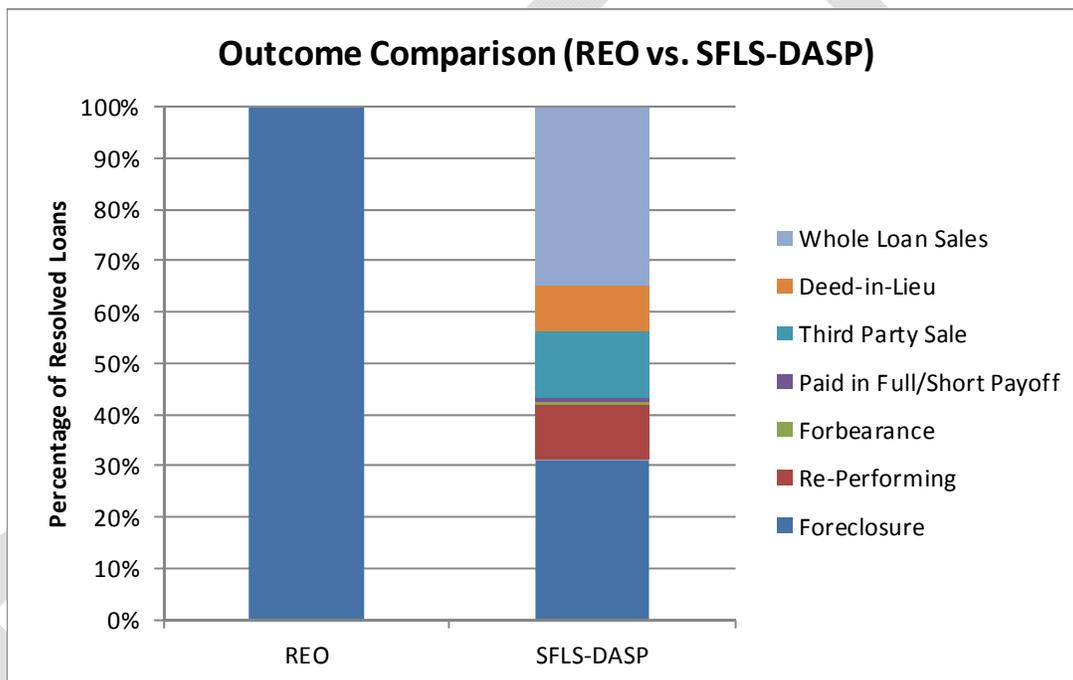
**Exhibit 2: FHA Loss Rates by Quarter**



In addition to improving FHA recoveries and reducing REO expenses, note sale purchasers may offer borrowers a chance at remaining in their homes. Loans included in note sales have been through loss mitigation and are on average 31 months delinquent, meaning these borrowers are destined for foreclosure. Selling the note at a reduced price (below the outstanding UPB of the loan) and removing the requirements associated with FHA insurance provides the new servicers a wider range of loss mitigation tools including principal reduction. Thus borrowers may be offered the opportunity to remain in their home or exit the property without going through the previously inevitable foreclosure process.

While approximately 50% of the mortgages sold under the SFLS Program remain in delinquent servicing with their final resolution yet to be determined, 34.1% of resolved loans have successfully avoided foreclosure. This is especially positive as only loans headed to foreclosure are eligible for note sales. Without the note sale program, all of these loans would be foreclosed upon.

**Exhibit 3: Outcome Comparison (REO vs. SFLS-DASP)**



Note: 50% of SFLS-DASP loans remain in delinquent servicing. As more resolutions are achieved, the proportions of loans resolved via each methodology may change.

**Single Family Loan Sale Program**

The SFLS Program has held eleven national sales beginning with SFLS 2010. The Neighborhood Stabilization Outcome (NSO) component of the program was introduced in SFLS 2012-3, which also coincided with the introduction of a new name for FHA’s SFLS transactions, Distressed Asset Stabilization Program (DASP or SFLS-DASP). Approximately 2,000 loans totaling \$389 million in unpaid principal balance (UPB) were sold in pre-DASP SFLS sales. All SFLS Program transactions have a post-sale requirement that Purchasers avoid finalizing any foreclosure actions for six months for properties that are owner-occupied unless there are extenuating circumstances.

DASP sales are ongoing. Under DASP, loans are segregated into two types of pools: the National/Regional pools; and the Neighborhood Stabilization Outcome (NSO) pools, which are secured by properties in a limited geographic area and have specific servicing requirements designed to encourage outcomes that help

stabilize neighborhoods. Purchasers of NSO pools are required to achieve neighborhood stabilizing outcomes on no less than 50% of the loans in each NSO pool they purchase. These acceptable outcomes include re-performance, rental to a borrower, gift to a land bank, or a loan payoff. By adding the NSO component to the SFLS Program, the Program strengthens its strategic focus on community stabilization.

### National/Regional Offerings

Of the eleven National/Regional SFLS sales held to date, six were conducted prior to the expansion and introduction of the Distressed Asset Stabilization Program (SFLS-DASP). Those first six sales included just approximately 2,000 loans. The five National/Regional SFLS-DASP sales executed to date, beginning with SFLS-DASP 2012-3, have been comprised of approximately 71,000 loans sold in National/Regional pools totaling over \$12 billion in UPB. Sales volume has increased gradually since the SFLS-DASP 2012-3. In the third quarter of Fiscal Year (FY) 2014, FHA sold approximately 22,400 loans totaling nearly \$4 billion in UPB in the DASP 2014-2 National sale.

**Exhibit 4: SFLS Program and National DASP Offerings to Date**

| Sale Name                                 | Sale Description | Sale Date                | Loan Count    | Approximate UPB         | Number of Pools |
|---|------------------|--------------------------|---------------|-------------------------|-----------------|
| <b>SINGLE FAMILY LOAN SALE PROGRAM</b>    |                  |                          |               |                         |                 |
| SFLS 2010                                 | National         | 9/22/2010                | 410           | \$98,318,392            | 3               |
| SFLS 2011-1                               | National         | 3/9/2011                 | 804           | \$140,172,873           | 1               |
| SFLS 2011-2                               | National         | 6/22/2011                | 517           | \$87,476,679            | 1               |
| SFLS 2011-3                               | National         | 9/14/2011                | 60            | \$8,184,903             | 1               |
| SFLS 2012-1                               | National         | 12/7/2011                | 69            | \$11,983,689            | 2               |
| SFLS 2012-2                               | National         | 4/25/2012                | 195           | \$41,413,532            | 3               |
| <b>Total SFLS Program</b>                 | <b>National</b>  |                          | <b>2,055</b>  | <b>\$388,550,068</b>    | <b>11</b>       |
| SFLS-DASP 2012-3                          | National         | 9/12/2012                | 3,257         | \$599,249,913           | 6               |
| SFLS-DASP 2013-1                          | National         | 3/20/2013                | 10,447        | \$1,874,331,922         | 10              |
| SFLS-DASP 2013-2                          | National         | 6/26/2013                | 13,247        | \$2,040,564,437         | 14              |
| SFLS-DASP 2014-1<br>( Part 1 and Part 2 ) | National         | 10/30/2013<br>12/17/2013 | 21,833        | \$3,854,495,136         | 23              |
| SFLS-DASP 2014-2                          | National         | 6/11/2014                | 22,447        | \$3,894,684,530         | 16              |
| <b>DASP National Total</b>                | <b>National</b>  |                          | <b>71,231</b> | <b>\$12,263,325,938</b> | <b>69</b>       |
| <b>Total DASP National and SFLS</b>       | <b>National</b>  |                          | <b>73,286</b> | <b>\$12,650,876,006</b> | <b>80</b>       |

Note: The data for the SFLS 2014-1 and 2014-2 transactions is subject to change once the final Settlement data is available

## Neighborhood Stabilization Outcome Offerings

The NSO post-sale requirements encourage investment in communities hit hardest by the foreclosure crisis to stabilize neighborhoods. Purchasers of NSO pools are required to achieve NSO's, as defined in the sale documentation, with respect to at least 50 percent of loans within four years. As shown in Exhibit 5, the NSO pools included approximately 18,000 loans totaling \$3.2 billion in UPB, with approximately 4,000 loans totaling \$695 million being sold in 2014 Q3. The geographic locations of the NSO pools offered in each sale are also provided below.

**Exhibit 5: NSO Programs Offerings to Date**

| Sale Name   | Sale Description   | Sale Date  | Loan Count    | Approximate UPB         | Number of Pools |
|---|--|------------|---------------|-------------------------|-----------------|
| <b>NEIGHBORHOOD STABILIZATION OUTCOME PROGRAM</b> |  |            |               |                         |                 |
| SFLS DASP 2012-3                                  | NSO - Chicago, Newark, Phoenix, Tampa  | 9/27/2012  | 2,860         | \$554,477,501           | 7               |
| SFLS DASP 2013-1                                  | NSO - Atlanta, Ohio, Orlando, Florida, California  | 03/27/2013 | 3,289         | \$523,625,153           | 5               |
| SFLS DASP 2013-2                                  | NSO - California, Ohio, North Carolina, Chicago  | 07/10/2013 | 3,163         | \$492,984,276           | 6               |
| SFLS DASP 2014-1                                  | NSO - Atlanta, Las Vegas, Indianapolis, Baltimore, Prince George County, Other                       | 12/19/2013 | 4,292         | \$897,937,566           | 7               |
| SFLS DASP 2014-2                                  | NSO - Atlanta, Chicago, Cumberland County, Detroit, Miami, Philadelphia, San Antonio, San Bernardino | 6/25/2014  | 4,224         | \$695,027,987           | 10              |
| <b>NSO Total</b>                                  | <b>NSO</b>   |            | <b>17,828</b> | <b>\$3,164,052,483</b>  | <b>35</b>       |
| <b>TOTAL</b>                                      | <b>National and NSO</b>  |            | <b>91,114</b> | <b>\$15,814,928,489</b> | <b>115</b>      |

Note: The data for the SFLS 2014-1 and 2014-2 transactions is subject to change once the final Settlement data is available

## Geographic Distribution of Loan Sales

Exhibit 6 shows the geographic distribution of the loans sold in SFLS and DASP transactions. The top five states were Florida (15%), New Jersey (11%), Illinois (9%), New York (7%) and Ohio (6%). The top twenty states represented 84% of the loans sold.

**Exhibit 6: Historical SFLS and DASP Geographic Distributions**

| State            | Count         | UPB                   | Percentage of Total |
|------------------|---------------|-----------------------|---------------------|
| Florida          | 13,852        | \$2,110,848,162       | 15%                 |
| New Jersey       | 9,919         | \$2,387,728,116       | 11%                 |
| Illinois         | 8,357         | \$1,418,370,392       | 9%                  |
| New York         | 5,951         | \$1,431,679,631       | 7%                  |
| Ohio             | 5,124         | \$593,054,857         | 6%                  |
| Maryland         | 3,893         | \$867,994,281         | 4%                  |
| Georgia          | 3,727         | \$527,475,917         | 4%                  |
| Pennsylvania     | 3,296         | \$500,441,930         | 4%                  |
| California       | 3,153         | \$755,779,526         | 3%                  |
| Indiana          | 2,989         | \$340,820,502         | 3%                  |
| North Carolina   | 2,494         | \$336,805,634         | 3%                  |
| Texas            | 2,060         | \$259,847,387         | 2%                  |
| Washington State | 1,904         | \$404,200,521         | 2%                  |
| Nevada           | 1,670         | \$319,125,803         | 2%                  |
| Wisconsin        | 1,568         | \$224,351,913         | 2%                  |
| South Carolina   | 1,540         | \$214,757,569         | 2%                  |
| Massachusetts    | 1,465         | \$321,545,674         | 2%                  |
| Connecticut      | 1,449         | \$300,715,378         | 2%                  |
| Oregon           | 1,210         | \$235,047,074         | 1%                  |
| Kentucky         | 1,182         | \$142,646,647         | 1%                  |
| Others           | 14,311        | \$2,121,691,574       | 16%                 |
| <b>Total</b>     | <b>91,114</b> | <b>15,814,928,489</b> | <b>100%</b>         |

## Purchaser Report

Exhibit 7 shows the top 10 Purchasers by volume for both National/Regional and NSO sales. The three Purchasers with the largest volume of loans purchased in the National sales are Lone Star Funds (31%), Bayview Asset Management (19%) and Selene Residential Partners (8%). For the NSO sales the top three Purchasers were Oaktree Capital Management (29%); Bayview Asset Management (28%); and 25 Capital Partners (16%). In total there have been 27 successful Purchasers in the loan sale program.

**Exhibit 7: Loan Sale Purchasers**

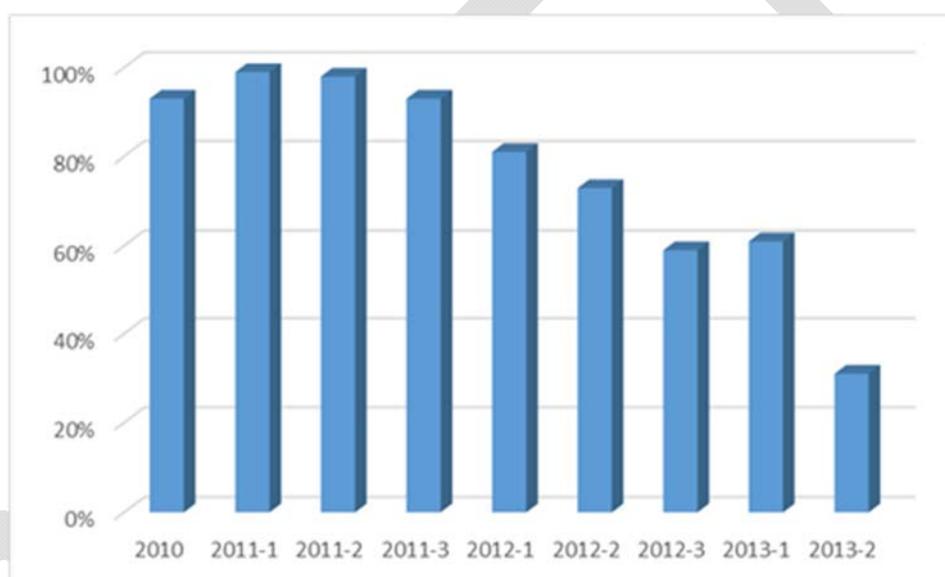
| National  |               |                       |                     |
|---|---------------|-----------------------|---------------------|
| Purchaser   | Count         | UPB                   | Percentage of Total |
| Lone Star Funds                                       | 22,558        | \$3,919,684,189       | 31%                 |
| Bayview Asset Management                              | 12,996        | \$2,438,027,948       | 18%                 |
| SRMOF Trust/Selene Residential Partners               | 5,531         | \$873,756,368         | 8%                  |
| RBS Financial Products Inc.                           | 5,518         | \$960,440,626         | 8%                  |
| PRMF Acquisition LLC                                  | 3,845         | \$735,693,696         | 5%                  |
| Kondaur Capital Corporation                           | 3,631         | \$541,951,113         | 5%                  |
| OHA Newbury Ventures, LLC/MCM                         | 2,992         | \$495,975,138         | 4%                  |
| Angelo, Gordon & Co., L.P.                            | 2,573         | \$451,032,815         | 4%                  |
| Altisource Residential Corporation                    | 1,954         | \$304,821,135         | 3%                  |
| 25 Capital Partners                                   | 1,895         | \$332,455,256         | 3%                  |
| PIMCO   | 1,889         | \$294,427,645         | 3%                  |
| Others  | 7,904         | \$1,302,610,077       | 11%                 |
| <b>National Total</b>                                 | <b>73,286</b> | <b>12,650,876,006</b> | <b>100%</b>         |
| NSO   |               |                       |                     |
| Purchaser   | Count         | UPB                   | Percentage of Total |
| Oaktree Capital Management                            | 5,145         | \$892,108,011         | 29%                 |
| Bayview Asset Management                              | 5,060         | \$908,011,533         | 28%                 |
| 25 Capital Partners                                   | 2,813         | \$483,807,055         | 16%                 |
| The Corona Group                                      | 2,178         | \$495,979,972         | 12%                 |
| MRF ( Non- Profit)                                    | 970           | \$131,414,729         | 5%                  |
| Pretium Mortgage Credit Partners                      | 746           | \$110,847,962         | 4%                  |
| Kondaur Capital Corporation                           | 491           | \$65,831,917          | 3%                  |
| Community Loan Fund of New Jersey, Inc.( Non- Profit) | 261           | \$57,277,158          | 1%                  |
| Altisource Residential Corporation                    | 164           | \$18,774,145          | 1%                  |
| <b>NSO Total</b>                                      | <b>17,828</b> | <b>3,164,052,483</b>  | <b>100%</b>         |
| <b>Overall Total</b>                                  | <b>91,114</b> | <b>15,814,928,489</b> | <b>100%</b>         |

## Resolution Status

The ASO collects status information from Purchasers and monitors post-sale servicing activities for each transaction. Initially the Purchasers were required to provide post-sale reporting data semi-annually for three years. Under the current post-sale reporting requirements Purchasers are now providing the data quarterly for four years. Using the status data reported by Purchasers, the ASO is able to monitor the proportion of loans that are not reported in delinquent servicing, defined here as resolved loans.

The Exhibits below present status information on the loans sold in SFLS 2010 through SFLS 2013-2 as reported to the ASO as of May 30, 2014. Reporting data for 2014-1 and 2014-2 have not been received and are therefore not included. Exhibit 8 provides a snapshot of the relative percentages of resolved loans for each sale, and illustrates that it takes time for the loans to reach their final outcome. For example for SFLS 2010, 93% of loans are resolved compared to just 31% for SFLS 2013-2.

**Exhibit 8: Resolution Status by Sale**



| Sale         | Loan Counts   | Percentage of Resolved Loans |
|--------------|---------------|------------------------------|
| 2010         | 410           | 93%                          |
| 2011-1       | 804           | 99%                          |
| 2011-2       | 517           | 98%                          |
| 2011-3       | 60            | 93%                          |
| 2012-1       | 69            | 81%                          |
| 2012-2       | 195           | 73%                          |
| 2012-3       | 6,117         | 59%                          |
| 2013-1       | 13,736        | 61%                          |
| 2013-2       | 16,082        | 31%                          |
| <b>Total</b> | <b>37,990</b> | <b>50%</b>                   |

Note: Data represents post-sale reports received through May 30, 2014

## Loan Status Outcomes

The loan status information presented in Exhibit 9 shows the loan counts and the percentage of loans in the different status categories (See Exhibit 10 for a Glossary of Terms) for loans sold from 2010 through SFLS 2013-2. Reporting data for 2014-1 and 2014-2 has not been received and is therefore not included.

Exhibit 9 presents the status categories as a percentage of total loans sold, and as a percentage of resolved loans. While the percentage of total loans sold column provides the most comprehensive reporting on the current status of program loans, by limiting the analysis to resolved loans it provides an indication of servicing results given adequate time to service loans to resolution. This is particularly useful as the program continues to have a large proportion of loans in delinquent servicing and when looking specifically at loan status outcomes for recent sales.

**Exhibit 9: Historical Loan Status Outcomes**

| Category                         | Count         | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|---------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |               |                          |                              |
| <b>Foreclosure Avoided</b>       |               |                          |                              |
| Re-Performing                    | 2,049         | 5.4%                     | 10.9%                        |
| Forbearance                      | 82            | 0.2%                     | 0.4%                         |
| Paid in Full/Short Payoff        | 167           | 0.4%                     | 0.9%                         |
| Third Party Sale                 | 2,445         | 6.4%                     | 13.0%                        |
| Deed-in-Lieu                     | 1,684         | 4.4%                     | 8.9%                         |
| <b>Total Foreclosure Avoided</b> | <b>6,427</b>  | <b>16.9%</b>             | <b>34.1%</b>                 |
| Foreclosure                      | 5,850         | 15.4%                    | 31.0%                        |
| <b>Total Outcomes</b>            | <b>12,277</b> | <b>32.3%</b>             | <b>65.1%</b>                 |
| <b>Other Resolutions</b>         |               |                          |                              |
| Whole Loan Sales                 | 6,592         | 17.4%                    | 34.9%                        |
| <b>Subtotal Resolved*</b>        | <b>18,869</b> | <b>49.7%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |               |                          |                              |
| Delinquent Servicing             | 19,121        | 50.3%                    |                              |
| <b>Total Loans Sold</b>          | <b>37,990</b> | <b>100.0%</b>            |                              |

Note: Data includes loans for SFLS 2010 through 2013-2, and represents post-sale reports received through May 30, 2014.

\* The sum of Total Outcomes & Other Resolutions

## SFLS 2010 – National

Currently SFLS 2010 still has 7.3% of loans in delinquent servicing. Of those loans that have resolved, 28.9% have avoided foreclosure.

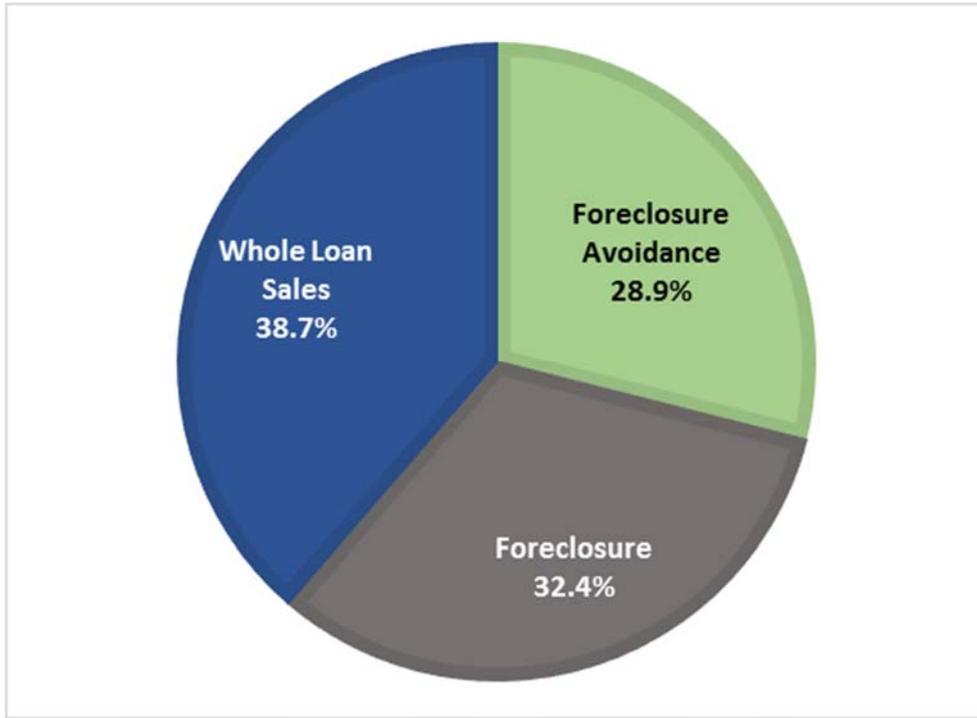
| Sale Date                          | September 22, 2010 | Geography       | Percentage of Total |
|------------------------------------|--------------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 38                 | New Jersey      | 48%                 |
| Loans Sold                         | 410                | Florida         | 14%                 |
| UPB                                | \$98.3 M           | New York        | 10%                 |
| Aggregate Sales Price              | \$34.5 M           | Illinois        | 4%                  |
| Participating Servicers            | 2                  | Ohio            | 3%                  |
| Number of Purchasers               | 2                  | Other           | 21%                 |
| Purchasers                         |                    |                 |                     |
| Purchasers                         |                    | Number of Loans | Percentage of Total |
| OHA Newbury/MCM                    |                    | 299             | 73%                 |
| Lone Star Funds                    |                    | 111             | 27%                 |

**Exhibit A-1: Status of Loans Sold in SFLS 2010**

| Category                         | Count      | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |            |                          |                              |
| <b>Foreclosure Avoided</b>       |            |                          |                              |
| Re-Performing                    | 0          | 0.0%                     | 0.0%                         |
| Forbearance                      | 0          | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 0          | 0.0%                     | 0.0%                         |
| Third Party Sale                 | 110        | 26.8%                    | 28.9%                        |
| Deed-in-Lieu                     | 0          | 0.0%                     | 0.0%                         |
| <b>Total Foreclosure Avoided</b> | <b>110</b> | <b>26.8%</b>             | <b>28.9%</b>                 |
| Foreclosure                      | 123        | 30.0%                    | 32.4%                        |
| <b>Total Outcomes</b>            | <b>233</b> | <b>56.8%</b>             | <b>61.3%</b>                 |
| <b>Other Resolutions</b>         |            |                          |                              |
| Whole Loan Sales                 | 147        | 35.9%                    | 38.7%                        |
| <b>Subtotal Resolved*</b>        | <b>380</b> | <b>92.7%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |            |                          |                              |
| Delinquent Servicing             | 30         | 7.3%                     |                              |
| <b>Total Loans Sold</b>          | <b>410</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit A-2 Percentage of Resolved Loans**



| <b>Foreclosure Avoidance</b> | <b>Percentage of Total Loans Sold</b> |
|------------------------------|---------------------------------------|
| Third Party Sale             | 28.9%                                 |
| <b>Total</b>                 | <b>28.9%</b>                          |

## SFLS 2011-1 – National

Currently SFLS 2011-1 still has 1.2% of loans in delinquent servicing. Of those loans that have resolved, 44% have avoided foreclosure.

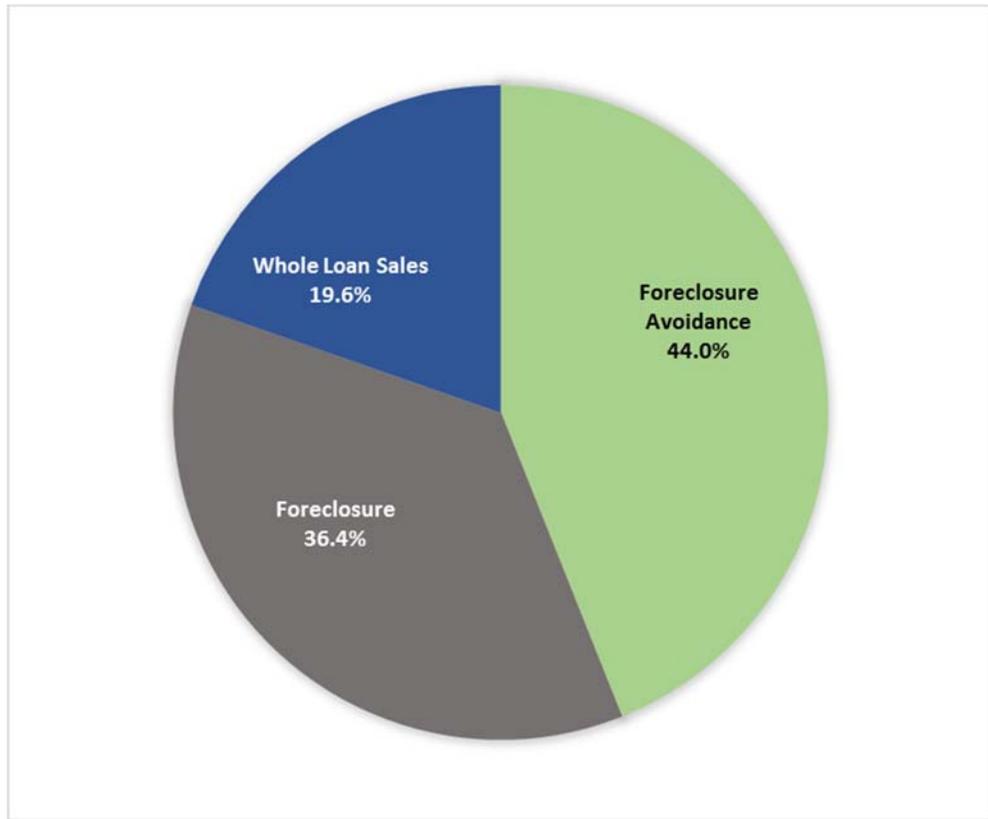
| Sale Date                          | March 9, 2011 | Geography       | Percentage of Total |
|------------------------------------|---------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 32            | Florida         | 20%                 |
| Loans Sold                         | 804           | Illinois        | 11%                 |
| UPB                                | \$140.2 M     | Ohio            | 8%                  |
| Aggregate Sales Price              | \$52.6 M      | Indiana         | 6%                  |
| Participating Servicers            | 1             | New Jersey      | 6%                  |
| Purchasers                         | 1             | Other           | 49%                 |
| Purchasers                         |               | Number of Loans | Percentage of Total |
| Kondaur Capital Corporation        |               | 804             | 100%                |

**Exhibit B-1: Status of Loans Sold in SFLS 2011-1**

| Category                         | Count      | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |            |                          |                              |
| <b>Foreclosure Avoided</b>       |            |                          |                              |
| Re-Performing                    | 0          | 0.0%                     | 0.0%                         |
| Forbearance                      | 0          | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 0          | 0.0%                     | 0.0%                         |
| Third Party Sale                 | 145        | 18.0%                    | 18.3%                        |
| Deed-in-Lieu                     | 204        | 25.4%                    | 25.7%                        |
| <b>Total Foreclosure Avoided</b> | <b>349</b> | <b>43.4%</b>             | <b>44.0%</b>                 |
| Foreclosure                      | 289        | 35.9%                    | 36.4%                        |
| <b>Total Outcomes</b>            | <b>638</b> | <b>79.4%</b>             | <b>80.4%</b>                 |
| <b>Other Resolutions</b>         |            |                          |                              |
| Whole Loan Sales                 | 156        | 19.4%                    | 19.6%                        |
| <b>Subtotal Resolved*</b>        | <b>794</b> | <b>98.8%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |            |                          |                              |
| Delinquent Servicing             | 10         | 1.2%                     |                              |
| <b>Total Loans Sold</b>          | <b>804</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit B-2 Percentage of Resolved Loans**



| Foreclosure Avoidance | Percentage of Total Loans Sold |
|-----------------------|--------------------------------|
| Third Party Sale      | 18.3%                          |
| Deed-in-Lieu          | 25.7%                          |
| <b>Total</b>          | <b>44.0%</b>                   |

## SFLS 2011-2 – National

Currently SFLS 2011-2 still has 1.7% of loans in delinquent servicing. Of those loans that have resolved, 45.5% have avoided foreclosure.

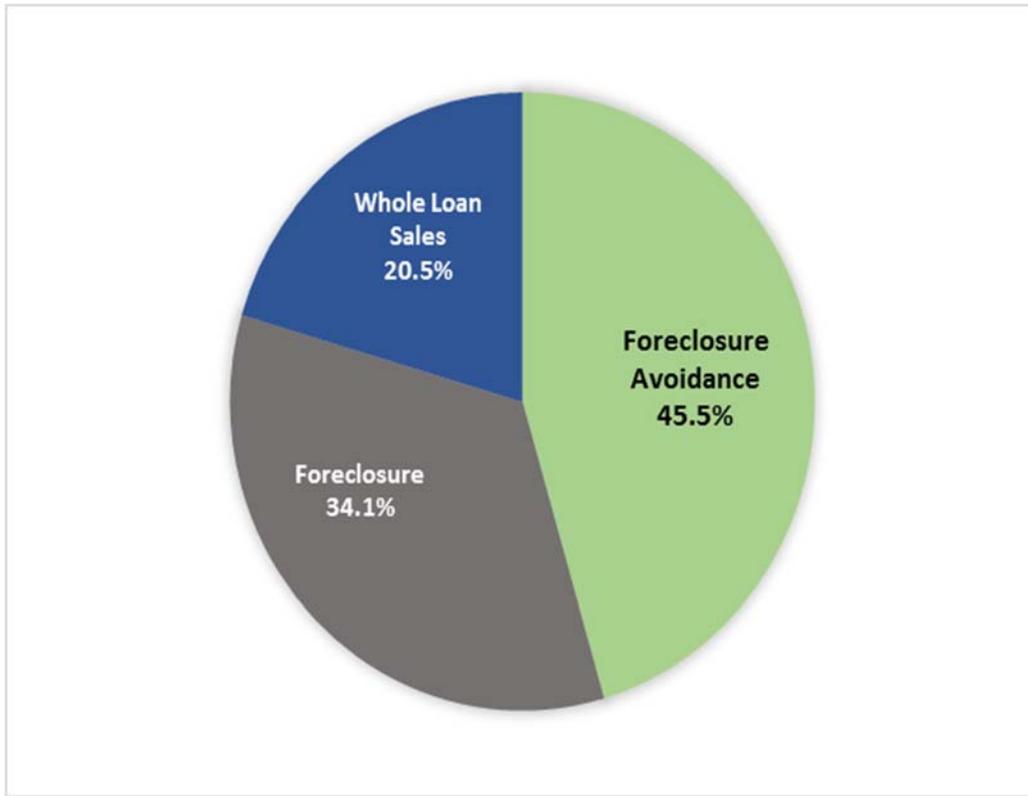
| Sale Date                          | June 22, 2011 | Geography       | Percentage of Total |
|------------------------------------|---------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 29            | Florida         | 21%                 |
| Loans Sold                         | 517           | Ohio            | 11%                 |
| UPB                                | \$87.5 M      | Illinois        | 9%                  |
| Aggregate Sales Price              | \$31.9 M      | Wisconsin       | 5%                  |
| Participating Servicers            | 1             | Maryland        | 5%                  |
| Purchasers                         | 1             | Other           | 49%                 |
| Purchasers                         |               | Number of Loans | Percentage of Total |
| Kondaur Capital Corporation        |               | 517             | 100%                |

**Exhibit C-1: Status of Loans Sold in SFLS 2011-2**

| Category                         | Count      | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |            |                          |                              |
| <b>Foreclosure Avoided</b>       |            |                          |                              |
| Re-Performing                    | 0          | 0.0%                     | 0.0%                         |
| Forbearance                      | 0          | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 0          | 0.0%                     | 0.0%                         |
| Third Party Sale                 | 104        | 20.1%                    | 20.5%                        |
| Deed-in-Lieu                     | 127        | 24.6%                    | 25.0%                        |
| <b>Total Foreclosure Avoided</b> | <b>231</b> | <b>44.7%</b>             | <b>45.5%</b>                 |
| Foreclosure                      | 173        | 33.5%                    | 34.1%                        |
| <b>Total Outcomes</b>            | <b>404</b> | <b>78.1%</b>             | <b>79.5%</b>                 |
| <b>Other Resolutions</b>         |            |                          |                              |
| Whole Loan Sales                 | 104        | 20.1%                    | 20.5%                        |
| <b>Subtotal Resolved*</b>        | <b>508</b> | <b>98.3%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |            |                          |                              |
| Delinquent Servicing             | 9          | 1.7%                     |                              |
| <b>Total Loans Sold</b>          | <b>517</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit C-2 Percentage of Resolved Loan**



| <b>Foreclosure Avoidance</b> | <b>Percentage of Total Loans Sold</b> |
|------------------------------|---------------------------------------|
| Third Party Sale             | 20.5%                                 |
| Deed-in-Lieu                 | 25.0%                                 |
| <b>Total</b>                 | <b>45.5%</b>                          |

## SFLS 2011-3 –National

Currently SFLS 2011-3 still has 6.7% of loans in delinquent servicing. Of those loans that have resolved, 39.3% have avoided foreclosure.

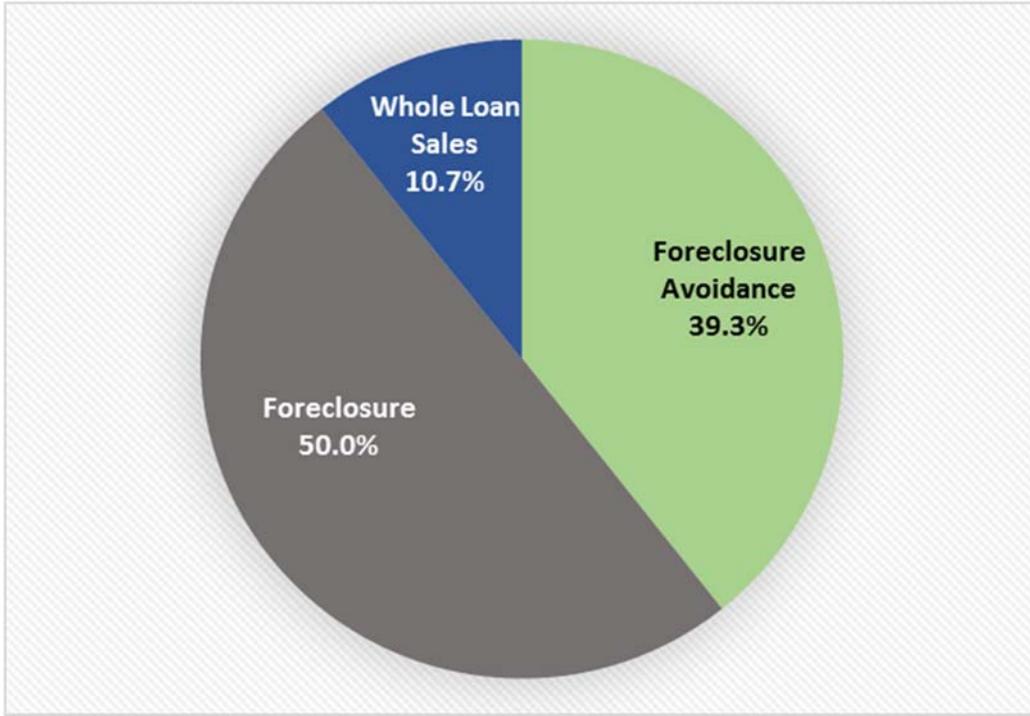
| Sale Date                          | September 14, 2011 | Geography       | Percentage of Total |
|------------------------------------|--------------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 26                 | Florida         | 23%                 |
| Loans Sold                         | 60                 | Illinois        | 10%                 |
| UPB                                | \$8.2 M            | Arizona         | 8%                  |
| Aggregate Sales Price              | \$2.4 M            | Georgia         | 7%                  |
| Participating Servicers            | 2                  | North Carolina  | 5%                  |
| Purchasers                         | 1                  | Other           | 47%                 |
| <b>Purchasers</b>                  |                    |                 |                     |
| Bayview Asset Management           |                    | Number of Loans | Percentage of Total |
|                                    |                    | 60              | 100%                |

Exhibit D-1: Status of Loans Sold in SFLS 2011-3

| Category                         | Count     | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|-----------|--------------------------|------------------------------|
| <b>Resolved</b>                  |           |                          |                              |
| <b>Foreclosure Avoided</b>       |           |                          |                              |
| Re-Performing                    | 14        | 23.3%                    | 25.0%                        |
| Forbearance                      | 0         | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 0         | 0.0%                     | 0.0%                         |
| Third Party Sale                 | 7         | 11.7%                    | 12.5%                        |
| Deed-in-Lieu                     | 1         | 1.7%                     | 1.8%                         |
| <b>Total Foreclosure Avoided</b> | <b>22</b> | <b>36.7%</b>             | <b>39.3%</b>                 |
| Foreclosure                      | 28        | 46.7%                    | 50.0%                        |
| <b>Total Outcomes</b>            | <b>50</b> | <b>83.3%</b>             | <b>89.3%</b>                 |
| <b>Other Resolutions</b>         |           |                          |                              |
| Whole Loan Sales                 | 6         | 10.0%                    | 10.7%                        |
| <b>Subtotal Resolved*</b>        | <b>56</b> | <b>93.3%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |           |                          |                              |
| Delinquent Servicing             | 4         | 6.7%                     |                              |
| <b>Total Loans Sold</b>          | <b>60</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit D-2 Percentage of Resolved Loans**



| <b>Foreclosure Avoidance</b> | <b>Percentage of Total Loans Sold</b> |
|------------------------------|---------------------------------------|
| Third Party Sale             | 12.5%                                 |
| Re-Performing                | 25.0%                                 |
| Deed-in-Lieu                 | 1.8%                                  |
| <b>Total</b>                 | <b>39.3%</b>                          |

## SFLS 2012-1 – National

Currently SFLS 2012-1 still has 18.8% of loans in delinquent servicing. Of those loans that have resolved, 39.3% have avoided foreclosure.

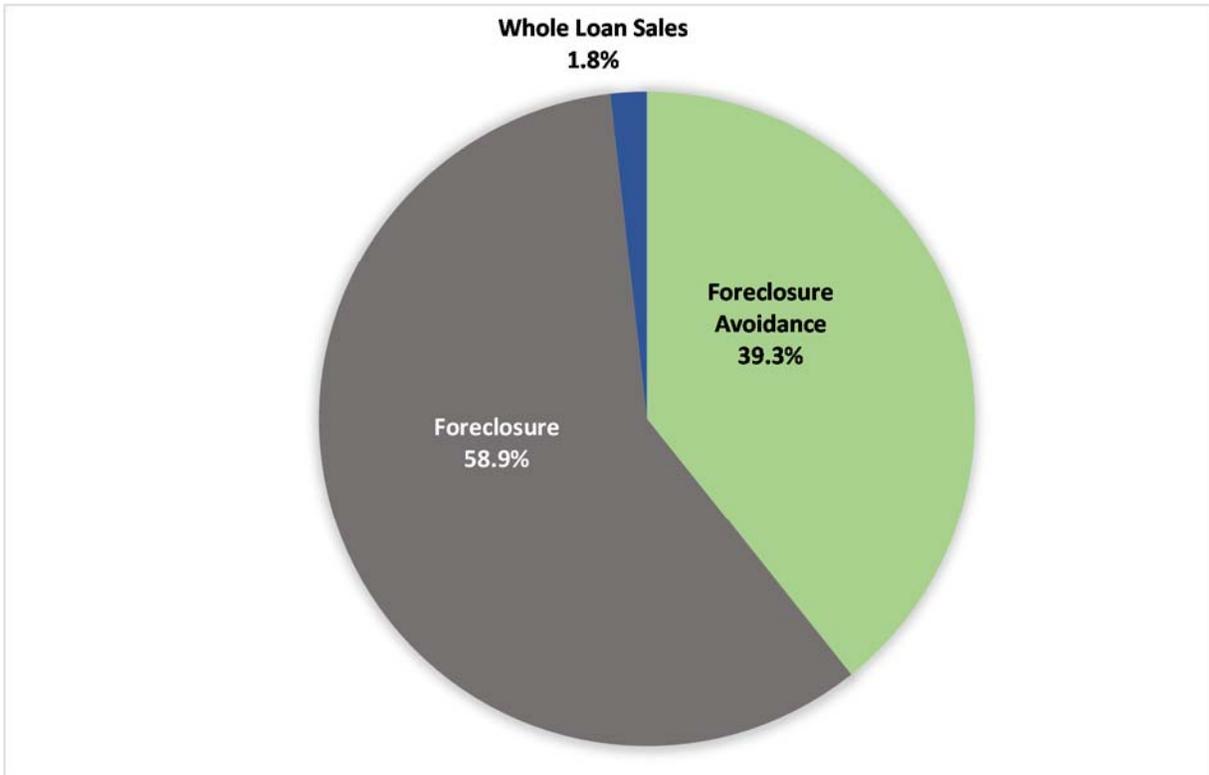
| Sale Date                          | December 7, 2011 | Geography       | Percentage of Total |
|------------------------------------|------------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 23               | Florida         | 20%                 |
| Loans Sold                         | 69               | Illinois        | 13%                 |
| UPB                                | \$12.0 M         | Maryland        | 9%                  |
| Aggregate Sales Price              | \$4.5 M          | Virginia        | 6%                  |
| Participating Servicers            | 2                | Indiana         | 6%                  |
| Purchasers                         | 2                | Other           | 46%                 |
| Purchasers                         |                  | Number of Loans | Percentage of Total |
| Asset Resolution Corp.             |                  | 65              | 94%                 |
| Bayview Asset Management           |                  | 4               | 6%                  |

**Exhibit E-1: Status of Loans Sold in SFLS 2012-1 National**

| Category                         | Count     | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|-----------|--------------------------|------------------------------|
| <b>Resolved</b>                  |           |                          |                              |
| <b>Foreclosure Avoided</b>       |           |                          |                              |
| Re-Performing                    | 5         | 7.2%                     | 8.9%                         |
| Forbearance                      | 0         | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 6         | 8.7%                     | 10.7%                        |
| Third Party Sale                 | 2         | 2.9%                     | 3.6%                         |
| Deed-in-Lieu                     | 9         | 13.0%                    | 16.1%                        |
| <b>Total Foreclosure Avoided</b> | <b>22</b> | <b>31.9%</b>             | <b>39.3%</b>                 |
| Foreclosure                      | 33        | 47.8%                    | 58.9%                        |
| <b>Total Outcomes</b>            | <b>55</b> | <b>79.7%</b>             | <b>98.2%</b>                 |
| <b>Other Resolutions</b>         |           |                          |                              |
| Whole Loan Sales                 | 1         | 1.4%                     | 1.8%                         |
| <b>Subtotal Resolved*</b>        | <b>56</b> | <b>81.2%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |           |                          |                              |
| Delinquent Servicing             | 13        | 18.8%                    |                              |
| <b>Total Loans Sold</b>          | <b>69</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit E-2 Percentage of Resolved Loans**



| Foreclosure Avoidance     | Percentage of Total Loans Sold |
|---------------------------|--------------------------------|
| Re-Performing             | 8.9%                           |
| Paid in Full/Short Payoff | 10.7%                          |
| Third party Sale          | 3.6%                           |
| Deed-in-Lieu              | 16.1%                          |
| <b>Total</b>              | <b>39.3%</b>                   |

## SFLS 2012-2 – National

Currently SFLS 2012-2 still has 27.2% of loans in delinquent servicing. Of those loans that have resolved, 52.8% have avoided foreclosure.

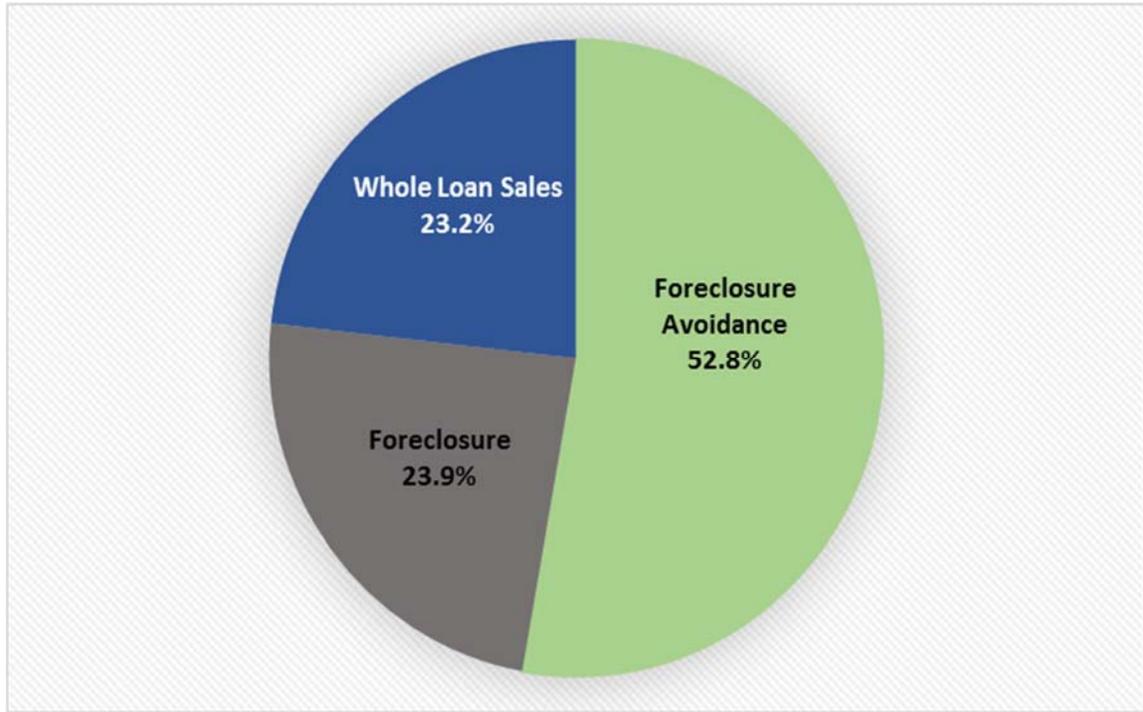
| Sale Date                          | April 25, 2012 | Geography       | Percentage of Total |
|------------------------------------|----------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 19             | New York        | 24%                 |
| Loans Sold                         | 195            | Florida         | 18%                 |
| UPB                                | \$41.4 M       | New Jersey      | 7%                  |
| Aggregate Sales Price              | \$13.9M        | Miami           | 7%                  |
| Participating Servicers            | 5              | Illinois        | 5%                  |
| Purchasers                         | 2              | Other           | 39%                 |
| Purchasers                         |                | Number of Loans | Percentage of Total |
| Bayview Asset Management           |                | 192             | 98%                 |
| Mercy Housing (MRF)                |                | 3               | 2%                  |

**Exhibit F-1: Status of Loans Sold in SFLS 2012-2**

| Category                         | Count      | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |            |                          |                              |
| <b>Foreclosure Avoided</b>       |            |                          |                              |
| Re-Performing                    | 48         | 24.6%                    | 33.8%                        |
| Forbearance                      | 0          | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 0          | 0.0%                     | 0.0%                         |
| Third Party Sale                 | 17         | 8.7%                     | 12.0%                        |
| Deed-in-Lieu                     | 10         | 5.1%                     | 7.0%                         |
| <b>Total Foreclosure Avoided</b> | <b>75</b>  | <b>38.5%</b>             | <b>52.8%</b>                 |
| Foreclosure                      | 34         | 17.4%                    | 23.9%                        |
| <b>Total Outcomes</b>            | <b>109</b> | <b>55.9%</b>             | <b>76.8%</b>                 |
| <b>Other Resolutions</b>         |            |                          |                              |
| Whole Loan Sales                 | 33         | 16.9%                    | 23.2%                        |
| <b>Subtotal Resolved*</b>        | <b>142</b> | <b>72.8%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |            |                          |                              |
| Delinquent Servicing             | 53         | 27.2%                    |                              |
| <b>Total Loans Sold</b>          | <b>195</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit F-2 Percentage of Resolved Loans**



| Foreclosure Avoidance | Percentage of Total Loans Sold |
|-----------------------|--------------------------------|
| Re-Performing         | 33.8%                          |
| Third party Sale      | 12.0%                          |
| Deed-in-Lieu          | 7.0%                           |
| <b>Total</b>          | <b>52.8%</b>                   |

## SFLS 2012-3 – National

Currently SFLS 2012-3 still has 33% of loans in delinquent servicing. Of those loans that have resolved, 45.8% have avoided foreclosure.

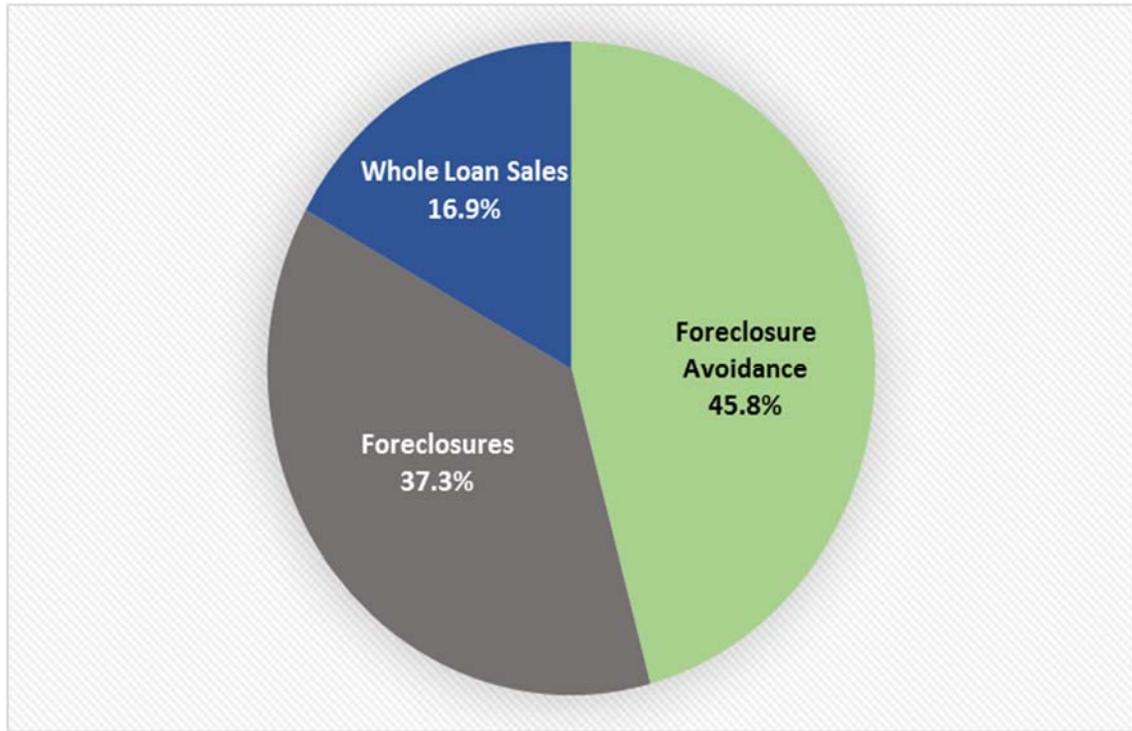
| Sale Date                          | September 12, 2012 | Geography       | Percentage of Total |
|------------------------------------|--------------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 20                 | Florida         | 19%                 |
| Loans Sold                         | 3,257              | New Jersey      | 18%                 |
| UPB                                | \$599.2 M          | New York        | 16%                 |
| Aggregate Sales Price              | \$218.6 M          | Ohio            | 5%                  |
| Participating Servicers            | 12                 | Illinois        | 3%                  |
| Purchasers                         | 5                  | Other           | 37%                 |
| Purchasers                         |                    | Number of Loans | Percentage of Total |
| Selene Residential Partners        |                    | 919             | 28%                 |
| CPCA Trust I                       |                    | 893             | 27%                 |
| Bayview Asset Management           |                    | 552             | 17%                 |
| Kondaur Capital Corporation        |                    | 548             | 17%                 |
| OWS I Acquisitions, LLC            |                    | 345             | 11%                 |

**Exhibit G-1: Status of Loans Sold in SFLS 2012-3- National**

| Category                         | Count        | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|--------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |              |                          |                              |
| <b>Foreclosure Avoided</b>       |              |                          |                              |
| Re-Performing                    | 301          | 9.2%                     | 13.8%                        |
| Forbearance                      | 16           | 0.5%                     | 0.7%                         |
| Paid in Full/Short Payoff        | 12           | 0.4%                     | 0.6%                         |
| Third Party Sale                 | 258          | 7.9%                     | 11.8%                        |
| Deed-in-Lieu                     | 412          | 12.6%                    | 18.9%                        |
| <b>Total Foreclosure Avoided</b> | <b>999</b>   | <b>30.7%</b>             | <b>45.8%</b>                 |
| Foreclosure                      | 813          | 25.0%                    | 37.3%                        |
| <b>Total Outcomes</b>            | <b>1,812</b> | <b>55.6%</b>             | <b>83.1%</b>                 |
| <b>Other Resolutions</b>         |              |                          |                              |
| Whole Loan Sales                 | 369          | 11.3%                    | 16.9%                        |
| <b>Subtotal Resolved*</b>        | <b>2,181</b> | <b>67.0%</b>             | <b>100%</b>                  |
| <b>Not Yet Resolved</b>          |              |                          |                              |
| Delinquent Servicing             | 1,076        | 33.0%                    |                              |
| <b>Total Loans Sold</b>          | <b>3,257</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit G-2 Percentage of Resolved Loans**



| Foreclosure Avoidance     | Percentage of Total Loans Sold |
|---------------------------|--------------------------------|
| Re-Performing             | 13.8%                          |
| Forbearance               | 0.7%                           |
| Paid in Full/Short payoff | 0.6%                           |
| Deed-in-Lieu              | 18.9%                          |
| Third Party Sale          | 11.8%                          |
| <b>Total</b>              | <b>45.8%</b>                   |

## SFLS 2012-3 – NSO

Currently SFLS 2012-3 still has 50% of loans in delinquent servicing. Of those loans that have resolved, 57% have avoided foreclosure.

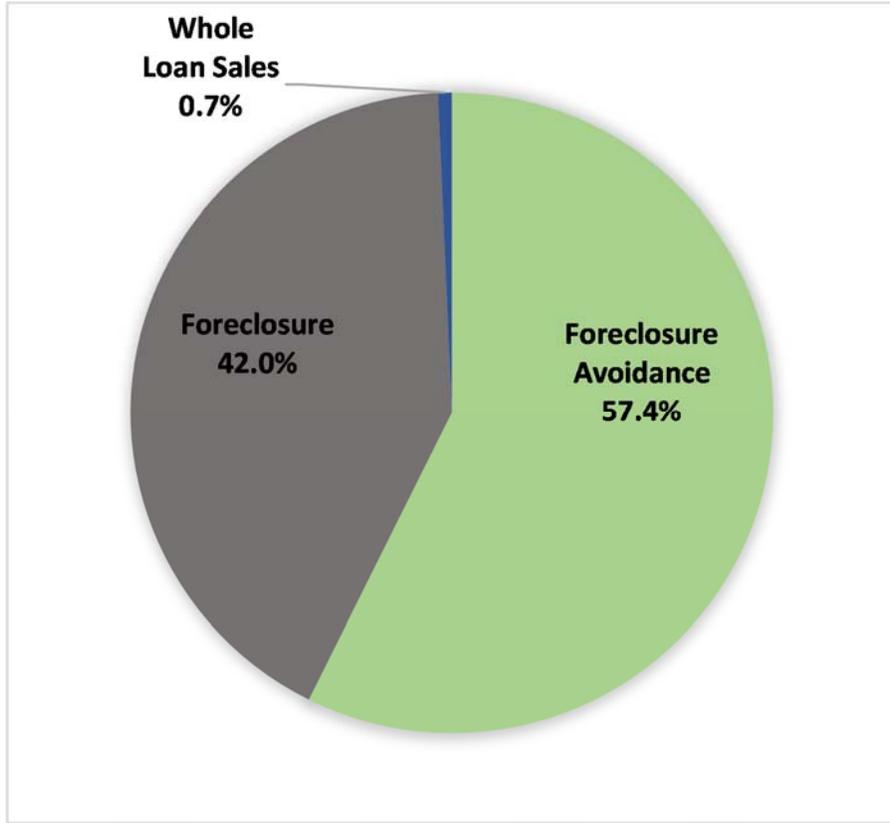
| Sale Date                          | September 27, 2012 | Geography           | Percentage of Total |
|------------------------------------|--------------------|---------------------|---------------------|
| Months from Sale to Reporting Date | 20                 | NSO -Chicago        | 45%                 |
| Loans Sold                         | 2,860              | NSO - Tampa         | 30%                 |
| UPB                                | \$554.5 M          | NSO -Newark         | 17%                 |
| Aggregate Sales Price              | \$186.1 M          | NSO - Phoenix       | 8%                  |
| Participating Servicer             | 1                  |                     |                     |
| Purchasers                         | 5                  |                     |                     |
| Purchasers                         |                    |                     |                     |
| Purchasers                         | Number of Loans    | Percentage of Total |                     |
| Oaktree Capital Management         | 1,081              | 38%                 |                     |
| Bayview Asset Management           | 1,075              | 38%                 |                     |
| New Jersey Community Capital       | 261                | 9%                  |                     |
| HMC Assets                         | 224                | 8%                  |                     |
| Mercy Housing (MRF)                | 219                | 8%                  |                     |

**Exhibit H-1: Status of Loans Sold in SFLS 2012-3- NSO**

| Category                         | Count        | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|--------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |              |                          |                              |
| <b>Foreclosure Avoided</b>       |              |                          |                              |
| Re-Performing                    | 398          | 13.9%                    | 27.7%                        |
| Forbearance                      | 0            | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 26           | 0.9%                     | 1.8%                         |
| Third Party Sale                 | 243          | 8.5%                     | 16.9%                        |
| Deed-in-Lieu                     | 156          | 5.5%                     | 10.9%                        |
| <b>Total Foreclosure Avoided</b> | <b>823</b>   | <b>28.8%</b>             | <b>57.4%</b>                 |
| Foreclosure                      | 602          | 21.0%                    | 42.0%                        |
| <b>Total Outcomes</b>            | <b>1,425</b> | <b>49.8%</b>             | <b>99.3%</b>                 |
| <b>Other Resolutions</b>         |              |                          |                              |
| Whole Loan Sales                 | 10           | 0.3%                     | 0.7%                         |
| <b>Subtotal Resolved*</b>        | <b>1,435</b> | <b>50.2%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |              |                          |                              |
| Delinquent Servicing             | 1,425        | 49.8%                    |                              |
| <b>Total Loans Sold</b>          | <b>2,860</b> | <b>100%</b>              |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit H-2 Percentage of Resolved Loans**



| <b>Foreclosure Avoidance</b> | <b>Percentage of Total Loans Sold</b> |
|------------------------------|---------------------------------------|
| Re-Performing                | 27.7%                                 |
| Paid in Full/Short payoff    | 1.8%                                  |
| Deed-in-Lieu                 | 10.9%                                 |
| Third Party Sale             | 16.9%                                 |
| <b>Total</b>                 | <b>57.4%</b>                          |

**Table H-3: SFLS 2012-3 NSO Outcomes Summary**

| NSO Category Codes               | 2012-3       |               |
|----------------------------------|--------------|---------------|
|                                  | Count        | % of Total    |
| <b>Total # of Settled Loans</b>  | <b>2,860</b> |               |
| NSO Outcomes                     | 412          | 23.2%         |
| Planned NSO Outcomes             | 564          | 31.7%         |
| Interim Status/Planning Stage    | 281          | 15.8%         |
| Non-NSO Outcome                  | 522          | 29.3%         |
| <b>Total Outcomes Reported</b>   | <b>1,779</b> | <b>100.0%</b> |
| <b>Percent of Loans Reported</b> | <b>62.2%</b> |               |

DRAFT

## SFLS 2013-1– National

Currently SFLS 2013-1 still has 28.0% of loans in delinquent servicing. Of those loans that have resolved, 21.3% have avoided foreclosure.

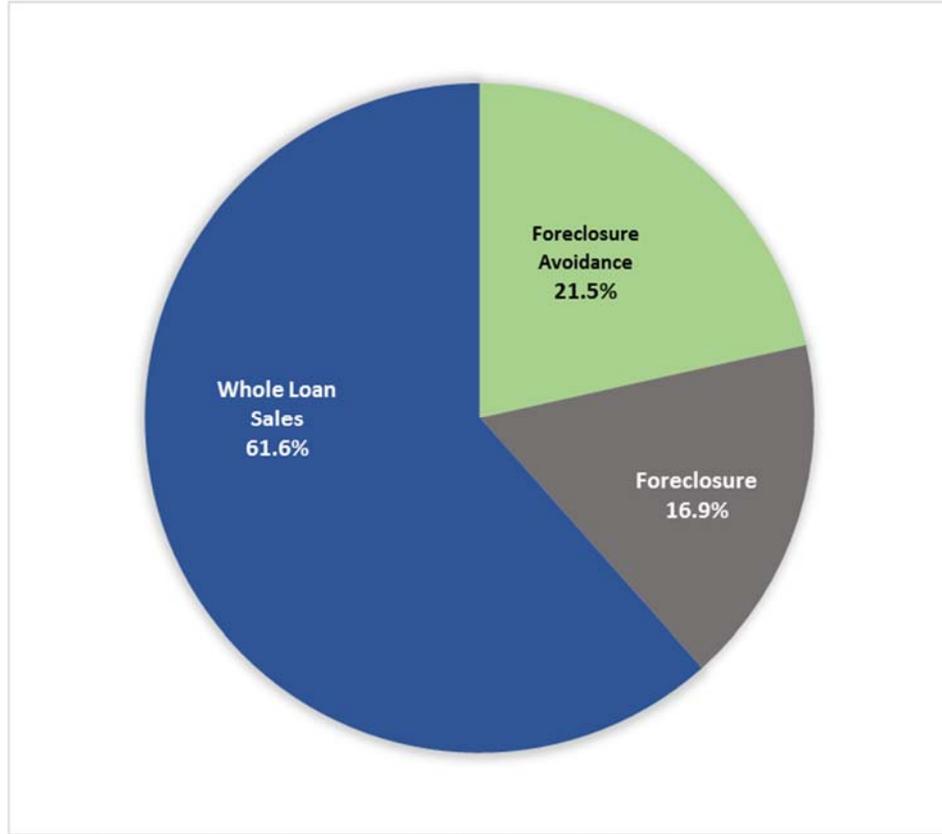
| Sale Date                          | March 20, 2013  | Geography           | Percentage of Total |
|------------------------------------|-----------------|---------------------|---------------------|
| Months from Sale to Reporting Date | 14              | Florida             | 15%                 |
| Loans Sold                         | 10,447          | Illinois            | 12%                 |
| UPB                                | \$1.9 B         | New Jersey          | 12%                 |
| Aggregate Sales Price              | 85.8 M          | Ohio                | 6%                  |
| Participating Servicers            | 13              | Indiana             | 5%                  |
| Purchasers                         | 5               | Other               | 50%                 |
| Purchasers                         |                 |                     |                     |
| Purchasers                         | Number of Loans | Percentage of Total |                     |
| Bayview Asset Management           | 4,457           | 43%                 |                     |
| RBS Financial Products Inc.        | 3,488           | 33%                 |                     |
| 25 Capital Partners                | 1,198           | 11%                 |                     |
| OWS I Acquisitions, LLC            | 945             | 9%                  |                     |
| Kondaur Capital Corporation        | 359             | 3%                  |                     |

**Exhibit I-1: Status of Loans Sold in SFLS 2013-1- National**

| Category                         | Count         | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|---------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |               |                          |                              |
| <b>Foreclosure Avoided</b>       |               |                          |                              |
| Re-Performing                    | 882           | 8.4%                     | 11.6%                        |
| Forbearance                      | 15            | 0.1%                     | 0.2%                         |
| Paid in Full/Short Payoff        | 53            | 0.5%                     | 0.7%                         |
| Third Party Sale                 | 300           | 2.9%                     | 4.0%                         |
| Deed-in-Lieu                     | 376           | 3.6%                     | 5.0%                         |
| <b>Total Foreclosure Avoided</b> | <b>1,626</b>  | <b>15.6%</b>             | <b>21.5%</b>                 |
| Foreclosure                      | 1,284         | 12.3%                    | 16.9%                        |
| <b>Total Outcomes</b>            | <b>2,910</b>  | <b>27.9%</b>             | <b>38.4%</b>                 |
| <b>Other Resolutions</b>         |               |                          |                              |
| Whole Loan Sales                 | 4,668         | 44.7%                    | 61.6%                        |
| <b>Subtotal Resolved*</b>        | <b>7,578</b>  | <b>72.5%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |               |                          |                              |
| Delinquent Servicing             | 2,869         | 27.5%                    |                              |
| <b>Total Loans Sold</b>          | <b>10,447</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

**Exhibit I-2 Percentage of Resolved Loans**



| Foreclosure Avoidance     | Percentage of Total Loans Sold |
|---------------------------|--------------------------------|
| Re-Performing             | 11.6%                          |
| Paid in Full/Short payoff | 0.7%                           |
| Deed-in-Lieu              | 5.0%                           |
| Third Party Sale          | 4.0%                           |
| Forbearance               | 0.2%                           |
| <b>Total</b>              | <b>21.5%</b>                   |

## SFLS 2013-1– NSO

Currently SFLS 2013-1 still has 76.3% of loans in delinquent servicing. Of those loans that have resolved, 54.7% have avoided foreclosure.

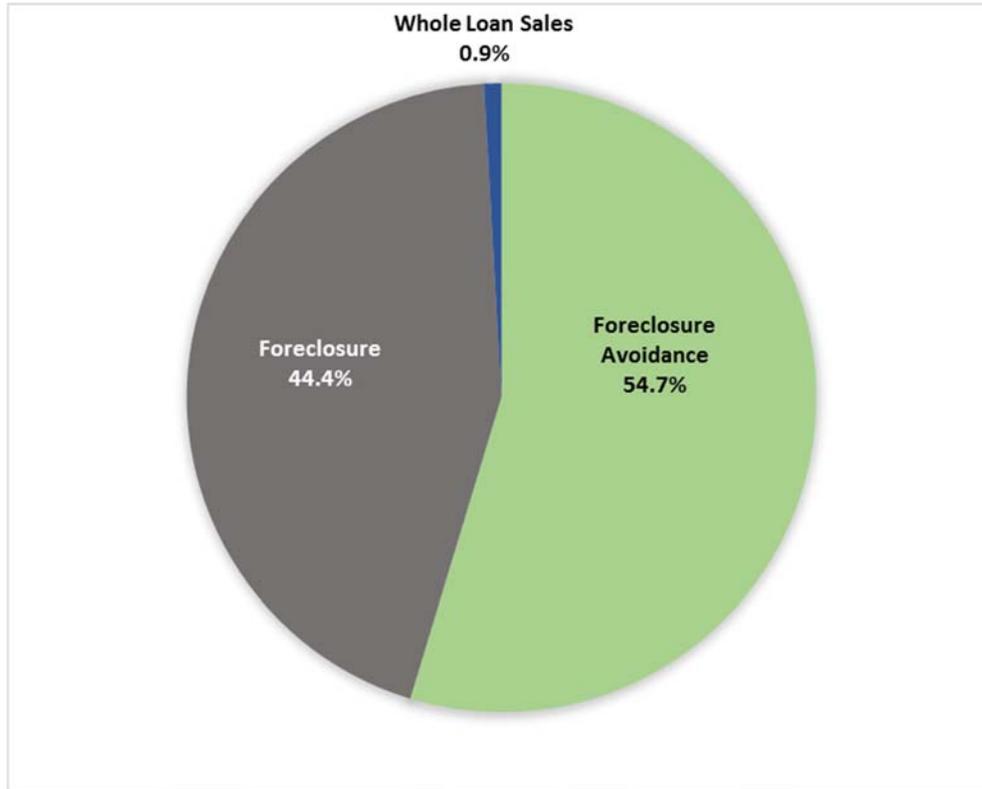
| Sale Date                          | March 27, 2013 | Geography       | Percentage of Total |
|------------------------------------|----------------|-----------------|---------------------|
| Months from Sale to Reporting Date | 14             | Florida         | 54%                 |
| Loans Sold                         | 3,289          | Georgia         | 19%                 |
| UPB                                | \$523.6 M      | Ohio            | 19%                 |
| Aggregate Sales Price              | \$212.8 M      | California      | 7%                  |
| Participating Servicers            | 1              |                 |                     |
| Purchasers                         | 4              |                 |                     |
| Purchasers                         |                | Number of Loans | Percentage of Total |
| Bayview Asset Management           |                | 1,440           | 44%                 |
| Oaktree Capital Management         |                | 982             | 30%                 |
| Mercy Housing (MRF)                |                | 626             | 19%                 |
| The Corona Group                   |                | 241             | 7%                  |

### Exhibit J-1: Status of Loans Sold in SFLS 2013-1- NSO

| Category                         | Count        | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|--------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |              |                          |                              |
| <b>Foreclosure Avoided</b>       |              |                          |                              |
| Re-Performing                    | 161          | 4.9%                     | 20.6%                        |
| Forbearance                      | 0            | 0.0%                     | 0.0%                         |
| Paid in Full/Short Payoff        | 12           | 0.4%                     | 1.5%                         |
| Third Party Sale                 | 157          | 4.8%                     | 20.1%                        |
| Deed-in-Lieu                     | 97           | 2.9%                     | 12.4%                        |
| <b>Total Foreclosure Avoided</b> | <b>427</b>   | <b>13.0%</b>             | <b>54.7%</b>                 |
| Foreclosure                      | 347          | 10.6%                    | 44.4%                        |
| <b>Total Outcomes</b>            | <b>774</b>   | <b>23.5%</b>             | <b>99.1%</b>                 |
| <b>Other Resolutions</b>         |              |                          |                              |
| Whole Loan Sales                 | 7            | 0.2%                     | 0.9%                         |
| <b>Subtotal Resolved*</b>        | <b>781</b>   | <b>23.7%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |              |                          |                              |
| Delinquent Servicing             | 2,508        | 76.3%                    |                              |
| <b>Total Loans Sold</b>          | <b>3,289</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

### Exhibit J-2 Percentage of Resolved Loans



| Foreclosure Avoidance     | Percentage of Total Loans Sold |
|---------------------------|--------------------------------|
| Re-Performing             | 20.6%                          |
| Paid in Full/Short payoff | 1.5%                           |
| Deed-in-Lieu              | 12.4%                          |
| Third Party Sale          | 20.1%                          |
| <b>Total</b>              | <b>54.7%</b>                   |

**Table J-3: SFLS 2013-1 NSO Outcomes Summary**

| NSO Category Codes               | 2013-1        |                |
|----------------------------------|---------------|----------------|
|                                  | Count         | % of Total     |
| <b>Total # of Settled Loans</b>  | <b>3,289</b>  |                |
| NSO Outcomes                     | 135           | 5.85%          |
| Planned NSO Outcomes             | 537           | 23.28%         |
| Interim Status/Planning Stage    | 1,328         | 57.56%         |
| Non-NSO Outcome                  | 307           | 13.31%         |
| <b>Total Outcomes Reported</b>   | <b>2,307</b>  | <b>100.00%</b> |
| <b>Percent of Loans Reported</b> | <b>70.00%</b> |                |

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## SFLS 2013-2– National

Currently SFLS 2013-2 still has 66.4% of loans in delinquent servicing. Of those loans that have resolved, 31.4% have avoided foreclosure.

| Sale Date                                | June 26, 2013   | Geography           | Percentage of Total |
|--|-----------------|---------------------|---------------------|
| Months from Sale to Reporting Date       | 11              | Florida             | 23%                 |
| Loans Sold                               | 13,247          | Indiana             | 7%                  |
| UPB                                      | \$2.0 B         | New York            | 7%                  |
| Aggregate Sales Price                    | \$1.0 B         | New Jersey          | 6%                  |
| Participating Servicers                  | 22              | Pennsylvania        | 5%                  |
| Purchasers                               | 8               | Other               | 52%                 |
| Purchasers                               |                 |                     |                     |
|  | Number of Loans | Percentage of Total |                     |
| Selene Residential Partners              | 4,405           | 34%                 |                     |
| OHA Newbury/MCM                          | 2,693           | 21%                 |                     |
| RBS Financial Products Inc.              | 2,030           | 16%                 |                     |
| Altisource Residential, L.P.             | 1,954           | 15%                 |                     |
| 25 Capital Partners                      | 697             | 5%                  |                     |
| Kondaur Capital Corporation              | 611             | 5%                  |                     |
| Reliance Standard life Insurance Company | 395             | 3%                  |                     |
| Walton (Guardian Capital)                | 259             | 2%                  |                     |

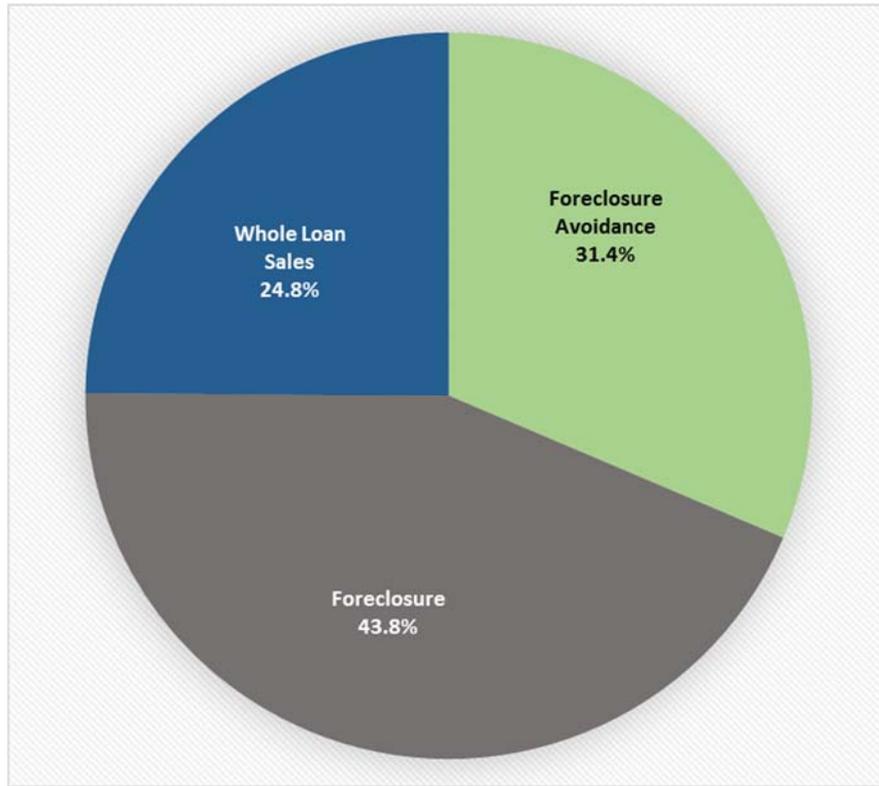
**Exhibit K-1: Status of Loans Sold in SFLS 2013-2- National**

| Category                         | Count         | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|---------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |               |                          |                              |
| <b>Foreclosure Avoided</b>       |               |                          |                              |
| Re-Performing                    | 143           | 1.1%                     | 3.3%                         |
| Forbearance                      | 50            | 0.4%                     | 1.1%                         |
| Paid in Full/Short Payoff        | 38            | 0.3%                     | 0.9%                         |
| Third Party Sale                 | 926           | 7.1%                     | 21.1%                        |
| Deed-in-Lieu                     | 220           | 1.7%                     | 5.0%                         |
| <b>Total Foreclosure Avoided</b> | <b>1,377</b>  | <b>10.6%</b>             | <b>31.4%</b>                 |
| Foreclosure                      | 1,921         | 14.7%                    | 43.8%                        |
| <b>Total Outcomes</b>            | <b>3,298</b>  | <b>25.3%</b>             | <b>75.2%</b>                 |
| <b>Other Resolutions</b>         |               |                          |                              |
| Whole Loan Sales                 | 1,090         | 8.4%                     | 24.8%                        |
| <b>Subtotal Resolved*</b>        | <b>4,388</b>  | <b>33.6%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |               |                          |                              |
| Delinquent Servicing             | 8,656         | 66.4%                    |                              |
| <b>Total Loans Sold</b>          | <b>13,044</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

Data for Pool 107 has been received but not reflected in the table above

### Exhibit K-2 Percentage of Resolved Loans



| Foreclosure Avoidance     | Percentage of Total Loans Sold |
|---------------------------|--------------------------------|
| Re-Performing             | 3.3%                           |
| Forbearance               | 1.1%                           |
| Paid in Full/Short payoff | 0.9%                           |
| Deed-in-Lieu              | 5.0%                           |
| Third Party Sale          | 21.1%                          |
| <b>Total</b>              | <b>31.4%</b>                   |

## SFLS 2013-2– NSO

Currently SFLS 2013-2 still has 81.2% of loans in delinquent servicing. Of those loans that have resolved, 64.2% have avoided foreclosure.

| Sale Date                          | October 1, 2013 | Geography      | Percentage of Total |
|------------------------------------|-----------------|----------------|---------------------|
| Months from Sale to Reporting Date | 7               | Illinois       | 42%                 |
| Loans Sold                         | 3,163           | North Carolina | 26%                 |
| UPB                                | \$493.0 M       | Ohio           | 23%                 |
| Aggregate Sales Price              | \$227.8 M       | California     | 10%                 |
| Participating Servicers            | 2               |                |                     |
| Purchasers                         | 4               |                |                     |

| Purchasers                 | Number of Loans | Percentage of Total |
|----------------------------|-----------------|---------------------|
| Oaktree Capital Management | 1,478           | 49%                 |
| 25 Capital Partners        | 636             | 21%                 |
| Bayview Asset Management   | 628             | 21%                 |
| The Corona Group           | 296             | 10%                 |

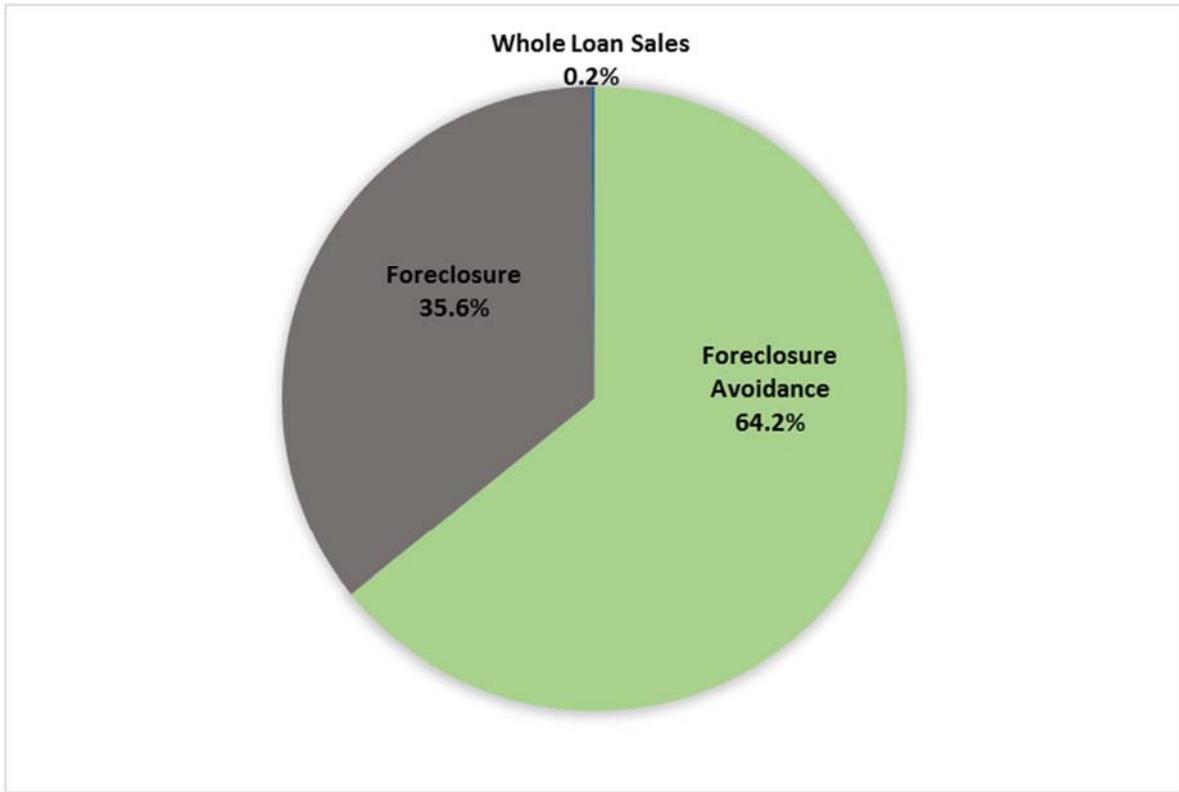
**Exhibit L-1: Status of Loans Sold in SFLS 2013-2- NSO**

| Category                         | Count        | Percentage of Loans Sold | Percentage of Resolved Loans |
|----------------------------------|--------------|--------------------------|------------------------------|
| <b>Resolved</b>                  |              |                          |                              |
| <b>Foreclosure Avoided</b>       |              |                          |                              |
| Re-Performing                    | 97           | 3.2%                     | 17.0%                        |
| Forbearance                      | 1            | 0.0%                     | 0.2%                         |
| Paid in Full/Short Payoff        | 20           | 0.7%                     | 3.5%                         |
| Third Party Sale                 | 176          | 5.8%                     | 30.9%                        |
| Deed-in-Lieu                     | 72           | 2.4%                     | 12.6%                        |
| <b>Total Foreclosure Avoided</b> | <b>366</b>   | <b>12.0%</b>             | <b>64.2%</b>                 |
| Foreclosure                      | 203          | 6.7%                     | 35.6%                        |
| <b>Total Outcomes</b>            | <b>569</b>   | <b>18.7%</b>             | <b>99.8%</b>                 |
| <b>Other Resolutions</b>         |              |                          |                              |
| Whole Loan Sales                 | 1            | 0.0%                     | 0.2%                         |
| <b>Subtotal Resolved*</b>        | <b>570</b>   | <b>18.8%</b>             | <b>100.0%</b>                |
| <b>Not Yet Resolved</b>          |              |                          |                              |
| Delinquent Servicing             | 2,468        | 81.2%                    |                              |
| <b>Total Loans Sold</b>          | <b>3,038</b> | <b>100.0%</b>            |                              |

\* The sum of Total Outcomes & Other Resolutions

Data for Pool 206 has been received but not reflected in the table above

**Exhibit L-2 Percentage of Resolved Loans**



| <b>Foreclosure Avoidance</b> | <b>Percentage of Total Loans Sold</b> |
|------------------------------|---------------------------------------|
| Re-Performing                | 17.0%                                 |
| Forbearance                  | 0.2%                                  |
| Paid in Full/Short payoff    | 3.5%                                  |
| Deed-in-Lieu                 | 12.6%                                 |
| Third Party Sale             | 30.9%                                 |
| <b>Total</b>                 | <b>64.2%</b>                          |

**Table L-3: SFLS 2013-2 NSO Outcomes Summary**

| NSO Category Codes               | 2013-2        |                |
|----------------------------------|---------------|----------------|
|                                  | Count         | % of Total     |
| <b>Total # of Settled Loans</b>  | <b>3,057</b>  |                |
| NSO Outcomes                     | 141           | 8.93%          |
| Planned NSO Outcomes             | 296           | 18.75%         |
| Interim Status/Planning Stage    | 934           | 59.15%         |
| Non-NSO Outcome                  | 208           | 13.17%         |
| <b>Total Outcomes Reported</b>   | <b>1,579</b>  | <b>100.00%</b> |
| <b>Percent of Loans Reported</b> | <b>52.00%</b> |                |

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## Exhibit 10: Glossary of Terms

| <b>Term</b>                 | <b>Definition</b>   |
|-----------------------------|---|
| <b>Charge-Off</b>           | The Purchaser has written off the mortgage as uncollectible or bad debt.  |
| <b>Deed-in-Lieu REO</b>     | A borrower willingly conveys property to the new servicer in lieu of undergoing foreclosure proceedings.  |
| <b>Delinquent Servicing</b> | Loans that remain delinquent that the Purchaser continues to actively service.  |
| <b>Forbearance</b>          | A borrower and new servicer enter into an agreement whereby all or a portion of the borrower's debt service obligations are suspended temporarily. This agreement delays foreclosure and provides borrowers with an opportunity to recover from a short-term financial issue. |
| <b>Foreclosure REO</b>      | The servicer undergoes legal proceedings to take control of the property which serves as security for the FHA-insured mortgage.   |
| <b>Paid in Full</b>         | A borrower repays the entire remaining principal balance on a loan, often via a refinancing transaction.  |
| <b>Rented to a Borrower</b> | The Purchaser has acquired REO via a deed-in-lieu or foreclosure, then offers the property for rent to a borrower.  |
| <b>Re-Performing</b>        | The borrower has begun to make timely payments. The mortgage may or may not have been modified.   |
| <b>Repurchase</b>           | The Purchaser has put the loan back to FHA due to a breach of the representations and warranties included in the sale agreement.  |
| <b>Resolved Loans</b>       | All loans not reported as delinquent servicing, including re-performing loans which notably may be reported in delinquent servicing in future reporting cycles in the event of future missed payments.  |
| <b>Short Payoff</b>         | The borrower repays a portion of the remaining principal balance, the remainder of which is written off by the purchaser.   |
| <b>Third Party Sale</b>     | The Purchaser and/or borrower arrange the sale of a property to a third party, allowing the borrower to leave the home and avoid foreclosure proceedings.   |
| <b>Whole Loan Sale</b>      | The Purchaser sells the mortgage to another entity.   |