



BulkREONetwork.com (Non-Exclusive) Trading Platform (TP)

The BulkREONetwork.com Trading Platform (TP) specializes in REO assets, non-performing residential, and commercial loan sales, utilizing a structured and competitive bid process to generate multiple non-contingent final bids from the most competitive investors in the market for any given asset class. Our database consists of, and is updated continuously with active purchasers of REO assets and loan products in the market (with new entrants into the market added constantly).

REO/Loan Sale Program Process

The TP REO/loan sale program has been designed to produce multiple, ready-to-close final bids accompanied by earnest money deposits and executed client asset sale agreements. TP and the client jointly establish reserve prices for the REO/loans, pools or the portfolio.

Preliminary Pricing Analysis and Marketing Proposal

Prior to entering into any binding REO or loan sale advisory agreement, TP performs a preliminary pricing analysis and submits a detailed marketing proposal to the client. In the event that the preliminary pricing results do not meet client objectives, the client is under no obligation to proceed further.

Reserve Price

TP and the client establish reserve prices by REO/loan or by pool. TP does not deem fees earned and payable unless we successfully sell assets on behalf of the client or achieve pricing equal to or above the mutually agreed upon reserve prices.

Secure Website Due Diligence Capability

TP can allow on-site due diligence review, producing a secure website which contains all of the pertinent file review information related to the REO/loan portfolio (imaged loan documents, imaged collateral documents, imaged servicing files, and imaged servicing information). Ultimately, this process can increase the number of potential investors and shorten the investor due diligence period.

Multiple Non-Contingent Bids

The purpose of the structured process and due diligence presentation is to produce multiple, non-contingent final bids accompanied by earnest money deposits and executed, pre-negotiated asset sale agreements from at least three investors who stand ready to fund on the prescribed closing date. This structure eliminates investor ability to delete assets, renegotiate the asset sale agreement or change price prior to closing.



REO/Loan Sale Program Phases

With respect to any contemplated sale, TP implements a structured bulk offering of the assets in a to-be-determined pooling configuration (or on a loan by loan basis) culminating in a date certain non-contingent bid deadline. TP achieves best execution through implementation of the following multi-phase advisory program:

Phase 1 Due Diligence: Upon execution of a REO or loan sale advisory agreement with the client, TP's staff will immediately begin its initial due diligence, creating the following items:

1. Comprehensive Computer Tape of Assets
2. Offering Solicitation (Preliminary Sale Overview, Bidding Rules and Confidentiality Agreement)
3. Offering Memorandum (Final Sale Overview, Asset Sale Agreement, Bid Forms, Wiring Instructions)
4. Secure Website of Data Tape and Imaged Files
5. Transaction Specific Internet Web Site with Asset by Asset Due Diligence and Imaged Files

Phase 2 Investor Contact Period: Concurrent with initial due diligence, TP will distribute the Offering Solicitation and Confidentiality Agreement to sophisticated and qualified investors capable of and interested in purchasing the assets.

Phase 3 Indicative Bid Round (Optional): Certain types of REO and loan sales require that indicative bids be obtained to ascertain pricing and interest levels and to qualify/screen certain investors.

Phase 4 Investor File / Electronic Due Diligence Period (Optional): Investors will review the due diligence material via Secure Website or the Internet or in traditional file review fashion.

Phase 5 Final Bid Round / Non-Contingent Bid Date: Investors will be directed to submit non-contingent bids accompanied by certified or wire funds for the portfolio in its entirety or by pre-determined pools along with executed, pre-negotiated asset sale agreements. TP, in conjunction with the client, will conduct an optimization analysis to determine best execution.

Phase 6 Closing: Closing will be scheduled 5 to 7 business days after the non-contingent sealed bid date.