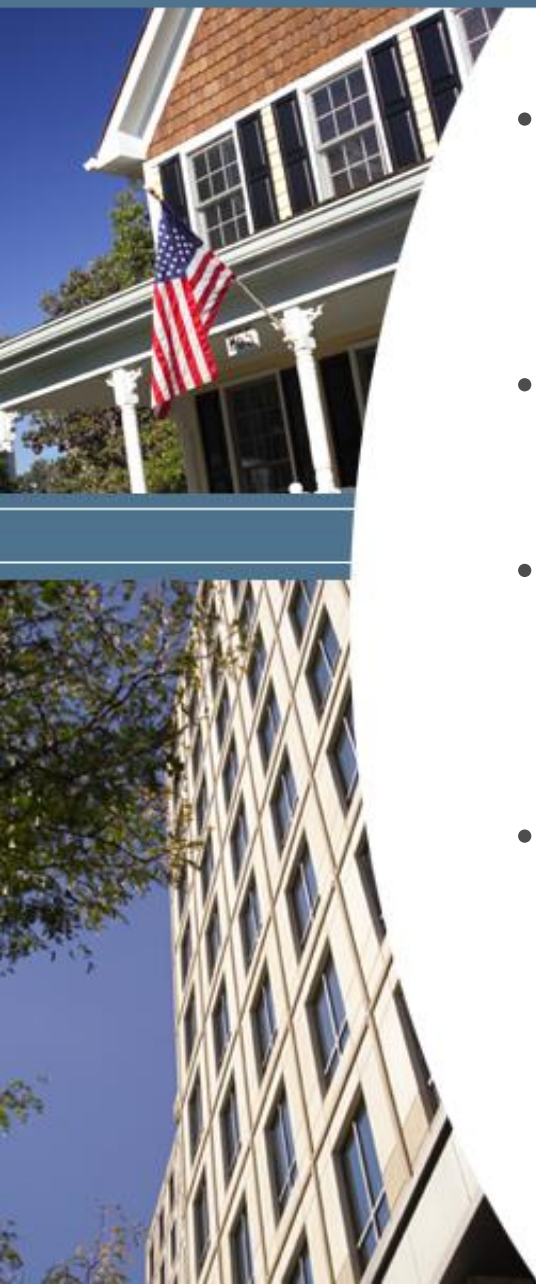
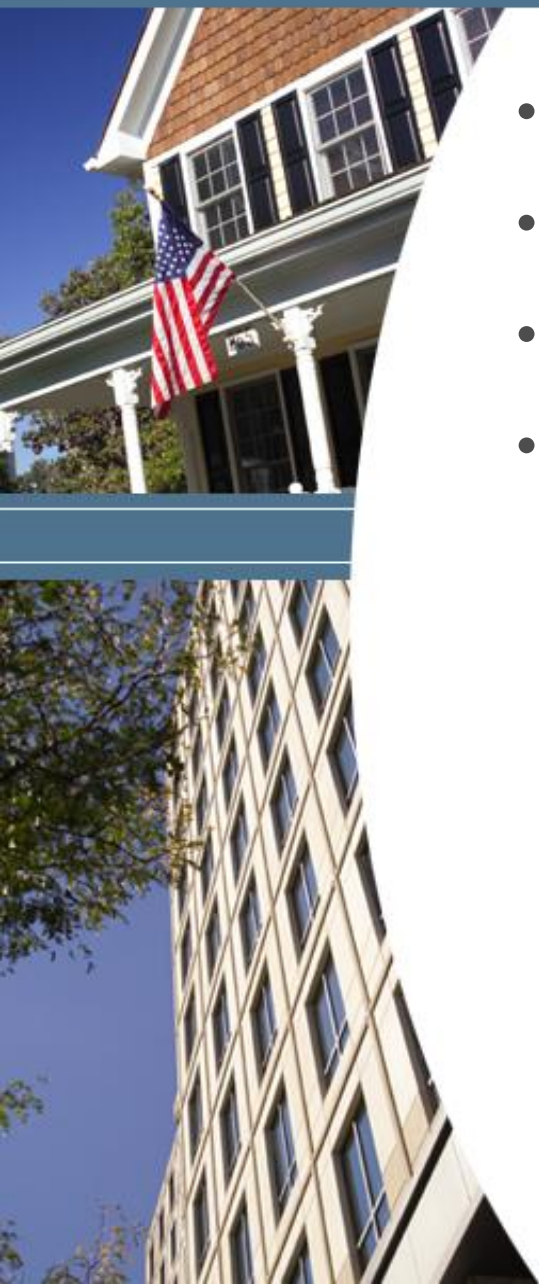


# Repurchases, Buybacks and Indemnifications

## Preparing for the Future



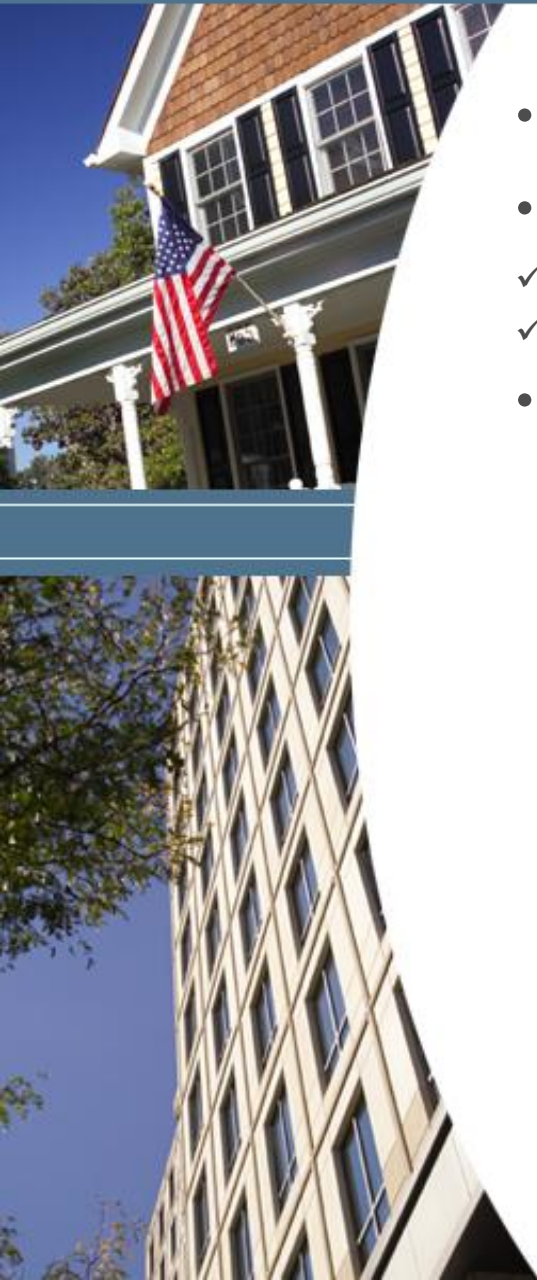
- Repurchase Demands continue to linger due to recent defaults and foreclosure backlog.
- Foreclosures/defaults triggering QC audits.
- Current Demands include 2005, 2006, 2007 originations.
- Investors-Mortgage Insurers adding staff to identify “the breach”.



- Appraisal / Value Issues
- Stated Income
- Occupancy Issues
- Delivery Issues



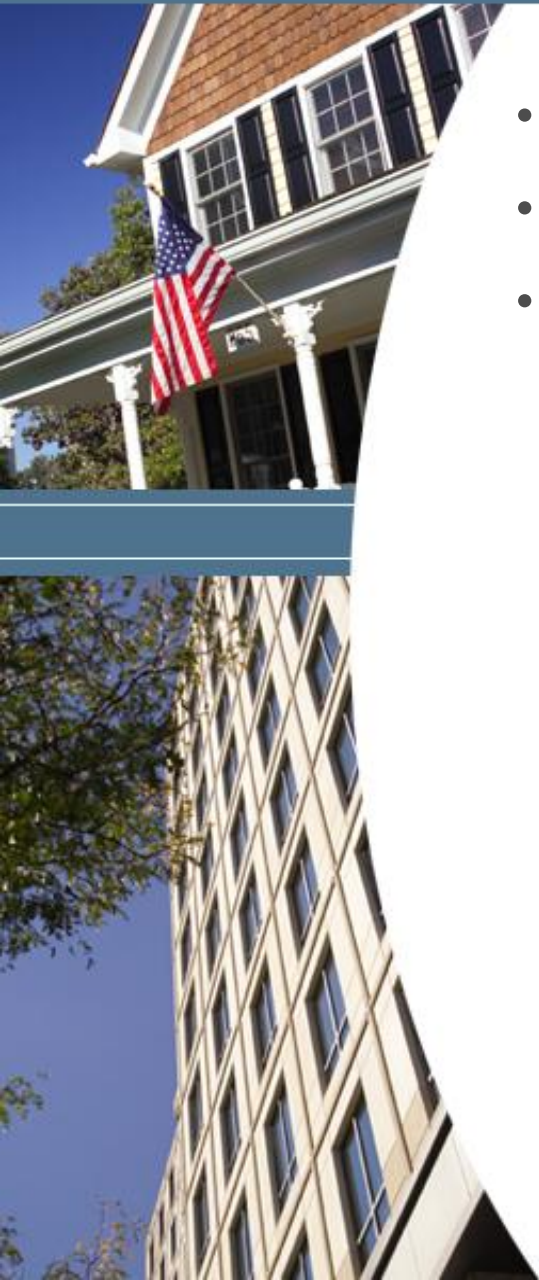
- Contact original Appraiser-request response.
- Obtain retro BPO's- 2055's.
- Review internet research sites (pull comps).



- Always verify/recalculate Investor findings.
- Request information from employer:
  - ✓ Did borrower receive promotion-salary increase.
  - ✓ Use the 4506
- Review payment histories - collection notes for clues to non payment issues.

# Occupancy Issues

- Locate/Interview borrower.
- Pull utility records.
- Review Investor findings- check dates.



- Review AUS Finding.
- Review Lock Sheets.
- Review all Investor U/W variances

# Existing Staff as Resource

- Underwriting Dept.
- Secondary
- Quality Control
- Production Staff

- Knows what documentation is required to craft reasonable response.
- Able to craft a response that's convincing.
- Keep management "in the loop":
  - Loan Programs.
  - Brokers / Correspondents
  - Underwriters



Get Ready.....