



REVERSE MARKET INSIGHT

Reverse Mortgage Industry Data Repository

Servicing Report Samples
November 2010

Overview

Reverse Market Insight has worked since 2007 to create a data repository for the reverse mortgage industry – a source for benchmark analytics for performance.

- Loan level data offers infinite analysis options
- Comprehensive coverage = Industry benchmarks

Current participants include 6 of the top 12 lenders and servicers, covering ~45% of industry volume, with more to come.

Top HECM Lenders - Originations
July 2009-June 2010

<u>Rank</u>	<u>Lender</u>	<u>Loans</u>	<u>Status</u>
1	Largest Retail Lender	17,371	Signed
2	Bank of America NA	16,401	
3	Metlife Bank	12,957	Signed
4	Financial Freedom Acquisition	8,459	
5	Urban Financial Group	6,444	
6	Generation Mortgage	6,148	Signed
7	Genworth Financial Home Equity	4,455	
8	One Reverse Mortgage	2,928	Signed
9	Sun West Mortgage Co	2,310	Signed
10	James B Nutter and Co	1,899	
11	World Alliance Financial	1,415	
12	Security One Lending	1,351	Signed

Top HECM Servicers
est. as of 6/30/10

<u>Servicer</u>	<u>Loans</u>	<u>Status</u>
Financial Freedom Acquisition		
Largest Retail Lender	~100,000	Signed
Bank of America NA		
Metlife Bank	~35,000	Signed
Reverse Mortgage Solutions	~34,000	Signed
James B Nutter and Co		
Generation Mortgage	~15,000	Signed
Sun West Mortgage Co	~8,000	Signed
Security One Lending	~1,000	Signed

Timeline of Reporting

- Servicing
 - Q4 2010: Sample Reports for review and feedback
 - Q1 2011: Production Reports available to subscribers
- Origination to follow in 2011

What Can You Do?

- Review & Feedback on sample reports in this package
 - Are the reports useful in your business decisions?
 - What reports should be added?
 - How can these reports be improved?

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- Participate to include your origination & servicing data
- Subscribe to Servicing Reports (Q1 2011)



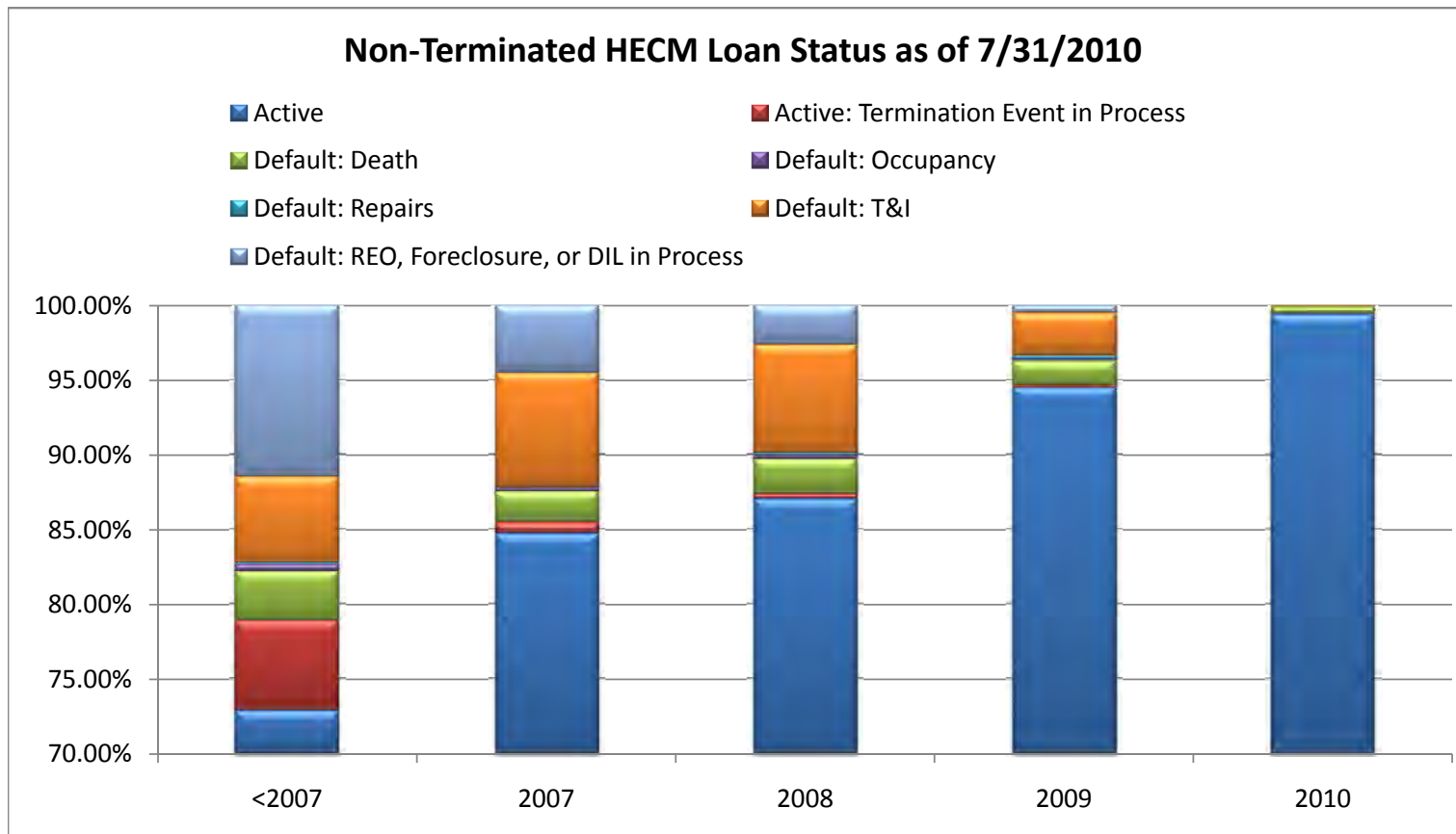
Reports

- T&I Default & Loan status breakouts
 - by state
 - trended over time
 - by MCA
 - by original principal limit
 - by loan balance
 - by net LOC available
 - by length of time in default
 - by borrower age/gender
 - by loan age
 - by default type (Taxes, Insurance, Both, and active repayment plan subsets)
- Utilization rate analysis (borrower draw activity over time)
 - by vintage year
 - by borrower age/gender
 - by state
 - by MCA
 - by net LOC available
 - by loan age
 - by payment plan type
- CPR & prepayment analysis
 - by vintage year
 - by borrower age/gender
 - by prepayment type (mortality, mobility, refinance, all other)
 - by state (top 5/10)
 - by MCA
 - by utilization rate
 - Product Type (HECM / Proprietary)
- Refinance analysis
 - Refinance activity by vintage year
 - Refinance activity vs. consumer incentive
 - CPR attributable to refinance
- FUTURE - Foreclosure Loss timeline, frequency & severity analysis
 - by vintage year
 - by borrower age/gender
 - by foreclosure year
 - by state (top 5/10)
 - by MCA
 - by utilization rate
 - by claim type (appraisal/sale)
 - by default type (mortality, mobility, all other)
 - by product type (ARM, fixed, jumbo)

Highlighted selections represent future analysis items not included in this report package

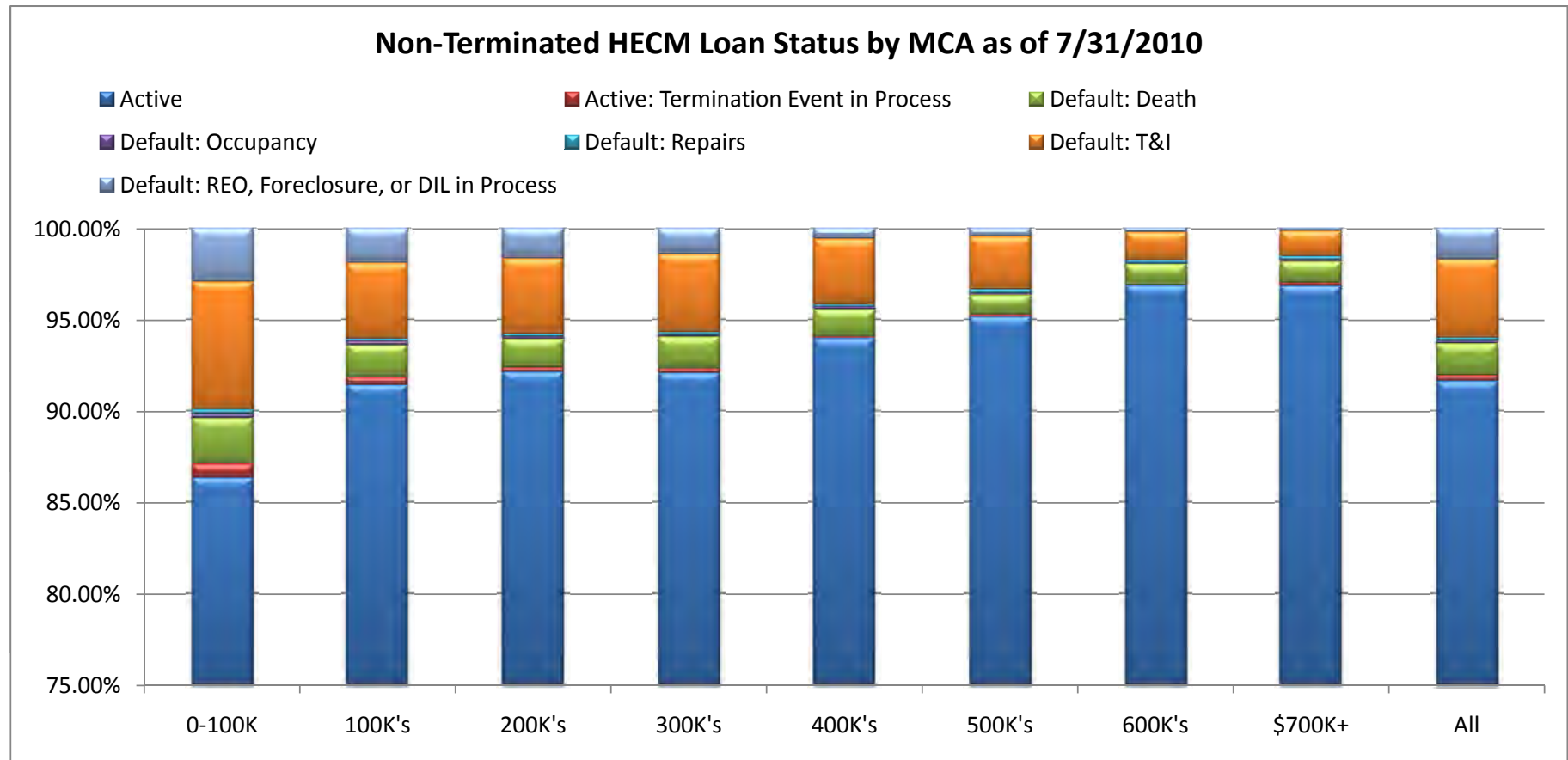
Non-Terminated HECMs by Loan Status by Origination Vintage
As of 7/31/2010

	<2007	2007	2008	2009	2010
Active	72.84%	84.69%	87.00%	94.49%	99.39%
Active: Termination Event in Process	6.06%	0.75%	0.37%	0.10%	0.04%
Default: Death	3.29%	2.09%	2.34%	1.65%	0.46%
Default: Occupancy	0.45%	0.24%	0.23%	0.11%	0.00%
Default: Repairs	0.09%	0.02%	0.11%	0.30%	0.00%
Default: T&I	5.79%	7.69%	7.31%	2.82%	0.08%
Default: REO, Foreclosure, or DIL in Process	11.49%	4.51%	2.64%	0.54%	0.02%



Non-Terminated HECMs by Loan Status by Max Claim Amount
All Origination Vintages
As of 7/31/2010

	0-100K	100K's	200K's	300K's	400K's	500K's	600K's	\$700K+	All
Active	86.34%	91.42%	92.12%	92.08%	93.96%	95.15%	96.86%	96.84%	91.61%
Active: Termination Event in Process	0.75%	0.41%	0.23%	0.24%	0.08%	0.08%	0.00%	0.17%	0.34%
Default: Death	2.51%	1.75%	1.58%	1.73%	1.51%	1.08%	1.16%	1.16%	1.73%
Default: Occupancy	0.21%	0.20%	0.11%	0.09%	0.10%	0.08%	0.00%	0.08%	0.15%
Default: Repairs	0.23%	0.14%	0.13%	0.18%	0.17%	0.24%	0.18%	0.17%	0.16%
Default: T&I	6.99%	4.14%	4.14%	4.24%	3.58%	2.89%	1.57%	1.41%	4.30%
Default: REO, Foreclosure, or DIL in Process	2.96%	1.94%	1.68%	1.45%	0.61%	0.48%	0.22%	0.17%	1.71%



T&I Default Status by MCA Group as % of Non-Terminated HECMs

2008 Origination Vintage Only

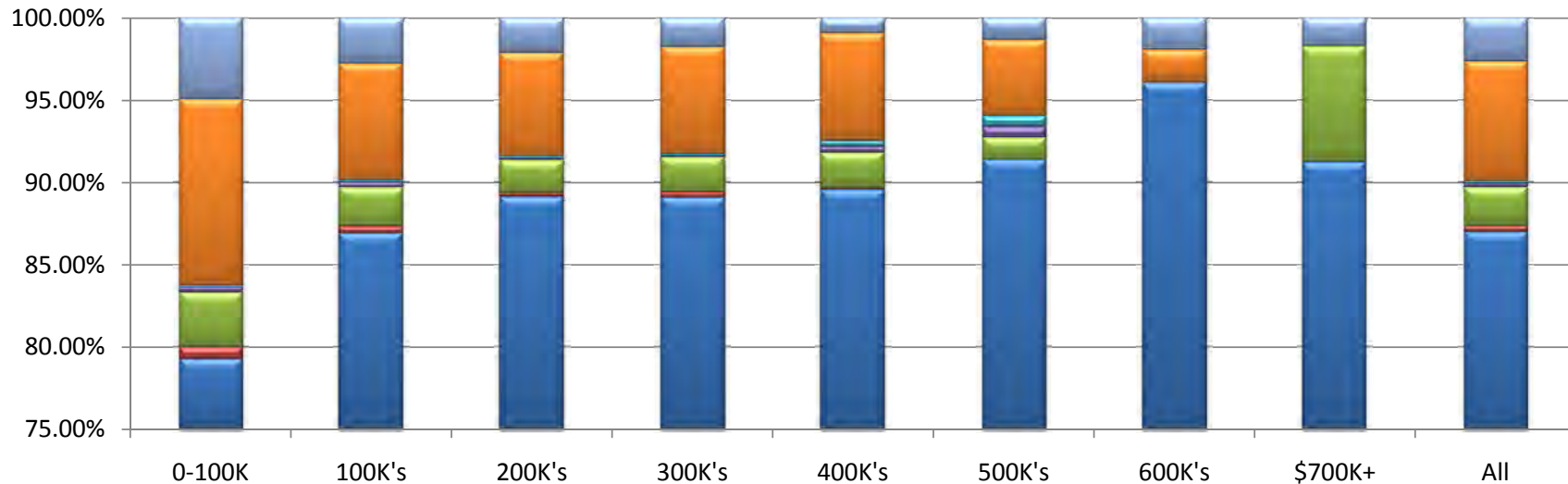
As of 7/31/2010

	0-100K	100K's	200K's	300K's	400K's	500K's	600K's	\$700K+	All
Active	79.27%	86.93%	89.13%	89.09%	89.55%	91.39%	96.08%	91.23%	87.00%
Active: Termination Event in Process	0.73%	0.38%	0.23%	0.32%	0.12%	0.00%	0.00%	0.00%	0.37%
Default: Death	3.32%	2.37%	1.98%	2.12%	2.14%	1.32%	0.00%	7.02%	2.34%
Default: Occupancy	0.31%	0.33%	0.12%	0.06%	0.36%	0.66%	0.00%	0.00%	0.23%
Default: Repairs	0.07%	0.11%	0.09%	0.12%	0.36%	0.66%	0.00%	0.00%	0.11%
Default: T&I	11.36%	7.10%	6.33%	6.53%	6.53%	4.64%	1.96%	0.00%	7.31%
Default: REO, Foreclosure, or DIL in Process	4.93%	2.78%	2.12%	1.76%	0.95%	1.32%	1.96%	1.75%	2.64%

Non-Terminated HECM Loan Status by MCA as of 7/31/2010

2008 Origination Vintage Only

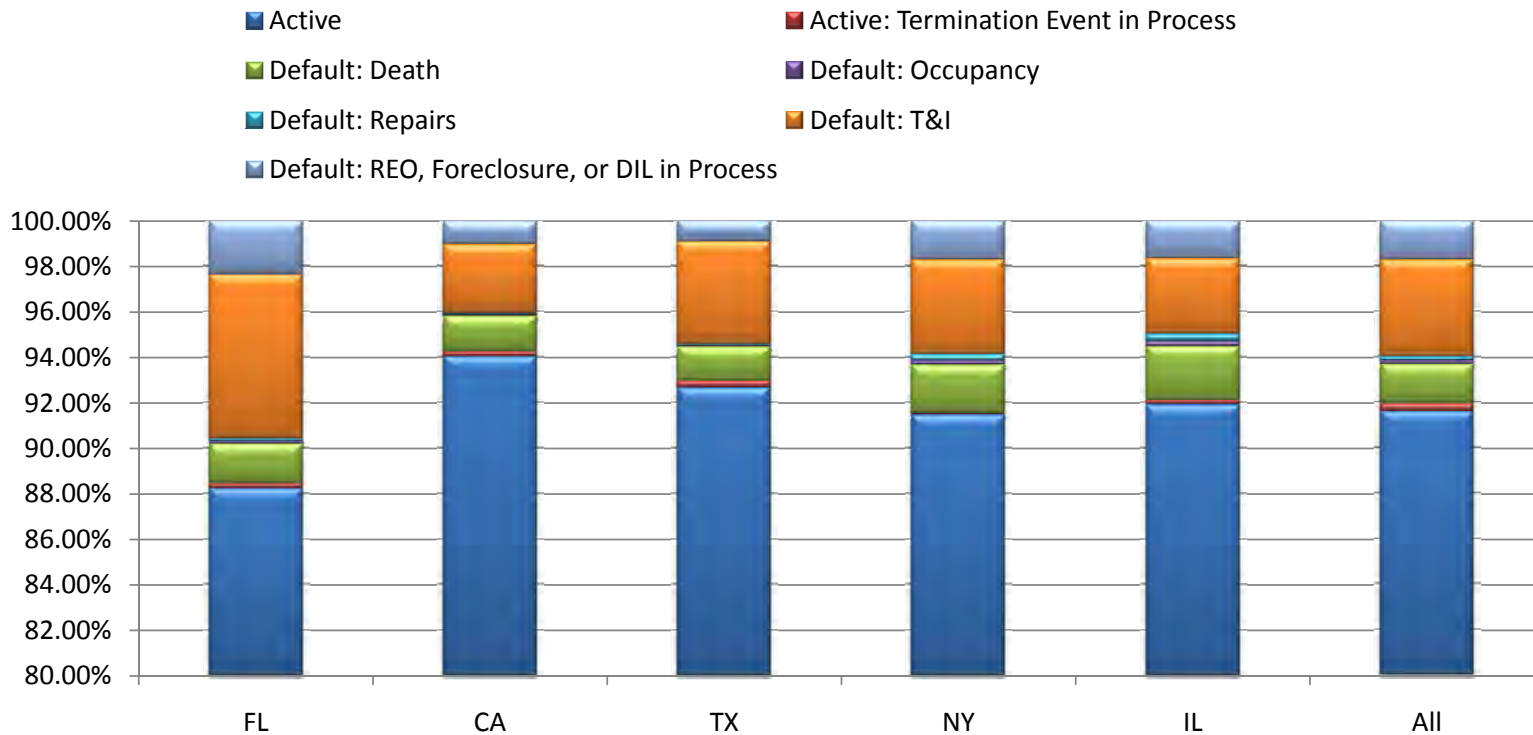
- Active
- Active: Termination Event in Process
- Default: Death
- Default: Occupancy
- Default: Repairs
- Default: T&I
- Default: REO, Foreclosure, or DIL in Process



Non-Terminated HECMs by Loan Status - Top 5 States vs. National
All Origination Vintages
As of 7/31/2010

	FL	CA	TX	NY	IL	All
Active	88.24%	94.03%	92.65%	91.46%	91.90%	91.61%
Active: Termination Event in Process	0.22%	0.22%	0.32%	0.09%	0.21%	0.34%
Default: Death	1.72%	1.55%	1.49%	2.11%	2.36%	1.73%
Default: Occupancy	0.12%	0.07%	0.08%	0.16%	0.21%	0.15%
Default: Repairs	0.11%	0.07%	0.02%	0.30%	0.32%	0.16%
Default: T&I	7.22%	3.03%	4.54%	4.17%	3.32%	4.30%
Default: REO, Foreclosure, or DIL in Process	2.37%	1.04%	0.90%	1.72%	1.67%	1.71%

Non-Terminated HECM Status by State as of 7/31/2010

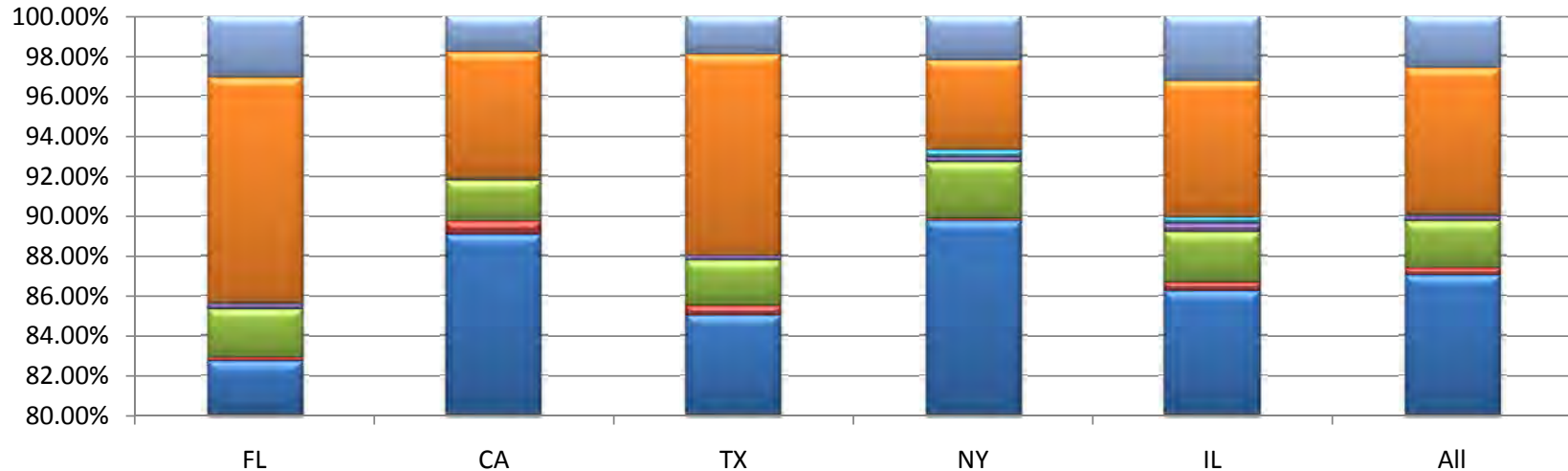


Non-Terminated HECMs by Loan Status - Top 5 States vs. National
2008 Origination Vintage Only
 As of 7/31/2010

	FL	CA	TX	NY	IL	All
Active	82.71%	89.03%	85.00%	89.73%	86.23%	87.00%
Active: Termination Event in Process	0.17%	0.68%	0.47%	0.09%	0.42%	0.37%
Default: Death	2.44%	2.04%	2.27%	2.83%	2.52%	2.34%
Default: Occupancy	0.25%	0.07%	0.23%	0.27%	0.42%	0.23%
Default: Repairs	0.05%	0.00%	0.00%	0.35%	0.32%	0.11%
Default: T&I	11.28%	6.34%	10.08%	4.51%	6.83%	7.31%
Default: REO, Foreclosure, or DIL in Process	3.10%	1.84%	1.95%	2.21%	3.26%	2.64%

Non-Terminated HECM Status by State as of 7/31/2010
 2008 Origination Vintage Only

- Active
- Default: Death
- Default: Repairs
- Default: REO, Foreclosure, or DIL in Process
- Active: Termination Event in Process
- Default: Occupancy
- Default: T&I

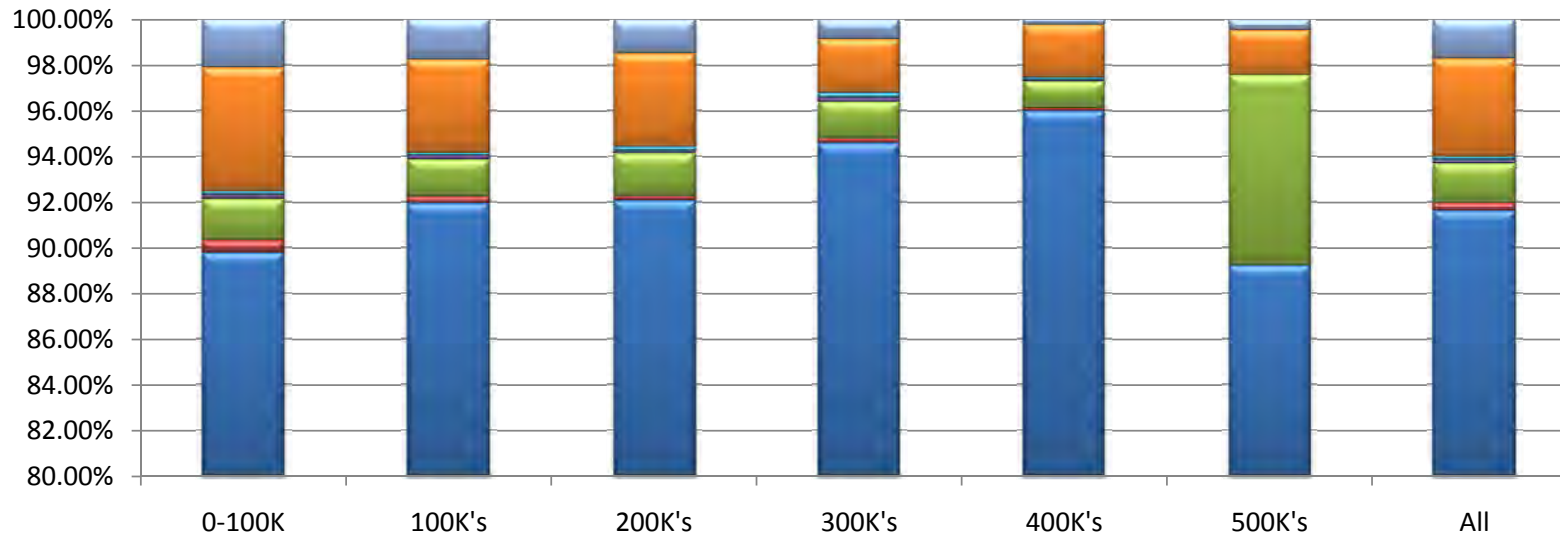


Non-Terminated HECMs by Loan Status - Initial Principal Limit
All Origination Vintages
As of 7/31/2010

	0-100K	100K's	200K's	300K's	400K's	500K's	All
Active	89.78%	91.93%	92.06%	94.56%	95.98%	89.22%	91.61%
Active: Termination Event in Process	0.53%	0.30%	0.19%	0.22%	0.12%	0.00%	0.34%
Default: Death	1.81%	1.63%	1.86%	1.62%	1.19%	8.33%	1.73%
Default: Occupancy	0.16%	0.17%	0.11%	0.13%	0.04%	0.00%	0.15%
Default: Repairs	0.20%	0.12%	0.18%	0.24%	0.12%	0.00%	0.16%
Default: T&I	5.39%	4.07%	4.11%	2.37%	2.31%	1.96%	4.30%
Default: REO, Foreclosure, or DIL in Process	2.13%	1.77%	1.50%	0.86%	0.24%	0.49%	1.71%

Non-Terminated HECM Status by Principal Limit as of 7/31/2010

- Active
- Default: Death
- Default: Repairs
- Default: REO, Foreclosure, or DIL in Process
- Active: Termination Event in Process
- Default: Occupancy
- Default: T&I

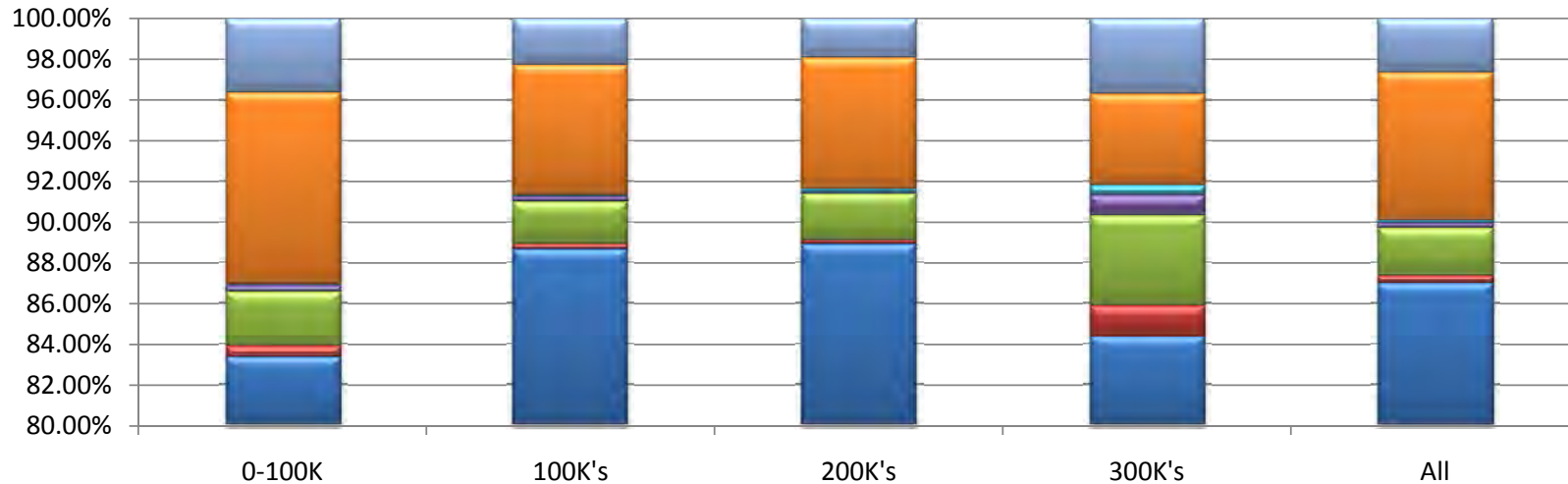


Non-Terminated HECMs by Loan Status - Initial Principal Limit
2008 Origination Vintage Only
As of 7/31/2010

	0-100K	100K's	200K's	300K's	All
Active	83.35%	88.66%	88.89%	84.37%	87.00%
Active: Termination Event in Process	0.54%	0.28%	0.21%	1.49%	0.37%
Default: Death	2.66%	2.07%	2.29%	4.47%	2.34%
Default: Occupancy	0.29%	0.23%	0.07%	0.99%	0.23%
Default: Repairs	0.11%	0.09%	0.14%	0.50%	0.11%
Default: T&I	9.42%	6.41%	6.47%	4.47%	7.31%
Default: REO, Foreclosure, or DIL in Process	3.63%	2.26%	1.93%	3.72%	2.64%

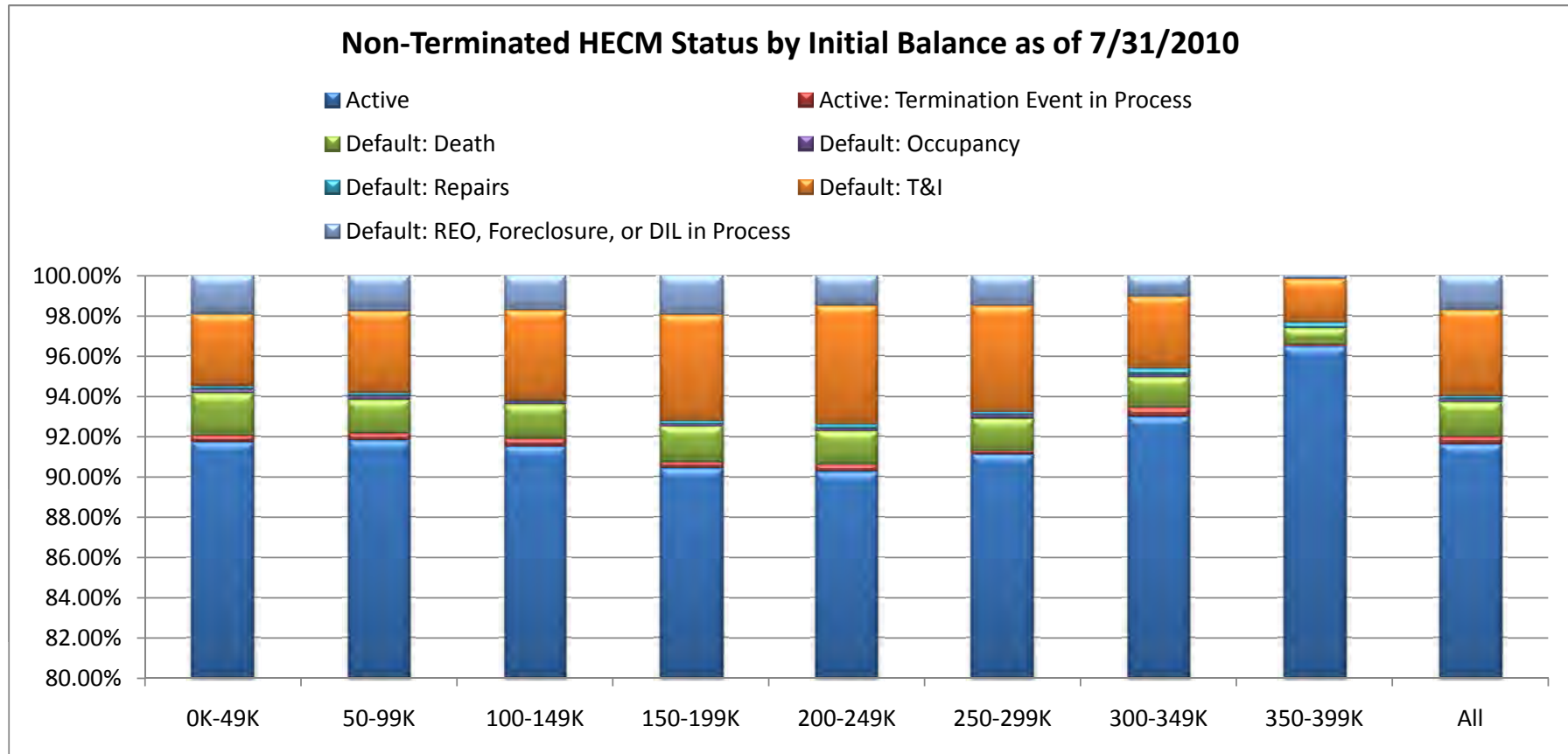
Non-Terminated HECM Status by Principal Limit as of 7/31/2010
2008 Origination Vintage Only

- Active
- Default: Death
- Default: Repairs
- Default: REO, Foreclosure, or DIL in Process
- Active: Termination Event in Process
- Default: Occupancy
- Default: T&I



Non-Terminated HECMs by Loan Status - Initial Balance
All Origination Vintages
As of 7/31/2010

	0K-49K	50-99K	100-149K	150-199K	200-249K	250-299K	300-349K	350-399K	All
Active	91.71%	91.78%	91.50%	90.40%	90.22%	91.11%	92.97%	96.46%	91.61%
Active: Termination Event in Process	0.32%	0.37%	0.39%	0.30%	0.39%	0.16%	0.47%	0.06%	0.34%
Default: Death	2.09%	1.66%	1.67%	1.79%	1.65%	1.61%	1.51%	0.84%	1.73%
Default: Occupancy	0.20%	0.19%	0.13%	0.08%	0.09%	0.16%	0.12%	0.00%	0.15%
Default: Repairs	0.18%	0.17%	0.08%	0.15%	0.22%	0.19%	0.29%	0.26%	0.16%
Default: T&I	3.57%	4.05%	4.46%	5.29%	5.93%	5.23%	3.60%	2.19%	4.30%
Default: REO, Foreclosure, or DIL in Process	1.94%	1.79%	1.76%	1.98%	1.50%	1.55%	1.05%	0.19%	1.71%



Non-Terminated HECMs by Loan Status - Initial Balance

2008 Origination Vintage Only

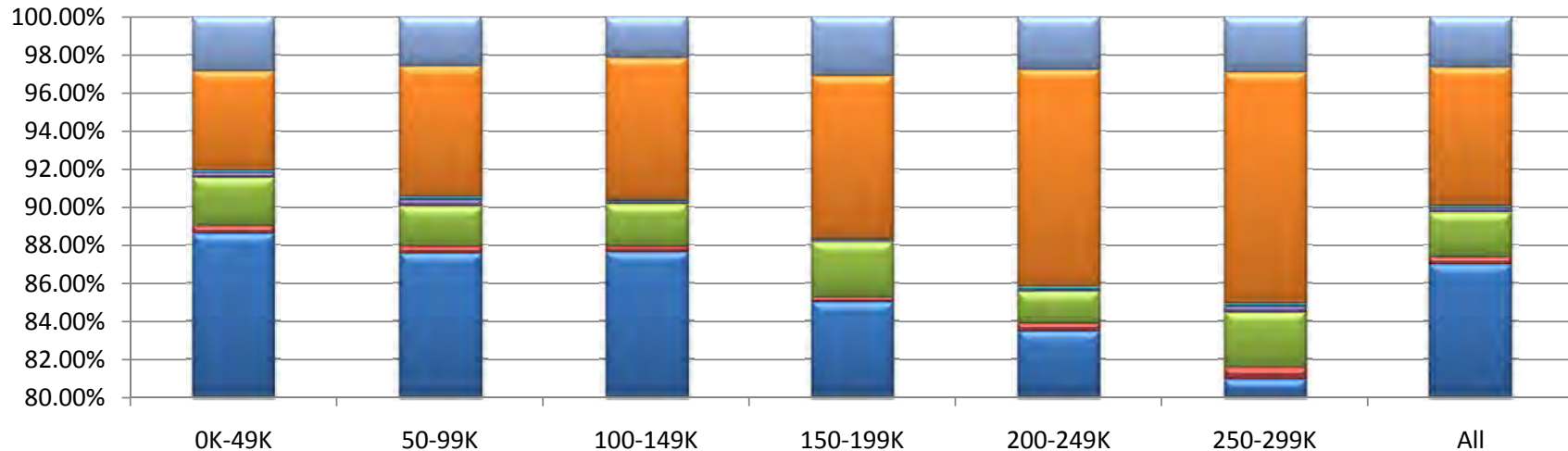
As of 7/31/2010

	0K-49K	50-99K	100-149K	150-199K	200-249K	250-299K	All
Active	88.59%	87.56%	87.63%	84.99%	83.46%	80.92%	87.00%
Active: Termination Event in Process	0.41%	0.33%	0.27%	0.25%	0.42%	0.62%	0.37%
Default: Death	2.54%	2.12%	2.24%	2.90%	1.67%	2.92%	2.34%
Default: Occupancy	0.26%	0.35%	0.15%	0.08%	0.07%	0.31%	0.23%
Default: Repairs	0.08%	0.15%	0.06%	0.08%	0.21%	0.15%	0.11%
Default: T&I	5.27%	6.89%	7.49%	8.58%	11.40%	12.15%	7.31%
Default: REO, Foreclosure, or DIL in Process	2.85%	2.59%	2.16%	3.11%	2.78%	2.92%	2.64%

Non-Terminated HECM Status by Initial Balance as of 7/31/2010

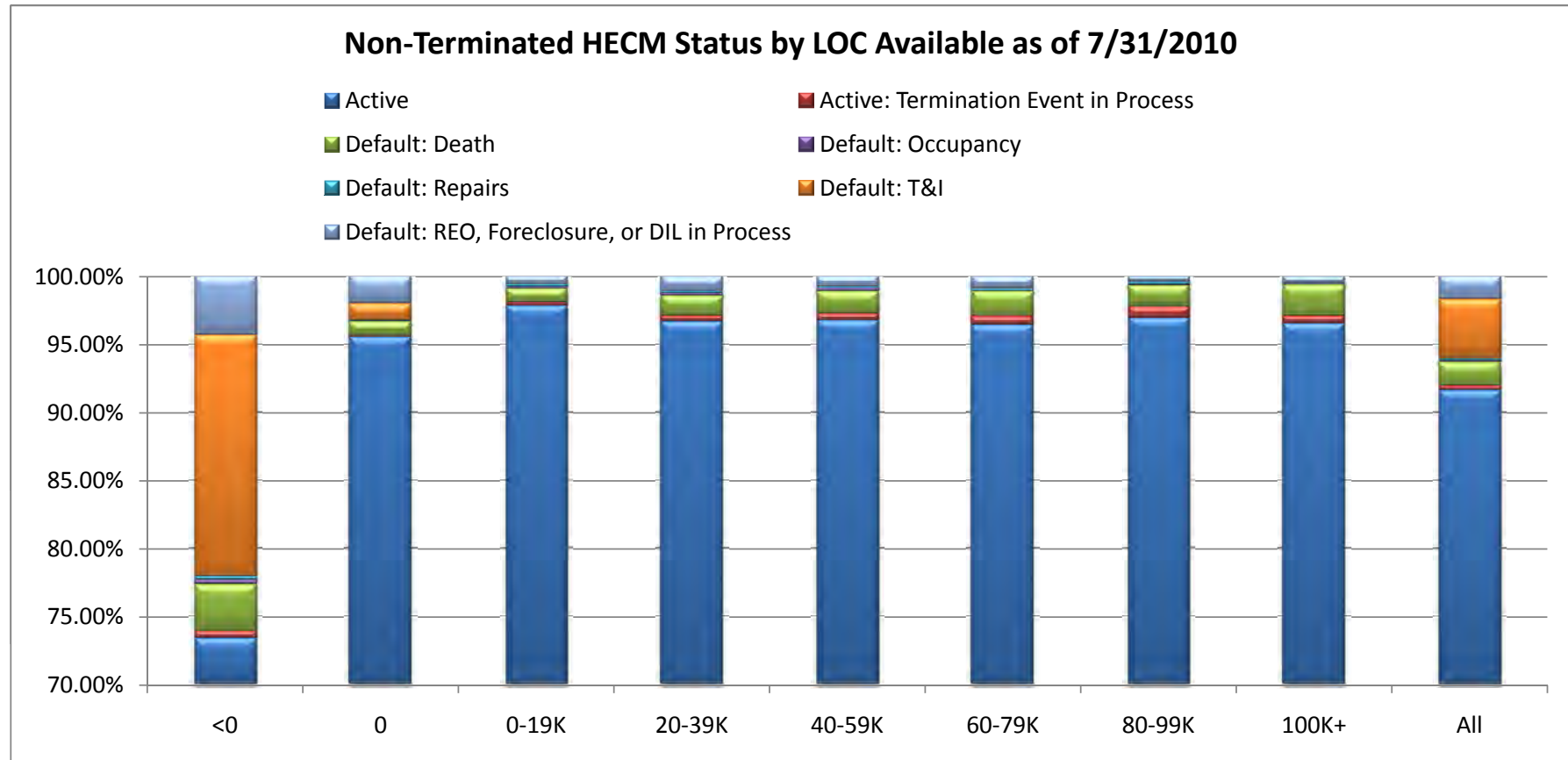
2008 Origination Vintage Only

- Active
- Default: Death
- Default: Repairs
- Default: REO, Foreclosure, or DIL in Process
- Active: Termination Event in Process
- Default: Occupancy
- Default: T&I



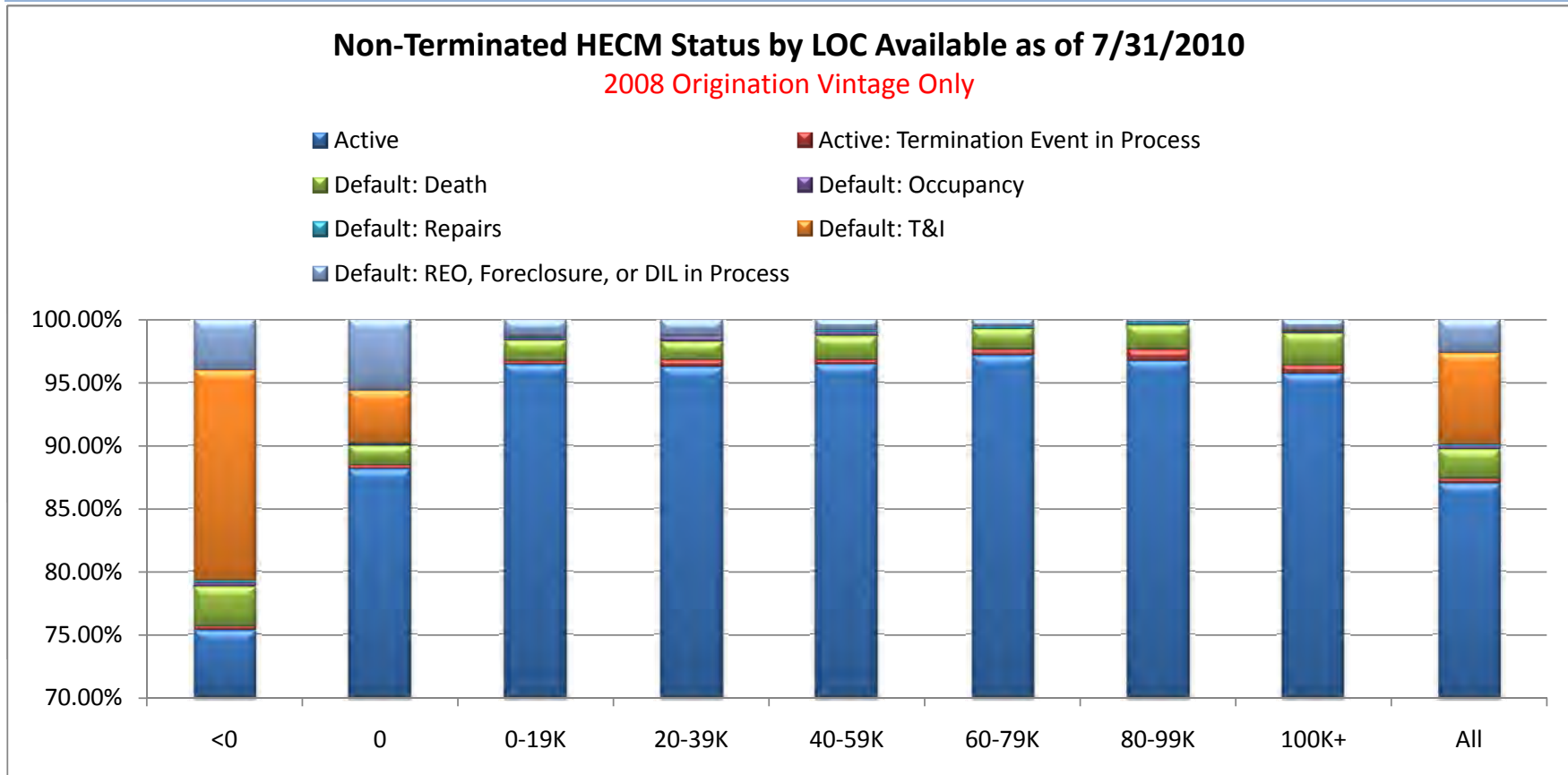
Non-Terminated HECMs by Loan Status - Line of Credit Available
All Origination Vintages
As of 7/31/2010

	<0	0	0-19K	20-39K	40-59K	60-79K	80-99K	100K+	All
Active	73.38%	95.55%	97.85%	96.69%	96.77%	96.45%	96.96%	96.54%	91.61%
Active: Termination Event in Process	0.56%	0.06%	0.23%	0.41%	0.49%	0.60%	0.81%	0.53%	0.34%
Default: Death	3.39%	1.04%	1.02%	1.48%	1.64%	1.85%	1.55%	2.30%	1.73%
Default: Occupancy	0.34%	0.03%	0.10%	0.19%	0.23%	0.00%	0.07%	0.06%	0.15%
Default: Repairs	0.23%	0.07%	0.18%	0.11%	0.08%	0.20%	0.20%	0.04%	0.16%
Default: T&I	17.77%	1.23%	0.01%	0.00%	0.00%	0.00%	0.00%	0.02%	4.30%
Default: REO, Foreclosure, or DIL in Process	4.32%	2.02%	0.61%	1.12%	0.80%	0.90%	0.40%	0.51%	1.71%



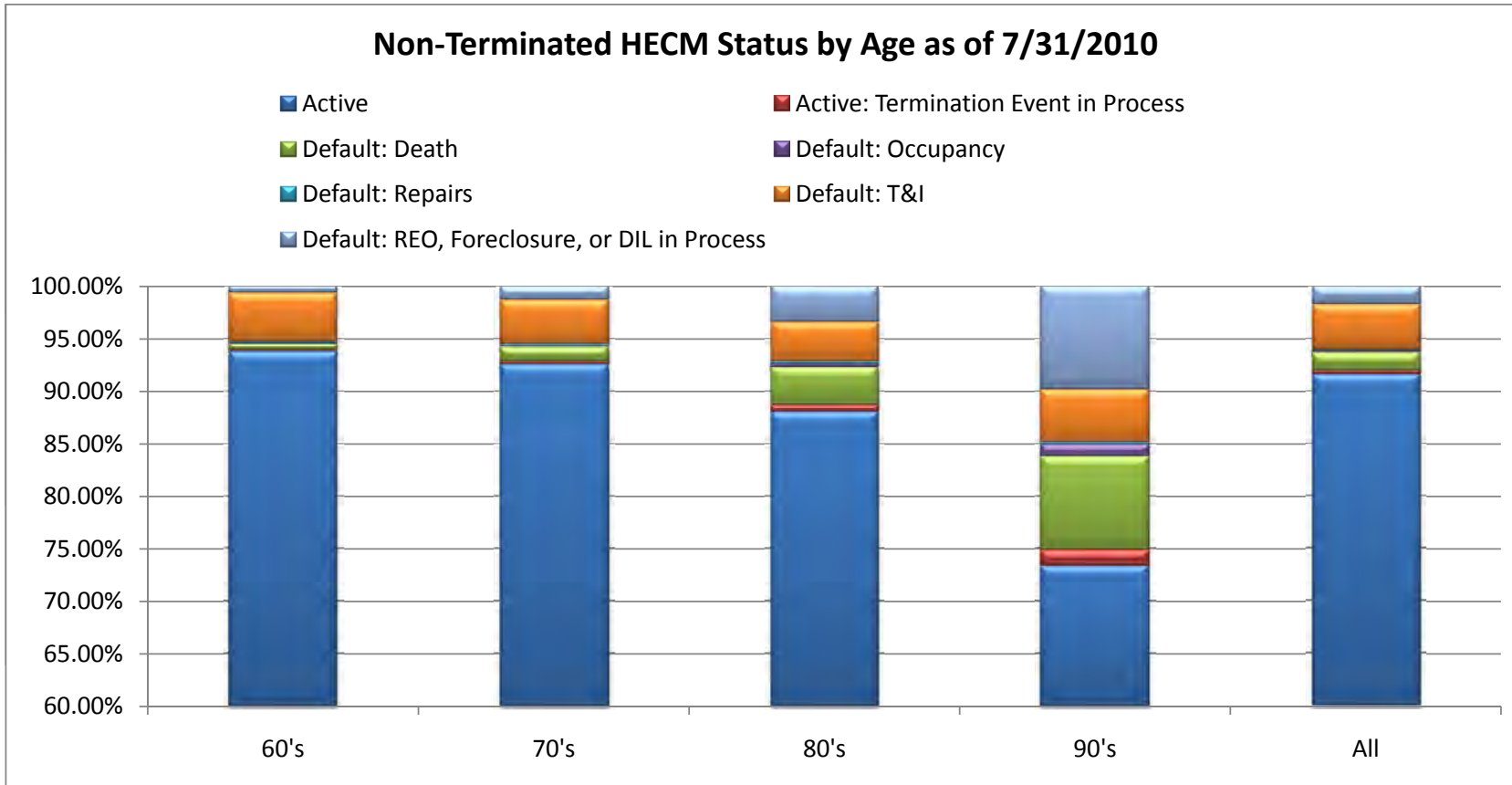
Non-Terminated HECMs by Loan Status - Line of Credit Available
2008 Origination Vintage Only
As of 7/31/2010

	<0	0	0-19K	20-39K	40-59K	60-79K	80-99K	100K+	All
Active	75.29%	88.11%	96.41%	96.23%	96.45%	97.15%	96.74%	95.68%	87.00%
Active: Termination Event in Process	0.33%	0.31%	0.28%	0.56%	0.33%	0.45%	0.87%	0.69%	0.37%
Default: Death	3.15%	1.56%	1.67%	1.46%	1.88%	1.65%	1.96%	2.54%	2.34%
Default: Occupancy	0.30%	0.08%	0.18%	0.42%	0.33%	0.00%	0.00%	0.08%	0.23%
Default: Repairs	0.16%	0.08%	0.08%	0.00%	0.11%	0.15%	0.22%	0.08%	0.11%
Default: T&I	16.74%	4.23%	0.02%	0.00%	0.00%	0.00%	0.00%	0.08%	7.31%
Default: REO, Foreclosure, or DIL in Process	4.03%	5.63%	1.36%	1.32%	0.89%	0.60%	0.22%	0.85%	2.64%



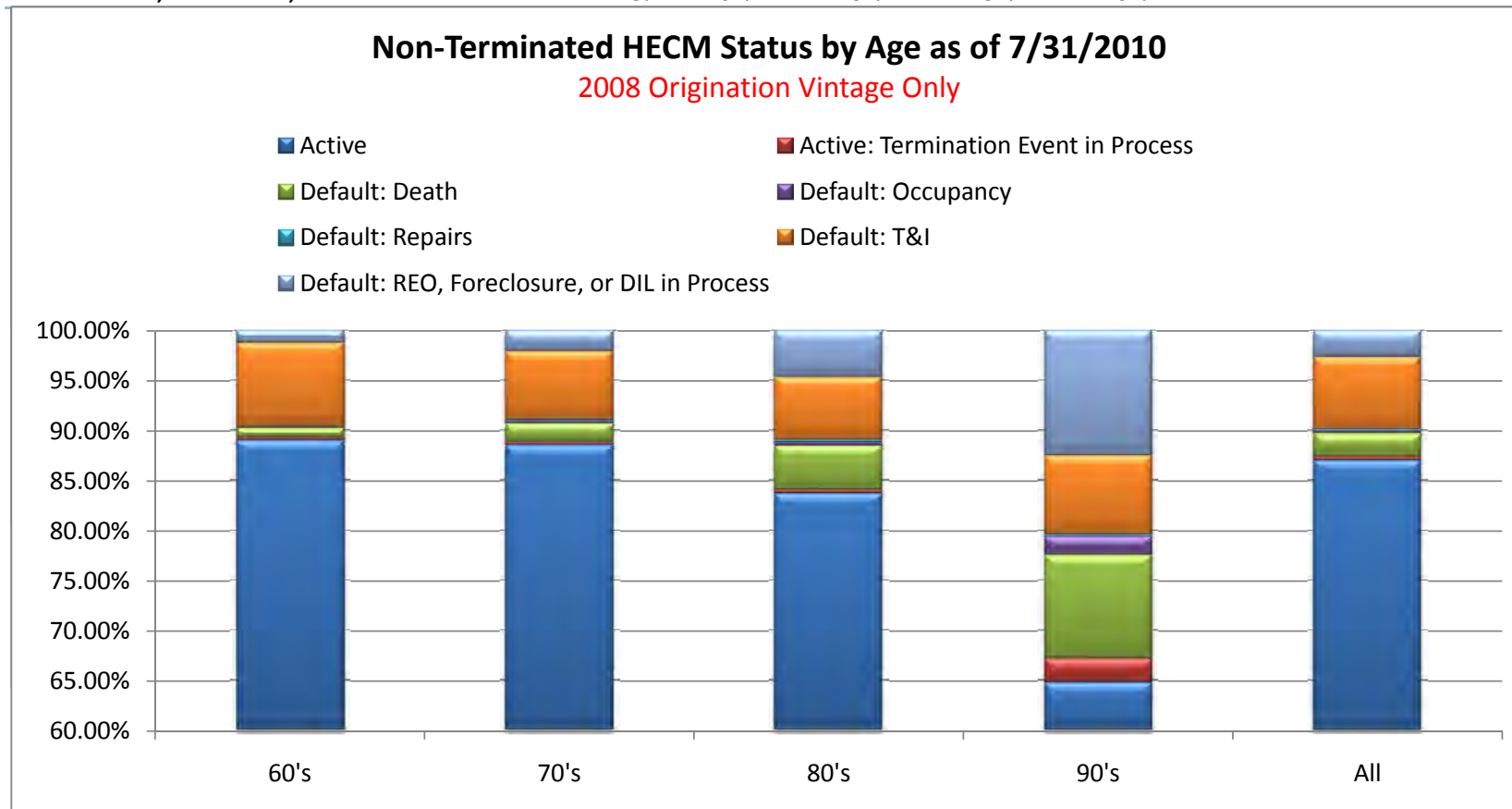
Non-Terminated HECMs by Loan Status - Borrower Age
All Origination Vintages
As of 7/31/2010

	60's	70's	80's	90's	All
Active	93.79%	92.56%	88.04%	73.39%	91.61%
Active: Termination Event in Process	0.15%	0.28%	0.64%	1.50%	0.34%
Default: Death	0.57%	1.38%	3.63%	8.89%	1.73%
Default: Occupancy	0.05%	0.11%	0.26%	1.18%	0.15%
Default: Repairs	0.16%	0.14%	0.21%	0.16%	0.16%
Default: T&I	4.65%	4.20%	3.79%	5.03%	4.30%
Default: REO, Foreclosure, or DIL in Process	0.62%	1.32%	3.43%	9.85%	1.71%



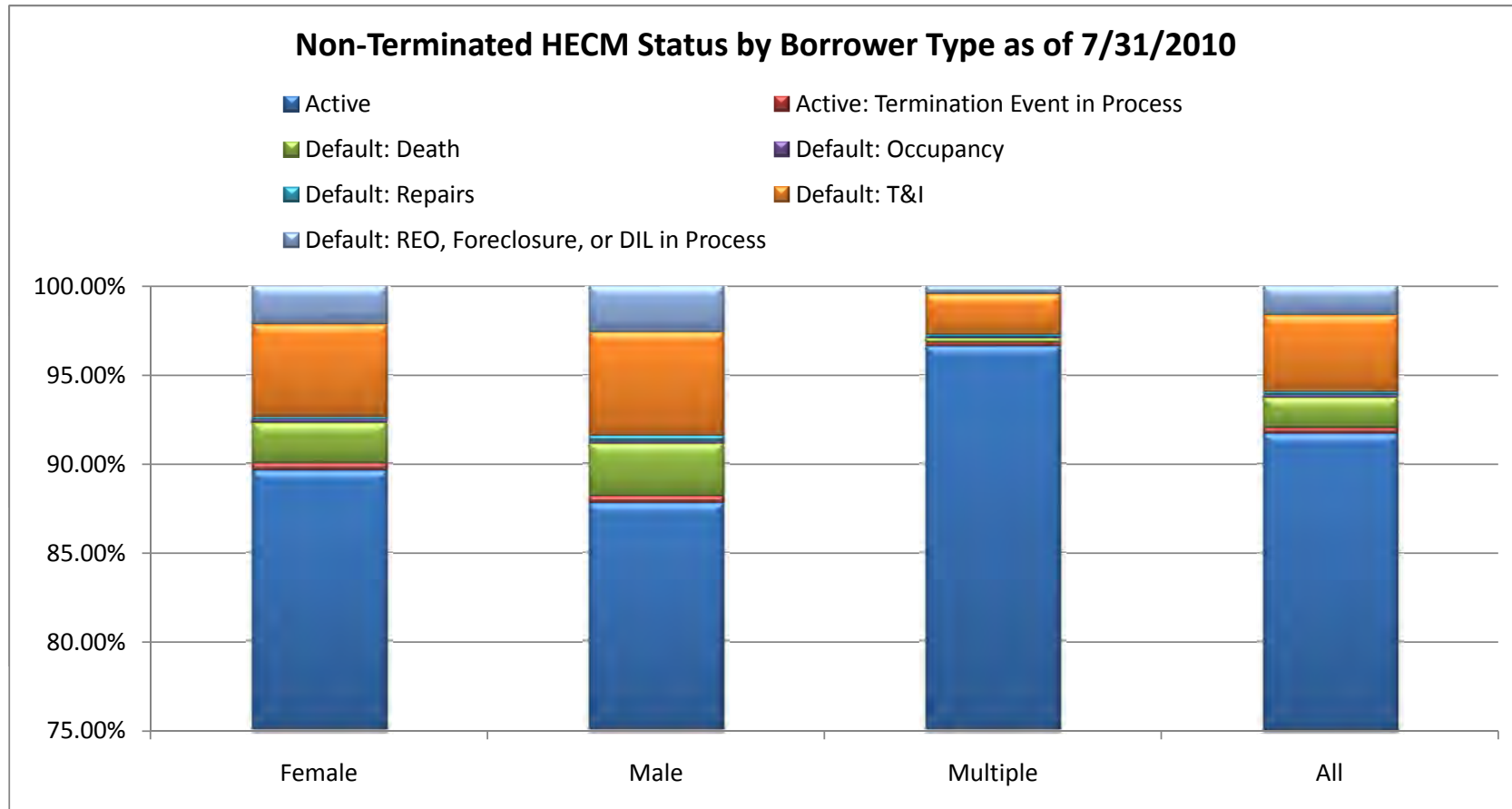
Non-Terminated HECMs by Loan Status - Borrower Age
2008 Origination Vintage Only
As of 7/31/2010

	60's	70's	80's	90's	All
Active	88.98%	88.52%	83.68%	64.78%	87.00%
Active: Termination Event in Process	0.26%	0.32%	0.35%	2.41%	0.37%
Default: Death	0.97%	1.86%	4.44%	10.31%	2.34%
Default: Occupancy	0.07%	0.19%	0.35%	1.89%	0.23%
Default: Repairs	0.07%	0.12%	0.16%	0.17%	0.11%
Default: T&I	8.39%	6.92%	6.35%	7.90%	7.31%
Default: REO, Foreclosure, or DIL in Process	1.25%	2.07%	4.67%	12.54%	2.64%



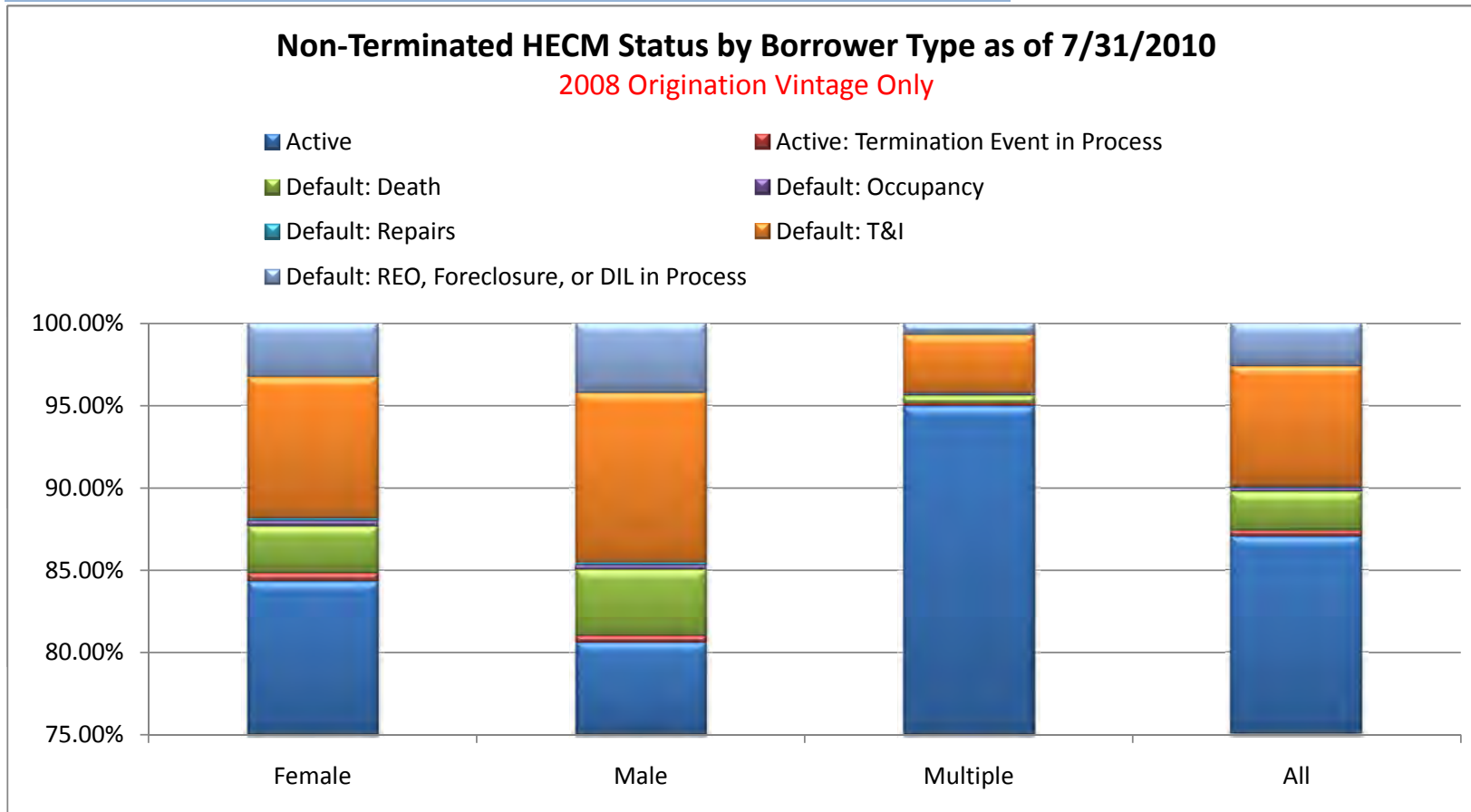
Non-Terminated HECMs by Loan Status - Borrower Type
All Origination Vintages
As of 7/31/2010

	Female	Male	Multiple	All
Active	89.62%	87.77%	96.61%	91.70%
Active: Termination Event in Process	0.39%	0.39%	0.17%	0.31%
Default: Death	2.27%	2.96%	0.27%	1.71%
Default: Occupancy	0.20%	0.14%	0.08%	0.14%
Default: Repairs	0.15%	0.30%	0.09%	0.16%
Default: T&I	5.19%	5.84%	2.31%	4.30%
Default: REO, Foreclosure, or DIL in Process	2.19%	2.60%	0.47%	1.67%



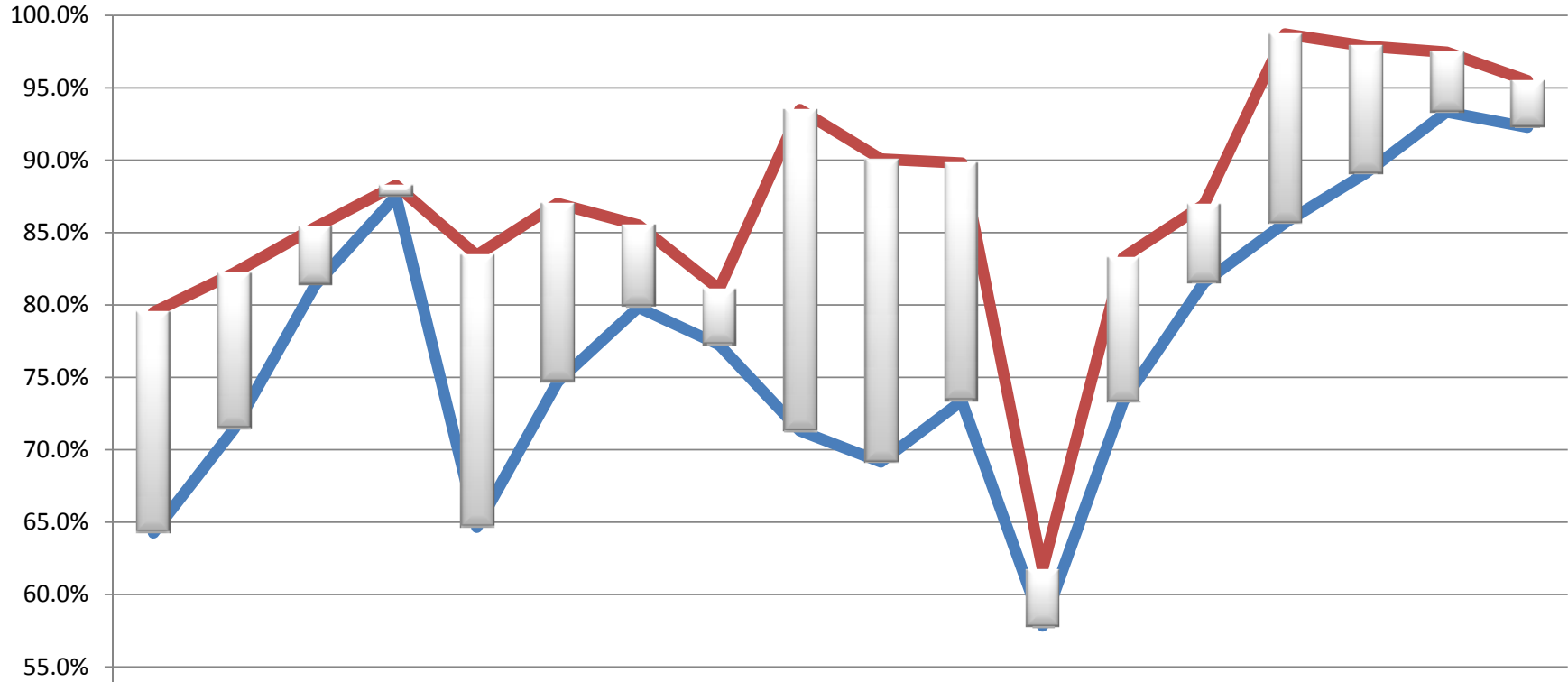
Non-Terminated HECMs by Loan Status - Borrower Type
2008 Origination Vintage Only
 As of 7/31/2010

	Female	Male	Multiple	All
Active	84.29%	80.60%	94.95%	87.02%
Active: Termination Event in Process	0.53%	0.41%	0.13%	0.37%
Default: Death	2.85%	4.03%	0.51%	2.34%
Default: Occupancy	0.31%	0.27%	0.11%	0.23%
Default: Repairs	0.17%	0.16%	0.01%	0.11%
Default: T&I	8.59%	10.30%	3.59%	7.31%
Default: REO, Foreclosure, or DIL in Process	3.27%	4.23%	0.69%	2.63%



Non-Terminated HECM Utilization Rates by Status as of 7/31/2010

Initial Current

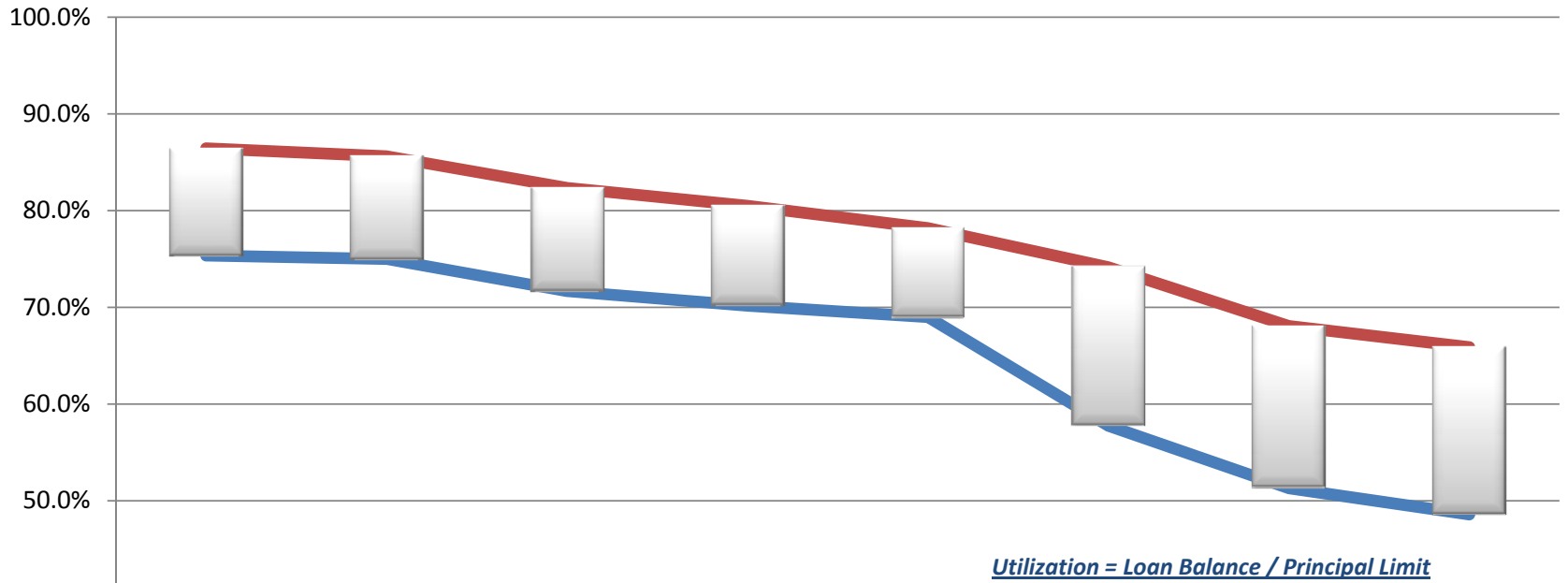


Utilization = Loan Balance / Principal Limit

	2007	2008	2009	2010	2007	2008	2009	2010	2007	2008	2009	2007	2008	2009	2007	2008	2009	2010
	Active				Default: Death				Default: Occupancy			Default: Repairs			Default: T&I			
Initial	64.3%	71.5%	81.4%	87.5%	64.6%	74.7%	79.8%	77.3%	71.3%	69.2%	73.4%	57.8%	73.3%	81.5%	85.7%	89.1%	93.3%	92.3%
Current	79.5%	82.2%	85.4%	88.3%	83.4%	87.0%	85.5%	81.1%	93.5%	90.1%	89.8%	61.7%	83.3%	86.9%	98.7%	97.9%	97.5%	95.5%

Non-Terminated HECM Utilization by Max Claim Amount 2008 Origination Vintage Only

— Initial — Current



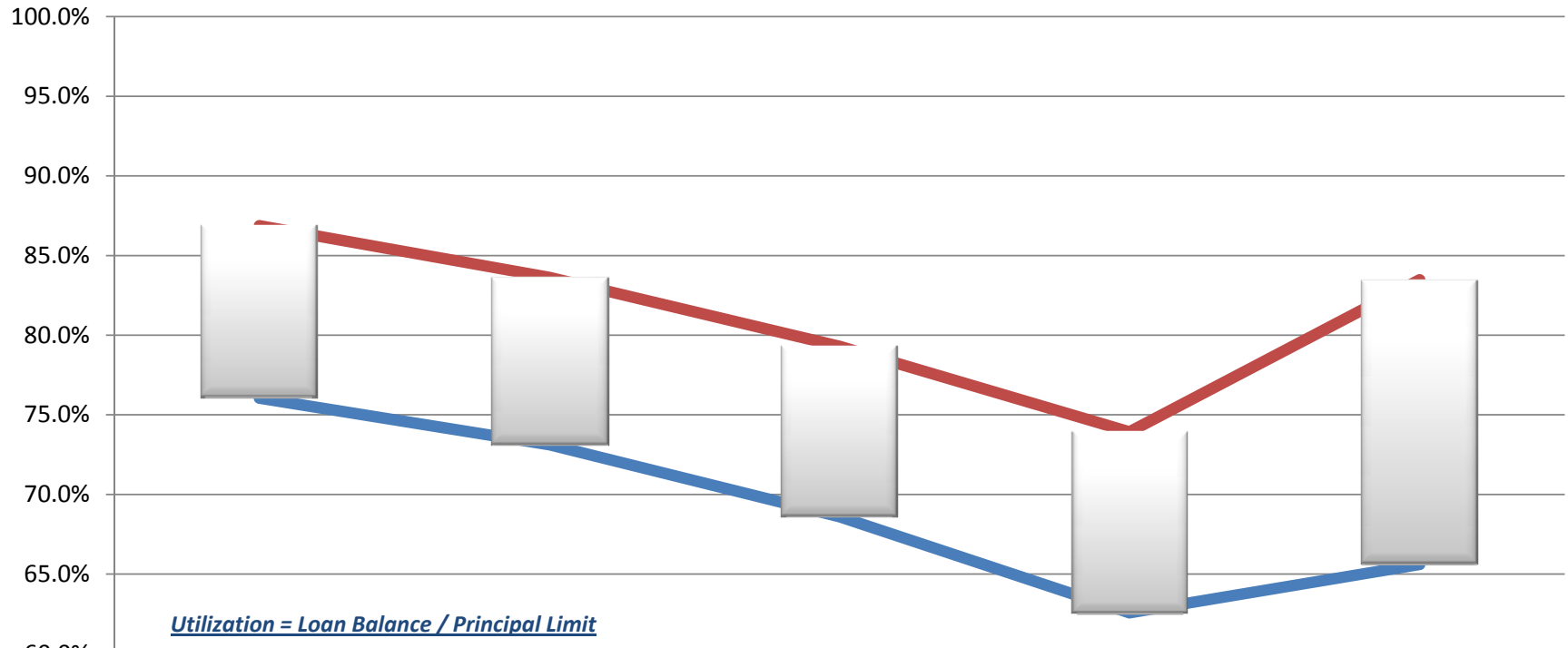
Utilization = Loan Balance / Principal Limit

	0-100K	100K's	200K's	300K's	400K's	500K's	600K's	\$700K+
Initial	75.3%	75.0%	71.7%	70.2%	69.0%	57.8%	51.3%	48.6%
Current	86.4%	85.6%	82.4%	80.5%	78.2%	74.2%	68.1%	65.9%

Non-Terminated HECM Utilization by Initial Principal Limit as of 7/31/2010

2008 Origination Vintage Only

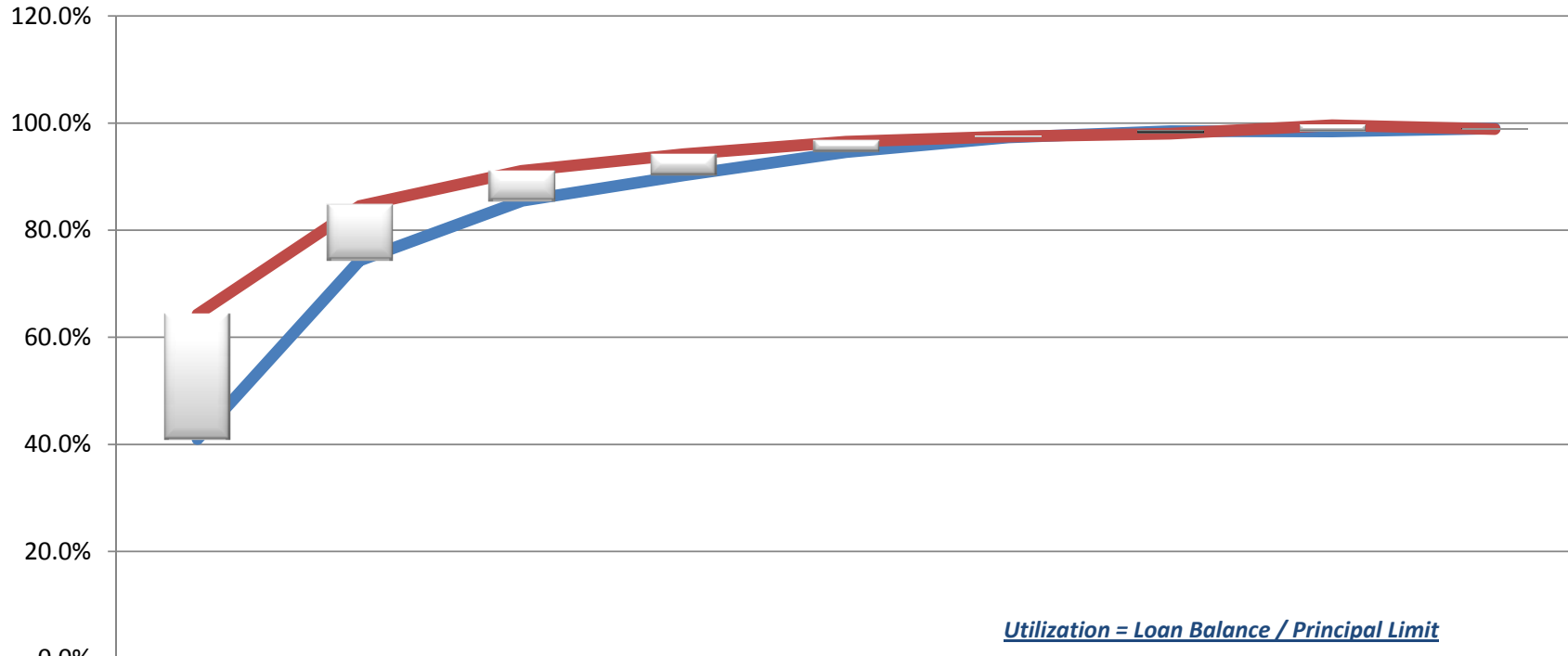
Initial Current



	0-100K	100K's	200K's	300K's	400K's
Initial	76.0%	73.1%	68.6%	62.6%	65.6%
Current	86.9%	83.6%	79.3%	73.9%	83.5%

Non-Terminated HECM Utilization by Initial Loan Balance as of 7/31/2010
 2008 Origination Vintage Only

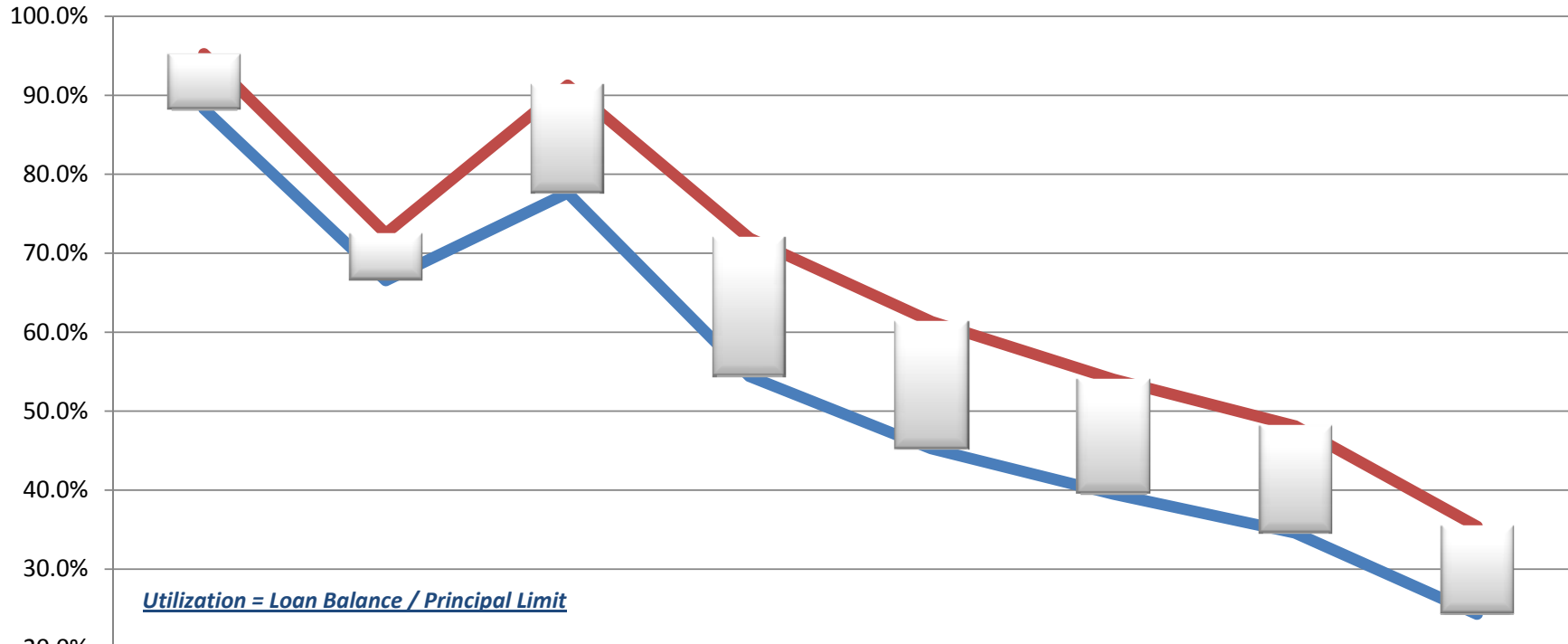
Initial Current



	0-49K	50-99K	100-149K	150-199K	200-249K	250-299K	300-349K	350-399K	400-449K
Initial	41.0%	74.3%	85.5%	90.2%	94.6%	97.3%	98.5%	98.4%	99.0%
Current	64.3%	84.5%	91.1%	94.2%	96.5%	97.5%	98.0%	99.6%	98.9%

Non-Terminated HECM Utilization by LOC Available as of 7/31/2010
 2008 Origination Vintage Only

Initial Current

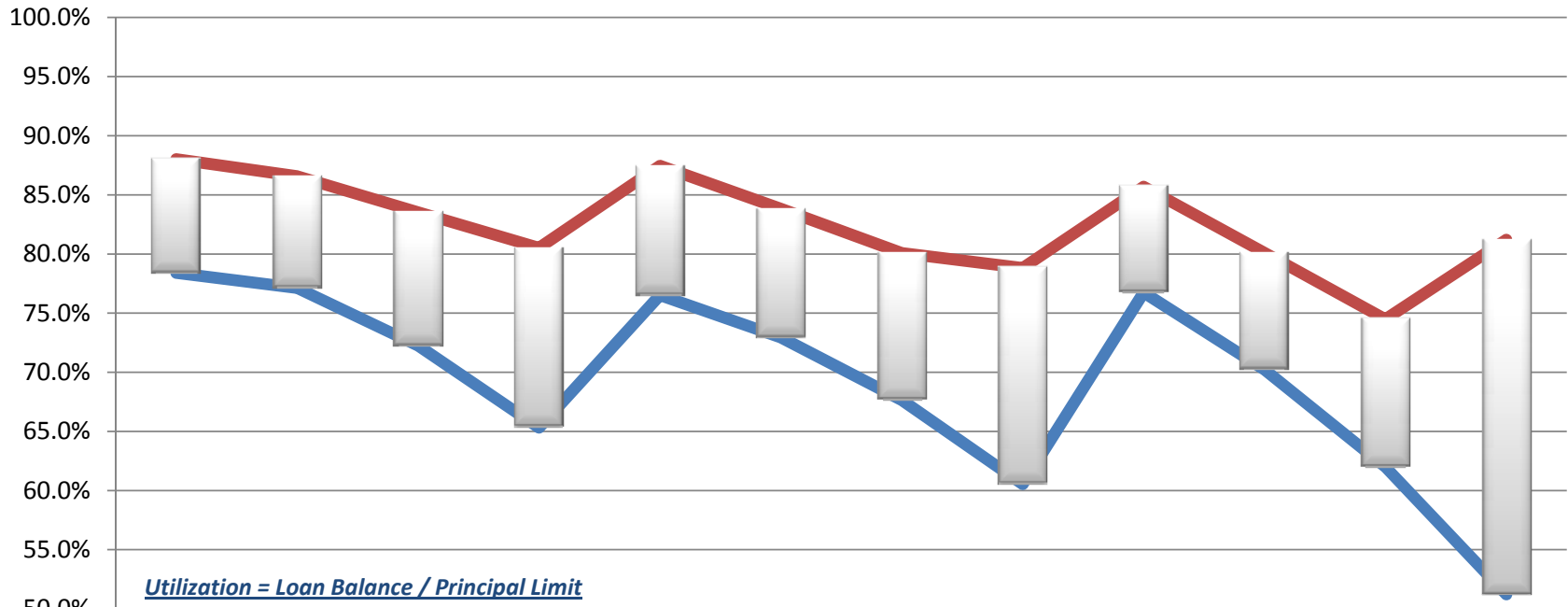


	<0	0	0-19K	20-39K	40-59K	60-79K	80-99K	100K+
Initial	88.3%	66.5%	77.6%	54.4%	45.2%	39.5%	34.6%	24.3%
Current	95.3%	72.5%	91.3%	71.9%	61.4%	54.0%	48.1%	35.4%

Non-Terminated HECM Utilization by Borrower Type as of 7/31/2010

2008 Origination Vintage Only

— Initial — Current



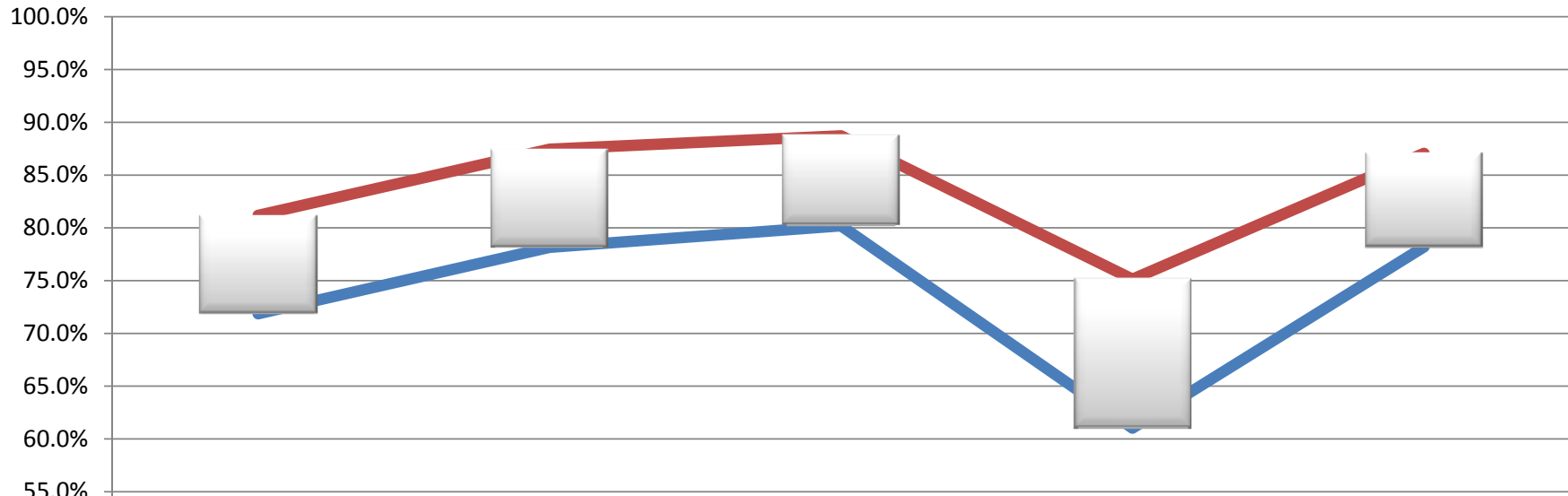
Utilization = Loan Balance / Principal Limit

	Male				Female				Multiple			
	60's	70's	80's	90's	60's	70's	80's	90's	60's	70's	80's	90's
Initial	78.4%	77.1%	72.2%	65.3%	76.5%	72.9%	67.6%	60.5%	76.7%	70.2%	62.0%	51.2%
Current	88.0%	86.6%	83.5%	80.5%	87.5%	83.8%	80.1%	78.8%	85.7%	80.1%	74.5%	81.2%

Non-Terminated HECM Utilization by State as of 7/31/2010

2008 Origination Vintage Only

— Initial — Current



Utilization = Loan Balance / Principal Limit

	CA	FL	TX	NY	IL
Initial	71.9%	78.2%	80.2%	61.0%	78.2%
Current	81.2%	87.5%	88.7%	75.1%	87.1%

