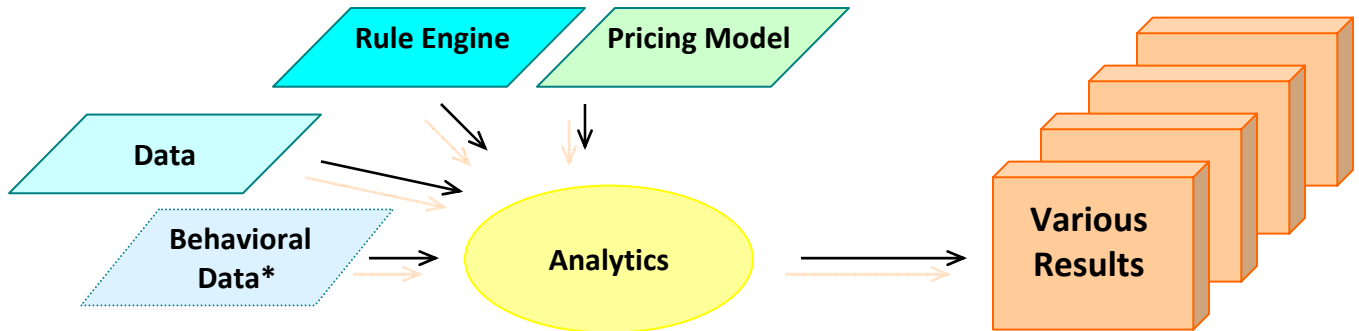


eValue: Asset Valuation Model

eValue ... At a Glance

Determining the true value of an asset, with its associated risks, is a major challenge for asset managers, servicers and investors. eValue is a WEB-based, loan evaluation tool that solves that need. It uses sophisticated analytics, backed by easy-to-configure tools. eValue works quickly, and it delivers real-time results, with “at-a-glance” performance and risk metrics.



About eValue ...The Decision Support System

- Valuation tool for servicers, investors and asset managers
- Several levels of layered risk are taken into account
- It delivers: accurate results, calculated on a real-time basis; comprehensive details/status; work cues; escalations; cross-checks, etc.
- Scenario builder for simulating different scenarios
- Ability to price based on predictive behavior
- Valuation is dynamically updated, based on changes in the field.
- Tracking of assets from bid through acquisition to final disposition
- Simple to customize risk scoring model and subsequent valuation

Tool Highlights

- Algorithm and scenario based model
- Easily configurable by the business
- Model to simulate “what-if” scenarios
- Management alerts to changing risk profiles
- Dashboard reports to view portfolio assessment reports
- Scalable model to include new variables and calculations

Key Features and Benefits

Valuation Model

Request Number	Request Date	Portfolio Number	UPB	Number of Loans	% Performing	% Sub Performing	% of Non-Performing	WAC	WA-Price	WAFICO	WACLTV
84	01/14/2009	PF-0	\$ 12,639,276.53	72	0.0	5.56	94.44	\$ 8.73	\$ 148,391.24	\$ 517.28	\$ 90.43
84	01/14/2009	PF-1	\$ 9,735,539.45	73	0.0	8.22	91.78	\$ 8.93	\$ 137,494.29	\$ 533.43	\$ 89.25
84	01/14/2009	PF-1Q	\$ 1,184,750.96	5	0.0	20.0	80.0	\$ 7.14	\$ 547,271.40	\$ 686.89	\$ 84.23
84	01/14/2009	PF-2	\$ 10,011,582.45	75	0.0	9.33	90.67	\$ 8.86	\$ 109,645.10	\$ 537.22	\$ 91.08
84	01/14/2009	PF-3	\$ 12,036,529.18	73	0.0	8.22	91.78	\$ 8.74	\$ 119,557.97	\$ 537.48	\$ 92.94
84	01/14/2009	PF-4	\$ 10,419,695.71	73	0.0	5.48	94.52	\$ 9.05	\$ 109,518.50	\$ 539.96	\$ 91.91
84	01/14/2009	PF-5	\$ 15,128,143.54	69	0.0	7.25	92.75	\$ 8.48	\$ 448,161.26	\$ 566.52	\$ 89.44
84	01/14/2009	PF-6	\$ 14,379,153.04	74	0.0	13.51	86.49	\$ 8.72	\$ 222,024.33	\$ 535.82	\$ 92.41
84	01/14/2009	PF-7	\$ 11,819,826.85	72	0.0	6.94	93.06	\$ 8.68	\$ 197,015.11	\$ 541.08	\$ 91.62
84	01/14/2009	PF-8	\$ 14,828,703.40	72	0.0	8.33	91.67	\$ 8.25	\$ 282,802.83	\$ 540.91	\$ 89.82

- Monthly projected cash flows, delinquencies, defaults and losses that integrate into pricing and valuation models
- NPV calculation derived from monthly cash-flows of adjusted sale price and estimated costs
- Market evaluations based on price, milestones, probability of default and loan type
- Dynamic rules, adjusted to market conditions, classify loans as “Performing”, “Sub-performing” and “Non-performing”.
- Loan level analytics using over 150 dimensions of CLTV, property details, payment details and loan details
- Predictive modeling algorithms with industry parameters, like HPI & Default Curve, are part of the price calculations.
- Portfolio/ loan-level risk identification to further segment assets, based on customized characteristics, for auction decisions
- Drill down analytics from portfolio to loan level

* Future release

Business Rules Matrix

Business Rules Matrix List

Field Name	Field Value	Factor Type	Weightage	Rule Name
loan classification	Performing	Attractive	1	If RiskScore <= 250 and loan is current
loan classification	Subperforming - Low	Attractive	1	If RiskScore <=250 and loan is 30-59 days delinquent
loan classification	Subperforming - High	Attractive	1	If RiskScore <=250 and loan is 60-89 days delinquent
loan classification	Subperforming - Low	Attractive	1	If RiskScore > 250 and RiskScore <=400
loan classification	Subperforming - High	Attractive	1	If RiskScore > 250 and RiskScore <=400 and loan is 30-59 days delinquent
loan classification	Non - Performing	Attractive	1	If RiskScore > 350 and RiskScore <= 400 and loans is 60+ days delinquent
loan classification	Non - Performing	Attractive	1	If RiskScore > 400
loan classification	Non - Performing	Attractive	1	If RiskScore <=250 and loan is 90+ days delinquent
recommended option	Modification	Attractive	1	If RiskScore > 350 and RiskScore <= 400 and loans is 60+ days delinquent
				If RiskScore > 400 and borrower has made ?

Managers and investors are challenged to determine loan value, based on current market conditions and loan parameters. The process of working through loans on a case-by-case basis is cumbersome and expensive. eValueate automates the process to determine loan classification. eValueate provides the Business Rules Matrix (BRM) with pre-defined rules, as per current guidelines, in order to classify a loan. It is sophisticated enough to address multiple classifications and multiple dimensions, yet simple enough to be easily used and updated by any business user.

Some of the salient features/ benefits of BRM:

- Pre-defined rules, as per current guidelines
- Business users can manage the business rules with minimal IT.
- Highly intuitive, user based, graphical user interface (GUI) to create and to update functionally rich business rules.
- Rules can be changed real-time; thereby, the model is responsive to dynamic market conditions and investor requests.
- Changes in loan classifications and recommendations are easily implemented.
- Classification based on loan level dimensions of Risk Score, Delinquency, CLTV and DTI
- Any number of dimensions can be added to the BRM.

Scenario Builder

- Provides for simulation of business scenarios
- Provides for fine-tuning the model by changing dimensions and rules and testing for its accuracy
- Facilitates testing of different scenarios before confirming the model
- Saves simulated scenarios for future reference, -e.g., creating and saving the scenario for modification eligibility, based on new federal rules
- Helps forecast the impact of government legislations and rate changes on the valuation model – e.g., How will the proposed rate changes impact the pricing of assets?



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