

495-7513692	\$535.60	\$5.83			\$541.43	10/11/2008
137-3223837	\$25.00	\$0.07			\$25.07	4/19/2009
132-1908310	\$75.00	\$0.21			\$75.21	2/13/2009
105-2563696	\$98,034.54	\$975.50			\$99,010.04	11/21/2008
TOTAL INSURANCE OVERCLAIM:	\$1,489,808.53	\$21,798.19	\$93,063.04	\$1,138.63	\$1,605,808.39	

Documents reflecting the above-described overclaims were attached to HUD's June 10, 2010, Proof of Claim at Exhibit "C," and are incorporated herein by reference.

C. Actual Losses Relating to Indemnification Agreements

On the basis of eighteen (18) indemnification agreements executed by TBW and FHA, TBW is responsible for paying and has failed to pay \$1,306,390.30 to HUD in mortgage insurance claim monies. The indemnification debts are:

Case No./ Claim No.	Principal	Interest	Penalties	Costs	Total	Date of Claim Payment
092-8116042/720706186	\$52,120.48	\$781.80	\$3,158.50	\$35.33	\$56,096.11	08/25/02
091-3284594/720706189	\$33,726.84	\$505.92			\$34,232.76	05/02/03
091-3358884/720706192	\$35,152.13	\$527.28			\$35,679.41	04/21/03
091-3384855/720706193	\$45,382.71	\$680.76			\$46,063.47	04/21/03
093-5069802/720706188	\$10,787.12	\$161.82			\$10,948.94	09/06/03
101-8900574/720706187	\$26.18	\$0.42			\$26.60	06/28/02
411-3724992/720706177	\$100,081.88	\$2,501.63			\$102,583.51	10/04/08
105-1519286	\$83,436.28				\$83,436.28	05/17/08
491-9103081	\$68,235.87				\$68,235.87	03/20/09
241-7955833	\$148,213.68 ¹				\$148,213.68	10/18/10
291-3514129	\$68,526.34				\$68,526.34	01/30/11
421-4266158	\$41,154.53				\$43,741.53	10/24/10
011-5471006 ²	\$106,142.40				\$106,142.40	3/18/12

¹ This amount represents the amount of the Part A Claim paid by HUD. This amount will be subject to adjustment for sale proceeds, as well as any additional holding/marketing costs to HUD.

² Loan subject to indemnification agreement. The first two-month delinquency was April 2008, 10 months after the indemnification agreement was executed. Property conveyed to insurer in March 2012. Part A claim paid (3/15/2012) \$103,127.15. Part B claim paid (5/22/2012) \$11,865.16. Total claim paid: \$114,992.31. Property sold for \$13,651.06.
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Case No./ Claim No.	Principal	Interest	Penalties	Costs	Total	Date of Claim Payment
105-1898331 ³	\$139,631.43				\$139,631.43	10/3/11
451-0856904 ⁴	\$177,380.50				\$177,380.50	2/2/12
494-3255612 ⁵	\$64,557.01				\$64,557.01	4/19/12
491-9115855 ⁶	\$63,410.98				\$63,410.98	4/5/12
321-2439726 ⁷	\$96,886.40				\$57,483.48	03/17/12
TOTAL:					\$1,306,390.30	

Documents reflecting the above-described indemnification-related losses were attached to HUD's June 10, 2010, Proof of Claim at Exhibit "D," and are incorporated herein by reference. Documents relating to losses for FHA Numbers 241-7955833, 291-3514129, and 421-4266158 are attached hereto at Exhibit "G" to HUD-FHA's Amended Proof of Claim.

D. Contingent Debt Relating to Indemnification Agreements

TBW has executed agreements requiring TBW to indemnify HUD-FHA for losses relating to certain FHA-insured loans in the event of a borrower's default and HUD's payment of an insurance claim. Specifically, in the event of a default and HUD-FHA's payment of an insurance claim, TBW is responsible for paying insurance claim monies to HUD-FHA on the basis of the following indemnification agreements:

³ Loan subject to indemnification agreement. Loss mitigation claim paid. Property conveyed to Insurer in August 2011. On 10/3/2011, FHA paid the Part A claim in the amount of \$152,513.64. On 11/4/2011, FHA paid the Part B claim in the amount of \$5,340.51. Total of Part A and Part B claims paid by FHA: \$157,854.15. The property was sold in June of 2012 for \$37,101. FHA's loss on the sale was \$139,631.43, after payment of claims, management and marketing expenses, and taxes.

⁴ Loan subject to indemnification agreement with HUD. Property Conveyed January 2012. FHA paid the Part A claim on 2/2/2012 in the amount of \$253,886.59. FHA sold the property for \$92,400. FHA's losses—excluding its payment of a Part B claim and other management and marketing expenses and taxes (for which data is not yet available)—is \$177,380.50.

⁵ Loan subject to indemnification agreement. Property Conveyed to Insurer; sold by FHA on 9/19/2012. FHA paid a Part A claim in the amount of \$64,557.01 on 4/19/2012. No adjusted loss on sale is available.

⁶ Loan subject to indemnification agreement. FHA paid Part A claim on 4/5/2012 for \$107,156.94. No Part B claim has been paid. FHA sold the property on 6/29/2012 for \$51,145.74. FHA's loss on sale—including management and marketing expenses, taxes, etc.—is \$63,410.98.

⁷ Loan subject to indemnification agreement with HUD. Property Conveyed March 2012. FHA paid the Part A claim on 3/17/2012 in the amount of \$96,886.40. FHA sold the property for \$50,000. FHA's losses—excluding its payment of a Part B claim and other management and marketing expenses and taxes (for which data is not yet available)—is \$57,483.48.

FHA Case No.	Original FHA Case No.	Date Indemn. Agreement Expires	Date Indemn. Agreement Executed	Current Insurance Status ⁸	Unpaid Principal Balance ⁹	FY 2011 loss rate of 55.23% applied to unpaid principal balance. ¹⁰
011-5462332		10/26/2011 ¹¹	6/18/2007	ACTIVE	\$97,796.00	\$54,012.73
011-5521499		9/12/2011 ¹²	8/20/2007	ACTIVE	\$103,059.00	\$56,919.49
011-5673287		10/29/2012	4/16/2008	ACTIVE	\$161,514.00	\$89,204.18
011-5738257		2/19/2013 ¹³	12/2/2008	ACTIVE	\$136,170.00	\$75,206.69
031-3306550		4/5/2011 ¹⁴	6/18/2007	Terminated/Non-Conveyance Foreclosure	\$85,444.00	\$47,190.72
052-3411577		3/23/2035	3/14/2005	ACTIVE	\$180,991.94	\$99,961.85
091-3847131		1/18/2012 ¹⁵	12/19/2006	ACTIVE	\$57,115.00	\$31,544.61
091-4012035		1/12/2012 ¹⁶	6/18/2007	ACTIVE	\$115,952.00	\$64,040.29
091-5067732	091-4808764	11/1/2011	11/7/2008	ACTIVE	\$124,379.72	\$68,694.92
093-5990799		9/8/2011 ¹⁷	6/18/2007	ACTIVE	\$118,119.00	\$65,237.12
095-0361240		4/19/2012	3/27/2008	ACTIVE	\$192,435.00	\$106,281.85
095-0504817		7/21/2039 ¹⁸	7/21/2009	ACTIVE	\$298,177.00	\$164,683.16
095-0589785		6/20/2013 ¹⁹	3/19/2009	ACTIVE	\$345,444.00	\$190,788.72
105-1738996		3/8/2011 ²⁰	2/15/2006	ACTIVE	\$169,590.00	\$93,664.56

⁸ The "loan status" is reported to HUD by the servicer. Servicers can report a loan as in "active," "terminated" or in "claim" status. Loans that are reported as "active" may, *inter alia*, include loans that are delinquent or have been foreclosed upon. Additionally, a loan may be incorrectly reported as "active" because of a failure by the servicer to properly report loan termination to HUD.

⁹ Unpaid principal balances are per the delinquent information reported to HUD by the servicer(s), as reflected in HUD's Single Family Neighborhood Watch system.

¹⁰ Because a percentage of paid claims is recovered through disposition of real estate owned that has been conveyed to HUD, the FY 2011 average claims loss rate for mortgages insured by the Mutual Mortgage Insurance Fund has been applied to the unpaid principal balances to calculate HUD's net claim. The source for the FY 2011 loss rate is the FHA Single-Family Mutual Mortgage Insurance Fund Programs Quarterly Report to Congress for FY 2011 Q4, delivered on 1/31/2012.

¹¹ Loan defaulted prior to expiration of indemnification agreement. Foreclosure sale held.

¹² Loan defaulted prior to expiration of indemnification agreement. During May 2012, the status changed from Foreclosure Sale Held to Third Party Sale.

¹³ Preforeclosure sale completed.

¹⁴ Loan defaulted prior to expiration of indemnification agreement. Nonconveyance foreclosure sale held.

¹⁵ Property conveyed to insurer during July 2007. No claim has yet been filed. Loan modification claim paid.

¹⁶ Loan was in foreclosure when the indemnification agreement was executed, and the property was conveyed in July 2007, the month following the 6/18/2007 execution of the indemnification agreement.

¹⁷ Loan defaulted prior to expiration of indemnification agreement. First legal action taken to commence foreclosure. Loan currently delinquent. Loss mitigation claim paid.

¹⁸ First Action to Commence Foreclosure.

¹⁹ Loss mitigation claim paid.

²⁰ Loan defaulted prior to expiration of indemnification agreement. Loan currently delinquent. Loss mitigation claims paid.

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FHA Case No.	Original FHA Case No.	Date Indemn. Agreement Expires	Date Indemn. Agreement Executed	Cur- rent Insurance Status ⁸	Unpaid Principal Balance ⁹	FY 2011 loss rate of 55.23% applied to unpaid principal balance. ¹⁰
105-1821326		3/8/2011 ²¹	2/15/2006	ACTIVE	\$72,026.00	\$39,779.96
105-1821536		7/12/2011 ²²	7/12/2006	ACTIVE	\$60,490.00	\$33,408.63
105-1944226		3/8/2011 ²³	2/15/2006	ACTIVE	\$74,246.00	\$41,006.07
105-2562268		2/5/2012 ²⁴	2/5/2007	ACTIVE	\$108,231.00	\$59,775.98
105-2563517		9/1/2011 ²⁵	6/18/2007	ACTIVE	\$198,100.00	\$109,410.63
105-2578087		11/3/2011 ²⁶	6/18/2007	ACTIVE	\$112,590.00	\$62,183.46
105-2657007		8/22/2011 ²⁷	3/16/2007	ACTIVE	\$70,330.00	\$38,843.26
105-2680148		1/18/2012 ²⁸	6/18/2007	ACTIVE	\$131,815.00	\$72,801.42
105-2784577		1/18/2012 ²⁹	6/18/2007	ACTIVE	\$98,456.00	\$54,377.25
105-2882242		3/12/2012	4/15/2009	ACTIVE	\$164,016.00	\$90,586.04
105-2921092		4/18/2012 ³⁰	4/21/2009	ACTIVE	\$47,959.00	\$26,487.76
105-3057673		1/31/2013	11/7/2008	ACTIVE	\$81,897.00	\$45,231.71
105-3119551	105- 2763656	12/19/2011 ³¹	6/18/2007	ACTIVE	\$196,849.00	\$108,719.70
105-4602715	105- 2584307	11/1/2011 ³²	6/18/2007	ACTIVE	\$118,650.00	\$65,530.40
105-6396793	105-4671155	3/16/2011 ³³	2/23/2006	ACTIVE	\$164,357.00	\$90,774.37
105-4747604	105- 2794676	11/17/2011 ³⁴	11/20/2007	ACTIVE	\$209,371.00	\$115,635.60

²¹ Loan defaulted prior to expiration of indemnification agreement. Foreclosure sale held. Property conveyed to insurer.

²² Loan defaulted prior to expiration of indemnification agreement. Bankruptcy action commenced.

²³ Loan defaulted prior to expiration of indemnification agreement. Loan delinquent. Borrower initiated bankruptcy proceeding.

²⁴ Loan modification claim for \$750.00 paid on 8/15/2011.

²⁵ Loan defaulted prior to expiration of indemnification agreement. Loss mitigation claims paid. Foreclosure sale held. Property conveyed to insurer.

²⁶ Loan defaulted prior to expiration of indemnification agreement. Long history of delinquency.

²⁷ Loan defaulted prior to expiration of indemnification agreement. Loss mitigation claim paid.

²⁸ Foreclosure sale held February 2008.

²⁹ Loan is six months delinquent as of May 2012. Loan first became two months delinquent during August 2007.

³⁰ Bankruptcy plan confirmed. Long history of severe delinquencies.

³¹ Loan defaulted prior to expiration of indemnification agreement. Long history of delinquency. Loan modification claim paid. Loss mitigation completed August 2011.

³² Loan defaulted prior to expiration of indemnification agreement. Long history of delinquency. Bankruptcy plan confirmed and bankruptcy court clearance obtained during May 2011.

³³ Loan defaulted prior to expiration of indemnification agreement. Long history of delinquency. Status changed to Chapter 7 Bankruptcy during March 2012. Last reported status at May 2012 was Chapter 7 bankruptcy.

³⁴ Loan defaulted prior to expiration of indemnification agreement. Long history of delinquency. Status at last reported month, May 2012, was First legal action to commence foreclosure.