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June 27, 2011

VIA UNITED PARCEL SERVICE

Kevin Wolfe, Director
Richard J. Hughes Justice Complex
25 Market Street, 6th Floor
Trenton, New Jersey 08625

Re: **In the Matter of Residential Mortgage
Foreclosure Pleadings and Document Irregularities
Docket No. F-059553-10**

Dear Mr. Wolfe:

Along with Paul, Weiss, Rifkind, Wharton, & Garrison, LLP, this firm represents Citibank, N.A. and Citi Residential Lending, Inc. ("Citi") in *In the Matter of Residential Mortgage Foreclosure Pleading and Document Irregularities*. In support of Citi's Prima Facie Showing pursuant to the Recommended Stipulation dated March 18, 2011 ("Stipulation"), approved by the Court by Order dated March 29, 2011, we enclose a copy of the Certification of Steven M. Smith dated June 24, 2011, with annexed Exhibits A – T.

Thank you for your attention to this matter.

Respectfully,


Gerald Krovatin

Civil Practice Division

GK:cmd

Cc: Joyce S. Huang, Esq.

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June 27, 2011

VIA UNITED PARCEL SERVICE

Hon. Richard J. Williams, (ret.)
Atlantic County Courthouse
1201 Bacharach Blvd.
Atlantic City, NJ 08401

Re: **In the Matter of Residential Mortgage
Foreclosure Pleadings and Document Irregularities
Docket No. F-059553-10**

Dear Judge Williams:

Along with Paul, Weiss, Rifkind, Wharton, & Garrison, LLP, this firm represents Citibank, N.A. and Citi Residential Lending, Inc. ("Citi") in *In the Matter of Residential Mortgage Foreclosure Pleading and Document Irregularities*. We enclose herewith a Supplemental Certification of Steven M. Smith, dated June 24, 2011.

By copy of this letter we are serving two copies of the enclosed upon Edward J. Dauber, Esq.

Please do not hesitate to contact us if you have any questions concerning enclosed.

Respectfully,


Gerald Krovatin

GK:Cmd
Enclosure

cc: Edward J. Dauber, Esq.
Kevin Wolfe, Director
Joyce S. Huang, Esq.

1

**CERTIFICATION AS TO
FACSIMILE SIGNATURE (R.1:4-4(c))**

Gerald Krovatin hereby certifies as follows:

1. I am an attorney at law in the State of New Jersey and co-counsel for Citibank, N.A. and Citi Residential Lending, Inc.

2. I hereby certify that Steven M. Smith acknowledged the genuineness of his signature on the within Affidavit and that the original of the Affidavit or a copy with the original signature affixed will be filed if requested by the Court or a party



Gerald Krovatin

Dated: June 24, 2011

KROVATIN KLINGEMAN LLC

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Newark, New Jersey 07102
(973) 424-9777

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

1285 Avenue of the Americas
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(212) 373-3000

Attorneys for Citibank, N.A. and Citi Residential Lending, Inc.

	:	SUPERIOR COURT OF NEW JERSEY
	:	CHANCERY DIVISION
	:	GENERAL EQUITY PART
	:	MERCER COUNTY
IN THE MATTER OF RESIDENTIAL	:	
MORTGAGE FORECLOSURE	:	DOCKET NO. F-059553-10
PLEADING AND DOCUMENT	:	
IRREGULARITIES	:	Civil Action
	:	
	:	SUPPLEMENTAL CERTIFICATION
	:	OF STEVEN M. SMITH IN
	:	SUPPORT OF THE PRIMA FACIE
	:	SHOWING OF CITIBANK, N.A.
	:	AND CITI RESIDENTIAL
	:	LENDING, INC.

STEVEN M. SMITH, being of full age, hereby certifies as follows.

1. I am Managing Director and head of Default Servicing at CitiMortgage, Inc. ("CitiMortgage"). I make this certification (the "Certification") in support of the Prima Facie Showing of Citibank, N.A. and Citi Residential Lending, Inc. pursuant to the Recommended Stipulation dated March 18, 2011 ("Stipulation"), approved by Order of the Superior Court of New Jersey, Chancery Division (the "Court"), dated March 29, 2011.

2. I incorporate by reference and annex hereto as Exhibits A and B respectively my January 5, 2011 affidavit (my "January 5 Affidavit") in support of the response of Citibank, N.A. and Citi Residential Lending, Inc. to the Court's December 20,

2010 Order to Show Cause, and my April 6, 2011 certification (my "April 6 Certification") in support of the prima facie showing of Citibank, N.A. and Citi Residential Lending, Inc.

3 In this Certification, I provide information, from my personal knowledge, to supplement my April 6 Certification in response to specific requests for information made by the Special Master.

CitiMortgage is Authorized to Service Loans on Behalf of Citi Affiliates

4 In New Jersey, CitiMortgage acts as the servicer for all loans originated by affiliates of Citigroup Inc., including but not limited to Citibank, N.A., Citi Residential Lending, Inc., CitiFinancial, Inc. ("CitiFinancial") and CitiMortgage (all such affiliates collectively, "Citi") The information in this Certification and my previous submissions pertains to all foreclosures in New Jersey in which an affiliate of Citigroup Inc. is the primary servicer of the mortgage, and thus is responsible for submission of foreclosure documents to the New Jersey courts. The Servicer Portfolio submitted to the Special Master by Citibank, N.A and Citi Residential Lending, Inc. on April 14, 2011 is the list of such foreclosures as of December 20, 2010.¹

¹ I note that there are two categories of mortgage loans as to which Citi has certain rights but that are not included in Citi's Servicer Portfolio, because Citi is not the primary servicer for these loans. First, the Servicing Portfolio does not include mortgage loans that are owed by Citi but for which the servicing rights are owned by third parties. I am aware of only sixty-six such loans at any stage of foreclosure in New Jersey. Those sixty-six loans are serviced by Chase Home Finance LLC, Countrywide Home Loans, JP Morgan Chase BK NA, or Wells Fargo Bank, NA. Second, the Servicing Portfolio does not include mortgage loans as to which, as of December 20, 2010, Citi owned the servicing rights but had contracted with a non-Citi entity to perform the servicing. With the small exception of eight mortgage loans in New Jersey (discussed below), Citi has canceled its existing contracts with such servicers for mortgages in New Jersey and CitiMortgage will assume responsibility for servicing all loans for which Citi owns the servicing rights (*see* Exs. C – F), and thus those loans will be added to Citi's Servicer Portfolio and serviced in accordance with the policies and procedures set forth in this

5. CitiMortgage obtains authority to service loans for these Citi affiliates via servicing agreements pursuant to which Citi affiliates transfer all servicing responsibilities for mortgage loans to CitiMortgage. These servicing agreements include provisions calling for Citi affiliates to provide powers of attorney authorizing CitiMortgage to execute documents in the affiliates' name that are necessary to service the loans. These agreements further authorize CitiMortgage to take all measures necessary to enforce the loans, including retaining counsel and initiating judicial actions.

6 CitiMortgage also may obtain authority to execute documents on behalf of Citi affiliates for which it services loans through the use of corporate resolutions. In those instances, the board of directors of a Citi affiliate will approve a resolution authorizing CitiMortgage to execute documents on behalf of that Citi affiliate.

**Citi Policies and Procedures to Confirm Information
in Its Records Concerning Loans Originated Outside of Citi**

7 As I described in my April 6 Certification, Citi has policies and procedures in place to ensure the accuracy of information contained in Citi's records regarding mortgage loans originated by Citi. (Ex. B, ¶¶5-21.)

8. For mortgage loans purchased by Citi that were originated by a third party, Citi conducts a review to confirm that the information it receives regarding such loans is accurate and complete.

Certification and in my April 6 Certification. Citi will halt any foreclosure proceedings on such loans until such time as their servicing has been assumed by CitiMortgage.

As to the eight mortgage loans in New Jersey referenced above, these are either "simple interest" loans or loans for which payment is received bi-weekly rather than monthly, making it difficult for CitiMortgage's processes and systems to service such loans. None of these eight mortgage loans in New Jersey are in foreclosure

9. For the majority of sellers of such mortgage loans to Citi, Citi receives a financial package from the seller containing the note, mortgage and background information about the borrower and the account. Some of this information also may be electronically submitted to Citi and entered onto Citi's CFI system. Citi's Data Analysis Department confirms that the financial package received from the seller contains all critical documents and data, including, among other things, the value of the loan, payment history, borrower information, and adjustable loan features.

10. Once the full financial package is received, individuals in Citi's Data Analysis Department verify and/or input data to CFI. A quality control review exists to test samples of the work performed by the Data Analysis Department, and the results of that review are reflected in the analysts' scorecards and are provided to their supervisor. Once Citi's Data Analysis Department completes its review, the loan is submitted for a second review by Citi's Pre-Purchase review team.

11. Citi's Pre-Purchase review team checks the accuracy all of the critical data on CFI against the loan documents contained in the financial package. A quality control review is conducted of a sampling of loans reviewed by the Pre-Purchase team. If the quality control review reveals an error, that information will be corrected in CFI. The results of the quality control review also factor into the scorecard for the individual in the Pre-Purchase department who reviewed the loan, and are provided to his/her supervisor for review. A map outlining the pre-purchase loan review process is annexed hereto as Exhibit G.

12. For a small percentage of sellers of such mortgage loans who have been pre-approved by Citi, Citi employs an E-Purchase Process. For loans purchased through the E-Purchase Process, sellers are required to submit all critical documents to Citi prior to a

purchase, and information concerning each loan is entered electronically onto CFI. Citi's Pre-Purchase review team confirms receipt of all critical documents and the information on CFI prior to Citi's purchase of the loan.

13 Within fifteen days of the purchase of the loan, the seller is required to send Citi the complete financial package for each loan. Citi's Post-Purchase review team then compares all of the critical data on CFI against the loan documents contained in the financial package for accuracy. If there are errors, Citi corrects the information on CFI and, if necessary, takes action with the seller. Sellers can remain in Citi's E-Purchase Process only if they maintain a high level of accuracy in the initial information transmission process. Maps outlining the loan review for the E-Purchase Process are annexed hereto as Exhibits H and I

14. A quality control review process also exists for the Pre-Purchase and Post-Purchase review of loans purchased through the E-Purchase Process. Results of the quality control review are reflected in the reviewer's scorecard and are reviewed by his or her managers, and remedial action is taken where necessary.

15 There also are certain automatic checks in the CFI system to guard against inadvertent errors in data entry. For example, if a loan is entered at a value above the value entered for the home, the system will alert the user to check for errors.

16 Finally, Citi uses a standard contract for the purchase of loans that contains representations and warranties from the seller that, among other things, the information contained in the documentation for each loan purchased by Citi does not contain any misrepresentation or untrue statement of fact or omission of a fact necessary to make the information not misleading. A copy of the Citi's standard Correspondent Loan Purchase Agreement is annexed hereto as Exhibit J.

Citi Enters Payment Information into its Systems on a Contemporaneous Basis

17. As described in my April 6 Certification, payment information on mortgage loans is updated primarily through automated processes. (Ex B, ¶16.) When borrowers send payment checks to Citi, the payments are accompanied by tracking tags provided by Citi. The tag and the check are electronically read and payment is applied to the correct account based on the tag information. This payment information is automatically loaded into CitiLink or Maestro. Other methods of payment also automatically feed into CitiLink or Maestro: for example, web and phone payments result in an electronic transfer of the payment information into CitiLink or Maestro.

18. When the automated systems cannot find the account associated with a payment or if a person pays at a CitiFinancial branch, payment information must be manually entered into Citi's systems. It is Citi's policy and procedure for payment information to be manually entered into Citi's CitiLink or Maestro systems within 24 to 48 hours of Citi's receipt of the payment.

Citi's Information Systems Provide Confirmation That Citi Possesses the Note Before Foreclosure Action Commence

19. Citi's policies and procedures require that Citi physically possess the note at the time a foreclosure action in New Jersey commences.

20. In order to ensure compliance, Citi utilizes its proprietary CitiLink system. The Citi Document Control Officer ("DCO") reviews a screen contained in a CitiLink subsystem named NLS that is utilized for document tracking. This screen contains a code reflecting whether or not the original note is in Citi's collateral file. The code "C" reflects that the original note is in Citi's collateral file. The code "M" reflects that the original

note is not in Citi's collateral files. Screenshots of the NLS subsystem for accounts coded as "C" and "M" respectively are annexed hereto as Exhibits K and L.

21. If the NLS screen reflects that Citi is not in possession of the original note, the DCO will place an order for the collateral file with Citi's Document Services unit (in the case of files held by Citi) or with the outside custodian (in the case of files held externally). Upon receipt of the file, the DCO will review its contents and if the DCO can confirm that Citi is in fact in possession of the note, a foreclosure action can be commenced.

Citi Will Not Accept Partial Payments on a Loan Once it is Referred to Foreclosure

22. As set forth in my April 6 Certification, affidavits and certifications that must be executed by Citi for submission to a court in support of foreclosure are drafted by Citi's outside foreclosure counsel and reviewed and executed by a DCO in Citi's Document Execution unit.

23. A DCO reviews the affidavit to confirm that the information specific to the individual mortgage loan, including the principal balance and any other information required to complete the certification of proof of amount due, is accurate as of the date of the affidavit

24. Once a mortgage loan is referred to foreclosure counsel, and unless an agreed loss mitigation or loan modification program is agreed with Citi (in which case the foreclosure process will be halted), Citi will cease accepting any payment for less than the full delinquent amount owed by a borrower necessary to bring the loan current (a "partial payment"). Any partial payments received by Citi that is related to a loan that has already been referred to foreclosure counsel will be remitted to the borrower.

Citi's CoreLogic Vendor Provides Purely Ministerial Support to Citi's Document Execution Unit

25. In my April 6 Certification, I discussed certain work performed by CoreLogic, a vendor working on-site at Citi's processing centers in Dallas and St. Louis. (Ex. B, ¶30) My April 6 Certification additionally annexed as Exhibit C Citi's policy setting forth CoreLogic's responsibilities in connection with the review of affidavits or certifications by Citi's Document Execution unit. Since the execution of my April 6 Certification, however, Citi has reduced in practice the scope of work performed by CoreLogic in its Dallas and St. Louis processing centers. Citi is in the process of revising its written policies and procedures to reflect this reduced scope of work.

26 As my April 6 Certification explained, draft affidavits or certifications that are ready for execution may be transmitted to Citi's Document Execution unit through CoreLogic.² (Ex. B, ¶30.) In these cases, drafts will be e-mailed by foreclosure counsel to a designated e-mail address monitored by CoreLogic.

27. At Citi's Dallas processing center, which processes affidavits in connection with loans originated by CitiFinancial and serviced by CitiMortgage, CoreLogic prints draft affidavits or certifications received from foreclosure counsel, along with any supporting documentation that foreclosure counsel has provided. If the request from foreclosure counsel is related to a judgment affidavit, the CoreLogic processor will also collect the information contained in CitiLink reflecting payments due. All documents provided by foreclosure counsel are reviewed by a Citi authorized signor. Any additional documents that the signor may request are provided by CoreLogic either by printing the

² As also discussed in my April 6 Certification, draft affidavits or certifications may also be transmitted by foreclosure counsel to Citi's Document Execution unit by uploading the documents to the VendorScape system. (Ex. B, ¶31)

requested document(s) directly from FileNet or by obtaining the document(s) from foreclosure counsel.

28. At Citi's St. Louis processing center, which processes affidavits in connection with all loans serviced by CitiMortgage other than those originated by CitiFinancial, CoreLogic's only role with respect to affidavits or certifications is to mail the final executed affidavits or certifications to foreclosure counsel and to provide a copy of the executed documents to the Citi department tasked with creating electronic imaging of loan documentation for Citi's files.

29. At both the Dallas and St. Louis processing centers, CoreLogic does not make any determination as to what constitutes proper documentation or whether the information is valid. Such determinations are made by Citi personnel who are governed by Citi's policies and procedures.

Third Party Vendors Are Unable to Alter Borrower Information in CitiLink

30. CoreLogic is the only Citi third party vendor that has access to the CitiLink system. Citi supervises CoreLogic's access to data into CitiLink in the same manner it supervises its own employees' access to data.

31. For Citi and CoreLogic employees who are determined to require access to CitiLink, a user name and password is generated for the employee to log into the system. The security code associated with each unique user name restricts the employee's access to the information on CitiLink necessary for the employee to perform his or her particular job function.

32. Neither Citi DCOs nor CoreLogic employees are able to add or subtract fees in CitiLink without the approval of Accounting and/or Finance units within Citi. When changes to a borrower's demographic information (such as mailing addresses or phone

numbers) need to be made in CitiLink, a customer service case is opened within CitiLink and that case number is assigned to Citi's Customer Service group to review and input any proper changes.

Citi's Preforeclosure Unit Receives Training to Ensure Compliance with Citi's Policies and Procedures

33. As set forth in my April 6 Certification, Citi's Preforeclosure unit undertakes a number of checks to confirm that the borrower is in default before any mortgage loan is referred to foreclosure. (Ex B, ¶20) The Preforeclosure unit additionally confirms that the required efforts have been made to reach borrowers to notify them of default, and determines if loss mitigation solutions may be available to avoid foreclosure. If, after the reviews, foreclosure is appropriate, the Preforeclosure unit gathers supporting documentation and data relating to the mortgage loan and transmits it to a foreclosure law firm.

34. To ensure the Preforeclosure unit properly performs these tasks in compliance with Citi's policies and procedures, Citi has developed a comprehensive training program for the Preforeclosure unit. This training program addresses all aspects of the Preforeclosure unit's role including, among other topics:

- (a) Citi's policies and procedures related to the Preforeclosure unit, including Citi's preforeclosure risk policies and procedures,
- (b) performance of an Equity Analysis to properly determine an account's equity position;
- (c) performance of a Foreclosure Audit Review as mandated by commitments to certain regulatory authorities;
- (d) proper processes for reviewing an account to determine if it meets all criteria for foreclosure approval:

(e) monitoring delinquent loans to ensure that investor, agency and state guidelines are met before preparing a loan for foreclosure referral, including training on the policies and procedures related to conventional, VA and FHA loans; and

(f) obtaining proper investor authorization for accounts requiring approval from investors for foreclosure or charge-off

35. True and correct copies of Citi's training materials for the Preforeclosure unit are annexed hereto as Exhibits M – S.

Citi Foreclosure Counsel Have Direct Access to Citi Representatives

36. A member of the CitiMortgage Foreclosure Processing Group is assigned to each account that has been referred to foreclosure counsel. Foreclosure counsel is provided the contact information for this CitiMortgage employee and is able to speak with him or her live as foreclosure counsel deems necessary.

Citi Has Established Oversight and Monitoring of Law Firms Conducting Foreclosures on Citi's Behalf

37. In March 2011, Citi implemented a comprehensive supervisory review process for Citi's foreclosure law firms. Foreclosure law firms are required to comply with Citi's requirements for conducting foreclosure and related work, and are subject to comprehensive supervisory visits that assess, among other items, compliance with applicable laws, regulations, and rules, and the firms' ability to accurately complete foreclosure documentation.

38. Citi requires each of its foreclosure law firms to complete a Supervisory Visit Questionnaire that gives Citi preliminary information regarding the firm's foreclosure processes and information.

39. Following receipt and review of the questionnaire, a team of Citi personnel conducts a two-day supervisory visit of the foreclosure law firm. Law firms that process more than 200 foreclosures in a given year receive two supervisory visits per year. Law firms that process between 20 and 199 foreclosures in a given year receive one supervisory visit per year. Law firms that process fewer than 20 foreclosures in a given year receive supervisory visits on a case-by-case basis.

40. The team conducting the review consists of an attorney from the Citi North America Operations & Technology Legal Department (“NA O&T Legal”) and a business representative from the Default Management group.

41. The first day of the supervisory visit is devoted to interviewing the firm’s senior management and personnel to form an understanding of the firm’s policies and procedures for processing foreclosures. On the second day of the visit, the supervisory team conducts a comprehensive review of the firm’s processes for preparing foreclosure documentation to ensure it is consistent with the Law Firm Work Standards, the firm’s policies and procedures, and applicable statutes, regulations and rules.

42. The supervisory team utilizes state law matrices regarding foreclosure, loss mitigation, and loan modification requirements as guidance for assessing the firm’s compliance with applicable statutes, regulations and rules.

43. The Order of the Supreme Court of New Jersey dated June 9, 2011 amending Rules 4:64-1 and 4:64-2 of the Rules Governing the Courts of the State of New Jersey have been incorporated into Citi’s New Jersey law matrix. We annex hereto as Exhibit T a true and correct copy of the portion of Citi’s foreclosure policies and procedures that reflect the New Jersey state law matrix. We note that, as the Order of the Supreme Court of

New Jersey was issued only recently, Exhibit T has been approved by Citi's legal and compliance departments, but has not yet fully completed the Citi Change Control process.

44. The supervisory team will select files for in-depth review with respect to accuracy and completeness and will focus to an even greater extent on the firm's preparation and documentation of affidavits.

45. The results of Citi's supervisory visit have a number of consequences. First, any errors discovered by the supervisory team are noted in a documentation error log that keeps track of all of the firm's errors. Second, document or procedural errors are noted in the firm's scorecard, which may impact the number of referrals given to the firm in the future or corrective actions that the firm is required to take. Third, the results of the supervisory visit will determine whether Citi's Review Committee certifies the firm to process foreclosures for Citi in the future.

46. All foreclosure law firms must be certified at least annually by the Law Firm Management and Supervisory Review Committee. Based on the results of Citi's supervisory visit, a law firm receives one of three ratings: satisfactory, less than satisfactory and unsatisfactory.

47. In general, law firms that are rated "satisfactory" following their supervisory visit are automatically certified by the Review Committee. However, law firms that receive ratings of "less than satisfactory" or "unsatisfactory" may be subject to mandatory corrective action requirements from the Review Committee and may be required to suspend foreclosure activities for Citi until the corrective actions are implemented. At the minimum, law firms that receive less than satisfactory or unsatisfactory ratings are placed on a watch list for closer monitoring and supervision, including monthly evaluations. The NA O&T Legal

Department and Default Servicing monitor law firms that receive less than satisfactory or unsatisfactory ratings and report developments to the Review Committee. The Review Committee may take further action depending on the reports.

Citi Has Established Quality Assurance Procedures to Ensure That the Established Procedures for Review of Relevant Source Documents and Completion of Foreclosure Affidavits and Certifications Are Followed

48. My April 6 Certification set forth the procedures followed by the Quality Assurance unit to review the performance of the Document Execution unit. As set forth in further detail in that Certification, each day, samples of affidavits and supporting documentation are collected in physical form from each DCO and each week, at least four sample affidavits from each DCO each day are reviewed by an auditor for quality assurance purposes. In general, the review of each original affidavit takes approximately twenty to forty-five minutes. (Supplemental affidavits on average require less time to review.)

49. Affidavits that have been selected for review are not returned to foreclosure counsel for filing until the quality assurance process has been completed.

50. Auditors are able to determine from their examination of the relevant source information whether any errors resulted from a mistake by foreclosure counsel or a Citi employee. Any identified errors will be corrected prior to an affidavit being approved for filing.

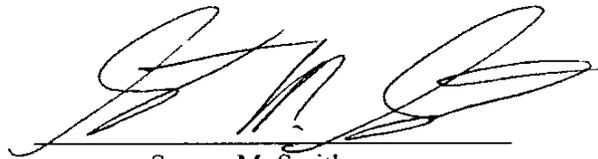
51. For "Rush" affidavits, as described in Exhibits J and K to my April 6 Certification, Citi is in the process of revising its policies to require that four rush affidavits per day from each DCO will receive the quality assurance review discussed above.

52. Any instance in which an affidavit does not pass the quality control check will be reviewed with the relevant DCO. (See April 6 Certification, Exs. J and K.)

Results of the Quality Control review also are reflected on the monthly scorecard for each DCO and reviewed by the DCO's supervisor.

53. In the event that a DCO's performance as reflected by the monthly scorecard raises a concern about the ability of that individual to adequately perform the duties of the DCO, Citi may require the DCO to undertake additional training, may undertake an expanded quality control review of the affidavits from that particular DCO, or, if appropriate, may terminate the services of the DCO.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the above statements made by me are willfully false, I am subject to punishment.



Steven M. Smith

Dated: June 24, 2011

A

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(973) 424-9777

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SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
GENERAL EQUITY PARTY
MERCER COUNTY

IN THE MATTER OF RESIDENTIAL :
MORTGAGE FORECLOSURE :
PLEADING AND DOCUMENT :
IRREGULARITIES :

DOCKET NO. F-059553-10

Civil Action

**AFFIDAVIT OF STEVEN M. SMITH
IN SUPPORT OF RESPONSE OF
CITIBANK, N.A. AND CITI
RESIDENTIAL LENDING, INC. TO
ORDER TO SHOW CAUSE**

STATE OF TEXAS)

) ss.:

COUNTY OF DALLAS)

STEVEN M. SMITH, being of full age, and duly sworn, according to law upon his oath,
deposes and says:

1. I am Managing Director and Head of Default Servicing of CitiMortgage, Inc. I am fully familiar with the matters set forth herein. I make this Affidavit upon personal knowledge in support of the Response of Citibank, N.A. and Citi Residential Lending, Inc. ("Citi") to the Order to Show Cause filed December 20, 2010. The information in this affidavit pertains to all foreclosures in New Jersey in which a Citi entity, including Citibank, N.A., Citi

Residential Lending, Inc., CitiFinancial, Inc. or CitiMortgage, Inc., is the primary servicer, and thus is responsible for submission of foreclosure documents to the court.

2. Citi has several safeguards in place to enable as many homeowners as possible to keep their homes and to ensure that no loan is referred for foreclosure until Citi has confirmed that the borrower is in default and given the borrower ample notice and opportunity to engage in discussions with Citi.

3. Through its participation in the federal Home Affordable Modification Program and its creation of additional, proprietary Citi loan modification programs, Citi actively identifies eligible borrowers and conducts extensive outreach to contact and guide them through the process of applying for trial and obtaining permanent loan modifications.

4. Specifically, in the 90 days before any foreclosure referral, Citi will have made a number of efforts to contact the borrower in order to notify the borrower of loss mitigation opportunities and give the borrower ample prior notice of any foreclosure.

5. By the time any borrower is referred for foreclosure, Citi will have sent the borrower at least two solicitation letters for loan modification programs and will have made at least four (and generally significantly more than four) additional attempts to contact the borrower by methods which may include phone calls, e-mails, text messages and/or in-home visitation regarding the possibility of loan modification.

6. After these efforts have been exhausted, and prior to referring any loan to foreclosure, Citi subjects all loans to a review in order to determine whether the loan is eligible for foreclosure, which includes a check to confirm that the borrower is in default and determine if any loss mitigation efforts are under way.

7. In addition, Citi subjects a targeted set of loans to a separate foreclosure audit review, to determine whether any other issues exist.

8. Thus, Citi ensures that only those loans for which there is no other reasonable option ever enter the foreclosure process.

9. More than a year ago, in the fall of 2009, Citi internally undertook a voluntary review of its existing foreclosure practices and promptly initiated a series of steps to strengthen its practices and add additional resources to ensure foreclosures were being processed correctly.

10. Under Citi's longstanding procedures, where Citi is the servicer of a mortgage loan, foreclosure documentation is prepared in the first instance by foreclosure counsel to ensure compliance with federal and state foreclosure laws.

11. Citi foreclosure counsel review the records and documents relevant to the mortgage loan, so that correct information will be included in the documents prepared.

12. Where documents, such as affidavits, are to be executed by Citi personnel, foreclosure counsel provide the documents to the servicing unit at Citi tasked with executing such documents.

13. Under Citi's current, enhanced foreclosure documentation processes, each such foreclosure affidavit is reviewed by a Citi employee who verifies the facts in the affidavit and then signs the affidavit in front of a notary.

14. Citi developed and implemented enhanced training programs with respect to proper execution and notarization of foreclosure affidavits. These training programs emphasize, among other things, that the signor must have personal knowledge of the facts and must sign in the presence of a notary. All Citi employees who sign foreclosure affidavits must

annually certify that they have completed the training and attest to their understanding and compliance with the processes described.

15. Citi centralized its foreclosure operations into one unit, and added resources and staff to its foreclosure operations. These changes help ensure that all of Citi's staff members have sufficient resources and time to personally verify and properly execute all supporting documents in foreclosure actions.

16. Citi enhanced its ongoing monitoring of its foreclosure practices. Managers are required to regularly review foreclosure files to check compliance with the proper procedures. In addition, Citi increased its quality control checks to include a weekly review of a sample of affidavits, performed by trained employees who are dedicated to quality control and reporting.

17. Citi implemented policies for enhanced oversight of the law firms that handle Citi foreclosures. Before permitting any law firm to perform foreclosure work for Citi, Citi conducts extensive due diligence on the firm, which includes completion of a detailed questionnaire and searches for any complaints or lawsuits with the state bar, regulatory agencies and state and federal courts. Law firms are informed of Citi's standards and expectations with respect to affidavits and other filings submitted on Citi's behalf in foreclosure proceedings, the control processes such firms must have in place concerning foreclosure-related documentation, and the escalation of any issues to Citi. Among other things, each law firm is required, as a condition of its representation of Citi, to follow all local, state and federal laws regarding their legal work on Citi's behalf, and to be familiar with and comply with each specific state's laws and processes regarding foreclosure. Citi also does periodic on-site legal audits to review selected files, observes default-related processes at the law firm, and reviews new legal

requirements and challenges in the relevant state. In addition, if a foreclosure is contested or encounters unexpected issues, the law firm escalates the matter to Citi, and Citi may elect to direct the law firm to cease or take certain actions.

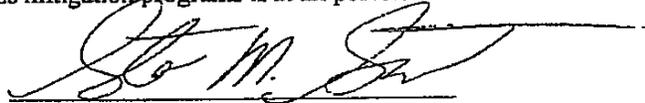
18. In New Jersey, as of January 3, 2011, there were 4,023 active foreclosures serviced by Citi. In addition, there are 747 foreclosures in New Jersey serviced by Citi that are on hold, for reasons that include potential loan modifications for the borrower. Many of these foreclosures may never restart—for example, if a loan modification occurs, the foreclosure will be dismissed—or if they do restart, they will likely require new affidavits because changes in circumstances or the passage of time has changed the relevant financial information. Citi will review the affidavits in all of these cases for accuracy in the event that, and before, any of these foreclosures do restart.

19. Of the 4,023 active foreclosure in New Jersey serviced by Citi, 613 involve affidavits that were prepared under our pre-strengthened processes. Based on our ongoing review of those 613 active foreclosures, Citi has determined thus far that foreclosure affidavits need to be corrected in 210 foreclosures.

20. Of the 210 cases, a significant percentage contained errors that were actually in the borrowers favor.

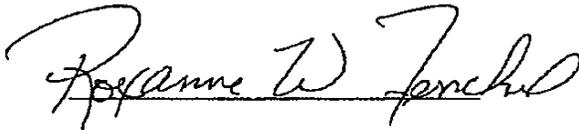
21. Nevertheless, Citi intends to dismiss all 210 of those foreclosure actions, and any other foreclosure actions in New Jersey we find, based on our completion of this review, to require corrections, as soon as possible.

22. After dismissal, Citi will re-file these foreclosures pursuant to our current, enhanced foreclosure documentation procedures, while also re-initiating attempts to resolve those matters with the borrowers through loss mitigation programs if at all possible.



Steven M. Smith

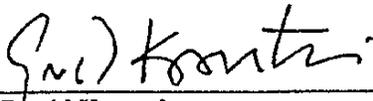
Sworn to and Subscribed
before me this 5 day of
January 2011



**CERTIFICATION AS TO
FACSIMILE SIGNATURE (R.1:4-4(e))**

Gerald Krovatin hereby certifies as follows:

1. I am an attorney at law in the State of New Jersey and counsel for Citibank, N.A. and Citi Residential Lending, Inc.
2. I hereby certify that Steven M. Smith acknowledged the genuineness of his signature on the within Affidavit and that the original of the Affidavit or a copy with the original signature affixed will be filed if requested by the Court or a party



Gerald Krovatin

Dated: January 5, 2011

B

KROVATIN KLINGEMAN LLC
744 Broad Street, Suite 1903
Newark, New Jersey 07102
(973) 424-9777

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
1285 Avenue of the Americas
New York, New York 10019-6064
(212) 373-3000

Attorneys for Citibank, N.A. and Citi Residential Lending, Inc.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
GENERAL EQUITY PART
MERCER COUNTY

IN THE MATTER OF RESIDENTIAL
MORTGAGE FORECLOSURE
PLEADING AND DOCUMENT
IRREGULARITIES

DOCKET NO. F-059553-10

Civil Action

**CERTIFICATION OF
STEVEN M. SMITH IN SUPPORT
OF THE PRIMA FACIE SHOWING
OF CITIBANK, N.A. AND CITI
RESIDENTIAL LENDING, INC.**

STEVEN M. SMITH, being of full age, hereby certifies as follows:

1. I am Managing Director and head of Default Servicing at CitiMortgage, Inc. I make this certification (the "Certification") in support of the Prima Facie Showing of Citibank, N.A. and Citi Residential Lending, Inc. pursuant to the Recommended Stipulation dated March 18, 2011 ("Stipulation"), approved by Order of the Superior Court of New Jersey, Chancery Division (the "Court"), dated March 29, 2011.

2. The information in this Certification pertains to all foreclosures in New Jersey in which an affiliate of Citigroup Inc., including Citibank, N.A., Citi Residential Lending, Inc., CitiFinancial, Inc. ("CitiFinancial") or CitiMortgage, Inc. ("CitiMortgage"), is

the primary servicer, and thus is responsible for submission of foreclosure documents to the New Jersey courts (all such affiliates collectively, "Citi").

3 I incorporate by reference and annex hereto as Exhibit A my January 5, 2011 affidavit (my "January 5 Affidavit") in support of the response of Citibank, N.A. and Citi Residential Lending, Inc to the Court's December 20, 2010 Order to Show Cause. In that affidavit, I summarized Citi's self-initiated efforts, beginning in the fall of 2009—long before the recent public focus on these issues—to review and strengthen its foreclosure practices and to add additional resources to ensure that foreclosures were being processed correctly. (Exhibit A, ¶¶ 9-17) As set forth in my January 5 Affidavit, Citi more than a year ago implemented strengthened policies and procedures for preparing foreclosure documentation and ensuring its quality; enhanced training procedures for employees preparing and executing affidavits, centralized Citi's foreclosure operations into one unit with added resources and staff; enhanced Citi's ongoing monitoring of its foreclosure practices by regular quality control checks; and enhanced oversight of foreclosure law firms working on Citi's behalf (*Id.* ¶¶ 9-17)

4 In this Certification, I provide information, from my personal knowledge, concerning Citi's processes and procedures in place to "ensure that the information set forth in affidavits/certification[s] submitted in foreclosure proceedings is personally reviewed by an affiant authorized to act on behalf of the plaintiff in the foreclosure action and that each affidavit or certification submitted is properly executed and is based upon knowledge gained through a personal review of records made in the regular course of business and it was the regular practice of that business to make it." (Stipulation ¶ 4)

I. Citi Information Systems Used in Verification of Information in Foreclosure Affidavits

5. Citi's Default Servicing group includes three units that help to ensure the accuracy of foreclosure affidavits.

6. The Preforeclosure unit reviews loans prior to their referral to foreclosure and forwards loan information to foreclosure counsel at the time of referral.

7. The Document Execution unit verifies and executes affidavits and certifications to be submitted in foreclosures, including certifications of proofs of amount due that are submitted in uncontested foreclosures in New Jersey.

8. The Quality Assurance unit reviews the performance of the Document Execution Team.

9. Citi employees in these three units may use CitiLink, Maestro, DRI and/or FileNet, four information software systems (CitiLink and Maestro are proprietary to Citi), to obtain information about individual mortgage loans in connection with foreclosures

10. CitiLink and Maestro are mortgage information software systems that act as the primary servicing databases for CitiMortgage and CitiFinancial. They contain information relating to the origination, payment, and interest of mortgage loans.

11. DRI is a case management, communications, and recordkeeping software system for default-related matters. DRI gathers the information contained in CitiLink or Maestro through a live feed and presents it in a user-friendly and functional manner.

12. FileNet is a software system that contains images of mortgage loan documents, such as the note, and makes those images available for viewing and printing.

13. The information in CitiLink, Maestro, DRI and FileNet concerning mortgage loans are records that are made in the regular course of Citi's business and it is the regular practice of Citi to make such records.

14 Where the relevant mortgage loan was originated by Citi, mortgage loan data enters CitiLink or Maestro via a feed from CitiMortgage's or CitiFinancial's proprietary loan processing and underwriting software systems, and images of the mortgage loan documents are scanned into FileNet. Where the relevant mortgage loan was not originated by Citi, mortgage loan data is fed into CitiLink and images of mortgage loan documents are entered into FileNet by electronic interface from the entity possessing the loan data and documents; or if electronic interface is not available, then mortgage loan data is input into CitiLink and images of mortgage loan documents are scanned into FileNet manually.

15 The majority of mortgage loan data remains constant throughout the life of the loan. When information does change—for example, when a borrower changes his or her name or address—the updated information is input into CitiLink or Maestro at the time Citi is notified of the information.

16 Payment information on mortgage loans is updated primarily through automated processes. The majority of payments are made through the mail. Borrowers typically send payment checks with tracking tags which Citi provides. The tag and the check are electronically read and payment is applied to the correct account based on the tag information. This payment information is automatically loaded into CitiLink or Maestro. Other methods of payment also automatically feed into CitiLink or Maestro. For example, web and phone payments result in an electronic transfer of the payment information into CitiLink or Maestro. When the automated systems cannot find the account associated with a payment,

payment information must be manually entered into the system. In addition, if a person pays at a CitiFinancial branch—which many do—that payment is entered manually.

17. Each of the data and document input processes described above is subject to a number of controls to ensure accuracy, including data quality checking processes, data reconciliations, internal control self-assessment procedures, and internal auditing.

18. Citi communicates with its foreclosure counsel through the Vendorscape Service Gateway (“Vendorscape”). Vendorscape is a web-based function that permits communication of messages, information and documents between Citi and its foreclosure counsel across the country. Through this secure system, Citi employees communicate with foreclosure attorneys regarding, among other things, the acceptance, rejection and revision of draft foreclosure affidavits or certifications that are to be executed by Citi.

19. Neither the Citi employees in the Preforeclosure, Document Execution and Quality Assurance units, nor Citi’s foreclosure counsel, use Lender Processing Services databases to obtain or verify information about loans in connection with Citi foreclosures. All of the data used by Citi and its foreclosure counsel in the preparation and verification of foreclosure affidavits in Citi foreclosures comes from the mortgage loan documents or from information systems operated by Citi.

II. The Preforeclosure Group Reviews Loans Prior to Referral To Foreclosure to Ensure That Foreclosure is Appropriate

20. As set forth in my January 5 Affidavit, before any mortgage loan is referred to foreclosure, the Preforeclosure unit undertakes a number of checks to confirm that the borrower is in default. (Exhibit A, ¶ 6) The Preforeclosure unit also confirms that the required efforts have been made to reach borrowers to notify them of default, and to

determine if loss mitigation solutions may be available to avoid foreclosure. (Exhibit A, ¶¶ 3-5)

21. If a loan passes these reviews, Citi's Preforeclosure unit gathers supporting documentation and data relating to the mortgage loan and transmits it to the foreclosure law firm. The supporting documentation and data include, among other things, the note and the mortgage, information concerning any assignments of the mortgage, information concerning the borrower's indebtedness, and information sufficient to run bankruptcy and military status checks on the borrower.

III. Citi Forecloses as the Mortgagee or, in a Small Percentage of Cases, Based on Authority Granted by the Mortgagee by Contract

22. As reflected in Citi's Servicer Portfolio, in the great majority of foreclosure cases in New Jersey for which Citi is the primary servicer, Citi is named as the foreclosure plaintiff. In those cases, Citi is the mortgagee at the time the foreclosure action is instituted. (Citi may be the original mortgagee, or the mortgage may have been assigned to Citi prior to institution of the foreclosure action. In many cases where Citi is not the beneficial owner of the mortgage loan but is the servicer of the loan, such as in the case of Fannie Mae or Freddie Mac loans serviced by Citi, the mortgage is assigned to Citi immediately prior to institution of the foreclosure action in order to allow Citi to institute the foreclosure in its name.)

23. In a small minority of the foreclosure cases in Citi's Servicer Portfolio, Citi is not the mortgagee and the plaintiff in the foreclosure action is the mortgagee. In such cases, Citi has been granted authority, in the servicing agreement pursuant to which Citi performs its servicing functions, to act in the foreclosure action on behalf of the mortgagee

24. True and correct copies of two sample pooling and servicing agreements in which CitiMortgage is the servicer are annexed hereto as Exhibit B. According to section 3.1 of the pooling and servicing agreements, "The Trustee will furnish CitiMortgage with any powers of attorney and other documents reasonably necessary or appropriate, and will take any other actions that CitiMortgage reasonably requests, to enable CitiMortgage to carry out its servicing duties." According to section 3.13 of the pooling and servicing agreements, "For the servicing or foreclosure of any mortgage loan, including collection under a primary mortgage insurance policy, the Trustee will, upon CitiMortgage's request and its delivery to the Trustee of a receipt signed by a Servicing Officer, direct the Mortgage Note Custodian to release the related mortgage note to CitiMortgage. The Trustee will execute such documents furnished it as are necessary to the prosecution of any such proceedings." According to section 4.1 of the pooling and servicing agreements, "CitiMortgage may, however, undertake any such action it deems desirable to enforce or secure the rights and duties of the parties of the interests of the certificate holders."

IV. Citi's Foreclosure Counsel Drafts Each Affidavit or Certification and Transmits the Draft, With Any Exhibits, to Citi's Document Execution Unit

25. Affidavits and certifications that must be executed by Citi for submission to a court in support of foreclosure are drafted by Citi's outside foreclosure counsel to ensure compliance with state and local foreclosure laws and requirements

26. In New Jersey, where certifications are permitted in lieu of affidavits, affidavits of indebtedness in uncontested foreclosures are submitted as certifications of proof of amount due. New Jersey certifications are not required to be notarized, and thus the certifications of proof of amount due submitted in New Jersey foreclosures are not notarized.

27. Information specific to the individual mortgage loan at issue is input by foreclosure counsel into the relevant draft affidavit or certification based on the data and documents provided to foreclosure counsel by Citi at the time of referral.

28. With respect to certifications of proof of amount due, in particular, at the time of referral, Citi's foreclosure counsel projects several likely judgment date ranges and based on those date ranges, Citi's Preforeclosure unit informs the foreclosure counsel of the principal balance and any other information required to complete the certification of proof of amount due as of one or more expected judgment date ranges. If the projected judgment date ranges are not accurate, foreclosure counsel requests updated information from Citi's Preforeclosure unit to complete the draft certification of proof of amount due. The Preforeclosure unit obtains the information provided to foreclosure counsel for this purpose from DRI.

29. Once ready for execution, draft affidavits or certifications that are to be submitted in uncontested foreclosures are transmitted to Citi's Document Execution unit for verification and execution. Draft affidavits or certifications are transmitted to Citi's Document Execution unit in one of two ways.

30. First, drafts may be e-mailed by foreclosure counsel to a designated e-mail address monitored by CoreLogic, a vendor working on-site at Citi's offices. CoreLogic prints each draft affidavit or certification, together with any exhibits, and physically delivers the printed draft to a Document Control Officer ("DCO") in Citi's Document Execution unit. A true and correct copy of Citi's policy setting forth CoreLogic's responsibilities in

connection with the review of affidavits or certifications by the Document Execution unit is annexed hereto as Exhibit C.¹

31 Second, draft affidavits or certifications may be uploaded by foreclosure counsel to VendorScape. Each day, a manager or designated employee in Citi's Document execution unit reviews the draft affidavits and certifications that have been uploaded to VendorScape, and, by email, assigns the review of each draft to a DCO in Citi's Document Execution unit. The DCO then logs into VendorScape and can review each draft he or she has been assigned, with its exhibits, in VendorScape. A true and correct copy of Citi's policy setting forth VendorScape's use in connection with the review of such affidavits or certifications is annexed hereto as Exhibit D.

V. The Document Control Officers in Citi's Document Execution Unit Receive Annual Training About the Importance of Verifying All Information in Affidavits Against Company Records Prior to Execution

32. Citi DCOs receive annual training emphasizing that executing an affidavit is the legal equivalent of swearing to personal knowledge of the information in the affidavit and the importance of verifying each piece of information contained in an affidavit against relevant business records. The training materials explain that affidavits are written testimony and should be treated as seriously as testifying in open court. In addition, the training materials instruct DCOs to seek assistance and guidance when they cannot verify any fact in an affidavit or when they do not understand something in an affidavit. A true and correct copy of Citi's affidavit training materials is annexed hereto as Exhibit E.

¹ This policy, like a number of the written policies annexed to this Certification as exhibits, is dated March 28, 2011. Citi is in the process of updating its written policies, and the policies attached are the most updated versions of those policies. I note, however, that many of the affidavit review and execution practices described in this Certification and in the annexed written policies have been in place for more than a year.

33. The training materials also explain the notarization process and emphasize that any document that is to be notarized must be signed in the presence of the notary. (See Exhibit E)

34. Finally, the training materials instruct Citi DCOs to contact the legal department should the affiant-employee not receive a satisfactory response when seeking assistance or guidance on affidavit-related questions (See Exhibit E)

35. All DCOs who execute foreclosure affidavits for Citi have completed the affidavit training, and must annually re-certify that they have again completed the affidavit training and attest to their understanding and compliance with the processes described. Citi ensures that each DCO has signed such an attestation and retains the attestations themselves. A true and correct copy of the attestation form is annexed hereto as Exhibit F.

VI. Each Draft Affidavit or Certification is Verified by a Document Control Officer in Citi's Document Execution Unit Against Company Records Prior to Execution by the Document Control Officer

36. Each draft affidavit or certification is verified against Citi's business records by a DCO prior to execution.

37. Citi policies state that in reviewing any foreclosure-related affidavit prior to execution, the DCO must read the document from start to finish to obtain a thorough understanding of the request and what must be verified, and then verify that the information contained in the affidavit is accurate and complete and that the supporting documentation mentioned in the affidavit is attached and is accurate and complete. The policies indicate the sources, including CitiLink, Maestro, DRI, and/or FileNet, where the DCO can find verify each item of information. True and correct copies of the affidavit review

and execution policies of CitiMortgage and CitiFinancial are annexed hereto as Exhibits G – H.

38. Where documents are missing or information is incorrect, the DCO obtains the missing documentation or corrects the incorrect information prior to executing the affidavit. (*See Exhibits G – H*)

39. If the DCO cannot obtain the missing documentation or correct the affidavit, the DCO rejects the affidavit. Any revised affidavit that is later submitted for execution by Citi's Document Execution unit must go through the entire review and verification process, as if it were a new affidavit, prior to execution. (*See Exhibits G – H*)

40. Affidavits or certifications, once verified and executed, are returned to foreclosure counsel for submission to the court. (*See Exhibits G – H*)

41. I annex hereto as Exhibit I five sample certifications of proof of amount due that have been submitted in uncontested New Jersey foreclosures, along with source documents and screenshots of database screens that verify the information in those certifications which were printed out by an employee in the Default Servicing group. These materials have been redacted to remove any information that could potentially identify the borrowers on those mortgage loans.

VII. Citi Has Established Quality Assurance Procedures to Ensure That the Established Procedures for Review of Relevant Source Documents and Completion of Foreclosure Affidavits and Certifications Based on a Personal Review of Business Records is Followed

42. The Quality Assurance unit reviews the performance of the Document Execution unit.

43. Citi's current quality assurance procedure tests a sufficient number of files to reflect a 95% confidence level in the evaluation of each member of the Document Execution team.

44. Each day, samples of affidavits and supporting documentation are collected in physical form from each DCO after those affidavits are fully executed and documented.

45. Each week, at least four sample affidavits from each DCO each day are reviewed by an auditor for quality assurance purposes.

46. In undertaking the quality assurance review, the auditor follows the same procedures that the DCO should have employed to review and verify the affidavit, including comparing the information in the affidavit to the information in the mortgage documents and in Citi's databases, and determining whether the affidavit was properly signed and (if applicable) notarized. A true and correct copy of the quality control monitoring policies of CitiFinancial and CitiMortgage are annexed hereto as Exhibits J – K.

47. The auditor must also determine whether the affidavit was properly signed and (if applicable) notarized. This requires checking that each portion of the affidavit that must be signed or stamped and that all signatures, stamps, names, dates and titles are included, neat and legible. (See Exhibits J – K)

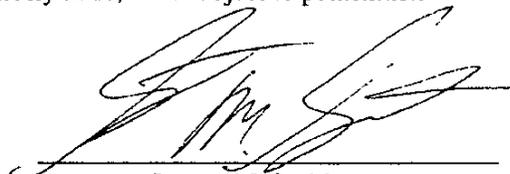
48. Finally, the auditor reviews the entry on the Vendorscape platform associated with the file under audit for any errors in the records that DCOs are required to create as they perform their review of affidavit files. In addition, if foreclosure counsel created an inaccurate draft of the affidavit, the auditor ensures that the correct format was uploaded into Vendorscape. (See Exhibits J – K)

49. Each file that is audited is recorded in an audit log. (See Exhibit J – K)

50. Auditors are able to determine from their examination of the relevant source information whether any errors resulted from a mistake by foreclosure counsel or a Citi employee. Any instance in which the affidavit does not pass the quality control check will be reviewed with the relevant DCO. (See Exhibits J – K)

51. If necessary, steps to resolve any issue with the executed affidavit will be discussed with foreclosure counsel and/or Citi legal personnel, and any steps required to resolve the issue will be reflected in the audit log. (See Exhibits J – K)

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the above statements made by me are willfully false, I am subject to punishment.



Steven M. Smith

Dated: April 6, 2011

C

CitiMortgage, Inc.
Mortgage Servicing Division
4000 Regent Blvd
MC 131 755
Denver, CO 80202

www.citimortgage.com



CitiMortgage

May 25, 2011

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Residential Credit Solutions, Inc
4282 North Freeway
Fort Worth, TX 76137
Attn: Mark D. Rogers

Residential Credit Solutions, Inc
4282 North Freeway
Fort Worth, TX 76137
Attn: Dennis Stowe

RE: Subservicing Agreement dated February 17, 2009 ("Agreement")
between CitiMortgage, Inc. ("Owner") and Residential Credit
Solutions, Inc. ("Subservicer")

Dear Mr. Rogers and Mr. Stowe:

In accordance with Section 6.04 of the Agreement, Owner hereby provides written notification to Subservicer of Owner's intention to terminate the Agreement. This termination, which is without prejudice to any and all other rights that Owner may have under the Agreement or otherwise at law or in equity (all of which survive termination and reserved by Owner) shall be effective sixty (60) days from the date hereof (the "Termination Date").

Michael Stinebaker will be Owner's contact for coordinating transition matters. Donna Baker will be Owner's contact for coordinating reconciliation of final billing. Please call Michael at (636) 261-2085 to set up a mutually convenient time to begin discussion of transition matters.

We appreciate the services your company has provided and we look forward to a smooth transition toward termination on the Termination Date. Please acknowledge Subservicer's receipt of this Notice and agreement that the termination of the Agreement shall be effective as of the Termination Date. Please also fax or email a scan of the signed document to Owner.

Sincerely,

Tommy Harris
Senior Vice President
(469) 220-0933

Acknowledgment of Receipt of Notice

RESIDENTIAL CREDIT SOLUTIONS, INC

By _____

Print Name _____

Title _____

Date _____

D

1000 North Main Street
Mail Stop 10000
Fort Worth, Texas 76102
MC 838 350
Tel: 817 750-3333

www.citimortgage.com

CitiMortgage



May 25, 2011

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Residential Credit Solutions, Inc
4282 North Freeway
Fort Worth, TX 76137
Attn: Mark D. Rogers

Residential Credit Solutions, Inc
4282 North Freeway
Fort Worth, TX 76137
Attn: Dennis Stowe

RE: Subservicing Agreement dated September 11, 2009 ("Agreement")
between CitiMortgage, Inc. ("Owner") and Residential Credit
Solutions, Inc. ("Subservicer")

Dear Mr. Rogers and Mr. Stowe:

In accordance with Section 6.04 of the Agreement, Owner hereby provides written notification to Subservicer of Owner's intention to terminate the Agreement. This termination, which is without prejudice to any and all other rights that Owner may have under the Agreement or otherwise at law or in equity (all of which survive termination and reserved by Owner) shall be effective one hundred twenty (120) days from the date hereof (the "Termination Date").

Michael Stinebaker will be Owner's contact for coordinating transition matters. Donna Baker will be Owner's contact for coordinating reconciliation of final billing. Please call Michael at (636) 261-2085 to set up a mutually convenient time to begin discussion of transition matters.

We appreciate the services your company has provided and we look forward to a smooth transition toward termination on the Termination Date. Please acknowledge Subservicer's receipt of this Notice and agreement that the termination of the Agreement shall be effective as of the Termination Date. Please also fax or email a scan of the signed document to Owner.

Sincerely,

Tommy Harris
Senior Vice President
(469) 220-0933

Acknowledgment of Receipt of Notice

RESIDENTIAL CREDIT SOLUTIONS, INC

By _____

Print Name _____

Title _____

Date _____

E

CitiMortgage, Inc.
Mortgage Servicing Division
4000 Ponce de Leon Blvd.
Miami, FL 33146
Phone: 773-0666

www.citimortgage.com

CitiMortgage



May 25, 2011

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Bayview Loan Servicing, LLC
Richard O'Brien
4425 Ponce de Leon Blvd., 5th Floor
Coral Gables, Florida 33146

Bayview Loan Servicing, LLC
General Counsel
4425 Ponce de Leon Blvd., 5th Floor
Coral Gables, Florida 33146

RE: Subservicing Agreement dated February 18, 2009 ("Agreement")
between CitiMortgage, Inc. ("Owner") and Bayview Loan
Servicing, LLC ("Subservicer")

Dear Mr. O'Brien:

In accordance with Section 6.04 of the Agreement, Owner hereby provides written notification to Subservicer of Owner's intention to terminate the Agreement. This termination, which is without prejudice to any and all other rights that Owner may have under the Agreement or otherwise at law or in equity (all of which survive termination and reserved by Owner) shall be effective sixty (60) days from the date hereof (the "Termination Date").

Michael Stinebaker will be the Owner's contact for coordinating transition matters. Donna Baker will be Owner's contact for coordinating reconciliation of final billing. Please call Michael at (636) 261-2085 to set up a mutually convenient time to begin discussion of transition matters.

We appreciate the services your company has provided and we look forward to a smooth transition toward termination on the Termination Date. Please acknowledge Subservicer's receipt of this Notice and agreement that the termination of the Agreement shall be effective as of the Termination Date. Please also fax or email a scan of the signed document to Owner.

Sincerely,

A handwritten signature in black ink that reads "Tommy Harris".

Tommy Harris
Senior Vice President
(469) 220-0933

Acknowledgment of Receipt of Notice

BAYVIEW LOAN SERVICING, LLC

By _____

Print Name _____

Title _____

Date _____

F



CitiMortgage

May 25, 2011

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Bayview Loan Servicing, LLC
Richard O'Brien
4425 Ponce de Leon Blvd., 5th Floor
Coral Gables, Florida 33146

Bayview Loan Servicing, LLC
General Counsel
4425 Ponce de Leon Blvd., 5th Floor
Coral Gables, Florida 33146

RE: Subservicing Agreement dated June 12, 2009 ("Agreement")
between CitiMortgage, Inc. ("Owner") and Bayview Loan
Servicing, LLC ("Subservicer")

Dear Mr. O'Brien:

In accordance with Section 6.04 of the Agreement, Owner hereby provides written notification to Subservicer of Owner's intention to terminate the Agreement. This termination, which is without prejudice to any and all other rights that Owner may have under the Agreement or otherwise at law or in equity (all of which survive termination and reserved by Owner) shall be effective one hundred twenty (120) days from the date hereof (the "Termination Date"). Owner shall pay the Owner Termination Fee (as defined in the Agreement) on or before the Termination Date.

Michael Stinebaker will be Owner's contact for coordinating transition matters. Donna Baker will be Owner's contact for coordinating reconciliation of final billing. Please call Michael at (636) 261-2085 to set up a mutually convenient time to begin discussion of transition matters.

We appreciate the services your company has provided and we look forward to a smooth transition toward termination on the Termination Date. Please acknowledge Subservicer's receipt of this Notice and agreement that the termination of the Agreement shall be effective on the Termination Date. Please also fax or email a scan of the signed document to Owner.

Sincerely,

Tommy Harris
Senior Vice President
(409) 220-0933

Acknowledgment of Receipt of Notice

BAYVIEW LOAN SERVICING, LLC

By _____

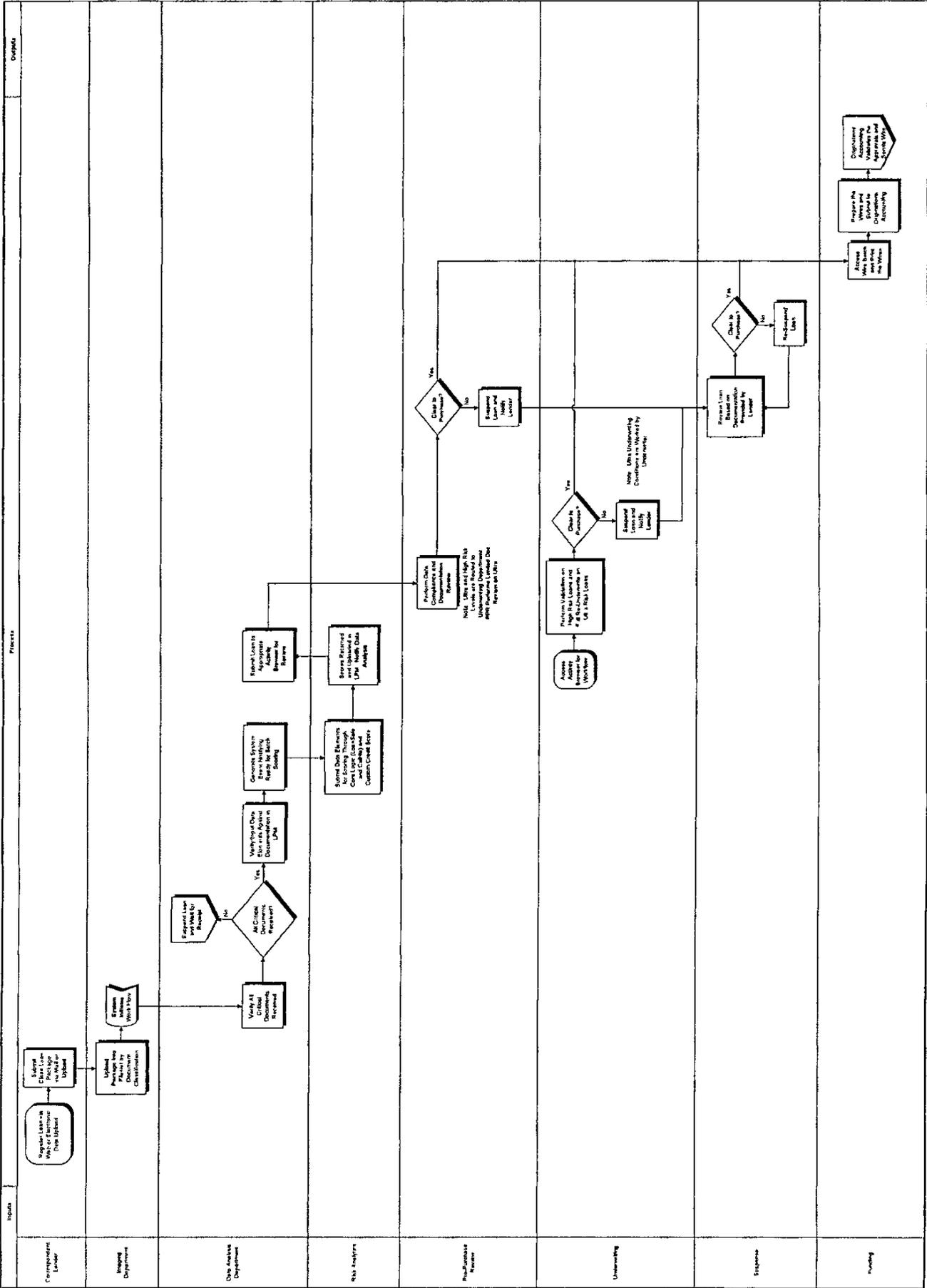
Print Name _____

Title _____

Date _____

G

Correspondent Process As-Is 7.15.10.igx

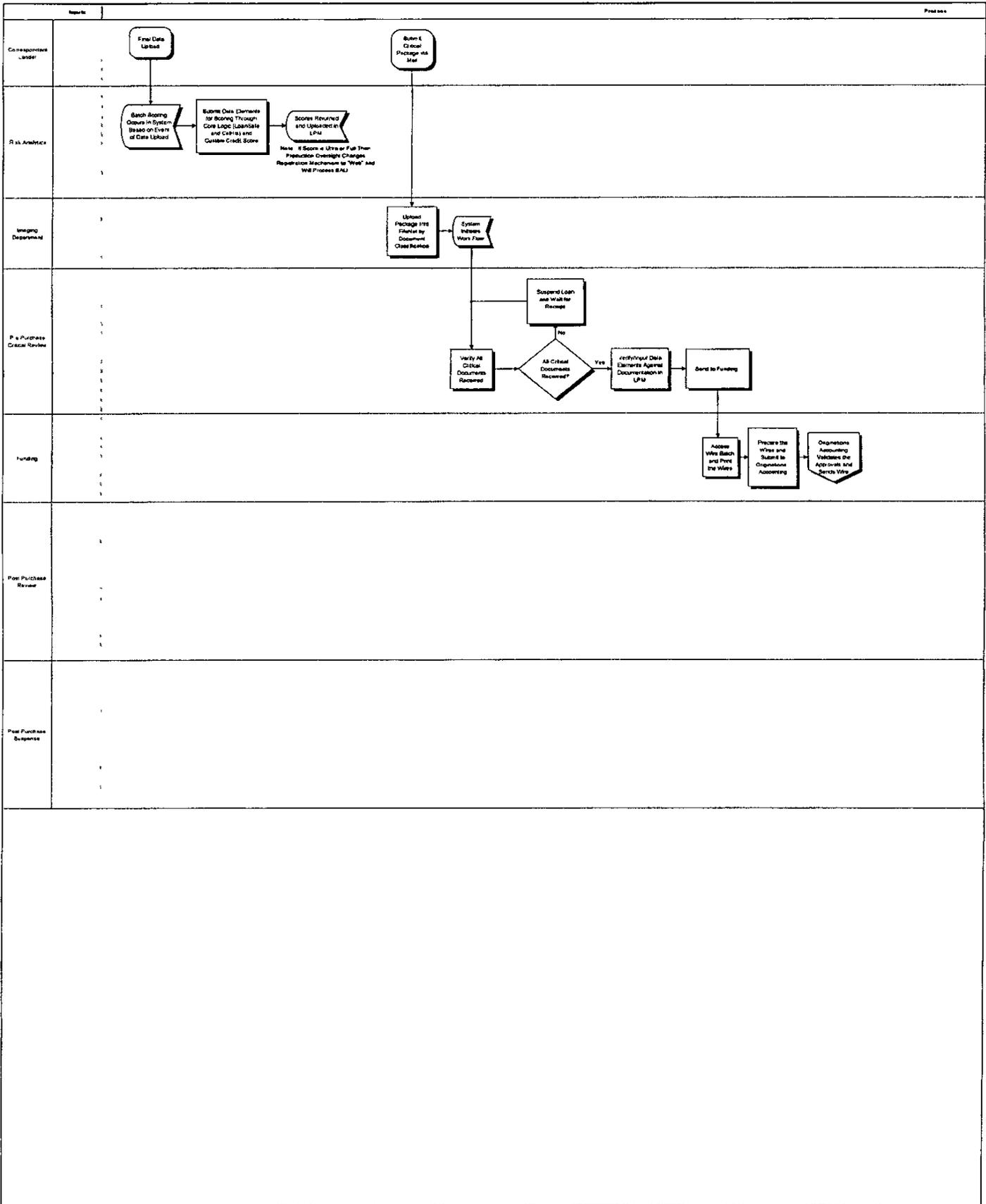


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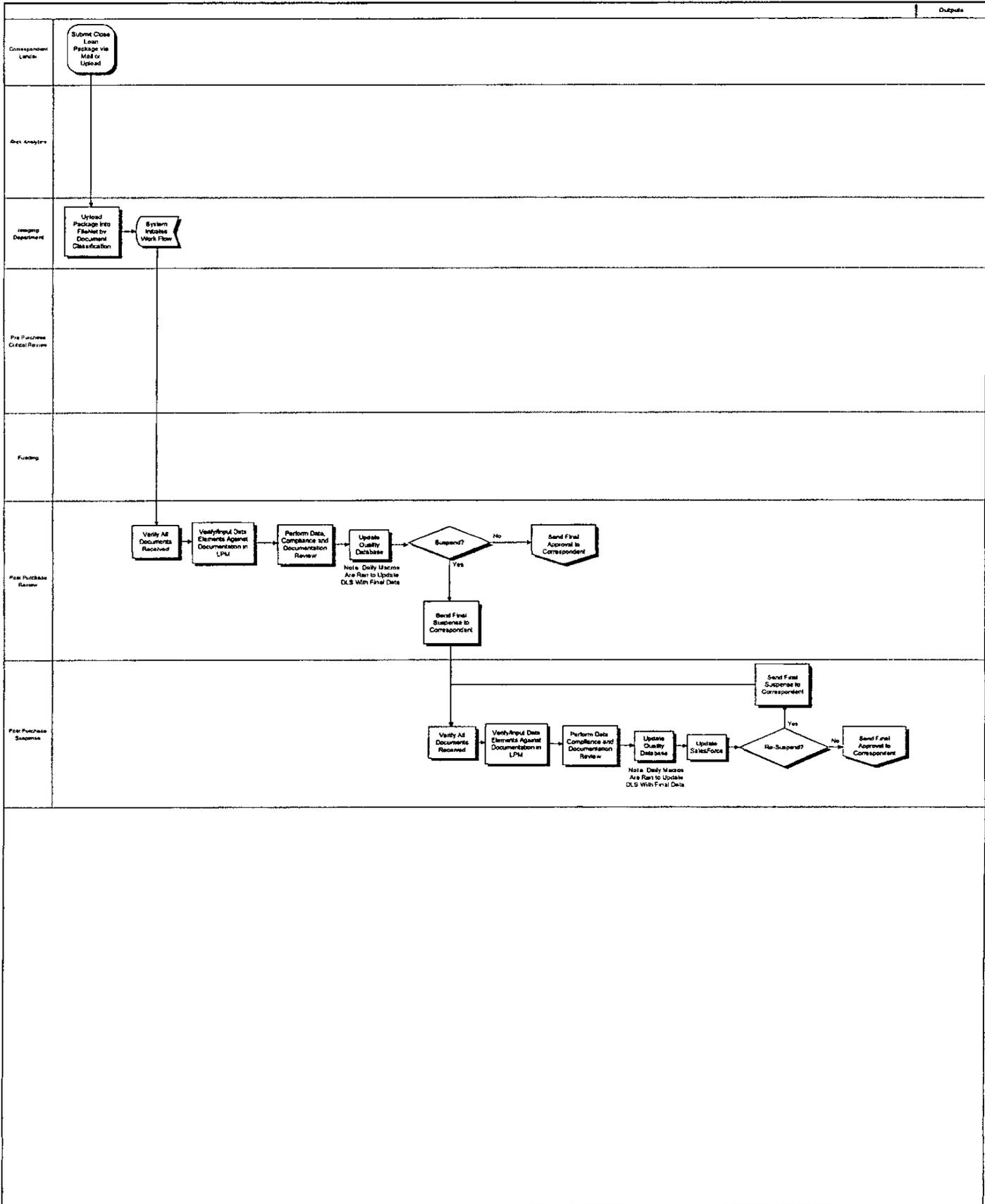
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Correspondent E-Purchase Process As-Is 11.17.10.igx



Correspondent E-Purchase Process As-Is 11.17.10.igx



J

Correspondent Loan Purchase Agreement

This Correspondent Loan Purchase Agreement, dated the _____ day of _____, 20____, by and between CitiMortgage, Inc. ("CMI") and, _____ ("Correspondent")

In consideration of the terms contained in this Agreement, CMI and Correspondent agree as follows:

1. PURCHASE AND SALE OF MORTGAGE LOANS

From time to time, Correspondent may sell to CMI and CMI may purchase from Correspondent one or more residential mortgage, home equity or other loans ("Loan(s)") in accordance with the terms, conditions, covenants, requirements, procedures, representations and warranties set forth in this Correspondent Loan Purchase Agreement, as may be amended from time to time, and the CitiMortgage, Inc. Correspondent Manual and all amendments, bulletins, program requirements and supplements to such Manual (collectively hereinafter referred to as the "CMI Manual") CMI and Correspondent agree that the CMI Manual is incorporated by reference herein and is part of the Correspondent Loan Purchase Agreement (both documents shall be collectively referred to herein as the "Agreement")

For each Loan offered for sale by Correspondent to CMI, Correspondent will deliver Loan documentation to CMI in accordance with the applicable terms, conditions, requirements, procedures, representations and warranties set forth in this Agreement CMI may purchase Loans with or without conducting a complete review of the Loan documentation CMI's review of, or failure to review, all or any portion of the Loan documentation shall not affect CMI's rights to demand repurchase of a Loan or any other CMI right or remedy provided by this Agreement

For each Loan CMI agrees to purchase, CMI shall pay the amount agreed upon by CMI and Correspondent ("Purchase Price") in accordance with the applicable provisions of the CMI Manual CMI may offset against the Purchase Price any outstanding fees or other amounts owing from Correspondent to CMI pursuant to this Agreement in connection with the particular Loan purchase or other transactions

As of the date CMI purchases each Loan and in consideration of the purchase of each Loan, Correspondent agrees to (i) transfer to CMI all of its right, title and interest in and to each Loan, including without limitation all documents held or subsequently acquired by Correspondent relating to each Loan and (ii) execute all documents necessary to transfer such right, title and interest to CMI

2. REPRESENTATIONS AND WARRANTIES

Correspondent represents, warrants and covenants throughout the term of this Agreement and, with respect to each Loan sold hereunder, as of the date of the Loan purchase by CMI and as of the date the Loan is transferred to CMI, as follows

- (a) Correspondent is duly organized, validly existing, in good standing under the laws of the jurisdiction of its incorporation or organization and is qualified and authorized to do business in each jurisdiction where it originates Loans or where a property securing any of its Loans is located, that all corporate or other actions and approvals necessary for the execution and performance of this Agreement have been taken and/or received, it has all requisite power, authority and capacity to enter into this Agreement and to perform all obligations required of it hereunder and no consent from any third party is required for the execution and performance of this Agreement.

Citi never sleeps[®]



- (b) Correspondent (i) holds and shall maintain in good standing throughout the term of this Agreement all applicable license(s), qualifications and/or registration(s) in each jurisdiction that is/are necessary for Correspondent's Loan origination, purchase, servicing and sale activities under this Agreement, (ii) is in full compliance with all laws in each jurisdiction which govern Correspondent's activities under this Agreement and (iii) each Loan was serviced in accordance with industry standards and with applicable Fannie Mae, Freddie Mac, FHA, VA and/or HUD requirements. Correspondent agrees to promptly provide CMI with copies of all such license(s), qualifications and/or registration(s) annually or at any time upon CMI's request.
- (c) Correspondent will comply with all applicable federal (including, but not limited to, the Real Estate Settlement Procedures Act, Truth-In-Lending Act, Equal Credit Opportunity Act, Home Mortgage Disclosure Act and Fair Credit Reporting Act), state and local laws and regulations relating to its activities under this Agreement.
- (d) Correspondent is an approved seller/servicer of conventional residential adjustable and fixed-rate mortgage Loans for Fannie Mae, Freddie Mac, and/or is a FHA, VA and/or HUD-approved mortgagee. No event has occurred that would make Correspondent unable to comply with Fannie Mae, Freddie Mac, FHA, VA or HUD eligibility requirements or that would require notification to Fannie Mae, Freddie Mac, FHA or VA or HUD.
- (e) Correspondent does not believe, nor does it have any reason or cause to believe, it cannot perform every covenant contained in this Agreement or continue to carry on its business substantially as now conducted, that it is solvent and the sale of Loans will not cause it to become insolvent; that no action, suit, proceeding or investigation pending or threatened against Correspondent, either alone or in the aggregate, may result in its inability to carry on its business substantially as now conducted, and that the sale of Loans under this Agreement is not undertaken with the intent to hinder, delay or defraud any of its creditors.
- (f) Correspondent does not currently and will not in the future employ any entity or individual on the Freddie Mac exclusionary list.
- (g) Neither this Agreement nor any data, statement, report or other information provided or to be provided pursuant to this Agreement (including, but not limited to, the statements and information contained in the documentation for each Loan purchased by CMI) contains or will contain any misrepresentation or untrue statement of fact or omits or will omit to state a fact necessary to make the information not misleading.
- (h) Any third-party originators brokering, referring, selling or in any way involved with, any Loan shall be, at a minimum, approved by Correspondent according to Fannie Mae, Freddie Mac, FHA, VA and/or HUD guidelines for approving third-party originators as described in the CMI Manual.
- (i) Correspondent has and will fully comply with all representations, warranties, covenants, terms, conditions, requirements and procedures contained in this Agreement.

3 COSTS

Correspondent shall pay all costs and expenses incurred in connection with the transfer and delivery of Loans to CMI purchased pursuant to this Agreement, including but not limited to, Loan assignment preparation and recording fees, fees for title policy endorsements and continuations, the issuance, retrieval or recovery of any Loan insuring documents or other trailing documents applicable to a Loan, and Correspondent's attorneys' fees.

4. CORRESPONDENT ADVERTISING; NON-SOLICITATION AND CUSTOMER PRIVACY

Correspondent may advertise to the public the availability of various Loan programs, but Correspondent may not, in any way, directly or indirectly identify CMI in any such advertising unless CMI has, in advance, approved use of CMI's name in such advertising.

Correspondent agrees that the borrower(s) on all Loans shall, at the time of purchase by CMI, become the exclusive customers of CMI for all Loan-related purposes. Correspondent and Correspondent's directors, officers, employees, agents or affiliates will not, without the prior written consent of CMI, (i) use targeted advertising, solicit or otherwise directly encourage or incite the Loan borrower(s) to refinance or prepay the Loan that was purchased by CMI or (ii) use or provide any customer lists to solicit, promote, or allow any other entity to solicit or promote, the sale of financial services or products to any such borrower(s). CMI and Correspondent agree that nothing contained herein shall prohibit advertising or solicitation by Correspondent that is directed to the general public or shall prohibit advertising or solicitation of financial services other than mortgage products to existing or former non-mortgage customers of Correspondent or its affiliates.

Correspondent also agrees that it shall comply with the Gramm-Leach-Bliley Act and all other applicable federal, state or local laws related to the use, destruction and/or retention of the non-public personal and/or financial information associated with all Loans and the related Loan borrower(s) and mortgagors.

5. TERM

The term of this Agreement is one-year from the date of execution by CMI and shall automatically renew for successive one-year terms, unless terminated pursuant to Section 7 of this Agreement.

6. RELATIONSHIP BETWEEN CMI AND CORRESPONDENT

This Agreement does not create any agency between Correspondent and CMI. Correspondent shall conduct its business under this Agreement as an independent contractor and shall have the rights and responsibilities of an independent contractor. CMI shall not be responsible for any actions or omissions by Correspondent. Correspondent agrees it will not represent, orally, in writing, by implication or otherwise, that it can act in any capacity on behalf of CMI. CMI is prescribing no marketing plan for Correspondent and exercises no control over the methods, operations and practices of Correspondent except as provided in this Agreement. Correspondent acknowledges it is not selling or distributing CMI's services, and CMI has made no promise, representation or warranty regarding the profitability of any arrangement with Correspondent or any Loan product or program made available to be purchased by CMI. Correspondent further acknowledges and agrees that CitiMortgage may share with CitiMortgage's Citigroup affiliates for cross-sell and/or due diligence purposes any Confidential Information of Correspondent regarding CitiMortgage's relationship with Correspondent.

Correspondent and CMI acknowledge that each will be providing the other party with valuable proprietary information ("Confidential Information") including, but not limited to, information regarding CMI's or Correspondent's products, programs, underwriting policies, procedures and customers. Except as necessary to perform its obligations under this Agreement, to provide required information to its regulators or as required by law, each party will not disclose any Confidential Information to any person outside that party's organization and will limit access to this information within its organization on a strict "need to know" basis and will comply with the confidentiality provisions of the CMI Manual. Each party agrees to notify all of its directors, officers, employees and other agents of its obligations regarding Confidential Information and will cause such directors, officers, employees and other agents to comply with such obligations.

7. TERMINATION

CMI may immediately terminate this Agreement for cause, without notice and without further obligations under this Agreement upon (i) breach of a representation, warranty or covenant under this Agreement by Correspondent, (ii) Correspondent's failure to meet CMI's financial solvency requirements or commencement by or against Correspondent of any bankruptcy, insolvency or similar proceedings, or (iii) CMI's determination that Correspondent's actions could adversely impact CMI's activities or reputation.

Either party may terminate this Agreement without cause for any other reason upon thirty (30) calendar days prior notice to the other. In the event CMI terminates without cause, CMI will continue to honor any Loans registered with CMI to the extent such Loans comply with this Agreement.

In the event of termination, Correspondent shall fully cooperate with and assist CMI in obtaining the documentation necessary to complete the processing and full resolution of all matters (including, but not limited to, the delivery of all Loan documents) relating to all Loans purchased by CMI.

All representations, warranties and covenants contained in this Agreement shall survive the expiration and termination of this Agreement including, but not limited to, Correspondent's obligations to cure, repurchase and indemnify under Section 11 hereof

8. ASSIGNMENT

Correspondent may not assign this Agreement or any of its responsibilities under this Agreement (including, but not limited to, by operation of law in the context of a merger) This Agreement and all rights, obligations and responsibilities hereunder may be assigned by CMI without consent of the Correspondent, to any corporation or bank more than 50% of the voting stock of which is, directly or indirectly, owned by Citigroup Inc

9. NON-EXCLUSIVE AGREEMENT

Either party shall be free to market its products and services to, and to contract with, other parties and customers as it deems appropriate in compliance with this Agreement.

10. ADDITIONAL COVENANTS

- (a) Correspondent will allow CMI to periodically investigate the financial (including, but not limited to, obtaining corporate and/or individual credit reports) and other status of Correspondent and, if necessary, the financial and other status of Correspondent's directors, officers and/or employees Correspondent shall cooperate with CMI to obtain the written consent of one or more of Correspondent's directors, officers and/or employees to such periodic investigation Correspondent agrees that the failure to obtain such consent may result in the termination of this Agreement Correspondent will promptly respond to or otherwise comply with CMI's reasonable request(s) for periodic financial statements, results of any quality control programs and any other documentation required by CMI Correspondent shall, upon request by CMI, execute supplemental resolutions, acknowledgments and/or certifications as may be reasonably necessary to evidence power, authority and capacity of Correspondent to enter and perform under this Agreement
- (b) Correspondent will immediately notify CMI if it (i) breaches any representation, warranty or covenant of this Agreement and/or (ii) becomes subject to any enforcement and/or investigative proceeding by any licensing or regulatory authority or agency and/or (iii) is named as a party or becomes involved in any material litigation.
- (c) Correspondent will immediately notify CMI if Correspondent and/or any of its principal director(s) or owner(s) (i) becomes the debtor in any voluntary or involuntary bankruptcy proceeding, (ii) requests the appointment of a receiver and/or (iii) has incurred or is likely to incur a material, adverse change in its/their financial condition
- (d) Correspondent will immediately notify CMI of any material change in ownership and/or management
- (e) Correspondent will review the CMI Manual Failure to review the CMI Manual will not relieve Correspondent of any liability hereunder

11. CURE OR REPURCHASE/INDEMNIFICATION

The representations, warranties and covenants set forth in this Agreement shall survive the sale of the Loans to CMI and shall inure to the benefit of CMI, notwithstanding any knowledge qualifiers, any restrictive or qualified endorsement on any mortgage note or assignment of mortgage or the examination or lack of examination of any mortgage file If CMI, in its sole and exclusive discretion, determines: (i) there exists a breach of a representation, warranty or covenant contained in this Agreement in effect as of the date CMI purchased such Loan, (ii) any Loan was or is capable of being rescinded by the applicable borrower(s) pursuant to the provisions of any applicable federal (including, but not limited to, the Truth-In-Lending Act) or state or local law or regulation, and/or (iii) any Loan was subject to an Early Payment Default (as defined in the CMI Manual), an Early Payoff (as defined in the CMI Manual) or any other payment related defect (as defined in the CMI Manual),

Correspondent will, upon notification by CMI, cure such defect within sixty (60) calendar days from the date of notice to the full and complete satisfaction of CMI. If, after receiving such notice from CMI, Correspondent is unable to correct or cure such defect within 60 days, Correspondent shall, at CMI's sole discretion, either (i) repurchase such defective Loan(s) from CMI at the Repurchase Price as such term is defined from time to time in the CMI Manual ("Repurchase Price"), or (ii) agree to such other remedies (including, but not limited to, additional indemnification and/or refund of a portion of the Loan(s) Purchase Price) as CMI may deem appropriate. If CMI requests a repurchase of a defective Loan(s), Correspondent shall, within ten (10) business days of Correspondent's receipt of such repurchase request, pay to CMI the Repurchase Price by cashier's check or wire transfer of immediately available federal funds. CMI shall, upon receipt of the Repurchase Price, release to Correspondent the related mortgage file(s) and shall execute and deliver such instruments of transfer or assignment, in each case without recourse or warranty, as shall be necessary to vest in Correspondent or its designee title to the repurchased Loan(s).

In addition to CMI's cure and repurchase and other remedies under this Agreement or at law or equity, Correspondent shall indemnify CMI and hold it harmless against any losses, damages, penalties, fines, forfeitures, reasonable and necessary legal fees and related costs, judgments, and other costs and expenses resulting from any claim, demand, defense or assertion based on or grounded upon, or resulting from, (i) Correspondent's breach of any representation, warranty or covenant contained in this Agreement and/or (ii) Correspondent's advertisements, promotions or other activities.

Correspondent agrees and acknowledges that the cure and/or repurchase provisions of this Section 11 do not, in any way, eliminate, diminish or impair Correspondent's indemnification obligations also contained herein. Correspondent further agrees that the notice provisions provided in this Section 11 may be revised from time to time by CMI in its sole discretion through updates to the CMI Manual.

12. GOVERNING LAW; VENUE

This Agreement shall be governed by the laws of the State of Missouri and applicable federal law.

CMI and Correspondent agree that any action, suit or proceeding to enforce, defend or construe this Agreement or otherwise arising out of either party's performance under the Agreement shall be brought in St. Louis County Circuit Court or the United States District Court for the Eastern District of Missouri and each party irrevocably submits to the jurisdiction of either forum and waives the defense of an inconvenient forum to the maintenance of any such action, suit or proceeding in such state or federal court and any other substantive or procedural rights or remedies it may have with respect to the maintenance of any such action or proceeding in either forum.

13. NOTICE

All notices to CMI shall be sent in accordance with the applicable provisions of the CMI Manual and shall be addressed according to such provisions. Correspondent agrees and acknowledges that CMI may deliver all notices required by this Agreement in writing to Correspondent at the address listed on the last page of this Agreement.

14. MODIFICATION; MERGER; ENTIRE AGREEMENT; NO WAIVER OF RIGHTS

This Agreement may not be modified except (i) by a revision to the CMI Manual, or (ii) by a document or record signed by both CMI and Correspondent. This Agreement contains the entire agreement of the parties and supersedes all previous agreements (including all amendments thereto) between the parties hereto. Any representations, promises or agreements not contained in this Agreement shall have no force or effect. The failure of either party to exercise any right given to it under this Agreement or to insist on strict compliance of any obligation under this Agreement shall not constitute a waiver of any right, including the right to insist on strict compliance in the future.

15. ON-SITE REVIEW AND DOCUMENT COLLECTION

Correspondent shall permit any officer, employee or designated representative of CMI, at any reasonable time during regular business hours and upon reasonable advance notice by CMI, to conduct an examination and audit on Correspondent's premises of any of the processes implemented and documents kept by Correspondent regarding any Loan purchased by CMI pursuant to this Agreement. If Correspondent fails to timely deliver, in accordance with the applicable terms and conditions specified in this Agreement, all documents and records associated with or related to any Loan purchased by CMI pursuant to this Agreement, Correspondent shall also give CMI and its officers, employees, or designated representatives reasonable access to Correspondent's premises in order to allow CMI to retrieve, prepare or otherwise obtain all such documents and records. Correspondent shall also make its officers, employees and/or designated representatives available to CMI and shall cooperate with CMI in all such examinations, audits and document and record collection activities.

16. CORRESPONDENT GRANT OF LIMITED POWER OF ATTORNEY

Correspondent hereby appoints CMI and the directors, officers, employees, agents, successors and assigns of CMI as its true and lawful attorney-in-fact without right of revocation and with full power of substitution for and in its place and stead to (i) demand and control all sums due on Loans purchased pursuant to this Agreement and to enforce all rights with respect thereto, (ii) endorse, mark, place or otherwise evidence Correspondent's name as payee on all checks, drafts, acceptances or other form of partial or full Loan payment delivered or tendered to CMI, (iii) endorse, mark, place or otherwise evidence Correspondent's name on all notes, mortgages, deeds of trust, and other forms of security instruments or collateral and all assignments, full or partial releases or satisfactions of said mortgages, deeds of trust, and other forms of security instruments or collateral for all Loans purchased pursuant to this Agreement. Correspondent agrees to execute such other documents as CMI may reasonably request to evidence the appointment of CMI as Correspondent's attorney-in-fact.

17. MISCELLANEOUS

All capitalized terms not otherwise defined herein shall have the meanings attributed to them in the CMI Manual. All Section headings are for convenience only and shall not be construed as part of this Agreement. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction and, to accomplish this purpose, the provisions hereof are severable. This Agreement shall not be effective until signed by both parties.

IN WITNESS WHEREOF, the duly authorized officers of CMI and Correspondent have executed this Agreement as of the date first above written.

CITIMORTGAGE, INC
(CMI)

(CORRESPONDENT)

By _____

By _____

Title _____

Title _____

Date _____

Date _____

Correspondent Notice Address



k

PORTFOLIO: A CITIMORTGAGE, INC. COMPANY: _____

ACCT: 000000001122498804 MERS MIN: _____ MOH: _ SRCH DOC: 300

PC SITE: SL IMAGED: N DOC SET: 10017010 LOAN/SUB TYP: 1 0 POOL #: 000000

INU CD: 00478 INU BLK: 00042 PH CD: 6 PH DT: 05/25/11 POOL TYP:

NAME: MELISSA BENEVIDES LN AMT: 110400.00 BR: 00715

ADDR: 11220 72ND DR B4B CLO DT: 05/13/11 ATTY/ISN: _____

FRST HLS NY 11375-5648 CLO CD: 009 UNMRKTBL CD:

DOC CD	DESCRIPTION COMMENT	STAT CD	COMMENT CODES	STATUS DATE	MISC DATE	--LAST UPDATE-- DATE	TELLER
300	NOTE	C	---	05/24/11	00/00/00	05/24/11	00859

332	UCC: COUNTY	C	---	05/24/11	00/00/00	05/24/11	00859
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430	STOCK CERTIFICATE	C	---	05/25/11	00/00/00	05/25/11	09987
-----	-------------------	---	-----	----------	----------	----------	-------

431	PROPRIETARY LEASE	C	---	05/25/11	00/00/00	05/25/11	09987
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FILE SCAN DATE: 05/20/11

COMMENT: COLL LC R-SLPOST ACTY DT 05/25/11 SECT _____ DELIU GRP: CON ARM

PF2-REFRESH PF3-END PF4-ASSG DETAIL PF5-HISTORY PF6-MERS

PF7-PAGE BACK PF8-PAGE FWRD PF10-FINAL COMMENT PF12-FINAL AUDIT

TRAN ID: _____

L

NLS03200 NL32 NLS - FINAL DOCUMENT TRACKING SCREEN 05/26/11 13:25:1
CTB-ORIG

PORTFOLIO: A CITIMORTGAGE, INC. COMPANY: _____

ACCT: 000000001120963924 MERS MIN: _____ MOM: _ SRCH DOC: 300
PC SITE: DA IMAGED: N DOC SET: 10008000 LOAN/SUB TYP: 1 0 POOL #: 000000
INV CD: 00137 INV BLK: 00065 PH CD: 7 PH DT: 02/04/10 POOL TYP:
NAME: RUDY JIMENEZ LN AMT: 94387.52 BR: 89024
ADDR: 31 E BIGELOW OAK CT CLO DT: 08/18/09 ATTY/ISN: PA1143
SPG TX 77381-3711 CLO CD: 001 UNMRKTBL CD:

DOC CD	DESCRIPTION COMMENT	STAT CD	COMMENT CODES	STATUS DATE	MISC DATE	--LAST UPDATE DATE	TELLE
300	NOTE	M	---	09/02/09	00/00/00	09/02/09	1354
301	RECORDED MORTGAGE	M	---	09/02/09	00/00/00	09/02/09	1354
303	TITLE POLICY	M	64---	09/02/09	00/00/00	09/02/09	1354

FILE SCAN DATE: 09/02/09

COMMENT: COLL LC R-SLRECS ACTY DT 03/08/11 SECT TDPORF DELIU GRP:
PF2-REFRESH PF3-END PF4-ASSG DETAIL PF5-HISTORY PF6-MERS
PF7-PAGE BACK PF8-PAGE FWRD PF10-FINAL COMMENT PF12-FINAL AUDIT

TRAN ID: _____

4B

:00.1

11/02

M



Pre-Foreclosure Risk- Other

FINAL Date: 04/26/11
15 Minutes



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Introduction

This lesson will direct you to research various Pre-Foreclosure Risk policies and procedures, as located in Citi Source.

The procedures covered include:

- 101-03 Second Level Review
- 101-05 Status Flag
- 101-06 CitiFinancial Network (CFN) Sweeps and Transfers

Click the arrow to get started!





Access the **Real Estate Default and Collections manual in Citi Source** to locate the following procedure:

View: OM - Foreclosure
Chapter: Foreclosure Manual\Pre-Foreclosure
Section: 101-03 Second Level Review

Read the **101-03 Second Level Review** procedures in preparation to answer knowledge check questions provided on the following pages.

Reference hyperlinks in the procedures, as applicable.





True/False Learning Game

True or False? The Second Level Review department, also known as the Foreclosure department, receives daily workflows from the FAR First Level Review team.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: False

The Second Level Review department, also known as the Compliance department, receives daily workflows from the FAR First Level Review team.

Review 101-03 Second Level Review again for more details.



Multiple Choice Learning Game

Second Level Review (Compliance) receives daily workflows from the FAR (First Level Review department) using _____ in the Citilink DRI system.

Please select the best answer.

Audit Flag 91

Bucket PF300

Bucket PF700

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Bucket PF700

Second Level Review (Compliance) receives daily workflows from the FAR (First Level Review department) using Bucket PF700 in the Citilink DRI system.

Review **101-03 Second Level Review** again for more details.



Access the **Real Estate Default and Collections** manual in **Citi Source** to locate the following procedure:

View: OM - Foreclosure
Chapter: Foreclosure Manual\Pre-Foreclosure
Section: 101-05 Status Flag

Read the **101-05 Status Flag** procedures in preparation to answer knowledge check questions provided on the following pages.

Reference hyperlinks in the procedures, as applicable.





Multiple Choice Learning Center

You are reviewing an account that has a Status Flag 91. What is the status of this account?

Please select the best answer.

Active Foreclosure In Process

Waiting FAR/WA Department

No Equity Charge-off Recommended

Equity Analysis Pending/In Process

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: No Equity Charge-off Recommended

Status Flag 91 means No Equity Charge-off Recommended/Equity Analysis outcome shows little or no equity, charge-off recommended.

Review **101-05 Status Flag** again for more details.



Multiple Choice Learning Game

You are reviewing an account that has a Status Flag 41. What is the status of this account?

Please select the best answer:

Bankruptcy Monitoring

Active Foreclosure

Legal Review Pending

FAR Review Pending

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Bankruptcy Monitoring

Status Flag 41 means the account is being monitored due to bankruptcy.

Review **101-05 Status Flag** again for more details.



Access the **Real Estate Default and Collections manual in Citi Source** to locate the following procedure:

View: OM - Foreclosure

Chapter: Foreclosure Manual\Pre-Foreclosure

Section: 101-06 CitiFinancial Network (CFN) Sweeps and Transfers

Read the **101-06 CitiFinancial Network (CFN) Sweeps and Transfers** procedures in preparation to answer knowledge check questions provided on the following pages.

Reference hyperlinks in the procedures, as applicable.





Multiple Choice Learning Game

When completing a BIT removal, you will document the account in DRI Notepad, _____, and remove account form Audit Flag 56.

Please select the best answer.

Send an email to Foreclosure Support Group to return the file to the branch.

Send an email to Action to remove the Do Not Transfer flag (BIT/C-4) from the account.

Send an email to the operations manager to remove the Do Not Transfer flag (BIT/C-4) from the account.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Send an email to Action to remove the Do Not Transfer flag (BIT/C-4) from the account.

When completing a BIT removal:

- Document the account in DRI Notepad
- Send an email to Action to remove the Do Not Transfer flag (BIT/C-4) from the account.
- Remove account form Audit Flag 56.

Review **101-06 CitiFinancial Network (CFN) Sweeps and Transfers** again for more details.



Multiple Choice Learning Game

When will you complete a Rush Transfer of a decentralized account?

Please select the best answer.

A sensitive decision is completed by the compliance department.

A request is received from a branch to remove a BIT.

Short notification of a foreclosure sale by a First Lien is received.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Short notification of a foreclosure sale by a First Lien is received.

Rush requests will be accepted if received at least ten days prior to the Senior/Tax/Sheriff Sale. If request received less than ten days prior to sale, escalate to a team lead to review for possible exceptions to the ten day timeline.

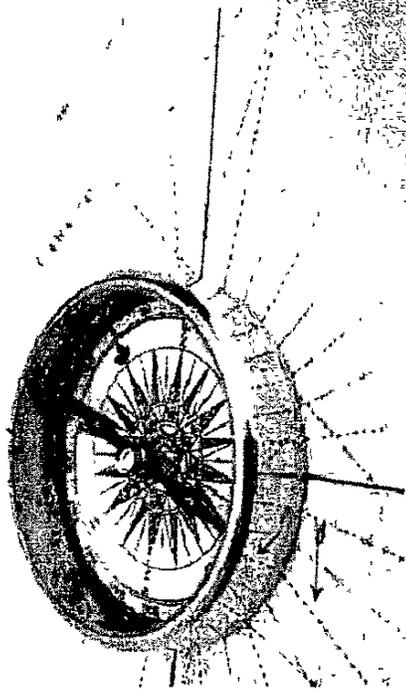
Review 101-06 CitiFinancial Network (CFN) Sweeps and Transfers again for more details.



Conclusion

In this lesson, you learned how to navigate Citi Source for policy and procedures related to Pre-Foreclosure including:

- 101-03 Second Level Review
- 101-05 Status Flag
- 101-06 CitiFinancial Network (CFN) Sweeps and Transfers





Lesson Complete

You have completed the lesson.

Please click the close button to exit the lesson.

N

|



Pre-Foreclosure Equity Analysis

Draft 1 Date: 04/07/11
60 Minutes



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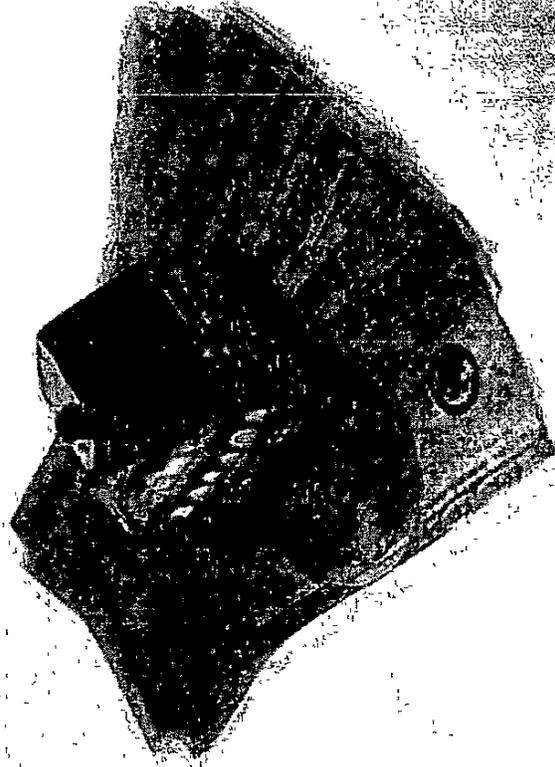


Introduction

Performing an Equity Analysis (EA) identifies an account's equity position and helps determine how accounts are handled.

This lesson directs you to research the Equity Analysis policies and procedures located in Citi Source.

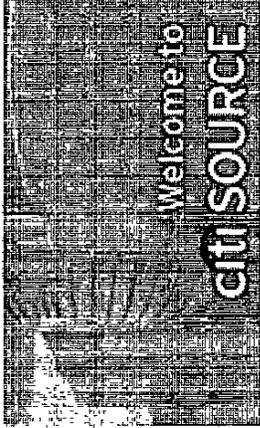
Click the arrow to get started!





Access the **Real Estate Default and Collections** manual in **Citi Source** to locate the following procedure:

View: OM - Foreclosure
Chapter: Foreclosure Manual\Pre-Foreclosure
Section: 101-01 Equity Analysis



Read the **Equity Analysis procedures** in preparation to answer knowledge check questions provided on the following pages.

Reference hyperlinks in the procedures, as applicable.





True/False Learning Game

True or False? The Equity Analysis team reviews all accounts that exceed delinquency criteria for automatic queuing.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: **False**. The Equity Analysis team reviews all accounts that meet delinquency and balance criteria for automatic queuing.

Review **701-01 Equity Analysis** again for more details.



Multiple Choice Learning Game

You are working a Strategy 1, First Lien account with an unpaid principle balance (UPB) of \$10,000. Does this account meet the UPB requirement for an EA? If not, why?

Please select the correct answer:

Yes, it meets the requirements for an EA.

No, the First Lien UPB is less than \$5,000.

No, the First Lien UPB is greater than \$5,000.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Yes, it meets the requirements for an EA.

The procedure states the following: For Strategy 1 & 2 accounts - the First Lien should be equal to or greater than \$5,000. In this case the UPB is \$10,000, which is greater than the \$5,000 requirement.

Review 101-01 Equity Analysis again for more details.



Multiple Choice Learning Game

You are working a Network. Second Lien account with an UPB of \$12,000. Does this account meet the UPB requirement for an equity analysis? If not, why?

Please select the correct answer.

Yes, it meets the requirements for an equity analysis.

No, the Second Lien is greater than the required amount.

No, the Second Lien is less than the required amount.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: No, the Second Lien is less than the required amount.

The procedure states the following: For Network accounts, the Second Lien must be greater than or equal to \$15,000. In this case the UPB is \$12,000, which is less than the \$15,000 requirement.

Review 101-01 Equity Analysis again for more details.



What is the delinquency requirement for performing an EA?

Please select the correct answer.

Less than or equal to 60 days delinquent

Less than or equal to 90 days delinquent

Equal to or greater than 90 days delinquent

Equal to or greater than 60 days delinquent

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: The delinquency requirement for performing an equity analysis is equal to or greater than 60 days delinquent.

Review 101-01 Equity Analysis again for more details.



True/False Learning Game

True or False? You are working a Strategy 3 account that has an unpaid balance of \$10,000. This account meets the UPB requirement for an EA.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: True.

The U.P.B. requirement for a Strategy 3 account is equal to or greater than \$7,500.

Review 101=01 Equity Analysis again for more details.



Word Quiz Learning Game

You have a Strategy 2 account that does not meet the unpaid balance (UPB) requirements, but you perform the EA because it is a special request from the _____ team.

Please click Advance to receive feedback.



Word Quiz Learning Game Feedback

The correct answer is: Service for Others (SFO). While there are specific UPB minimum requirements for most accounts, Strategy 2 performs an EA with no minimum UPB for a special request from the Service for Others (SFO) team.

Review **101-01 Equity Analysis** again for more details.

Service for Others



True/False Learning Game

True or False? You are working a special request from the business for an account that is 45 days delinquent. You determine the case does not meet delinquency requirements for an equity analysis.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: False.

While the account does NOT meet typical delinquency requirements, it does fall under an exception because it's a special request from the business.

Review **101-01 Equity Analysis** again for more details.



Multiple Choice Learning Game

All _____ require an Equity Analysis if they meet the minimum UPB criteria.

Please select the correct answer.

First liens

Second Liens

Strategy 1 accounts

Strategy 3 accounts

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: All Second Liens require an Equity Analysis if they meet the minimum UPB criteria.

Review 101-01 Equity Analysis again for more details.



True/False Learning Game

True or False? While working an equity approved account completed over six months ago, you perform a new EA instead of using previous EA results.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: True.

The account was equity approved more than six months ago. As a result, you perform a new EA. If the account was no equity or equity approved in the last six months, then you use previous EA results.

Review 101-01 Equity Analysis again for more details.



Multiple Choice Learning Game

Brokers Price Opinion (BPO) is valid for _____ and Credit Bureau Reports (CBR) are valid for _____.

Please select the correct answer.

- 12 months, 3 months
- 6 months, 12 months
- 12 months, 6 months
- 3 months, 12 months

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Brokers Price Opinion (BPO) is valid for 12 months and Credit Bureau Reports (CBR) are valid for 3 months.

Review **101-01 Equity Analysis** again for more details.



Multiple Choice Learning Game

You are working a CFN account with an RMV of 35% variance between the original appraisal and the BPO. Does this account require a new RMV? If not, why?

Please select the correct answer.

Yes, the account meets the RMV requirements

No, the variance between appraisal and the BPO is too high.

No, the variance between the appraisal and the BPO is too low.

No, the variance between the appraisal and the RMV is too low.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: No, the variance between the appraisal and the BPO is too low.

An RMV is required when there is a 40% variance between the original appraisal and the BPO. This account has a 35% variance meaning a RMV is not required.

Review **101-01 Equity Analysis** again for more details.



Multiple Choice Learning Game

You are performing an EA for a Fannie Mae account with a 65% variance between the original appraisal and the BPO. Does this account require a new RMV?

Please select the correct answer.

Yes, the account meets the RMV requirements.

Yes, check the variance between the original appraisal and new BPO.

No, the variance between the appraisal and the BPO is too high.

No, the RMV is not required for this account.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: No, the RMV is not required.

RMVs are not required on Fannie Mae accounts. If not a Fannie Mae loan account, then check the variance between the original appraisal and the new BPO.

Review **101-01 Equity Analysis** again for more details.



Scenario 1

Use the scenario below to answer the question on the following page.

You are working a Strategy 3 account in the Second Lien position.

Current BPO: \$165,000

Original Value: \$200,000

Your action: Ordered a new RMV





Multiple Choice Learning Game

Is ordering a new RMV the correct solution?

Please select the correct answer.

Yes, the account meets the RMV requirements.

No, there was no RMV needed.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: No, based on the date entered into the CAG Matrix, a new RMV is not needed.

Always use the RMV Review Matrix tool accessible in your procedures to help determine if a new RMV is needed.

Review 101-01 Equity Analysis again for more details.



Multiple Choice Learning Game

After ordering a new RMV online for a Strategy 3 Second Lien, you continue to do an EA using the current BPO Value. The Equity decision results in an Approved Equity. What do you do next?

Please select the correct answer.

Code the account as a No Equity and consider it complete.

Code the account as Approved Equity and proceed with a Foreclosure Audit Review.

Leave the account in the RMV pending bucket until the new RMV comes in, then redo the EA, and code the decision.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Leave the account in the RMV pending bucket until the new RMV comes in, then redo the EA, and code the decision.

When the EA for a Strategy 3 Second Lien results in Approved Equity or Committee Review, for an account requiring an RMV, Pre-Foreclosure must hold the account until the new RMV is available. When the EA results in NO Equity, code the account accordingly and consider it complete. Never follow up on RMVs for Strategy 3 Second Lien accounts that result in NO Equity decisions.

Review **101-01 Equity Analysis** again for more details.



Multiple Choice Learning Game

You are working a Strategy 1 account in the First Lien position. The current value is \$20,000. Is an EA required? If not, why?

Please select the correct answer.

Yes, an EA is required

No, the current value is too high.

No, the current value is over \$35,000.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Yes, the current value is under \$25,000.

The procedure states the following: An EA is required for current values under \$25,000. Current values greater or equal to \$25,000 are not required.

Review **101-01 Equity Analysis** again for more details.



Multiple Choice Learning Game

An EA is required for current values under \$25,000 on Strategy 1 or 3 First Lien accounts. However, for some states the requirement is higher. An EA is required for accounts with a current value under \$35,000 in which three states?

Please select the correct answer.

Ohio, New Jersey, New York

Pennsylvania, New Jersey, New York

Ohio, Pennsylvania, New York

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Pennsylvania, New Jersey, New York

Pennsylvania, New Jersey, and New York all require an EA if the current value is under \$35,000. Ohio requires an EA if the current value is under \$30,000.

Review 101-01 Equity Analysis again for more details.



True/False Learning Game

True or False? You are working on a Strategy 2 account in the First Lien position. You determine that an EA is not needed.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: True. An EA is not required on Strategy 2 loans in the First Lien position.

Review *101-01 Equity Analysis* again for more details.



Word Quiz Learning Game

A _____ is not required for First Lien accounts if you are able to verify the First Lien position using available sources.

Please click Advance to receive feedback.



Word Quiz Learning Game Feedback

The correct answer is: CBR (Credit Bureau Report)

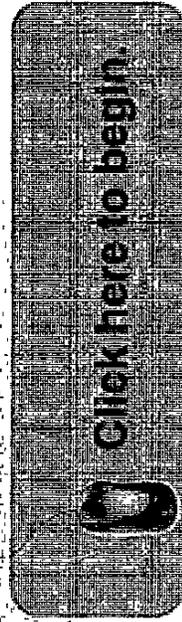
Review 101-01 Equity Analysis again for more details.

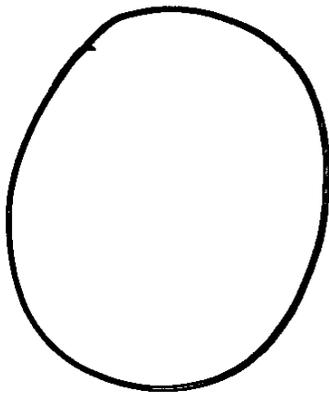
CBR



The next set of questions cover accessing and using the EA Tool and EA Form.

Some questions require you to click links to open screenshots or tools needed to answer knowledge check questions. Please be sure to close the hyperlinked screen before moving on to the next question.







Foreclosure Audit Review (FAR)

FINAL Date: 04/26/11
60 Minutes

Window-Eyes Users Click Here Before Proceeding



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Introduction

The Foreclosure Audit Review (FAR) process is mandated by commitments made to certain regulatory authorities. This process is in addition to all other operational procedures followed on new foreclosure referrals. FAR requirements supersede all other internal operational procedures.

This lesson directs you to research the FAR policies and procedures located in Citi Source.

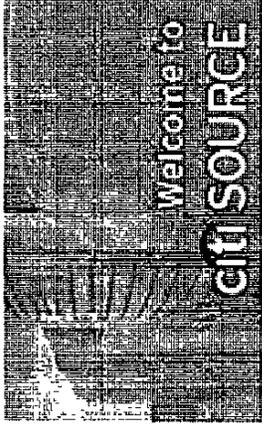
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Access the **Real Estate Default and Collections manual** in **Citi Source** to locate the following procedure:

View: OM - Foreclosure
Chapter: Foreclosure Manual\Pre-Foreclosure
Section: 101-02 Foreclosure Audit Review (FAR)



Read the **Foreclosure Audit Review (FAR) procedures** in preparation to answer knowledge check questions provided on the following pages.

Reference hyperlinks in the procedures, as applicable.





Multiple Choice Learning Game

You are working a Strategy 3 account and the threshold is N. How do you handle the Foreclosure Audit Review (FAR)/Note Review Stage of Pre-Foreclosure?

Please select the correct answer.

Complete a FAR

Complete a FAR and Note Review

Document in DRI, choose bucket PF927 or PF963

Complete a Note Review

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Complete a Note Review

If the loan is Strategy 1 and 3, and is threshold N, D, or Blank, complete a Note Review.

Review **101:02 Foreclosure Audit Review (FAR)** again for more details.



Multiple Choice Learning Game

You are working a Strategy 2 account and the threshold is Y. How do you handle the Foreclosure Audit Review (FAR)/Note Review Stage of Pre-Foreclosure?

Please select the correct answer.

Complete a FAR

Complete an Equity Analysis

Document in DRI, choose bucket PF927 or PF963

Complete a Note Review

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Complete a FAR

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Multiple Choice Learning Game

You are working a Strategy 2 account and the threshold is Blank. How do you handle the Foreclosure Audit Review (FAR)/Note Review State of Pre-Foreclosure?

Please select the best answer.

Complete a FAR

Complete a FAR and Note Review

Document in DRI, choose bucket PF927 or PF963

Complete a Note Review

Please click Advance to receive feedback.





Multiple Choice Learning Game Feedback

The correct answer is: Document in DRI, choose bucket PF927 or PF963

If the loan is Strategy 2, and is threshold N, D, or Blank, follow these steps:

- 1. Go to the "Processor" field in DRI**
- 2. Choose bucket (PF927 or PF963 for FHA accounts)**
- 3. Document review results in DRI Notepad.**

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



What are the steps for reviewing the delinquency level in Maestro?

Please place the following items in the correct sequence:

Click {Find} to open the "Find Customer" screen.

Type the account number in the "Account Number" field.

Calculate the difference between the "Month Pay To" date and today's date.

Review the "Month Pay To" field.

Please click Advance to receive feedback.



Sequence Learning Game Feedback

The correct order is:

1. Type the account number in the "Account Number" field.
2. Click {Find} to open the "Find Customer" screen.
3. Review the "Month Pay To" field.
4. Calculate the difference between the "Month Pay To" date and today's date.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



True/False Learning Game

True or False? On 4/10/11, you work a case with a FAR/Note Review completed on 1/1/2010. You determine that the FAR/Note Review is still valid.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: False

If the FAR/Note Review is greater than or exactly one year old, then consider it expired. In this situation, you handled the account on 4/10/11. If the FAR/Note review was completed on 1/1/2010, it is expired.

Review **101.02 Foreclosure Audit Review (FAR)** again for more details.



Word Quiz Learning Game

Use the [Word Quiz Learning Game](#) to check for address verification on Network accounts.

Please click Advance to receive feedback.



Word Quiz Learning Game Feedback

The correct answer is: DRI Notepad

Review 101.02 Foreclosure Audit Review (FAR) gain for more details.

DRI Notepad



True/False Learning Game

True or False? If you determine the address verification was not completed for a Network account, send the account information via e-mail to your manager to complete the verification.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: False

Send account information via e-mail to Core Logic for address verification.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Multiple Choice Learning Game

What factor could cause a FAR "Fail" if found in the account notes?

Please select the correct answer:

Legal Activity on the account

Borrower is disabled

Borrower is unemployed

Damaged property

Please click Advance to receive feedback.



MULTIPLE CHOICE LEARNING GAME FEEDBACK

The correct answer is: Borrower is disabled.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



True/False Learning Game

True or False? While reviewing an account in CitiLink, you see a note stating "Defective Drywall." Forward the account to Default Research and Litigation (DR&L).

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: True

When you review account notes and see "Chinese Drywall" or "Defective Drywall", it may affect the property value. Refer the account to the DR&L team for review and a decision. DR&L determines whether to foreclose on the property or possibly charge off the account balance.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Scenario 1

Review the criteria below to determine if the account passes the Foreclosure Audit Review.

Use the question on the next page to select your answer.

A loan origination on 5/15/2002, data was listed in various sources as follows:

Loan APR:	10%
Loan to Value (LTV):	55%
FICO score:	530
DTI Ratio:	56%
ATP Ratio:	32%
Site Locator:	CFMVCV
Rate Type:	Fixed Rate
Disabled:	N
Loan Renewals:	2
Expired Balloon Note:	None
Power of Attorney:	None



Multiple Choice Learning Game

Does the account pass the Foreclosure Audit Review? If not, why?

Please select the correct answer.

No, some criteria caused a "Yes" answer, which constitutes a Fail.

No, some criteria caused a "No" answer, which constitutes a Pass.

Yes, some criteria caused a "Yes" answer, which constitutes a Fail.

Yes, some criteria caused a "No" answer, which constitutes a Pass.

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: No, some criteria caused a "Yes" answer, which constitutes a Fail.

Your answers would appear as follows:

Loan APR:	10%	NO - % is not greater than 16%
Loan to Value (LTV):	55%	NO - % is not less than 50%
FICO score:	530	NO - score was not less than 520
DTI Ratio:	56%	YES - % was greater than 55% (The rule is greater than 55% because Site Locator contains CFMC, the loan originated after 4/23/01, and it's a fixed rate loan.)
Disabled:	N	No - Borrower was not disabled at loan inception
Loan Renewals:	2	No - Borrower did not have more loan renewals within the 24 months prior to loan inception.
Expired Balloon Note:	None	No - The loan is not a defaulted balloon payment loan.
Power of Attorney:	None	No - The borrower did not sign a Power of Attorney.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Multiple Choice Learning Game

You are working an account and cannot locate the LTV or FICO score at loan inception. However, all other criteria produced a "No" answer. What is the FAR decision?

Please select the correct answer.

Pass

Incomplete Pass

Fail

Incomplete Fail

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Incomplete Pass

In this case, the LTV and FICO score are missing, but all other answers are No. The FAR decision is Incomplete Pass.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Multiple Choice Learning Game

You are working an account with a missing LTV and a FICO score of 500. All other criteria produced a "No" answer. What is the FAR decision?

Please select the correct answer:

Pass

Incomplete Pass

Fail

Incomplete Fail

Please click Advance to receive feedback.



MULTIPLE CHOICE LEARNING GAME FEEDBACK

The correct answer is: Incomplete Fail

If you have a missing LTV, a FICO score less than 520, and all other criteria produced a "No" answer, the FAR decision is an Incomplete Fail.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Multiple Choice Learning Game

You cannot locate the DTL ratio or ATP ratio, and do not have enough information to calculate the DTL ratio from loan inception. In addition, one or more of the other criteria produced a "Yes" answer. What is the FAR decision?

Please select the correct answer:

Pass

Incomplete Pass

Fail

Incomplete Fail

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Incomplete Fail

In this case, the DTI/ATP ratio is missing, and other criteria produced a "yes" answer, the FAR decision Incomplete Fail.

Review **101.02 Foreclosure Audit Review (FAR)** again for more details.



Word Quiz Learning Game

A FAR incomplete pass and incomplete fail receive the same handling as a

Please click Advance to receive feedback.



Word Quiz Learning Game Feedback

The correct answer is: A FAR incomplete pass and incomplete fail receive the same handling as a **Fail**

Review **101-02 Foreclosure Audit Review (FAR)** again for more details.

Fail



Multiple Choice Learning Game

What is the preferred source to use for finding the APR on an account at loan inception?

Please select the correct answer.

Credit Bureau Report from loan origination

Loan approval Transmittal Summary

Display/Balance screen in Citilink

Truth in Lending Disclosure (TIL) Loan Approval

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Truth in Lending Disclosure (TIL) Loan Approval

The preferred source for APR is the Truth in Lending Disclosure (TIL) Loan Approval. Use the FAR source procedure to determine which source to use for finding answers to FAR criteria.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



Multiple Choice Learning Game

What is the preferred source to use for determining if the borrower had three or more renewals in the prior 24 months before loan inception?

Please select the correct answer:

Credit Bureau Report from loan origination

Loan approval Transmittal Summary

Display/Balance screen in Citilink

Truth in Lending Disclosure (TIL) Loan Approval

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: Credit Bureau Report from loan origination

The preferred source for Renewal details is the CBR from loan origination. Use the FAR source procedure to determine which source to use for finding answers to FAR criteria.

Review **101.02 Foreclosure Audit Review (FAR)** again for more details.



Multiple Choice Learning Game

You are working an account that has two borrowers listed. The first borrower's FICO scores are 400, 450, and 520. The second borrower's scores are 350, 400, and 450. Which score do you use?

Please select the correct answer.

350

400

450

520

Please click Advance to receive feedback.



Multiple Choice Learning Game Feedback

The correct answer is: 400

When there are two borrowers with multiple FICO scores, always use the median score on the borrower with the lowest FICO scores. In this case, the lower of the two median score is 400.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



True/False Learning Game

True or False? You are working an account with one borrower that has two FICO scores listed. The scores are 480 and 520. You will use the lower score.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: True

When there is one borrower with two FICO scores, always use the lower score. In this case, the lower score is 480.

Review 101.02 Foreclosure Audit Review (FAR) again for more details.



True/False Learning Game

True or False? You are working a loan originated on 2/25/2005. To determine if the borrower had three or more renewals, you access the CBR and look for trade lines going back to 2/25/2002.

True

False

Please click Advance to receive feedback.



True/False Learning Game Feedback

The correct answer is: False

To determine if a borrower has three or more renewals, you will access the CBR and look for trade lines starting with a date two years prior (24 months) to loan origination and ending with the date of loan origination). In this case, you look for trade lines dating back to **2/25/2003**.

Review **101.02 Foreclosure Audit Review (FAR)** again for more details.

