

back to
the business of
marketing
& selling

account for
every offer

During the current housing crisis, listing agents have become de-facto property managers and are challenged like never before to keep multiple parties up-to-date.

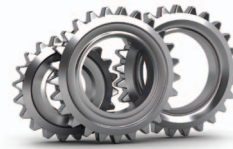
Rather than spend time on redundant tasks like data entry or the submission of offers that have no hope of being accepted, listing agents can finally get back to the business of marketing and selling property.

Because offers are electronically submitted by the buyer's agent directly, they are updated in real-time as offer statuses change and properties move through the decisioning process. This eliminates time-consuming follow-up phone calls and emails to the listing agent wondering "What's going on with my offer?"

More importantly, it eliminates the finger-pointing and potential liability that comes with the possibility that a particular offer may not have been presented in a timely manner.

Properties sell quicker with less stress and liability...and since there are no subscription or transaction fees charged to the agent, they keep more of the increased commission generated by higher sale prices.

- Risk reduction/Reduced Liability
- No duplicative data entry or paperwork forwarding required until offer accepted for improved efficiency
- Reduced status update calls/emails
- Quicker sale negotiations
- No subscription fees
- Real-time delivery of all offers 24/7/365
- Easy to use online support 365 days/year



24/7



a direct
response to
every offer

As defaults continue to make up an ever-increasing part of servicing efforts, it becomes increasingly necessary to close the gaps inherent in today's disposition processes to ensure that efficiencies are improved and the asset owner or note holder's loss is minimized completely.



Since actual loss calculated is determined by the final sale price of the distressed real estate, it is important that as much attention be focused on the sale as is focused on the procedures and policies that manage the disposition process.

As you rely more and more on outsourced vendors it is imperative to have the tools necessary to ensure that all parties are engaged according to your (and any investor's) expectations.

No matter which servicing software you use, and no matter whether you use an asset management system or not, none of them are designed to effectively sell real estate. And that's where we come in.

Working in tandem with your current systems and processes, **OfferSubmission** and **VerifiedShortSale** provide the tools you need to mitigate loss best and sell more inventory, faster...and at true market value, every time.

sell more inventory,
faster

- Robust rules-based engine for simple delivery and tracking of all negotiations
- Flexible system includes senior management and investors in final decision-making when required based on SLAs
- Complete history of all negotiation activity for auditing purposes
- Comprehensive reporting of KPI by vendor/portfolio/employee
- Easy-to-use tool that works in tandem with all servicing or asset management software
- Can automatically engage originations group for additional profit potential
- Ultimate negotiation toolbox and important remarketing functionality
- Real-time delivery of all offers 24/7/365
- Best indicator of true market value is ensuring every offer reaches a decision-maker
- Prevents fraud

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WOODWARD
ASSET CAPITAL

OfferSubmission
Sell More Inventory, Faster.

VerifiedShortSale
A Direct Response To Every Offer



REO SELLERS AND MARKET VALUES

Every month, REO sellers using **OfferSubmission** see situations just like these that leave everyone scratching their heads:

Via Renaissance, Temecula, CA 92590

BPO \$90,000
Appraisal \$98,000
List Price \$102,900
Sale Price \$225,000
% Over List 218.66%
\$ Over List \$122,100
DOM 94
Offers: 31

SW 128th St, Burien, WA 98146

BPO \$55,000
Appraisal \$90,000
List Price \$90,000
Sale Price \$145,000
% Over List 161.11%
\$ Over List \$55,000
DOM 263
Offers: 16

Hirsch St, Chicago, IL 60651

BPO \$22,500
Appraisal \$23,000
List Price \$24,900
Sale Price \$50,100
% Over List 201.20%
\$ Over List \$25,200
DOM 8
Offers: 44

Greenwood Way, Tracy, CA 95304

BPO \$204,000
Appraisal \$162,000
List Price \$214,200
Sale Price \$376,000
% Over List 175.54%
\$ Over List \$161,800
DOM 20
Offers: 17

How is it that the listing agent's BPO and an appraiser could be so far off on true market value?

Until now, all offers were submitted by the listing agent for consideration. It was easy for offers to be prioritized, held, lost or discarded before they were ever seen by a decision-maker.

You know it happens; how many angry phone calls and emails have you dealt with from upset buyers, agents and attorneys claiming they had submitted higher or better offers than you eventually sold a property for, only to investigate and find those offers were nowhere to be found?

Because our systems require the buyer's agent to submit all offers, the actual market now has a voice and they're able to be heard. Every offer is considered and accounted for, so our systems produce more offers for the seller, driving competition and an increase in sale prices.

sales
happen at
true market
value

every offer
for
every property



Woodward Asset Capital is a new breed of solutions provider focusing on top-down improvement in today's complex default mortgage servicing and institutional investor environments.

empowering solutions

- Empowering Technology Solutions
- Portfolio & Process Consulting
- Wholesale Residential Acquisitions & Sales
- REO Rehabilitation

We concentrate exclusively on filling the gaps in current disposition processes amongst all stakeholders to ensure best opportunity for maximum loss recovery.

STRATEGIES

Woodward Asset Capital enhances service-level agreements by working with Servicing, Loss Mitigation, Asset Management, Origination and Capital Market departments by establishing benchmarks to efficiently monitor and improve performance of distressed portfolios.

focusing on top-down improvements

- In-Depth Analysis
- Creative Solutions
- Tenacious Project Management
- Sophisticated Analytics

BACKGROUND

Beginning as a private equity firm, our successful bulk asset acquisition and sales model caught the attention of industry insiders which led to consulting projects with varied banks, mortgage servicers, and other private and institutional owners of distressed real estate assets.

Our fresh set of eyes with an “outside-the-box” perspective of the overburdened servicing model provided new insight into complex challenges stemming from the post-2006 real estate meltdown. Since our inception, we’ve been sought out to quickly improve existing sales and disposition strategies by focusing on preventing fraud and by bridging gaps inherent in current processes.

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FOCUSING ON THE SALE

The January 2009 release of **OfferSubmission** was the culmination of years of research and real-life experience in the sale of REO. By focusing on the challenges facing asset owners and servicers, this proprietary application was the first to engage a buyer's agent directly to prevent fraud and work in concert with existing servicing and asset management software platforms to provide the tools necessary to grant unparalleled control over the disposition process. Our flexible, best-in-class sales negotiation platform establishes a true digital audit trail of all offers and sales activity and finally includes all stakeholders in the process from start-to-finish. It relies on the traditional two-agent retail sales model and provides the transparency necessary to guarantee quicker sales and more lucrative bottom-line results.

Two years later we released **VerifiedShortSale**, the first top-down application designed to prevent fraud and flopping while ensuring maximum recovery and faster resolution of distressed loans. For the first time banks, servicers, and institutional investors have an opportunity to review every short sale offer because they are submitted by the buyer's agent directly rather than filtered by the listing agent or borrower. It works in tandem with servicing platforms to communicate with all stakeholders in a transparent environment, while providing the digital audit trail necessary to defend every sale decision and be certain that each asset sells at true market value, every time.

OfferSubmission
&
VerifiedShortSale

best opportunity
for maximum
loss recovery



It's true that time is money. Nobody would disagree. But what seems to be most forgotten is that money is money, too.

focus
on
expectations

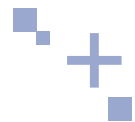
For the asset owner or note holder in a distressed real estate sale, the loss (or profit) is tallied in very real dollars and cents. Yet until now, the party taking the actual loss has simply been along for the ride while their servicers and other outsourced vendors go about their daily routines and continue to seek innovative ways to handle increasing volumes of loans moving into default buckets. Couple that with increased regulatory scrutiny and it's easy to see why attention may not be clearly focused on your expectations when it comes to negotiating the best sale of a distressed asset.

It's no longer good business to wait for monthly reports or assume that the vendors engaged on your behalf are doing everything they can to mitigate your losses.

negotiate
the best sale

With **OfferSubmission** and **VerifiedShortSale**, there is finally a toolbox that enables the investor or owner to take a proactive role in the mitigation of loss. Both applications are easy-to-use and flexible enough to work with the servicer's system-of-record, and both are built upon the same framework to prevent fraud, speed transactions and recover as much as possible from the sale of each individual property.

- Easy to use tool for finalizing all sales prices and monitoring of all vendors
- Complete history of all offers to be sure recovery is best it can be
- Comprehensive reporting and tracking of KPI by servicer/vendor/portfolio/employee
- Allows for active or passive role depending on appetite for participation
- Prevents fraud



connect
all stakeholders

prevent
fraud

With so much time, effort and dollars spent before moving a property off the balance sheet, how can it possibly make sense that until now, the party that ultimately determines the amount of loss (or profit) on the sale of a distressed asset has largely been an afterthought?

Because until the property is sold, everything flows through a predetermined track using preselected vendors who all have their own policies, procedures and expectations.

But there is a single moment in time—when an offer is accepted— that ultimately determines how much loss is recovered. And at that moment, if you haven't seen every offer from every interested buyer, you lose even more every time. At that single moment, you've just brought in a disconnected stakeholder who has more motivation than you to get that sale closed as quickly as possible and with the least amount of hassle.

The buyer willing to pay the highest price is willing to wait the least amount of time for a decision.

- Every offer presented, tracked, decisioned
- Easy to use with full WAC Staff support 365 days/year
- Buyer's agent kept engaged through status updates & offer progress
- Buyer's agent is most motivated party to transaction, never before was included in process
- Real-time delivery of all offers 24/7/365
- The key to preventing fraud
- Loan origination opportunities
- Provides real-time feedback
- Level playing field generates more offers, more competition, higher prices



Nearly 55% of all offers for distressed real estate never make it to a decision-maker.

Why? Because the systems utilized by banks and servicers today rely on the listing agent to forward all pertinent information up the distressed asset food chain, without the appropriate checks and balances to ensure that offers aren't lost, held, filtered or discarded.

Since our flexible solutions rely on the Buyer's Agent to submit all offers, traditional challenges literally disappear. Simply engaging the single most motivated party in a distressed asset sale provides a verifiable, real-time environment that drives competition and delivers more offers, guaranteed.

Engaging those stakeholders that are excluded from the sale process today delivers benefits and results that are impossible to replicate:

- Assets are sold at true market value, every time
- Transactions close quicker
- Customer satisfaction is improved
- Liability is reduced for the servicer, asset manager and listing agent

The only way to be certain that each distressed asset is sold at the highest possible price is by being sure that every possible offer has been received and reviewed before rendering a decision.

Our technology solutions were designed exclusively for sellers of distressed assets and work in tandem with systems-of-record to provide a clear line-of-sight and unprecedented control over the asset disposition process. These systems are the first to engage all stakeholders to provide the tools, transparency and real-time auditing capabilities inherently missing (but absolutely necessary) from enterprise software today. Rather than manage an asset or loan, our applications give the seller the tools necessary to improve the results of their sales processes without changing software, vendors or listing agents.



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offers
cannot be held, lost
or discarded

all parties
aligned
& accountable





DISTRESSED ASSET OWNERS & NOTE HOLDERS

Rather than sitting back and waiting for the opportunity to approve sales as they are eventually presented by the servicer, the investor now has direct access to an easy-to-use online software application that provides a clear line-of-sight to monitor and track all sales activity in real-time. At a glance, investors can literally see all offers presented when asked to render the final decision that determines loss, and be assured that all properties are selling at true market value, every time.

Post-sale monitoring of portfolio performance regularly identifies instances of apparent fraud in the short-sale space. Leading researchers suggest that fraudulent short sales orchestrated by the borrower or listing agent cost the investor on average more than \$50,000 in those instances when a property is re-sold shortly after the short-sale is approved. Often the subsequent sale happens in just a few weeks but some fraudulent re-sales happen the same day, indicating that a buyer willing to pay more for a particular property was already under contract without the knowledge of the servicer or investor.

all offers
are received

- **VerifiedShortSale** prevents this fraud known in the industry as “flopping” because every offer for a distressed asset is received directly from the buyer’s agents in a local market. Offers cannot be held or filtered by the borrower or listing agent for seller consideration. In REO, the listing agent has traditionally held all the cards with respect to which offers are actually presented for review. Because of this unintended influence, assets are often sold for considerably less than they should be, costing investors literally thousands of dollars in the process.
- **OfferSubmission** ensures all offers are received to maximize recovery on the sale of the distressed asset.

OfferSubmission
&
VerifiedShortSale

prevents
flopping

ensure
greatest recovery

In the never-ending quest to attract new clients, asset managers and component servicers strive to set themselves apart from the competition by utilizing technologies that ensure greatest recovery and quickest inventory turns while maintaining agent and vendor relationships that are best in the industry.

Now, in addition to monitoring all the necessary activities to move inventory from default through post-closing (REO) or from imminent default through sale (short sales), **OfferSubmission** and **VerifiedShortSale** provide the focus and tools you need to outperform expectations.



outperform
expectations

Our applications work in tandem with all servicing or enterprise asset management software and provide dedicated offer negotiation portals that directly communicate with all necessary parties and directly engage the buyer's agents who, until now, have been surprisingly absent from the sale process.

Bringing the buyer's agent to the table ensures all offers are received and reviewed, which ensures each property sells at true market value. The buyer's agent is the most motivated party in a distressed asset sale, and they provide the checks and balances you need to be certain that the listing agent is working to meet the expectations of all parties...especially your clients.

- Every offer presented, tracked, decisioned
- Easy to use with full support 365 days/year
- Buyer's agent kept engaged through status updates & offer progress
- Buyer's agent is most motivated party to transaction, never before was included in process
- Real-time delivery of all offers 24/7/365
The key to preventing fraud
- Provides real-time feedback
- Level playing field generates more offers, more competition, higher prices



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ASSET CAPITAL

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