

Residential & Consumer Loan Desk

Morgan Keegan & Regions

Founded in 1969 in Memphis, Tennessee, Morgan Keegan is today a premier regional investment firm offering full-service investment banking, securities brokerage, trust and asset management. Morgan Keegan serves the diverse financial needs of individual investors, corporate and institutional clients throughout the U.S. and abroad. Morgan Keegan has over 300 offices in 19 states and more than 4,400 employees.

As the securities and investment management subsidiary of Regions Financial Corporation, Morgan Keegan is partnered with one of the nation's largest full-service providers of consumer and commercial banking, trust and mortgage services. Regions Financial Corporation, with \$140 billion in assets, is listed on the New York Stock Exchange (symbol: RF) and is a member of the S&P 100 Index. Regions serves customers in 16 states across the South, Midwest and Texas, and through its subsidiary, Regions Bank, operates 1,900 banking offices and approximately 2,300 ATMs. Morgan Keegan's 1,200 financial advisors provide comprehensive financial services in many of these bank locations. Additional information about Regions and its full line of products and services can be found at www.regions.com.

Specialized Products

The Morgan Keegan Residential and Consumer Loan Group is a principal buyer and seller of residential and consumer loans, buying both conforming and nonconforming loans with the seller either retaining or releasing servicing. Our many specialized products include:

- **Conforming Residential Loans**
- **Nonconforming Residential Loans that fall outside agency guidelines for size or documentation**
- **Subprime Residential, Commercial and Consumer Loans**
- **2nd mortgage and Home Equity Lines of Credit**
- **Nonperforming Residential, Commercial and Consumer Loans**
- **Merchant Processing**
- **Credit Card Loans**
- **Automobile Loans**
- **Mortgage Servicing**
- **Mobile Home Loans**
- **Asset-Backed Securitizations**

Our Unique Services

Morgan Keegan works as a problem solver for financial institutions trying to manage the risk within their balance sheets. For over 35 years we've worked with portfolio managers – helping mitigate interest rate and prepayment risks in the loan portfolio, selling unwanted loans obtained in a merger/acquisition, and creating necessary liquidity. Our biggest strength is our relationship with clients. We focus on this reputation, making sure every recommendation we offer is one that will help move your institution forward. The services we perform have helped us complete over \$10 billion in transactions.

Analysis Free complete mortgage analysis: pricing, interest rate and prepayment risk analysis

Efficiency Industry leading turn-around on all analysis and re-pricing

Due Diligence Free on-site due diligence prior to a transaction

Reporting Complete loan closing support including assignment preparation

Servicing Loan Servicing Evaluations assist in complying with regulators and accountants with appropriate accounting treatment

Selling Loans: Transaction Steps the Morgan Keegan Way

At Morgan Keegan, our goal is to make selling loans as simple – and profitable – as possible. The following seven steps outline the process to assist you in managing a stronger, more diversified residential loan portfolio:

1. We perform a preliminary pricing and risk analysis on the residential loan portfolio preferably from a computer file. From this information, we segregate and stratify the portfolio by product type, marketability and other key loan criteria. This initial analysis includes market valuation by product grouping, servicing evaluation, interest and prepayment risk analysis.
2. We provide detailed feedback to the seller from the preliminary analyses. Based on customer priorities and goals, a timetable of execution is established. We then perform an on-site, loan-by-loan examination and due diligence with no financial obligation or commitment from the seller.
3. Our database is updated based on the loan examination. Summary descriptions are provided to assist in understanding any nonstandard items in the portfolio, and we also highlight ways to make the salable package as large as possible.
4. While we are conducting the underwriting, a sample purchase-and-sale agreement is provided for the seller's review. This document is typically amended to include transaction specific parameters.
5. A firm offer to purchase the designated loans at a specific price is then presented.
6. Upon execution of a transaction, we:
 - Prepare all mortgage loan documents for delivery, including assignments and endorsement stamps for seller's executions.
 - Deliver all required documents to purchaser or document custodian, as specified.
 - Assist in loan servicing transition and the establishment of investor reporting accounts.
7. Finally, we provide all underwriting data obtained from field examinations to the seller. This detailed, loan-by-loan information may be used as a loan audit review to assist in future management decisions regarding the remaining residential loan portfolio that was not sold. As one of the largest investment banking firms off Wall Street, Morgan Keegan has always focused on helping institutions better manage their risks and increase their profitability with a level of service and expertise matched by no other. We look forward to serving you in the same manner.

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