



Keystone Asset Management Broker / Agent REO Manual

Version 3.2

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Table of Contents

I. GENERAL OVERVIEW	3
II. BROKER/AGENT GUIDELINES AND PROCEDURES	3
A. Overview	3
B. Specific Duties	6
C. Broker / Agent Scorecard	14
III. GLOSSARY OF KEYSTONE DOCUMENTS AND THEIR USE	17
A. Assignment Package:	17
B. Agent Eviction Package:	17
C. Listing Package:	18
D. Closing Package:	18
E. Internet Tasks:	18
IV. SAMPLE DOCUMENTS	20
A. Assignment Package	20
B. Agent Eviction Package	26
C. Listing Package	33
D. Closing Package	39
V. REVISION HISTORY	43

I. GENERAL OVERVIEW

This manual has been created to assist in the understanding of the processes and procedures for listing assignments with Keystone Asset Management, Inc. (hereinafter referred to as “Keystone”) by summarizing the entire process of disposition, from initial assignment to the closing and funding of the sale. It should be used as a point of reference for every assignment to help you effectively manage and market Real Estate Owned (hereinafter referred to as “REO”) properties.

Keystone services a diverse group of banks and mortgage loan servicing companies (hereinafter referred to as “client”). Each client has specific guidelines that must be followed. As such, processes may vary for each file, making it important for our brokers and agents to **read and agree** to the terms and conditions for each property assigned.

Forms related to each step in the REO liquidation process are available with each assignment and can be acquired on our website – <https://www.keystonebest.com> (some exceptions will apply). Periodic updates will be available on our website to replace existing information.

Keystone provides technical support throughout the entire REO process. All questions can be directed to it@keystonebest.com or 215-855-3350 ext. 124.

II. BROKER/AGENT GUIDELINES AND PROCEDURES

A. Overview

Keystone enlists the services of Real Estate Brokers / Agents (hereinafter referred to as “broker, brokers, agent, agents, broker / agent) with the highest professional and ethical standards. These standards are maintained by ensuring that no conflict of interest exists between Keystone, the selected Broker, and selected contractors. No family member or relative of the Broker shall be employed as a contractor or subcontractor to repair or maintain a Keystone REO assignment.

Brokers selected to market Keystone properties will be licensed and experienced in the immediate community where they are utilized. They will be in good standing with industry and trade groups; as well as members of their local MLS board. Where resources permit, primary consideration will be given to Brokers that have experience with the management and sale of REO or absentee-owner properties. Selected Brokers must also have sufficient staff and financial resources to effectively restore, manage, and market properties according to the established standards or, via specialized Keystone instructions. Additionally, resumes from the Broker expected to be actively involved with listings will be reviewed and a list of present and former clients will be obtained and interviewed before the final decision to accept a Broker as a partner with Keystone is made.

1. Qualifications

Keystone’s REO inventory encompasses a diverse portfolio of properties, which may include metropolitan or suburban areas where qualified Brokers are readily available, or remote rural areas where the Broker selection may be limited. In searching for qualified Brokers, Keystone maps distances from available inventory to Broker offices in a given radius. The

given mile radius is flexible and may be adjusted by those assigning the property as market conditions may vary.

2. Broker / Agents

Brokers are required to execute an Exclusive Right to Sell Agreement. He/she may also be required to provide verification of Errors and Omissions Insurance and Fidelity Bond naming the client as insured.

3. Experience

Keystone requires each Broker to specialize in their specific market, including knowledge of buyers and trends, as well as having the ability to demonstrate sufficient industry knowledge.

4. Customer Sensitive Information

It is understood that in working with Keystone in liquidating REO files, sensitive information will be relayed and transmitted to the broker. Information deemed as sensitive is not be transmitted to any inappropriate parties with respect to the information, unless provided approval by Keystone or Keystone's clients.

5. Communication

Communication on each asset, whether written or verbal, must be completed in a professional and accurate manner as there may be instances where the broker speaks with Keystone's clients.

6. Rehabilitation

A working relationship with national preservation vendors and a network of contractors that specialize in the restoration of residential properties is required. Brokers should have the ability to obtain, evaluate, and secure approval on repair bids in a timely manner upon request.

7. Corporate Relations

Brokers should have a general knowledge of how to work with corporate clients. This includes an understanding of the varying timelines and requirements that can be associated with them. They must also be able to communicate expectations and timelines to sub-contractors, cooperating brokers and other individuals associated with the purchase and management of the bank-owned property.

8. Property Management

Where applicable, Brokers should have the ability to meet the requirements of a Property Manager. These activities include, but may not be limited to, collection of rents and managing tenant issues associated with the REO assignment.

9. Financial Resources

Brokers should have the ability to make advance payments to a variety of vendors on behalf of the client, subject to reimbursement at a later date. This would include payment for utilities, minor repairs and routine maintenance of the property.

10. Reports / Internet Access

Brokers should have the ability to prepare formalized and structured Broker's Price Opinions (hereinafter referred to as "BPO"), property status reports, and other required reports in accordance with the client's specifications and time requirements. Keystone also requires its brokers to have technical resources available to work on our secure website. Internet access is required for activities including, but not limited to, BPO preparation, offer/counter-offer submission, listing agreements and bill paying.

11. Third Party Vendors

Keystone works with a variety of REO Management applications. We tailor our work to the needs of our clients. All REO file tasks are completed on some type of on-line software application at the discretion and direction of our clients. These systems include our own proprietary system, AMN, RESNET or Equator. It is important to realize that additional fees may be required to work on these third party applications. We leave the decision to each broker to decide if they wish to be registered and accept the additional fee obligations that are associated with these third party applications. However, due to client requirements, we may be obligated to work on these systems and not registering could impact the number of files you receive from Keystone.

12. Marketing Strategies Fee

Keystone Asset Management has business partnerships with online property marketing firms for the purposes of marketing the bank owned inventory referred by our clients on a national level. Each file, when listed, is placed on the partners' website for the purpose of educating interested buyers on the properties. The websites will have brokerage contact information for prospective buyers to contact and submit offers, should they be interested.

Mandatory participation is required as Keystone Asset Management will charge a non-refundable fee of \$50, payable at the acceptance of the initial listing agreement, for each file referred.

13. Data Integrity

Keystone Asset Management relies on our agents to provide information to our staff in a timely and accurate manner. The information that we receive is critical for meeting aggressive client timelines and dispatching other vendors during specific phases of the property liquidation process. Much of the information we collect is done by tasks through our proprietary website and/or client required third party platforms. To enhance efficiencies, the completion of tasks through the internet results in the automatic initiation of new work orders for our staff and third party vendors. This requires the data that we receive to be entered accurately and thoroughly as incorrect information can lead to unnecessary work orders and time wasted by the staff of our agents, employees and vendors. These data entry mistakes can also result in unnecessary trip fees to be assessed against Keystone and the company reserves the right to bill the listing agent for errors or omissions made when providing information as it relates to occupancy checks, inspections, lockbox codes or other clerical entries.

B. Specific Duties

At a minimum, Brokers must possess the ability to perform the following:

- Inspect the property and prepare condition certifications for claims against the hazard insurance carrier and/or needed evictions. Completed documents need to be delivered to our office.
- Perform drive-by inspections of occupied properties and assist in any removal process deemed appropriate by the client
- Work with Keystone and client-assigned closing attorneys, title companies, eviction attorneys, field service partners, contractors and other entities necessary for the preservation and liquidation of the REO property.
- Complete BPO's through our secure website and comply with aggressive timelines as specified by Keystone staff.
- Perform weekly drive-by and interior inspections of assigned files at no charge to Keystone to ensure the properties are secure. This includes reporting any damage or changes in the condition or occupancy status, providing bids and any other information needed to resolve the situation. This information must then be sent to us by e-mail or through our website.
- Obtain necessary repair bids as requested by Keystone. This includes providing information for each contractor, supervising repairs and ensuring timely completion according to specifications, providing photographs, certification of completion, original invoices and forms in accordance with established policy, and advancing payment to contractors as appropriate.
- Arrange for ongoing maintenance of property, when requested by Keystone, including but not limited to, periodic cleaning, lawn care, payment of utilities, etc., and payment to the appropriate partners for the services on behalf of the client.
- Submit weekly expense reimbursement requests utilizing our online expense reimbursement system located on our website. These are for services performed and paid for by the Broker on behalf of Keystone and our client.
- Provide detailed monthly marketing reports through our website outlining the showing history, buyer/broker feedback, new listing competition and sales in the area, as well as provide copies of advertising, flyers and other marketing materials designed to present the property to the local market. This includes any recommendations to generate offers.
- Provide periodic information as requested relating to delinquent taxes, assessments or other municipal bills that could result in forfeiture of client ownership due to lack of payment.
- Submit all offers through our secure website. Be prepared to discuss the contingencies associated with the deal to prevent lost marketing time resulting from unqualified buyers or weak offers.
- Follow up with contract contingency dates such as inspections, loan application/approval and other conditions as agreed in negotiations. This will ensure the timely settlement of properties and enable you to act as the client's representative at the closing.

- Act as the clients' authorized representative, as necessary, to deal with local code violation issues, hearings, or meetings at no additional expense.

1. Initial Assignment / Inspection

Each new file notification includes a detailed list of instructions. This includes information on accessing the property, required services to be completed by the broker or agent, and documents to be used for the life of the file. Each of our clients have different specifications. Please read and fully understand the general terms when accepting each assignment. This document is found on our website. Brokers must comply with these terms prior to the completion of any additional work.

Our initial occupancy checks are generally conducted by one of our national field services partners. Upon assignment, we will make the broker aware if the property is occupied, vacant, or vacant but with personal property. If occupied, you should attempt to contact the occupant within three days of the assignment. Assuming you make contact, you should personally tell the occupant that a foreclosure has taken place and that you represent the owner (the client's name will be given to you). We will need to know all the following information about the tenant:

- Is the occupant the previous mortgagor or a tenant?
- Name and age of all occupants, if possible.
- What are their intentions regarding moving?
- Is the occupant keeping up the property?
- Is the occupant cooperative?

Legal eviction proceedings will have already started when you get your assignment. You will be expected to make weekly inspections of the property and report the occupancy status through our website. Once you discover, through your regular inspections, that the property is vacant, you must immediately notify Keystone and our field service partner. They will proceed with re-keying, securing, winterizing, removing debris and/or handling the initial lawn cut at the property. All properties are re-keyed with a specific key-code and lockbox combination. This information is made available at assignment. The broker should proceed with transferring the utilities into their office's name.

Brokers should also do a thorough visual inspection of the premises and look for potential safety or environmental hazards inside and out. You should immediately notify us if you discover anything that could depreciate the asset or present a safety hazard to any person that enters the property. While many of our properties are sold as-is, it is necessary to ensure that no condition exists that could make you, Keystone, and our client liable as a result of injury sustained on the property.

2. Broker Price Opinion

A 90-day marketing time is the basis for BPO values. All BPO's are to be completed through our website and received within five days from the requested date.

The client will rely on the BPO, as well as supplemental reports or appraisals, to establish an initial list price and fair market value. Both are to be determined independent of each other.

The BPO's that our brokers provide are required to be thorough and deliver values that are well supported by the comparables and photos provided in the report. Some of the key items required include:

Condition: We define the condition based on the following:

- **Excellent:** The subject is in move-in condition. No repairs, cleaning or cosmetic updating is required. The subject will have no problem qualifying for any type of financing, and an owner-occupant is the target market.
- **Good:** The subject requires only cleaning and minor cosmetic updating in order to move into the property. Repair estimates are typically less than \$1,000. The subject will have no trouble qualifying for all types of financing and an owner-occupant is the target market.
- **Average:** The subject is structurally sound. All key components such as the roof, plumbing, foundation, windows, electrical and HVAC appear to be in operating order. There are no visible signs of leaks or other damage to the property. Cosmetic updating (such as paint, carpet and vinyl, minor repairs, such as spackling, small fixtures and appliances) are needed due to the existing items being worn or missing. The subject may need minor work to qualify for government financing or high loan to value sales. Depending on market conditions, the target market could be either an owner-occupant or an investor.
- **Fair:** The subject includes the items mentioned for average condition, but may also include one issue with a key component and/or a main item in the home such as "missing all kitchen cabinets." The subject may qualify for rehabilitation financing or low income to value ratio mortgages. A handy owner-occupant may be targeted, but an investor is the likely purchaser.
- **Poor:** The subject includes all items mentioned in the Average section along with two or more issues with key components. The subject generally requires full rehabilitation to become habitable. An investor is the target market.

NOTE: Keystone does not consider properties that are full of trash to be in poor condition. A photo of the full room for each room is required for our inspection. We also encourage brokers to provide a picture of each defect in the home to support the identified issue.

Your Values

- **As-is:** The seller will be marketing the property without doing any repairs outside of the initial and on-going preservation activities, such as debris removal and regular lawn care. The "as is" number should be based upon:
 - The repaired value less estimated costs to repair and a percentage for investor profit based on the local area OR
 - Sales comparables of properties in similar condition with adjustments for size, area, amenities and/or market conditions
- **Repaired:** The repaired value is your general opinion of what the property would sell for if it were in good to excellent condition.

Arriving at Your Value

Each BPO should have at least one comparable that supports both the “as-is” and “repaired value”. Comparables should be within the last six months and be of similar gross living area, size and location of the subject being reviewed. Generally, we want your values at a number that will have the property sold in a 90-day period. It is not uncommon for comparables to be limited due to condition or market area. Our online BPO system allows for adjustments based on condition, size, amenities, room count, location and market conditions.

3. Winterization

Our national field services partners generally handle winterizations. Keystone winterizes required properties that become vacant from October 1 through April 31. We may have other properties winterized that became vacant outside of this time period. Exceptions may include properties that are located in a warm weather area.

We rely on our brokers to ensure that the properties have been winterized and to assist in the coordination of the field services partner to the property. Brokers are to notify us immediately if they see an issue with the winterization that was performed on the property.

4. Safety and Securitization

As certain home may present potential safety hazards and securitization concerns, such as missing handrails, non-functioning light bulbs and safety code concerns, it is the responsibility of the broker to notify Keystone immediately upon discovery with your strategy in resolving the potential safety hazard.

5. Vacant Property Registration / Deregistration

Brokers may be called upon to complete vacant property registration and/or property deregistration. In the event this occurs, brokers must complete this task fully and completely to ensure property compliance with local municipalities and legislation.

6. Interior and Exterior Hauling

All properties are to be marketed as a minimum in “broom clean” condition. Keystone’s field services partners generally handle the removal of all trash, debris and personal property. Brokers are expected to notify us immediately if the property does not show in “broom clean” condition.

7. Initial and Periodic Interior Cleaning & Maintenance

Many of our properties will require regular routine cleaning to present it in its best possible condition. We turn to our brokers to make these recommendations based on the type of marketing being done on the property. Guidelines include but are not limited to:

- Initial shampooing and regular vacuuming of carpets
- Washing floors
- Wiping bathroom vanities and kitchen countertops, cleaning sinks, stoves and commodes
- Inspecting light fixtures for working bulbs

- Cleaning windowsills so they are free of dust, dead bugs, cobwebs and dirt
- Keeping the heat set at 62 degrees during the winter months and the air conditioning (where applicable at 78 degrees during the summer)
- Installing a sump pump in the basement
- Verifying all doors are hung

NOTE: Our field services partners may handle some of this work. To ensure reimbursement, please discuss these recommendations with your asset manager before proceeding with any work.

8. Initial and Periodic Exterior Maintenance

Curb appeal is an important part of our marketing. It can be the difference between a home looking like part of the neighborhood or looking like an REO property. We turn to our brokers to make recommendations to enhance the curb appeal of the property and to ensure the exterior is being maintained. In most cases, we rely on our field service partners to perform the initial and on-going lawn care on the property, but we do expect our brokers to regularly visit the property to ensure this maintenance is being performed. Generally our field service partners will do biweekly lawn cuts, and we ask our brokers to evaluate the property based on the following assessments:

- Should bushes, shrubs, hedges and/or weeds be trimmed or removed?
- Do the flower beds need mulch?
- Are the gutters clean and roof free of leaves and debris?
- Are the walkways, porches and/or decks broom-clean?

Having a second set of eyes on the property ensures it is being presented in the best possible light to prospective buyers. Your recommendations are important so we can make the best decisions with our client to shorten the marketing time of the property.

9. Snow Removal

When winter weather occurs, all sidewalks and driveways should be free and clear of snow and ice. When necessary, salt areas where the general public might have access and could be at risk. This work is assigned on an as needed basis depending on the availability of your contractors and our field services partners. Be sure to contact your Keystone Asset Manager when winter weather occurs to ensure duplicate work is not ordered.

10. Swimming Pools

Your recommendation with pools is very important, as they are a direct reflection on the marketing of the property. Generally, above ground pools are removed by our field services partner at the initial assignment. In-ground pools are handled on a case-by-case basis depending on the location and condition of the pool. Our field services partner will usually handle the securing of pools and the fences that surround them. However, it is not uncommon for us to ask our broker to get a bid to drain, treat, fill and maintain the pools for properties that warrant this. Always check with Keystone before obtaining bids or proceeding with any activity related to pool removal or maintenance.

11. Condo / Home Owner Association

Within five (5) days of assignment, you must contact the appropriate management company to advise of new ownership of the unit, obtain any past due association fees, and submit to Keystone for review. Keystone will then review the statements and provide additional instructions with regards to handling both delinquent and recurring Condo / HOA fees.

12. Emergency Issues

Situations are bound to occur when you have vacant real estate. This is part of the reason we utilize both brokers and field services partners. This ensures that we have an extra set of eyes to check the property on a regular basis. We ask that you notify us immediately if an incident has occurred at the property that could result in code violations or injury to someone. Chances are that we may already be aware of the issue and have our field services partner taking care of the issue. We may also ask you to get a bid and have one of your contractors resolve the issue. Regardless, it is important that you communicate with Keystone so we can direct you on how to act on these issues.

13. The Repair Process

Each of our clients has a different perspective with regard to fixing properties. Repairs are generally authorized at the client level of our market plan and communicated to our brokers shortly thereafter. If warranted, you will be requested to obtain bids for various repairs. Bid instructions will detail the scope of work required. Bid amounts will vary by client based on their approval parameters. In most cases, a minimum of two bids is required for any work that exceeds \$1,000.

As requested by Keystone, brokers are required to provide the appropriate number of bids within 10 days. The bids are to be submitted by e-mail or fax to Keystone on our Bid Summary Form to ensure the estimates include "like" items. The Bid Summary should also include the original bids from the contractor. Keystone will review the bids and authorize the work. No work is to be completed unless approved by Keystone.

General contractor guidelines include:

- All bids must be signed and dated by the contractor
- No family members of the Broker shall be employed as a contractor or subcontractor for repairs
- Maintenance providers and/or contractors related to or affiliated with brokers, brokers or firms shall not be permitted to perform maintenance due to the potential for conflict of interest
- All contractors must be licensed and insured
- Broker will maintain a copy of the contractor's insurance and tax I.D. number on file.

The broker is responsible for assuring the work is completed in a timely and professional manner. Completed work must be documented by emailing final photographs to Keystone.

14. Reimbursement of Expenses

Reimbursement of approved expenses paid should be submitted through our website.

To ensure timely payment, all requests should be submitted to Keystone by the 25th day of each month. Requests meeting the deadline requirement are generally paid by the 20th day of the following month.

With the exception of final utilities, Keystone will not pay for any bills after the property has settled. Final utility reimbursements must be received by Keystone within 30 days of closing. Any requests after this date will be rejected.

Keystone, under Pennsylvania legislation and Keystone Policy, is required to reimburse expenses to the managing brokerage. All reimbursement checks / transfers will be sent to the brokerage, with attention made to the listing agent or profile contact.

As an alternative, electronic reimbursement is available and encouraged for all brokers and agents. Through this plan, reimbursements will be electronically transferred to the registered brokerage account upon signing up online. Information specific to this program can be found on Keystone's website.

NOTE: There may be a few exceptions where expenses for reimbursement cannot be submitted online. In this instance, the broker is responsible to contact the Asset Manager to verify if a Reimbursement Form should be submitted.

15. Listing Agreements

Listing agreements are generated electronically through Keystone's proprietary software system. Listings are delivered to the broker via e-mail and include a link to our website to retrieve the listing agreement. Included in this package are any corporate addenda that are required with each offer and sales contract.

Listing periods typically run for 90 days with an optional 30-day extension at the discretion of Keystone. Commissions are generally split evenly between the listing and selling broker; however, exceptions will occur. Referrals are paid from the listing side only. Brokers have 24 hours to return a signed copy of the listing agreement to the Keystone Asset Manager. This includes providing the information as it appears in the multiple listing service.

Keystone reserves the right to terminate all obligations at any point under each listing agreement within 24 hour notice to the listing real estate company.

This process will reoccur with any list price reduction or extension.

16. Monthly Marketing Report (MMR)

This report is due every 30 days and should be completed through our website. The monthly status report should reflect the number of showings and buyer/broker feedback. It should also provide new listing competition and sales in the area. Along with the MMR, the following information should be included:

- Copies of all advertising
- Links to internet advertising
- Copies of flyers

17. Presenting Offers

All offers must be presented to Keystone through our online Offer Management System. Once an offer is presented you should be prepared to speak with the asset manager on the account. We will be seeking general information such as:

- Is the offer coming from a sub-broker or buyer broker with whom you have worked?
- Is the buyer an owner-occupant or investor?
- If there is financing:
 - Are you familiar with the lender and their underwriting policies?
 - Is the lender aware that the property is bank owned and subject to per diem penalties if the settlement does not occur by the contract close date?
 - What is the loan to value ratio?
 - Is the lender aware of the condition and are they aware of any issues?
 - Is the buyer pre-approved and has their credit been checked?
- If the deal is cash:
 - Is it hard cash or subject to a line of credit, sale of another property or other source of funds?
 - Does the buyer have proof of funds available?

We will review this information and submit an acceptance, rejection or counter-offer through our offer management system. You will be notified by e-mail when our response has been made. Unless noted otherwise, all deals are sold “as-is”. The buyer will be responsible for performing all repairs and inspections. Any seller concessions for closing costs, inspections or repairs must be capped with a specific dollar amount with the buyer paying for any overage.

Some of our clients do not give us negotiation authority. If you communicate with us that a longer response time is expected on an offer, we will notify you as to when you may contact the buyer or their broker with this information.

When an offer is accepted, you are to fax the buyer the signed contract (including the corporate addenda), the lender pre-approval letter or proof of funds, and a copy of the earnest money check to Keystone. **All faxes must be legible.** We will not sign any document if it cannot be read in a courtroom in front of a judge and jury. If you get blurry copies from another broker, don't send it to us. First, get clear copies and then send it. The contract should also mirror the final terms that were accepted during the negotiation process. Any changes on the contract must either appear on a counter offer addendum or be crossed out and initialed by the buyer before presenting it to Keystone for signature.

Some of our clients give us power of attorney to execute contracts. We will let you know if we can sign on behalf of the client or if you should communicate a longer turnaround time to the buyer or their broker. Regardless, all offers are subject to final client review and approval.

Sales to former owners are generally not permitted unless approved otherwise by our clients. Sales of tenant occupied properties in eviction may occur provided the occupant has pre-approval and allows access for an interior BPO and/or second value. In both cases, earnest money deposits may be non-refundable and evictions will remain in progress throughout the offer and closing process.

Earnest money must be collected and held in the listing broker's escrow account.

18. Closing

All brokers must attend closing to represent the seller's interest. During the escrow period, we expect the following from our brokers:

- Regular follow up to ensure inspection contingency dates on the contract are completed within the agreed time frames and are satisfactory to the buyer
- Mortgage application is made by the date agreed to in the contract
- All conditions of the loan commitment are satisfied by the contingency date as agreed to in the contract.
- A settlement date and time is scheduled and confirmed with all parties.

We require immediate notification of any condition that is not met by the agreed contract date or if any issue comes up that could jeopardize the contract and its ability to close on time.

Final readings and cancellation of utility service should be made once settlement has been scheduled and the final bill submitted online.

The buyer may not occupy the property until the title company or attorney office is in receipt of the seller signed HUD and funds have been received. Once closing is complete, notify Keystone and verify the funds are disbursed according to the closing instructions.

C. Broker / Agent Scorecard

Keystone tracks and monitors agent performance on all REO and Property Valuation assignments. Final grades will be published at the end of each quarter however; you will have the ability to monitor your performance at any time by logging in to Keystone's website.

There is a maximum score of 100 points however; you will be graded against the competing agents in your metro-area rather than out of the maximum 100 points as each market is unique. For example, agents in Philadelphia, PA will be graded against the total average score of other agents in Philadelphia rather than being grading against our entire database. When viewing your grades, you will have the total statistical averages of each grading measurement in your metro-area as a comparison to your statistics. If you are in a rural location and not assigned in a metro-area, we will only be providing your total score. As a base, an average score that meets Keystone standards is approximately 60 points.

Again, your grade received is relative to the metro-area, not relative to the maximum 100 points although you should always strive to receive the best grade possible. At the beginning of each

quarter, every agent will start off at a minimum of 50 points to create an even comparison, giving everyone a competitive opportunity.

The following measurements will be factored into your total grade. Each component will be a running average for the quarter. You will only be graded on measurements that you had the opportunity to complete. Again, each component is a cumulative average for the quarter; you will not receive a grade per completed file.

1. REO Measurement

The following measurements will be monitored and calculated into your final score. REO measurements are worth up to a total of 45 points.

- Initial Occupancy Days (5 possible points) – monitors the average turnaround time on your initial occupancy checks. The Keystone standard that will earn an average score is 24 hours from initial receipt of the assignment.
- Rekey Days (5 possible points) – monitors the average turnaround time on rekeying the property. The Keystone standard that will earn an average score is 48 hours from the property being deemed as vacant.
- BPO Days (5 possible points) – monitors the average turnaround time on your initial BPO. The Keystone standard that will earn an average score is 4-5 days.
- Cash for Keys Complete (5 possible points) – monitors successful completion of CFKs when given to opportunity. If you are not presented with the opportunity, you will receive an average score.
- Average Marketing Time (5 possible points) – monitors your average marketing time from the initial listing date to the initial under contract date. The Keystone standard/average score is between 61-90 days on the market.
- Contract Rollover (5 possible points) – monitors the amount of settled properties where the initial closing date was extended to the next month. The Keystone standard that will earn an average score is 1.
- Sale Price Percent of Original BPO Value (5 possible points) – monitors the comparison between sale price and initial BPO value. The Keystone standard that will earn an average score is 111-120% or 85-89%.
- Sold Count (10 possible points) – monitors how many Keystone assets were sold in any given quarter. The Keystone standard that will earn an average score is 1-4 properties.

2. Subjective Measurement

Keystone will also be relying on key members of our staff to evaluate performance throughout the listing process. The total subjective measurement accounts for 40 points of your total grade. Some criteria our staff will take into consideration when evaluating performance includes professionalism in representing Keystone and our client, communication and follow ups, and management of the file(s) as a whole. We are asking our staff to monitor Keystone's ability to work with our agents and our agents' ability to work with Keystone, which is a key grading component that cannot be statistically measured.

- PreMarketer Scoring (8 possible points) – PreMarketer will evaluate agent performance during the pre-listing stages of the assignment.

- Asset Manager Scoring (18 possible points) – Asset Manager, in addition to working closely with both the PreMarketer and Closing specialist, will evaluate agent performance during the listing stage of the assignment.
- Closing Specialist Scoring (9 possible points) – Closing specialist will evaluate agent performance once the property is under contract though settlement.
- Reassignment Scoring (5 possible points) – in the event one of your files is re-assigned; we will be relying on our staff to monitor the reason. If the file was re-assigned due to a Keystone procedure or Client directive and there is not fault to the agent, you will be given 5 points for the file. If the file was re-assigned for performance related issues, you will receive 0 points for this score. If you do not have any files that are re-assigned, you will also receive 5 points as the maximum score.

3. Property Valuation (PV) Measurement

The following measurements will be monitored and calculated into your final score. PV measurements are worth up to a total of 10 points.

- BPO's Completed (5 possible points) – monitors the amount of BPO orders completed per quarter. The Keystone standard that will earn an average score is 1-2 BPO orders.
- MLS Searches Completed (5 possible points) – monitors the amount of MLS Search requests completed per quarter. The Keystone standard that will earn an average score is 1-2 MLS searches.

4. Other Measurements

In addition to the measurements above, we have been monitoring those agents who have attended or will be attending a Keystone Training Seminar. Though we do not require our agents to attend these seminars, we are allotting points for those who have or will be attending.

- Keystone Training Seminars Attended (5 possible points) – training attendees will receive 5 points.

5. Reading and Interpreting Your Total Score

On your scorecard, you will notice your Total Score and Actual Score Percentage of Area Average. Your total score will reflect the total amount of points you have accumulated while your metro-area's score will show the area average. Additionally, you will see the Actual Score Percentage of Area Average. This number is calculated by dividing your score by your metro-area's score. If you performing above your area's average, your percentage will be greater than 100%; if you are performing below average, your percentage will be lower than 100%.

After each quarter, Keystone will be able to review agents that consistently rate above their metro-area's average and those who rate below. This information will allow for better management and utilization of our database when determining which agents are being under or over utilized, which areas are over populated or need additional coverage and how to best disperse our files.

III. GLOSSARY OF KEYSTONE DOCUMENTS AND THEIR USE

The following is a list of Keystone documents, along with a brief description, that may be used by our brokers during an REO Assignment. All of these documents are available via our website for each assignment. Following this page is a sample copy of each document.

A. Assignment Package:

This package of documents is created for each REO Assignment. Upon assignment, the broker is required to log on to our website to **read and agree** to the terms of the REO assignment. Included with this package is the following:

1. Web Agreement of Terms: This document provides a general outline of the initial responsibilities for the broker at the assignment of the REO file. Our diverse base of clients requires us to have specialized documents for each, making it extremely important for the broker to **read and fully understand** what they are expected to do at the initial assignment.
2. REO Tax / Municipal Lien Summary: This document requires completion by our agent within ten (10) days from the file referral. Upon receipt, Keystone's Title Department reviews the content on this document, then researches and verifies any delinquent fees with the foreclosing attorney, HOA and/or taxing authority. Any delinquent fees are then paid by either the agent, Keystone or the bank depending on the servicing agreement with our client. This document is used to protect our client from potential financial or ownership losses by identifying outstanding fees against the property that could result in additional penalties, liens or the loss of ownership of the asset to tax/foreclosure sale for non-payment.
3. Surrender of Possession in Lieu of Eviction: This document is to be used when you have successfully negotiated a Cash-for-Key Relocation Agreement. Keystone requires the property to be left in broom clean condition with all permanent fixtures remaining in the property unless indicated otherwise in the agreement.
4. Personal Property Release Form: This document is signed by occupant that are voluntarily vacating the property, but leaving personal possessions behind. This ensures that the occupant can not make future claims against the client, Keystone or broker for disposal of their possessions. It also allows us to proceed with obtaining values and preparing the property for market without performing a personal property eviction

B. Agent Eviction Package:

This package of documents is created for occupied files that are referred for a legal eviction proceeding. Included with this package is the following:

1. Letter / Instructions to broker: This document outlines what is expected of the broker while the property is in eviction.
2. Letter to Occupants: This document is to be posted on the entrance to the property with the broker's business card attached.
3. Surrender of Possession in Lieu of Eviction: This document is to be used when you have successfully negotiated Cash-for-Keys with the current occupant.
4. Personal Property Release Form: This document is to be signed by occupants that are voluntarily vacating the property, but leaving personal possessions behind. This ensures

that the occupant cannot make future claims against the client, Keystone or broker for disposal of their possessions. It also allows us to proceed with obtaining values and preparing the property for market without performing a personal property eviction

C. Listing Package:

This package of documents is created for each new listing, extension and/or list price reduction. Included with this package is the following:

1. Exclusive Right to Sell Agreement: This document outlines the list price, terms and conditions associated with the listing of the property. It is extremely important for the broker to **read and fully understand** the terms as they may vary between assignments.
2. Purchase Contract Rider, Addendum A: This document is Keystone's "As Is" Provision.
3. Addendum/Endorsement to Agreement of Sale / Lead Based Paint Addendum: This document is for disclosure of any lead-based paint on the property.

NOTE: Many of our clients use their own corporate addenda. These addenda should be kept available for cooperating agents/brokers that intend on submitting an offer on a Keystone managed property. We recommend you e-mailing a copy to the cooperating agent as multiple faxing often compromises the legibility of the contract resulting in our unwillingness to sign or forward for signature.

D. Closing Package:

This package of documents is created for each assignment when it goes Under Contract. Included with this package is the following:

1. Closing Instructions: This document outlines the responsibilities of the broker in the closing process. It is extremely important for the broker to **read and fully understand** the terms as they may vary between assignments.
2. Closing Information: This document requests the Closing Agent information. It must be completed within 24 hours and faxed back to the Asset Manager.
3. Bill Summary: This document is a summary of all expenses the broker has submitted but not received payment for, has not submitted, and any final utility bills. **NOTE:** All expenses must also be submitted online through Keystone's Invoice Submission.

E. Internet Tasks:

In addition to the above documents, Keystone has a series of tasks to be completed online. These include:

1. Regular Occupancy Checks: All occupancy checks are to be reported through our website.
2. Broker Price Opinion: All of our Broker Price Opinions (BPO's) are to be completed online. This includes the initial BPO upon assignment, as well as any Updated BPO's every 90 days (exceptions may occur).
3. Utility Transfer Completions: Brokers are to notify us online when they have transferred the property utilities into their personal or office name.

4. Rekey, Snow Removal & Winterizations: Brokers are required to notify us online once these tasks have been completed.
5. Monthly Marketing Reports: MMR's are to be submitted online every 30 days, unless otherwise instructed.
6. Offer and Counter Offer Submissions: All offers are to be negotiated through Keystone's online Offer Management System.
7. Invoice Submission: All invoices are to be submitted individually online in a timely manner.

Assignment Package

Date: 6/10/2010
ATTN: {a007}
{a003}
{a008}
{a009}

REO: {reo001}
Mortgagor: {reo007}
Address: {p001}
{p002}, {p003} {p004}

READ DIRECTIONS CAREFULLY!!

Thank you for assisting Keystone Asset Management, Inc. ("Keystone") in the marketing of the above-referenced property. Please be advised that this letter serves as authorization to gain access to the property. The enclosed REO package and directions listed are for your use in servicing Keystone REO properties. It is most important that these guidelines be followed accordingly.

PROPERTY INSPECTION:

Verify property status by physical inspection and report the occupancy status online within 24 hours. Be prepared to update our website on complete exterior of property for the preservation company. Tasks will be set from your initial report.

THE OCCUPANCY STATUS REPORT MUST BE COMPLETED ONLINE WITHIN 24 HOURS OF ASSIGNMENT

If occupied, please perform weekly occupancy check and complete occupancy status report online. Additional cash for key relocation assistance instructions will be provided.

If vacant, please proceed with the following:

1. Rekey and secure the property immediately. Key code **35241** and lockbox to be coded to **KAM** or **3350**. You will be required to complete the rekey task/preservation questionnaire online within 24 hours. Please note that completion of this form will set tasks and alert the preservation company to all necessary field work.
2. Careful attention must be paid to completing this rekey form as the preservation company's tasks will be generated directly from your answers. Any unnecessary tasks set by your answers, resulting in a trip fee will be paid by you, the agent. Also be sure to update all accurate rekey information as the preservation company will need correct access information.
3. Take photos of any personal property remaining and e-mail to me. We will make a determination if the contents will need to be posted or referred for a personal property eviction.

DO NOT REMOVE ANY TRASH, DEBRIS OR PERSONAL PROPERTY.

4. Transfer the utilities into your name (or your company name). At this time, you can also have the bills forwarded directly to your office for payment.

FIELD SERVICES:

Unless otherwise directed **Assigned Preservation Company:** {pres003} **Phone#:** {pres004} will handle the following preservation work on the property: Winterization, initial board up, interior & exterior debris removal, initial and on-going yard maintenance, initial and on-going snow removal, vehicle removal, initial janitorial, pool securing, initial draining, washing & refilling of pools and recurring pool maintenance. ***Note** that work completed without authorization by Keystone will not be reimbursed.

BPO:

Broker's Price Opinion is to be completed online within three (3) days of assignment with a full set of photos.

Indicate As-Is, Repaired Value and cost of repair.

1. BPO's **MUST** be completed online at <http://www.keystonebest.com>
2. The online BPO can be accessed by logging into our website. Once you have been directed to the Agent Central Status page click on the Real Estate Owned tab, then proceed to the BPO button in the PreMarketing Status.
3. Line item repair bid summary.
4. In the event that you performed a pre-foreclosure BPO for Keystone, for this property, you will be required to reimburse Keystone for the amount that was paid to you to perform this price opinion.

REDEMPTION/CONFIRMATION STATES:

Please note that certain states have laws that give borrowers a specific period to redeem property or require legal proceedings to ratify or confirm of foreclosure sale. Other states also have statutes in place that require specific handling of personal property left behind by the prior occupant. If the property is occupied, weekly drive by inspections will be required must be completed on-line until legal clearance has been given to Keystone. The status of each property will be noted in our website. If you have any questions about redemption or confirmation as it effects your state, please contact the assigned asset manager.

REIMBURSEMENT OF EXPENSES:

Reimbursement of expenses paid by you or your company should be submitted through our website. All reimbursement requests should include

- A copy of the invoice paid
- Proof of Payment
 - A copy of the check paid to the vendor
 - If payment to vendor is made electronically (EFT, Wire Transfer, Credit card, etc), the confirmation of payment from your **or your company's** bank or credit card company must be submitted.
 - If payment to the vendor is made in cash, a signed receipt from the vendor must be submitted as proof of payment

To ensure timely payment, all requests should be submitted to Keystone Asset Management by the 25th day of each month. Requests meeting the deadline requirement are generally paid by the 20th day of the following month.

With the exception of final utilities, Keystone will not pay for any bills after the property has settled. Final utility reimbursements must be received by Keystone within 30 days of closing. Any requests after this date will be rejected.

NOTE: There may be a few exceptions where expenses for reimbursement cannot be submitted online. In this instance, the broker is responsible to contact the Asset Manager to verify if a Reimbursement Form should be submitted.

ERRORS & OMISSIONS/LICENSE:

Upon receipt of this assignment, you will be required to submit a copy of your Real Estate license along with a copy of your (or your brokers) Errors and Omissions Insurance (E&O). These articles are to be forwarded with your BPO. We will not be able to consummate a listing agreement with you unless this information is received.

It will be your responsibility to maintain copies of any licenses (if required) and proof of liability for vendors performing work on any REO property assigned to you by Keystone.

MARKETING FEE:

Keystone Asset Management and RealtyTrac have a business relationship in place for the purpose of marketing our bank owned inventory. This property, when listed, will be advertised on RealtyTrac's website www.realtytrac.com with your contact information for prospective buyers and their agents. Keystone Asset Management will charge a mandatory non-refundable fee of \$50, payable at the start of marketing strategy for the marketing of this property through RealtyTrac. This fee is required to prevent potential reassignment of the listing.

REFERRAL FEE and COMMISSION:

It is understood that Keystone Asset Management, Inc. is the procuring cause of this listing and you agree to pay Keystone a referral fee. This fee, the greater amount of either \$200.00 or 30% of the listing broker commission (before any discounts and/or splits or divisions with sales associates or others affiliated with you or employed by Broker in connection with this transaction), will be paid to Keystone at the date of the property closing regardless of the marketing entity and/or seller unless specifically waived in writing by Keystone. Should a flat fee commission be established, Broker agrees to pay Keystone \$250.00 or 30% of the full listing Broker commission.

DATA INTEGRITY:

Keystone Asset Management relies on our agents to provide information to our staff in a timely and accurate manner. The information that we receive is critical for meeting aggressive client timelines and dispatching other vendors during specific phases of the property liquidation process. Much of the information we collect is done by tasks through our proprietary website and/or client required third party platforms. To enhance efficiencies, the completion of tasks through the internet results in the automatic initiation of new work orders for our staff and third party vendors. This requires the data that we receive to be entered accurately and thoroughly as incorrect information can lead to unnecessary work orders and time wasted by the staff of our agents, employees and vendors. These data entry mistakes can also result in unnecessary trip fees to be assessed against Keystone and the company reserves the right to bill the listing agent for errors or omissions made when providing information as it relates to occupancy checks, inspections, lockbox codes or other clerical entries.

Seller has the right to pay commission on the Net Selling Price if there are seller assist, repair allowances, etc. that will effect the Net Sales Price.

If you have any questions with regard to the above items, please feel free to contact me.

{ep006}

{ep004}, 215-855-3350 ext {ep003}

REO Tax / Municipal Utility Summary

Date:	_____	AGENT NAME:	{a007}
REO #:	{reo001}	AGENT COMPANY:	{a003}
Client:	{c003}	AGENT PHONE:	{a004}
Loan #:	{reo046}		
Address:	{p001}		
	{p002}, {p003}, {p004}		

Please review and verify the following. If there is nothing outstanding, please note "N/A" in the space provided. If any of the items below are outstanding, please obtain a copy of the bill from the appropriate office, complete the information below and upload to our web-site. (If more space is needed, please use a separate piece of paper.)

TAXES

Tax ID / Parcel Number: _____

Next due date: _____ Amount Due: \$ _____

Year(s): _____ Type: _____

Delinquent (breakdown) _____

MAIL PAYMENT TO: _____

Address _____

City, State, Zip _____

Is there a tax sale pending? Yes No If yes, when? _____

Special Assessments (please specify type): _____

Due date: _____ Amount Due: \$ _____

Type: _____

Delinquent (breakdown) _____

HOA/CONDOMINIUM DUES & ASSESSMENTS

Account # _____ Monthly Fee \$ _____

Next due date: _____ Amount Due: \$ _____

Delinquent (breakdown) _____

Assessments _____

MAIL PAYMENT TO: _____

Address _____

City, State, Zip _____

MUNICIPAL / LIENABLE ITEMS

OUTSTANDING WATER LIENS / BILLS

Account # _____

Next due date: _____ Amount Due: \$ _____

Delinquent (breakdown) _____

MAIL PAYMENT TO: _____

Address _____

City, State, Zip _____

OUTSTANDING SEWER LIENS / BILLS

Account # _____

Next due date: _____ Amount Due: \$ _____

Delinquent (breakdown) _____

MAIL PAYMENT TO: _____

Address _____

City, State, Zip _____

**SURRENDER OF POSSESSION IN LIEU OF EVICTION
 AGREEMENT FOR PREMISES LOCATED AT:**

PROPERTY ADDRESS (the "Premises") {P001} REO # {Reo001}
{P002}, {P003} {P004}

____ ("Occupant") agree to vacate and surrender possession of the premises to the authorized agent, whom is empowered by Keystone Asset Management, Inc. ("Keystone") on behalf of the Owner, on or before ____ / ____ / ____ (the "Vacate Date").

In the consideration for vacating under all the conditions of this agreement Keystone, (agent for the owner) agrees to pay \$ _____ on or after the Vacate Date. Occupant(s) will surrender keys upon payment.

- ❖ The premises are to be clear of all possessions, in broom clean condition. Occupant(s) agree to leave all items that are permanently installed in the property in the same condition as it was on the date of this agreement. This includes any mechanical, electrical plumbing and heating fixtures; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antenna; satellite dishes; in-ground shrubbery, plantings and trees; any remaining heating and cooking fuels stored on the Property; sump pumps, storage sheds; mailboxes; wall to wall carpeting; existing window screens, storm window and screen/storm doors; security systems/alarms; window covering hardware, shades and blinds; awnings, built in air conditions; built in appliances; and the stove, range, oven and microwave ovens unless otherwise agreed upon below. Occupant(s) agree that only the personal property listed below will be left after the vacate date and shall be deemed abandoned:

- ❖ Should the Owner deem court action necessary, Occupant(s) waive all jurisdictional or substantive defenses to such an action. Occupant(s) agree that service of any legal papers by regular mail to the Premises is good and proper service.
- ❖ This agreement applies to the entire Premises (including all outbuildings, common areas, land structures now or hereafter coming into Occupant(s)' use or control).
- ❖ It is agreed and understood that the parties have never had, and this agreement does not create, a landlord/tenant relationship.
- ❖ Occupant(s) make this agreement with authority and on behalf of all current occupant(s) of the Premises and no other persons shall be placed in or permitted possession of the Premises prior to vacancy.
- ❖ Occupant(s) agree that they have no equity in the Premises and that any rights in the premises are not essential to any plan or reorganization.
- ❖ Occupant(s) on behalf of themselves and all dependants, release and discharge Petitioner, its agents, administrators, successors and assigns from all actions, suits, debts, claims, and covenants, contracts, controversies, agreements, promises, trespasses, damages, judgements, claims and demands whatsoever, which the Respondents, their agents, heirs, executors, administrators, successors and assigns ever had, now have or may hereafter can, shall or may, have for, upon or by reason of their use and possession of the subject Premises from the beginning of the world to the date of the vacancy under this Stipulation.
- ❖ Occupant(s) agree to provide Owner or its agent _____ with access to the Premises on twenty-four -- (24) hour notice by telephone to _____
- ❖ Occupant(s) represent that they have fully read this agreement and understood their rights and obligations. The Occupant(s) sign this agreement of their own free will without duress or undue influence.
- ❖ Occupant(s) acknowledges that they no longer have any claim to possession of the above premises nor any possessory right therein, nor has any claim to any property remaining therein.
- ❖ Occupant(s) acknowledge that their new residence and phone number is as follows:

Occupant _____ Date _____ As agent for the Owner _____ Date _____

Social Security Number: _____ - _____ - _____

PERSONAL PROPERTY RELEASE FORM

I, _____, understand and agree that my personal property which I fail to remove by _____, from {P001} {P002}, {P003} {P004} will be considered abandoned.

I understand and agree that Keystone Asset Management and its agent _____ may keep, sell or destroy any of this personal property as deemed appropriate in their sole discretion as of today _____.

I hereby waive any and all rights I have, or may have, to this personal property.

NAME _____ DATE _____

WITNESS _____

SAMPLE

Eviction Package

{A007}

Please refer to REO#: **{Reo001}**

{A003}

{A008}

{A009}

RE: {Reo007}

{P001}, {P002}, {P003} {P004}

Dear {A001}

As reported, the above referenced property is occupied. You will be required to provide occupancy verification every seven to ten days. Please use our website (<http://www.keystonebest.com>) to provide regular occupancy statuses. In the event that the property becomes vacant, please rekey the property as soon as possible, complete the task online and contact me for additional instructions. If personal property remains then photos are to be sent to my attention prior to our canceling any legal eviction action.

Assigned Field Service Vendor: {pres003} Phone#: {pres004}

The property is to be posted with the attached notification. It is your responsibility to attempt contact with the occupant to determine their vacancy date and to offer Cash for Keys. You are to regularly report the Cash for Keys activity directly to me.

Please keep me informed of any and all activity on all occupied properties. If you have any questions please do not hesitate to contact me at (215) 855-3350 x {Ep003}, Fax #{Ep005}, or Email {Ep004}.

Thank you,

{Ep006}

Pre-Marketing Specialist

{Ep004}

INSTRUCTIONS FOR OCCUPIED PROPERTIES

1. Post the attached notice on the entrance door to the property if the occupant is the former mortgagor or a relative of the borrower. Affix a copy of your business card.
2. Property must be inspected once a week. The occupancy status and Cash for Keys progress, as written in Paragraph 5, must be reported each week via our website – <http://www.keystonebest.com>
3. Obtain the names of all occupants and identify if they are the previous mortgagor or tenant.
4. If the occupant is a tenant, please instruct him/her to no longer pay rent to the landlord. Please obtain a copy of the lease from the tenant and advise them that the property ownership has transferred as a result of foreclosure sale. Keystone or our attorney will provide you additional instructions regarding the collection of rents along with written notice to the tenant on the expiration of the lease and when they need to vacate the property.
5. Offer Cash for Keys. Keystone will advise you of an initial amount and time frame to offer the occupants to vacate. Amounts exceeding this amount will require approval by Keystone. There is an agreement included with this package that the occupants must sign to get Cash for Keys. Do not sign this document if this amount exceeds your approval limit.
6. If the property is a mobile home and occupied by the borrower, please obtain the mobile home title and any relevant documents pertaining to its ownership. Contact Keystone, as we may need to provide you with additional paperwork or instructions for transferring the ownership from the former borrower to our client.

Thank you,

{Ep006}

Pre-Marketing Specialist

{Ep004}

ATTENTION
VERY URGENT!!!

Please be advised that your ownership interest in this property has been terminated as a result of a mortgage foreclosure or other legal action.

On behalf of our client you are requested to vacate the property.

If you do not vacate the property with all of your possessions legal action will be taken. This may result in being forcibly evicted, and your possessions removed from the property.

Time is of the essence in this notification. Contact us immediately. We may be able to make short-term arrangements while you seek alternative housing. The more time that passes, your options decrease.

Please contact:

SAMPLE

SURRENDER OF POSSESSION IN LIEU OF EVICTION AGREEMENT FOR PREMISES LOCATED AT:

PROPERTY ADDRESS (the "Premises") {P001} REO # {Reo001}
{P002}, {P003} {P004}

("Occupant") agree to vacate and surrender possession of the premises to the authorized agent, whom is empowered by Keystone Asset Management, Inc. ("Keystone") on behalf of the Owner, on or before ____ / ____ / ____ (the "Vacate Date").

In the consideration for vacating under all the conditions of this agreement Keystone, (agent for the owner) agrees to pay \$ _____ on or after the Vacate Date. Occupant(s) will surrender keys upon payment.

- ❖ The premises are to be clear of all possessions, in broom clean condition. Occupant(s) agree to leave all items that are permanently installed in the property in the same condition as it was on the date of this agreement. This includes any mechanical, electrical plumbing and heating fixtures; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antenna; satellite dishes; in-ground shrubbery, plantings and trees; any remaining heating and cooking fuels stored on the Property; sump pumps, storage sheds; mailboxes; wall to wall carpeting; existing window screens, storm window and screen/storm doors; security systems/alarms, window covering hardware, shades and blinds; awnings, built in air conditions; built in appliances; and the stove, range, oven and microwave ovens unless otherwise agreed upon below. Occupant(s) agree that only the personal property listed below will be left after the vacate date and shall be deemed abandoned:

- ❖ Should the Owner deem court action necessary, Occupant(s) waive all jurisdictional or substantive defenses to such an action. Occupant(s) agree that service of any legal papers by regular mail to the Premises is good and proper service.
- ❖ This agreement applies to the entire Premises (including all outbuildings, common areas, land structures now or hereafter coming into Occupant(s)' use or control).
- ❖ It is agreed and understood that the parties have never had, and this agreement does not create, a landlord/tenant relationship.
- ❖ Occupant(s) make this agreement with authority and on behalf of all current occupant(s) of the Premises and no other persons shall be placed in or permitted possession of the Premises prior to vacancy.
- ❖ Occupant(s) agree that they have no equity in the Premises and that any rights in the premises are not essential to any plan or reorganization.
- ❖ Occupant(s) on behalf of themselves and all dependants, release and discharge Petitioner, its agents, administrators, successors and assigns from all actions, suits, debts, claims, and covenants, contracts, controversies, agreements, promises, trespasses, damages, judgements, claims and demands whatsoever, which the Respondents, their agents, heirs, executors, administrators, successors and assigns ever had, now have or may hereafter can, shall or may, have for, upon or by reason of their use and possession of the subject Premises from the beginning of the world to the date of the vacancy under this Stipulation.

❖ Occupant(s) agree to provide Owner or its agent _____ with access to the Premises on twenty-four -- (24) hour notice by telephone to _____

❖ Occupant(s) represent that they have fully read this agreement and understood their rights and obligations. The Occupant(s) sign this agreement of their own free will without duress or undue influence.

❖ Occupant(s) acknowledges that they no longer have any claim to possession of the above premises nor any possessory right therein, nor has any claim to any property remaining therein.

❖ Occupant(s) acknowledge that their new residence and phone number is as follows:

Occupant _____ Date _____ As agent for the Owner _____
Date _____

Social Security Number: _____ - _____ - _____

SAMPLE

PERSONAL PROPERTY RELEASE FORM

I, _____, understand and agree that my personal property which I fail to remove by _____, from {P001} {P002}, {P003} {P004} will be considered abandoned.

I understand and agree that Keystone Asset Management and its agent _____ may keep, sell or destroy any of this personal property as deemed appropriate in their sole discretion as of today _____.

I hereby waive any and all rights I have, or may have, to this personal property.

NAME _____ DATE _____

WITNESS _____

SAMPLE

Listing Package

EXCLUSIVE RIGHT TO SELL AGREEMENT

{A007}, Fax: {A005} REO: {Reo001} Acct: {Reo046}

This agreement made on June 10, 2010 by and between Keystone Asset Management, Inc., (Services/Referral Broker) (hereinafter referred to as Keystone) and {A007}, {A003} hereinafter referred to as Listing Broker.

It is mutually agreed that:

- (1) Keystone grants to Broker the exclusive right to sell the real property commonly known as {P001}, {P002}, {P003}, {P004} hereinafter called the "Property". The List Price shall be \${la010}.
- (2) Keystone hereby lists with Broker, from {la008} to {la009} and grants Broker the right to sell the property within said time at the price and terms indicated. Keystone may terminate all obligations under this listing agreement within 24 hours notice in writing to the listing real estate company.

(3) COMMISSION PAYMENT:

OR (when applicable)

{la002}% of sale price to the selling office
{la001}% of sale price to the listing office,
less {la003}% referral fee to Keystone
% other:

A flat fee of: \${la007} to be distributed as follows
\${la005} to selling office
\${la004} to listing office
\${la006} Referral Fee to Keystone
\${la013} Listing Bonus
\${la014} Selling Bonus

If the Property is sold during the term of this agreement, it is expressly understood and agreed that Broker shall be entitled to be paid the commission at settlement. Broker agrees to pay to any cooperating Brokers any amounts due on account of referrals or obligations under multiple listing agreements, and also agrees to hold Seller/Keystone harmless from any and all claims or liability for the payment of such amounts. It is further agreed that if Seller/Keystone refers prospective purchaser to Listing Broker, and such person purchases the Property, Seller/Keystone will be entitled to receive one-half of the stated commission.

In accordance with our referral agreement of this listing, Broker agrees to pay Keystone Asset Management, Inc. the greater amount of either \$200.00 or 30% of the full Broker listing commission (before any discounts and/or splits or divisions with sales associates or others affiliated with you or employed by Broker in connection with this transaction) unless specifically waived in writing by Keystone. THE REFERRAL FEE IS TO BE PAID DIRECTLY FROM THE CLOSING FACILITY TO KEYSTONE ON THE DATE OF THE CLOSING. It is understood that Keystone Asset Management, Inc. is the procuring cause of this listing. Should this listing be moved to another marketing entity and/or seller and Broker retains the listing, Broker agrees to pay Keystone said referral fee at date of closing.

Should a flat fee commission be established by the Seller, Broker agrees to pay Keystone \$250.00 or 30% of the full listing Broker commission, whichever is greater.

AGENCY RELATIONSHIP: The Listing Broker shall act as the agent for the Seller; however, the Listing Broker will not act as attorney-in-fact for the Seller. All authority to accept & execute offers to purchase combined with the authority to hold imperative documents pertaining to offers shall remain with the Seller. The Seller does, however, hereby grant the outsourcing broker power to execute multiple listing agreements with respect to the property. Keystone Asset Management, having been informed by the Listing Broker, acknowledges the fact that some buyers may have retained the services of their own agent, aptly titled, Buyer/Broker. This Buyer/Broker acts solely as the buyer's agent, not Keystone's subagent. Keystone authorizes Listing Broker/agents to pay a portion of the agent's fee to Buyer/Brokers or subagents.

Closings: All listing agents must be present at settlement.

Seller has the right to pay commission on the Net Selling Price if there are seller assist, repair allowances, etc. that will effect the Net Sales Price.

If purchaser is a licensed agent, no selling agent commission will be paid.

BY: _____

Date: June 10, 2010

BY: _____

Date: _____

Broker

REIMBURSEMENT OF EXPENSES:

Reimbursement of expenses paid by you or your company should be submitted through our website. All reimbursement requests should include

- A copy of the invoice paid
- Proof of Payment
 - A copy of the check paid to the vendor
 - If payment to vendor is made electronically (EFT, Wire Transfer, Credit card, etc), the confirmation of payment from your **or your company's** bank or credit card company must be submitted.
 - If payment to the vendor is made in cash, a signed receipt from the vendor must be submitted as proof of payment

To ensure timely payment, all requests should be submitted to Keystone Asset Management by the 25th day of each month. Requests meeting the deadline requirement are generally paid by the 20th day of the following month.

With the exception of final utilities, Keystone will not pay for any bills after the property has settled. Final utility reimbursements must be received by Keystone within 30 days of closing. Any requests after this date will be rejected.

NOTE: There may be a few exceptions where expenses for reimbursement cannot be submitted online. In this instance, the broker is responsible to contact the Asset Manager to verify if a Reimbursement Form should be submitted.

SAMPLE

**PURCHASE CONTRACT RIDER
ADDENDUM "A"**

"AS IS" PROVISION

Addendum to (Purchase Contract or Counter Offer) dated ___ / ___ / ___ for the property located at {P001}, {P002}, {P003} {P004}.

"BUYER IS AWARE THAT SELLER ACQUIRED THE PROPERTY WHICH IS THE SUBJECT OF THIS TRANSACTION BY WAY OF FORECLOSURE OR DEED IN LIEU AND THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY IN ITS PRESENT "AS IS" CONDITION WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE.

Buyer acknowledges for Buyer and Buyer's successors, heirs and assignees, that Buyer has been given a reasonable opportunity to inspect and investigate the property and all improvements thereon, either independently or through agents of Buyer's choosing, and that in purchasing the property Buyer is not relying on seller, or its agents, as to the condition or safety of the property and/or any improvements thereon including, but not necessarily limited to electrical, plumbing, heating sewage, roof, air conditioning, if any, foundations, soils and geology, lot size or suitability of the property and/or improvements for particular purposes, or that any appliances, if any, plumbing and/or utilities are in working order, and/or that the improvements are structurally sound and/or in compliance with any city, county, state and/or Federal statutes, codes or ordinances. Any reports, repairs, or work required by Buyer's Lender is to be the sole responsibility of the Buyer.

Seller does not warrant existing structure as to its habitability or suitability for occupancy. Buyer(s) assumes responsibility to check with appropriate planning authority for intended use and holds Seller and Broker harmless as to suitability for Buyer(s) intended use.

Buyer(s) further states that they are relying solely upon their own inspection of subject property and not upon any representation made to them by any person whomsoever, and is purchasing subject property in the condition in which it now is, without any obligation on the part of the Seller to make any changes, alterations, or repair thereto.

Seller gives no warranties of fitness regarding such personal property that belongs to Seller which is transferred as a part of the purchase.

The closing of this transaction shall constitute as an acknowledgment by the Buyer(s) that THE PREMISES WERE ACCEPTED WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE AND IT ITS PRESENT "AS IS" CONDITION BASED SOLELY ON BUYER'S INSPECTION.

Property will be conveyed by grant, special, limited, quit claim, or a bargain and sale deed.

Seller Date

Seller Date

Buyer Date

Buyer Date

ADDENDUM/ENDORSEMENT TO AGREEMENT OF SALE

PROPERTY: {P001}, {P002}, {P003} {P004}

SELLER _____

BUYER _____

DATE OF AGREEMENT _____

LEAD BASED PAINT

LEAD WARNING STATEMENT:

“EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL PROPERTY ON WHICH A RESIDENTIAL DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIOR PROBLEMS AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT WOMEN. THE SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO DISCLOSE TO THE BUYER THE PRESENCE OR ABSENCE OF ANY LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS. A COMPREHENSIVE LEAD INSPECTION OR A RISK ASSESSMENT FOR POSSIBLE LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS IS RECOMMENDED PRIOR TO PURCHASE OR LEASE.”

BUYER'S RIGHTS

Buyer has the right, at Buyer's expense, to pay for a comprehensive lead inspection or risk assessment from a certified lead inspector within 10 days from the final signing of this Agreement. Should the inspection reveal lead-based paint or lead-based paint hazards in the premises, the Buyer may end this Agreement by notifying the Seller within five days of the receipt of the inspection report by the Buyer. If the Buyer ends this Agreement by giving such notice within five days, all deposit monies paid by the Buyer will be returned by the Buyer, the Agreement will be NULL and VOID, and neither party shall have any further liability to the other party.

If the Buyer fails to obtain such an inspection in the agreed-upon time period or fails to terminate this contract within the five-day period of the receipt of the inspection report, Buyer will have waived the Buyer's right to inspect the premises for lead-based paint or lead-based paint hazards and all of the other terms of this Agreement shall remain in full force and effect.

SELLER'S DISCLOSURE:

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the dwelling.

CERTIFICATION OF DISCLOSURE FORM

In accordance with 6-806 of the Health Code, I certify that I have:

- a. received either the results of a comprehensive lead inspection and risk assessment of this property by a certified lead inspector or received a statement by the _____ Department of Health concerning the risk of lead-based paint and/or lead-based paint hazards in housing built before 1978;
- b. received and read the lead warning statement in my Agreement of Sale;
- c. received the attached lead hazard information pamphlet;
- d. been provided a ten-day opportunity to obtain an inspection for the presence of lead-based paint and/or lead paint hazards.

SELLER _____ DATE _____ BUYER _____ DATE _____

SELLER _____ DATE _____ BUYER _____ DATE _____



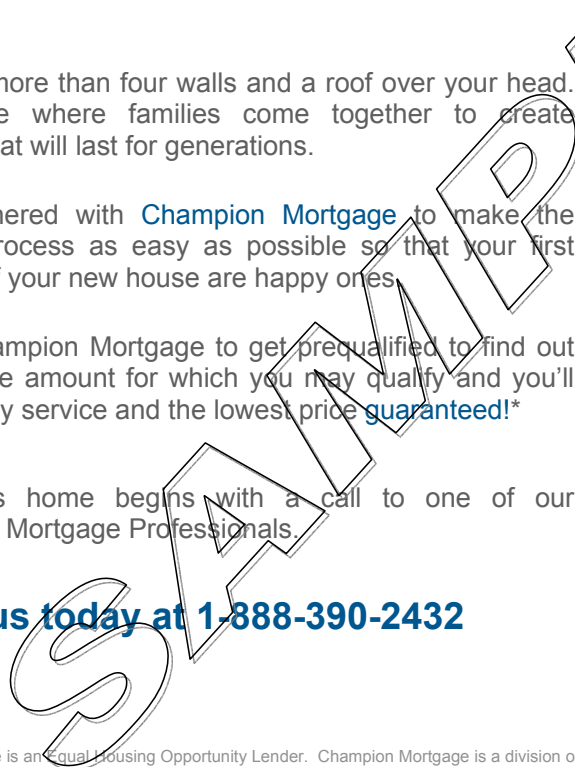
Home. It's more than four walls and a roof over your head. It's a place where families come together to create memories that will last for generations.

We've partnered with **Champion Mortgage** to make the mortgage process as easy as possible so that your first memories of your new house are happy ones.

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- In-house dedicated team of Mortgage Professionals, Processors & Underwriters - no third party communications



Champion Mortgage is an Equal Housing Opportunity Lender. Champion Mortgage is a division of Nationstar Mortgage LLC. *Costs and fees on loans without mortgage insurance may vary. Certain conditions and restrictions apply and approval is in the sole discretion of Nationstar Mortgage LLC (d/b/a Champion Mortgage). Visit Website for terms and conditions regarding Champion Mortgage Service Level Guarantee.

AZ Mortgage Bankers License #BKBR-0115093, licensed by the Arizona State Banking Department. Georgia Residential Mortgage Licensee, #11585, 350 Highland Drive, Lewisville TX 75067. Licensed Mortgage Banker NJ Department of Banking. Licensed by the Department of Corporations as a California Finance Lender. NY loans are made by Nationstar Mortgage LLC d/b/a Champion Mortgage Company, a licensed Mortgage Banker, NYS Banking Department, One State Street, New York, NY 10004. Licensed by the Pennsylvania Department of Banking. Licensed by the New Hampshire Banking Department. Licensed Mortgage Banker - NJ Department of Banking. RI Licensed Lender, VT loans are made by Nationstar Mortgage LLC d/b/a Champion Mortgage. Licensed by the Virginia State Corporation Commission - MC-2075.

In the states of Oklahoma, Illinois, Massachusetts and Nevada, all loans will be originated under the Nationstar Mortgage LLC name, as the Champion Mortgage Company name is not licensed as a mortgage lender in these states.



Closing Package

****Closing Instructions****

Date: June 10, 2010

REO# {reo001}

{a007}
{a003}
{a008}
{a009}

Agent Email: {a006}
Agent Fax: {a005}

RE: {p001}, {p002}, {p003} {p004}

Dear {a001},

Enclosed is the contract for the sale of the property referenced above. Please have the buyer's closing agent prepare the deed on behalf of my client. Please prepare the special warranty deed exactly how title is held on the last deed of record. I've outlined the closing instructions for this transaction below.

You MUST contact your Keystone Closing Specialist listed below upon receipt of these instructions.

DEED: Please email the deed to the Keystone Closing Specialist listed below, if possible.

Closing Specialist: {ec006}

Email address: {ec004}

Phone: 215-855-3350 ext. {ec003}

Fax: {ec005}

If you cannot email the deed, **at least five days prior to closing**, contact the Keystone Closing Specialist above for where to send the deed for review.

HUD: Keystone **MUST** approve the final settlement statement prior to closing. Please send HUD at least 3 days prior to closing.

The following deductions should appear on the seller's side of the settlement statement:

Total Commission \${reo056}

Selling Commission \${reo048}

Listing Commission \${reo047}

Agent Bonus \${reo065}

Referral Fee from List \${reo050}

Seller Coordination fee: \${reo051}

Total to KAM: \${reo054}

INVOICES: Contact the Keystone Closing Specialist above to verify if any bills may be paid on the HUD.

The attached "Bill Summary" form **MUST** be completed, SIGNED and returned to the current Asset Manager at least 3 business days prior to closing. The summary should include any bills that you have submitted and have not received payment, bills that you have not yet submitted, and final utility bills, either actual or estimated. You will not be paid for any bill submitted after closing and not included on this Bill Summary form.

IMMEDIATELY FOLLOWING THE CLOSING:

A buyer signed HUD must be faxed to our KAM closer at the fax number listed above.

PROCEEDS DISBURSEMENT (WITHIN 24 HOURS OF CLOSING):

*****READ the following instructions completely and carefully*****

- ✓ Keystone proceeds **MUST** be sent via EFT/ACH or wired as follows.

Acct Name: Keystone Asset Management

Acct #: 365628833

Bank: TD Bank

Routing #: 036001808

490 Forty Foot Rd., Lansdale, PA 19446

Wire MUST reference: REO # {reo001}

Property Address: {p001}, {p002}, {p003} {p004}

- ✓ Contact the Keystone Closing Specialist above for information on disbursement of Seller's proceeds.

If you have any questions regarding this closing procedure, please contact the Keystone Closing Specialist listed above.

Sincerely,

{ea006}, Keystone Asset Management

REO #{reo001}

*****CLOSING INFORMATION*****

THIS INFORMATION MUST BE FAXED BACK TO
{Ea006}
FAX # {ea005}
WITHIN 24 HOURS

Property Address:
{p001}, {p002}, {p003} {p004}

CLOSING AGENT INFORMATION

Company Name: _____
Contact Name: _____
Address: _____
Phone #: _____
Fax #: _____
Email Address: _____

SAMPLE

Bill Summary

This form MUST be completed for ALL properties and returned to the current Keystone Asset Manager 3 business days PRIOR to closing

KAM REO #: {reo001}	KAM Asset Manager: {ea006}
Property Address: {p001}	Email Address: {ea004}
Agent Name: {a007}	Phone: 215-855-3350 ext {ea003}
Agent Email: {a006}	Fax: {ea005}
Agent Phone: {a004}	Closing Coordinator: {ec006}
Date Submitted: _____	
Submitted by: _____	

BILLS SUBMITTED – PAYMENT NOT RECEIVED

Date & Description of Service	Invoice #	Amount	Date submitted

TOTAL:

BILLS NOT SUBMITTED

Date & Description of Service	Invoice #	Amount

TOTAL:

FINAL UTILITY BILLS -- If exact amount is not known, estimate final utility bill amount.

Date & Description of Service	Current Amount	Estimated Amount

TOTAL:

TOTALS

Bills submitted – payment not rec'd	
Bills not submitted	
Utilities – current & estimated	

Total Bill Amount:

I certify that the information on this form is true and complete to the best of my knowledge and understand that any bills not included on this form and which are submitted after the close of escrow will NOT be paid.

{a007}

Agent Signature

Agent Name

Date

V. REVISION HISTORY

Version	Date	Change Description	Author
1.0	02-20-2002	Initial Release	Michele Westhuis
1.1	12-09-2003	Update Agent Profile section	Michele Westhuis
2.0	03-10-2008	Complete revision	Andre Nichols
2.1	04-10-2008	Update Agent Scorecard section	Ryan Hennessy
2.2	10-06-2008	Added Vacant Property Registration, Auctions & Seller Financing Programs	Ryan Hennessy
2.3	02-13-2009	Updated Reimbursement of Expenses	Michele Westhuis
2.4	11-01-2009	Addition of RealtyTrac section	Ryan Hennessy
2.5	02-01-2010	Addition of Data Integrity, Update Broker Scorecard and Vendor Administration	Ryan Hennessy
3.0	06-01-2010	Reformat entire document for new company look; condensed Table of Contents	Michele Westhuis
3.1	01-07-2011	Update Marketing Strategy Fee	Ryan Hennessy
3.2	04-02-2011	Updated the following sections: I, II.A, II.A.3, II.A.4, II.A.9, II.A.10, II.B.9, II.B.12, II.B.13 & II.C. Created Sections II.A.4, II.A.5, II.B.4, II.B.5	Ryan Hennessy