**REO Liquidation Report**

Special Servicer may attach Realized Loss Report

**Sample Template – REO Sale example (See best practices for Multi Property Collateralized example)**

|  |  |
| --- | --- |
| **Transaction** |  |
| **Loan Name / Property Name** |  |
| **Prosup # / Loan #** |  |
| **REO Date** | 12/21/2011 |
| **Liquidation Code / Date** | 03 / Liquidation / 3/8/2013 |
| **Preparation Date** | 3/21/2013 |
| **Reporting Period i.e. Determination Date** | April 2013 |
| **Scheduled Balance at Liquidation** | $1,765,449.17 |
| **Transacted with Third Party or SS Affiliate** | Third Party |
| **Purchase Price** | $615,000.00 |
| **Broker Name** | Townley Associates |
| **Total Broker Fees (%)** | 3% |
| **Total Fees to Special Servicer Affiliated Entities** | $0.00 |

**Collateral Description:** *Insert general description of collateral property.*

**Collateral Valuation:** *Insert the firm name, date of report and valuation data in the table.*

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Appraisal | | Appraisal | | Appraisal | | Appraisal | | BOV | |
| Firm 1 | | Firm 2 | | Firm 3 | | Firm 4 | | Firm 1 | |
| Date | | Date | | Date | | Date | | Date | |
| As-Is Value | Per Unit | As-Is Value | Per Unit | As-Is Value | Per Unit | As-Is Value | Per Unit | As-Is Value | Per Unit |
|  |  |  |  |  |  |  |  |  |  |

**Collateral Condition:** *Insert firm name, report date and a status comment in the table.*

|  |  |  |
| --- | --- | --- |
| Inspection | Environmental Report | Engineering Report |
| Firm A | Firm B | Firm C |
| Date | Date | Date |
|  |  |  |

**Property Operation Information:** *The table can also include annualized and budgeted financial information.*

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Original U/W | FYE YYYY | FYE YYYY | FYE YYYY | FYE YYYY | Annualized |  |  |
| Occupancy |  |  |  |  |  |  |  |  |
| Effective Gross Revenue |  |  |  |  |  |  |  |  |
| Total Operating Expenses |  |  |  |  |  |  |  |  |
| Net Operating Income |  |  |  |  |  |  |  |  |
| Scheduled Debt Service |  |  |  |  |  |  |  |  |
| DSCR - NOI |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  | | | | | | | | |

**Substantiation:**

* Former borrower had allowed the property to fall into disrepair. Occupancy at foreclosure was 50%.
* Tenants were small businesses with a high delinquency rates and vandalism was frequent.
* In 2012 the value dropped to $850,000 and BOV’s ranged from $575,000 to $650,000.
* In November 2012 the largest tenant required a rent reduction of $1,900 per month in order to keep the business operational.
* The sale price is within the range of the BOV’s and the property had been widely marketed.
* The sale of the property for $615,000 maximizes recovery by disposing of an REO property in poor condition with decreasing income. The loan had previously been deemed non-recoverable

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