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Hanover

Directory of Services

servicing valuation

hanover/buschanalytics

asset onsite

asset manager

quality control

loan sale advisory

due diligence

TEMPORARY STAFFING

assignments

servicing portfolio data analyzer

collateral exception clearing services

Collateral Exception Clearing Services

Hanover Capital utilizes its own comprehensive collateral tracking system to perform Post Closing Collateral Audits and Collateral Exception Clearing. The unique loan level and document specific reporting enables Hanover Capital to supply Clients with superior services in this critical risk area.

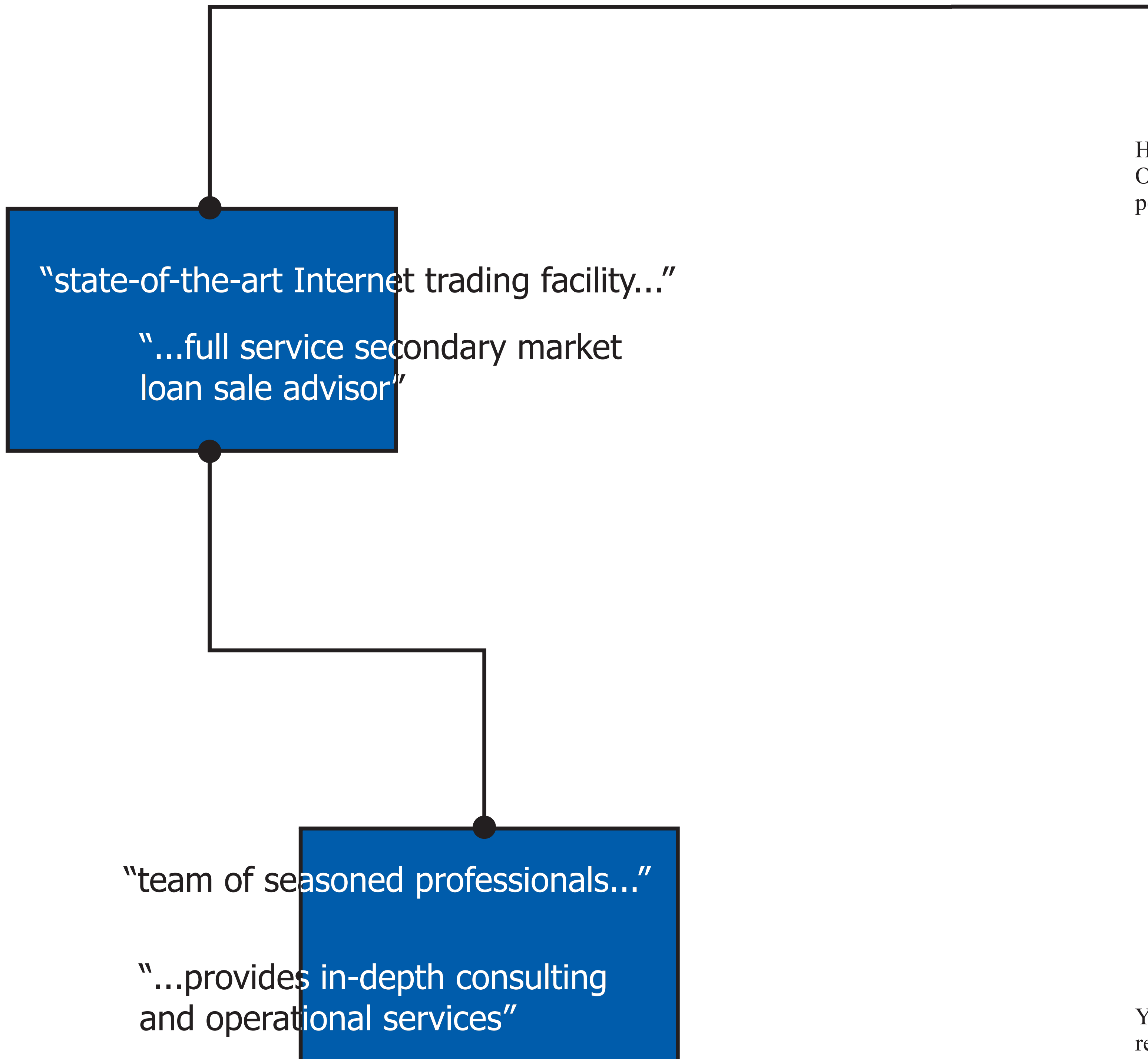
A sample Scope of Services includes:

- Collateral file audits and inventory to confirm and/or update the Trustees and Custodians initial exception reports.
- Reclaiming of documents from jurisdiction, servicers and originators, as well as through newly ordered title searches.
- Preparation of Lost Note Affidavits and note endorsements by Allonge.
- Preparation, recordation and tracking of assignments, including intervening assignments to clear chain of title defects.
- Transmittal of cured/completed exceptions and assignments to Trustees, Custodians, Servicers, and their Successors and/or Assigns as applicable.
- Research to ascertain and establish corporate family trees to clear chain of title problems, including "seller-out-of-buiness" issues.

A state-of-the-art project management system includes customized reporting, web-enabled progress tracking and the use of web-enabled imaging techniques to provide Clients immediate and continuous access to the loan files under review by Hanover Capital.

Hanover Capital's Collateral Exception Clearing Services can be combined with loan file due diligence, operational reviews or other Hanover Capital services to provide you with "one-stop shopping". Call Cathy Fetner or Rich Martinelli at 800-540-8440 for a detailed proposal tailored to meet your needs.

Directory of Services



Temporary Staffing

Hanover Capital can provide you with staffing to assist in meeting temporary personnel shortfalls. Our staff is available when and where you need it. We specialize in providing you with experienced personnel in the following areas:

- Loan Underwriting
  - Flow & Prior Approval
  - FNMA / FHLMC Conforming
  - Subprime Credit
- Quality Control
  - Re-Underwriting of Sample Origination Files
  - Internal Policy / Guidelines Compliance
  - Due Diligence on Bulk Acquisitions
- Servicing
  - Escrow Analysis
  - Pay History Analysis
  - Investor Reporting / Accounting
- HMDA Review
- Legal review
- Title review
- Compliance Analysis
- Loan Processing
- Closing / Funding
- Post Closing

You will be provided with personnel whose experience level will be matched against your requirements so that their presence will have an immediate beneficial impact. Our fee structure is based upon a daily rate so that you only pay for what you need, when you need it. Call Frank Siermine or Rich Martinelli at 800-540-8440 for a detailed proposal tailored to meet your needs.

Mortgage Assignment Services

Hanover Capital offers a complete menu of Mortgage Assignment Services. In the past fourteen years, Hanover Capital's Assignment Group has prepared and recorded over 5 million Assignments in 2300 jurisdictions in 50 states. It boasts a near 100% record and return rate.

A state-of-the-art Access database tracks every document required for each loan, ensuring accurate information and follow-up. Whether you have residential or commercial loans, an Agency or private delivery, let Hanover Capital's 14 years of quality service meet your Mortgage Assignment needs, large or small.

Document Products

- Assignments
- Allonges
- Lost Note Affidavits
- Satisfactions/Reconveyences
- UCC Financing Statements
- Warranty Deeds/Other Quitclaim Instruments

Services

- Prepare, Record, Track, Report
- Record 3rd Party Prepared Assignments
- Original Collateral Tracking with Comprehensive Reporting
- Collateral Rectification and Exception Clearing
- Document Recovery and Retrieval
- MERS Interface

Hanover Capital's Mortgage Assignment Services can be combined with file scrubs, underwriting or other Hanover Capital services to provide you with "one-stop shopping". Call Cathy Fetner or Rich Martinelli at 800-540-8440 for a detailed proposal tailored to meet your needs.

Overview

HanoverTrade, Inc.

HanoverTrade, Inc. was formed in 1999, as a state-of-the-art Internet trading facility for financial assets and a full service secondary market loan sale advisor. We are staffed with experienced professionals in investment banking, securitization, whole loan trading and placement, mortgage servicing, mortgage lending and portfolio management. Our company is adept at analyzing, evaluating and marketing performing, sub-performing and non-performing assets, including whole loans and participations, on a servicing released or servicing retained basis. HanoverTrade, Inc. also provides portfolio valuation services using Hanover / Busch Analytics, the industry standard for over 20 years. Our online services include Asset OnSite, a realtime trading exchange of financial assets formed exclusively in business-to-business transactions.

Hanover Capital Partners Ltd.

Hanover Capital Partners Ltd., sister company to HanoverTrade, Inc., was founded in 1989, and provides in-depth consulting and operational services to buyers and sellers of various forms of debt. Hanover Capital's team of seasoned professionals provides a full complement of mortgage portfolio services which include: loan sale advisory, due diligence, agency securitization, portfolio analysis, assignments, collateral rectification, quality control, servicing operational reviews, temporary staffing and other related services to mortgage bankers, banks, thrifts, pension funds, and government agencies. Our newest analytical tool, SPDA (Servicing Portfolio Data Analyzer) provides over 85 diagnostic tests that audit the integrity, logical consistency and regulatory compliance of a servicing portfolio.

LOAN SALE ADVISORY SERVICES

HanoverTrade, Inc. combines decades of capital markets trading experience with portfolio due diligence and state-of-the-art analytics to provide you with the most comprehensive Loan Sale Advisory Services available to the mortgage industry.

Loan Sale Advisory Services Include:

- Complete Portfolio Analysis
- Portfolio Market Valuation & Structuring
- Preparation of Loan Portfolio Offerings
    - Confidentiality Agreements
    - Bid Instructions
    - Portfolio Stratification
    - Data Files
- Auctioning of Loan Portfolios through www.HanoverTrade.com
    - Sealed Bid
    - Open Outcry
- Analysis of Bids
- Oversight of Contractual Documentation Process
- Oversight of Due Diligence and Closing Process

HanoverTrade Inc.'s unique ability to apply active market trading expertise to your needs allows us to maximize the overall execution for your portfolio. Our interaction with investment banking firms, rating agencies, Fannie Mae / Freddie Mac, insurers and investors enables HanoverTrade, Inc. to stratify and structure loan portfolios to maximize value.

For a detailed, custom proposal, call David Steel or Irma Tavares at 800-537-9137.

QUALITY CONTROL SERVICES

Hanover Capital provides complete Quality Control Services for mortgage loan production, wholesale, and correspondent lending operations. Hanover Capital's services typically follow FNMA/FHLMC guidelines, but can be tailored to meet your specific needs. Hanover Capital's advanced technology allows you to obtain quality control outsourcing solutions which fully integrate with your internal requirements.

Hanover Capital's Quality Control Services Include:

- Automated Downloading of Loan-Level Data from your Systems
- Loan Sample Selection (Either by Hanover Capital or by your Specifications)
- Loan Review at Hanover Capital's Edison, New Jersey Operations Center
- Re-verification of Borrower Credit and Collateral Data from your System to the Physical File Including:
    - Re-verification of Income Documentation
    - Re-verification of Debt Documentation
    - Re-verification of Credit Information
    - Desk-top or Full Appraisal Reviews
    - Re-verification of Occupancy Status
    - Re-verification of Assets
- Recalculation of "Closing" Housing and Debt Ratios Based on Re-verified Data
- Order of Lien Searches (if warranted)
- Compliance of Legal Document Review for Presence, Reasonability and Accuracy
- Borrower Interview (as requested)
- Determination of Conformance to Program Guidelines

Hanover Capital's Quality Control Reports Include:

- Executive Summary
- Quality Control Master Log
- Quality Control Detail Report
- Quality Control Summary Report
- Deficiency Summary Report
- Data Field Comparison Reports

To obtain a detailed, customized proposal reflecting the services you require for your Quality Control Program, please contact Cathy Fetner or Rich Martinelli at 800-540-8440.

SPDA - Servicing Portfolio Data Analyzer

Speedy Analysis of Mortgage Portfolio Data, its integrity, logical consistency, and regulatory compliance

How it works: If you're a Fidelity client, Fidelity will extract the required data elements from your data files upon request. If you are not a Fidelity client, we will work with your service bureau to obtain the required data. An analytical file of key data elements is constructed for: escrow accounting, tax and hazard insurance, PMI, ARM adjustments, amortizing parameters, HMDA, regulatory compliance, foreclosure/REO timeliness, satisfactions of liens, pool accounting, fee income, cash and advance management, and FHA/VA claim compliance analysis.

What you get: The test results of a lengthy series of analyses that identify critical missing, incomplete, inconsistent, or non-compliance data. Error counters show the magnitude as well as the nature of problems identified. Reports are provided both on a summary and loan level basis.

When you will use SPDA: When you buy or sell servicing, when you merge servicing platforms, when you are preparing for an audit, and for your own ongoing internal servicing quality control.

Other servicing analytical products and resources from Hanover Capital:

- **VA & FHA ClaimAudits** - Test compliance with critical deadlines and computes curtailments due as a result of violations.
- **Servicing Operations Audits** - Complete operational audits of sub-servicers, correspondents, sellers of servicing. Determines compliance with industry standards and/or contractual requirements, along with any deal specific requirement.

To obtain a detailed, customized proposal reflecting the services you require for your Servicing Platform, please contact Joe Gavin or Rich Martinelli at 800-540-8440.

Technology

HanoverTrade's product suite represents a comprehensive framework of several modules that together a accomplish pooling, delivery, compliance, commitment management, eligibility, in-bound and out-bound interface management, and comprehensive group-role-user adiministration.

With decades of industry experience captured in the features and modules of HanoverTrade's product, our customers benefit not only from outstanding engineering and a proven track record of success, but also from significant subject matter expertise. HanoverTrade, more than any of its competitors, understands the business in which the HanoverTrade products are used.

THE HANOVERTRADE, INC. ADVANTAGE

- Ability to import any data file type into Asset OnSite.
- Retrieve dynamic portfolio reports from any web browser-equipped and Internet-connected workstation.
- 7 day, 24 hour / day basis.
- Multiple simultaneous users.

ASSET ONSITE PRODUCT SUITE

- Asset Manager ETL Module
    - Asset Manager (Interactive)
    - Import Manager (Operates as an automated service)
- Stratification and Reporting Module
- Compliance Module
- Busch Analytics Servicing and Whole Loan Valuation Module
- Commitment Tracking Module (available in October 2004)
- Due Diligence and Underwriting Module (available today)
- Automation Engines
    - Eligibility (available in October 2004)
    - Optimization (available in October 2004)
    - Export (available in October 2004)

Note: Many of the modules listed above are currently in production for large financial institutions. Some of the modules are currently in development with an anticipated October 2004 delivery.

SERVICING VALUATION & BROKERAGE

HanoverTrade, Inc.'s Servicing Source provides strategy and execution services to the Mortgage Lending Industry; specifically, mortgage servicing valuations and analysis, and servicing brokerage.

The Servicing Source is committed to assist the mortgage industry in optimizing returns throughout the following four steps:

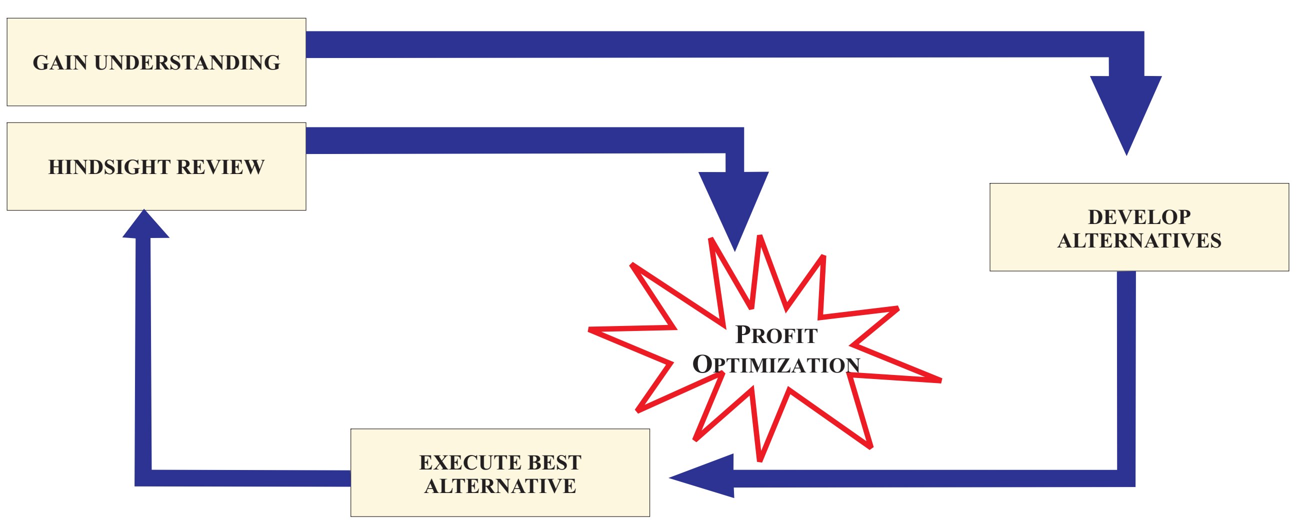
GAIN UNDERSTANDING - Our unique understanding of the financial and behavioral dynamics of mortgage servicing rights, combined with our sophisticated modeling capabilities and extensive market knowledge, assures you of the most comprehensive understanding of your portfolio's strengths, weaknesses, opportunities and threats.

DEVELOP ALTERNATIVES - Only when you have a complete understanding can you develop all strategic alternatives. HanoverTrade's professionals have the experience and knowledge required to help you think "outside of the box" and choose the optimal solution for you.

EXECUTE THE BEST ALTERNATIVE - HanoverTrade's professionals know the market. Years of experience have honed our ability to:

- Select the optimal portfolio for sale to maximize net gains;
- Determine the highest price and the best terms;
- Determine the speediest and most facile transaction execution;
- Provide full closing and transfer support;
- Provide the highest reliability that the transaction will CLOSE.

HINDSIGHT REVIEW - HanoverTrade, Inc stays with you after the deal is done. Only upon completion of a hindsight review can the success of the transaction be reviewed, and further steps toward optimization be formulated.



DUE DILIGENCE SYSTEM HIGHLIGHTS

1.) Due Diligence System contains 23 separate modules covering the following:

- Note Information
- ARM Information
- ARM Conversion Information
- Income Information
- Application Information
- Appraisal Information
- Payment History
- Section 32 Analysis
- Settlement / Transmittal Review
- Asset Information
- Title Insurance
- TIL Analysis
- Expense Information
- Debt-to-Income Ratio Analysis
- Bankruptcy / Foreclosure Information
- Housing Information
- Legal Document Inventory
- Hazard Insurance Analysis
- Assignment Trail
- Endorsement Trail
- Credit Documentation Inventory
- Underwriting Document Inventory
- Mortgage Insurance Analysis

2.) A Quality Control Report Suite that reviews completed loans on a loan level and portfolio basis to provide effective logic checking and identify emerging trends in order to obtain a real-time assessment of the portfolio quality.

3.) Reporting functionality that includes:

- Flexible Database Query Capabilities
- Portfolio Stratification by Quality Grade
- Deficiency Findings
- Database Comparisons and Discrepancies
- Summary Portfolio Reports
- Loan Level Individual Profiles
- Client-Tailored Data File Export Protocols

To obtain a detailed, customized proposal reflecting the services you require for your Due Diligence Program, please contact Cathy Fetner or Rich Martinelli at 800-540-8440.

Due Diligence Services

Hanover Capital is one of the largest due diligence firms in the country, having reviewed millions of loans for over a decade of service to the mortgage industry, encompassing reviews of "A" through "D" quality first mortgages, home equity loans, consumer loans and unsecured assets. Hanover Capital's state-of-the-art due diligence system provides a clear and timely overview of a target acquisition or securitization portfolio. We don't flood you with the data - we provide concise analytics of significant portfolio issues and how they affect the disposition strategy. Steeped in capital markets expertise, Hanover Capital provides you with the critical market knowledge you need to make portfolio decisions quickly and effectively.

Hanover Capital's Due Diligence Services Include:

- Imaging of loan files with Client access to images from the Internet
- Tape Cracking and Complete Portfolio Stratification
- State-of-the-Art Federal and State Compliance Testing
- Targeted Sample Selection on a Random or Adverse Selection Basis
- On-Site Credit review or Adherence to Prescribed Guidelines
- On-Site Legal Document Review and Data Verification
- Quality Control of each aspect of the Due Diligence Process
- Daily Site Manager / Client Interface
- Concise Standard and Custom Reporting
- Diagnostic reporting of Problem Areas
- Seamless Integration into Asset OnSite for web-enabled stratification analysis

Due Diligence System Highlights:

Hanover Capital has developed a state-of-the-art asset review system, based in ACCESS, which includes separate modules that contain automatic logic edits to challenge inconsistent or incomplete data to ensure accurate data entry and deficiency findings. Please see the page entitled "Due Diligence System Highlights", for the significant features of the due diligence system.

Hanover / Busch Analytics

Mergers, prepayments, regulatory and financial accounting changes affect every servicing operation in some form or another in today's market. Your company's ability to optimize portfolio performance and reduce risk is essential to survival in today's mortgage servicing environment. When making high-dollar investments, let Hanover / Busch Analytics give you the power to make informed decisions using the most complete stratification, valuation, and impairment accounting and risk analysis software available. Using the power and precision of Hanover / Busch Analytics, and the experience and knowledge of our valuation services staff, your company can gain a crystal-clear picture of what is and what is not profitable.

Seven software components comprise the complete Hanover / Busch Analytics stratification and valuation system. Our software components provide unique, powerful features with an integrated set of PC-based tools for the stratification, valuation and risk management of loan-level data from tape or disk. Our software operates on Windows 95 / 98, Windows NT, Windows 2000 and Windows XP platforms. We have also integrated the Hanover / Busch Analytics software with Applied Financial Technology's ESPIEL prepayment model, Andrew Davidson and Company's prepayment model and Bloomberg's prepayment model. Our integrated software provides a single solution for stratifying, valuing, hedging and accounting for mortgage servicing rights.

Value & Benefits

- A set of powerful risk management tools for determining the composition of your portfolio, for analyzing the portfolio for rich and cheap value segments, and for measuring risk attributes and related hedge positions; all for optimizing your portfolio's performance.

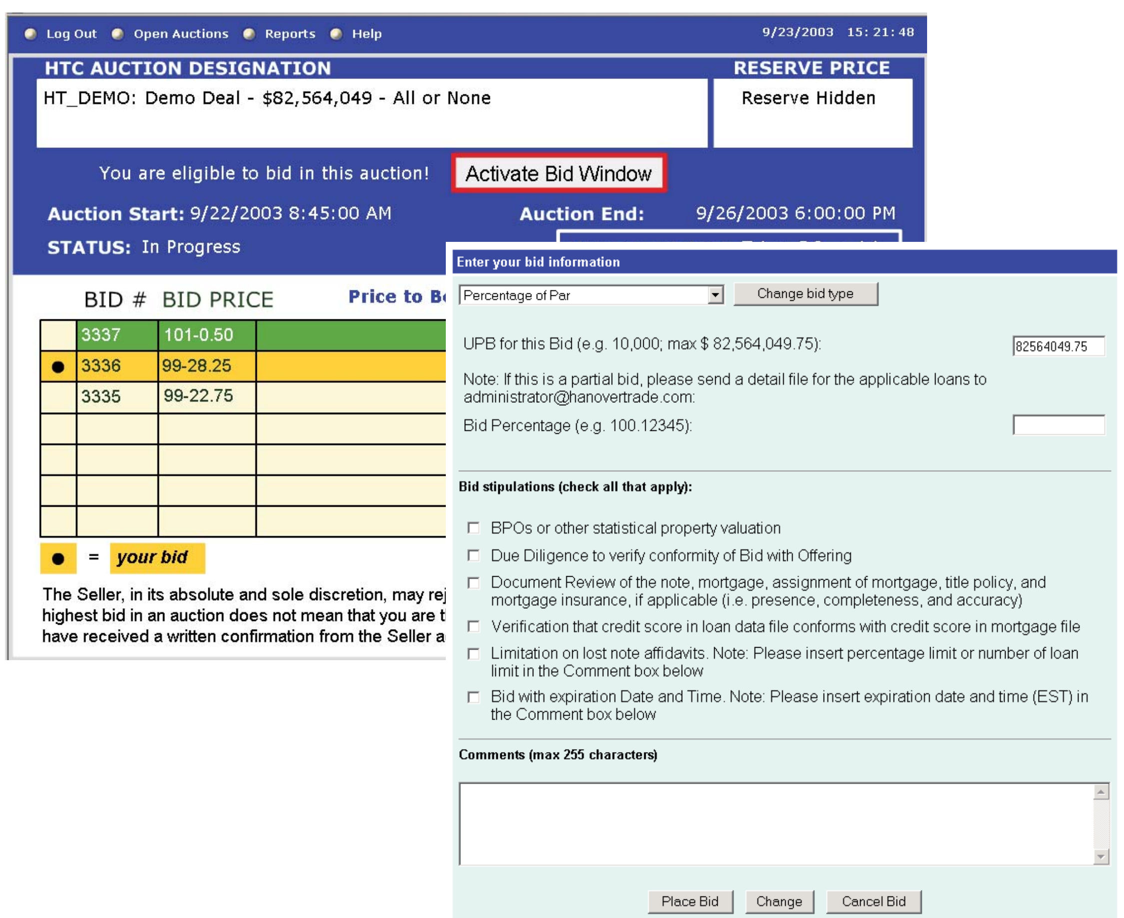
- Obtain ready-made solutions for impairment accounting for GAAP and Tax, with options allowing you to choose functions reflecting your own accounting policies.

Your staff becomes self-sufficient in record time, due to our comprehensive documentation, on-site training, telephone and e-mail support.

Hanover Online Auction Facility

Privacy concerns and obligations dictated under the Gramm, Leach, Bliley Act of 1999 required that consumer data be safeguarded and transmitted in a secure manner. HanoverTrade offers sellers a secure and efficient process to distribute portfolio information to potential buyers with these advantages:

- Data can be securely uploaded to www.hanovertrade.com in an encrypted format.
- Sensitive consumer data can be blocked from public view.
- Sellers can determine who they want to participate in bidding on their portfolios.
- Bidder access can be monitored and confirmed to ensure bid information has been distributed properly.
- Third party control of the bid process allows for determination of market value.
- All bids can be electronically received.
- Two types of auctions are available:
    - Open Outcry allows each bidder to bid in real time during a set auction period. Other bids are displayed, however bidders names are not disclosed to other bidders. The outcry offers a bid optimization module which allows for immediate comparison of individual pool bids to all-or-none bids.
    - Sealed Bid allows bidders to submit their bids on a confidential basis.
- Multiple pools can be auctioned at one time.



Fannie Mae / Freddie Mac Securitization Services

Hanover Capital can deliver your seasoned portfolio to either of the Agencies. Our services in this area include:

- **Servicing Tape Analysis** - Hanover Capital will receive an electronic file of the portfolio and will load the portfolio into Hanover Capital's pricing and stratification model. Hanover Capital will create stratified pools that allocate the loans into Agency eligible and ineligible pools. This analysis will also identify loans which may need a waiver to meet Agency eligibility requirements.

- **Indicative Pool Pricing** - For the Agency eligible loans, Hanover Capital will stratify the pools to meet your target volume and profit goals. Hanover Capital can also provide indicative market pricing on the pools created.

- **Loan File Review** - If required, Hanover Capital's file review team can review each loan in the portfolio for adherence to Agency guidelines or to obtain missing delivery data fields, especially HMDA data.

- **Delivery Requirements Edits** - At the completion of the file review, Hanover Capital will run the portfolio through our proprietary system edits to identify any loans that may need to be deleted or that may need to be negotiated with the Agencies.

- **Agency Negotiations** - Hanover Capital can assist you in negotiating the terms of the delivery contracts with the Agencies, as well as the guarantee fees involved.

- **Mornet or Midanet Delivery** - Hanover Capital can deliver the loans electronically through either of the Agency systems, and can coordinate the entire delivery among the parties involved: your servicing area, the Custodian, and the Agency's Marketing and Data Processing Areas.

- **Collateral Services** - Hanover Capital can create the Agency assignments for delivery to the Custodian, and can create the custodial file required for certification by the Custodian.

For a detailed, custom proposal, call Joe Gavin or Rich Martinelli at 800-541-8440.