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FOR IMMEDIATE RELEASE**Morningstar Credit Ratings, LLC Raises its Residential Mortgage Special Servicer Ranking for FCI Lender Services to 'MOR RS2' From 'MOR RS3'**

NEW YORK, Jan. 2, 2014--Morningstar Credit Ratings, LLC today raised its residential special servicer ranking for FCI Lender Services (FCI) to 'MOR RS2' from 'MOR RS3.' The forecast is Stable. The raised ranking is based on FCI's enhanced audit environment, introduction of a seasoned legal and compliance manager, and new proprietary technology enhancements to its servicing platform. In addition, FCI has a tenured management team, extensive business history as a specialty servicer, enhanced risk management methodologies and performance management capabilities, effective technology architecture, and solid loan administration servicer performance metrics.

Key factors in Morningstar's operational risk assessment of FCI are based on the following considerations:

- Strong management and professional depth: The company has a highly tenured management team and relevant industry experience as a special servicer for mortgage brokers and private investors as well as extensive operating history as a special servicer for more than 30 years.
- Effective control environment: FCI has acceptable risk avoidance methodologies in place and effective controls in key servicing areas that include a sound internal audit program designed to encompass all areas of operational risk. The company also engages a third-party auditing firm to conduct a SOC 1 exam (SSAE 16) on an annual basis and recently hired an attorney to fulfill ongoing corporate-wide compliance functions. In addition, management has represented that FCI is compliant with the 2013 California Homeowner Bill of Rights and will be fully compliant with the Jan. 10, 2014 rollout of the Consumer Financial Protection Bureau's mortgage servicing rules.
- Innovative technology platform: FCI's unique and highly functional proprietary loan servicing web portal for investors provides real-time communication and extensive analytics that allow investors to drive their asset resolutions. The company's menu-driven web portal provides third-party customers

the ability to efficiently upload loan files for servicing based on a transparent fee schedule posted on the website. During 2013, the company introduced proprietary technology enhancements that improve workflow efficiencies and productivity while providing management with improved performance monitoring and reporting. We also believe the company, with the potential for significant third-party servicing agreements based on current market trends, is well- positioned with excess capacity, both internally and via third-party vendors, if portfolio volume increases.

- Effective disaster recovery and business continuity plan: FCI's technology environment supports an effective disaster recovery and business continuity protocol. Network security, password administration, and borrower data confidentiality policies are clearly defined and routinely tested.
- Comprehensive training programs and written policies: FCI has acceptable training regimens in place for new hires commensurate with the size of the company. Proactive practices and procedures governing special servicing administration are in place as well as policies and procedures that are embedded with effective protocols designed to promote prudent loan servicing practices throughout the organization.

FCI is a licensed debt collector in all 50 states and the District of Columbia, and has attained a Mortgage Loan Originator license in 45 states that allows the company to serve as a loan modification facilitator for its third-party clients. The company is an approved facilitator in the U.S. Department of the Treasury's Hardest Hit Fund program.

FCI employs approximately 70 individuals in its loan servicing operations located in Anaheim Hills, Calif. FCI provides standard loan servicing functions as a primary servicer, sub-servicer, or private label servicer for a wide variety of loan types including residential, commercial, consumer, construction, and manufactured housing loans. FCI also provides various servicing functions on a component or "a la carte" basis.

To access Morningstar's operational risk assessment methodology and all published reports, please visit <https://ratingagency.morningstar.com>.

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Morningstar Credit Ratings, LLC is a Nationally Recognized Statistical Rating Organization (NRSRO) that specializes in structured credit research and ratings, and offers a wide array of services including new-issue ratings and analysis, operational risk assessments, surveillance services, data, and technology solutions.

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