

Media Contact:

Michelle Weiss, +1 267-960-6014 or michelle.weiss@morningstar.com

FOR IMMEDIATE RELEASE**Morningstar Credit Ratings, LLC Affirms 'MOR RS2' Residential Mortgage Special Servicer Ranking for FCI Lender Services**

NEW YORK, May 4, 2015—Morningstar Credit Ratings, LLC today affirmed its 'MOR RS2' residential mortgage special servicer ranking for FCI Lender Services as a residential mortgage special servicer. The forecast for the ranking is Stable. The affirmed residential mortgage special servicer ranking is based on the following factors:

- Strong management and professional depth: In Morningstar's view, FCI has a highly tenured management team, which it has continued to strengthen during the past year, and relevant industry experience as a special servicer for mortgage brokers and private investors. FCI has an extensive operating history of more than 30 years as a special servicer and presently services loans for more than 5,600 investors.
- Effective control environment: FCI has an effective compliance management system in place. The company has acceptable risk-avoidance methodologies and effective controls for key servicing areas, including a sound internal audit program designed to encompass all areas of operational risk. FCI engages a third-party auditing firm to conduct an annual Statement on Standards for Attestation Engagements No. 16, Reporting on Controls at a Service Organization (SOC 1) exam. The company also employs an in-house attorney to fulfill ongoing compliance functions. In addition, according to the company, FCI is compliant with the 2013 California Homeowner Bill of Rights as well as the Consumer Financial Protection Bureau's (CFPB) mortgage servicing rules.
- Comprehensive vendor selection and oversight: FCI has developed an in-depth, centralized vendor oversight program that provides a comprehensive framework for selecting vendors based on rigorous approval criteria and compliance methodologies. The program also provides an effective audit

methodology for assessing ongoing vendor performance against guidelines issued by the Office of the Comptroller of the Currency and CFPB.

- Innovative technology platform: FCI offers a unique and highly functional proprietary loan-servicing web portal that provides real-time communication and extensive analytics, which allow investors to manage their asset resolutions. The company's well-designed web portal provides customers the ability to efficiently upload loan files for servicing, based on a transparent fee schedule. FCI continues to refine its technology, enhancing workflow efficiencies and productivity while providing improved performance monitoring, reporting, and compliance. Morningstar believes FCI, which has the potential for significant additional third-party servicing agreements based on current market trends, is well-positioned for increased portfolio volume with scalable technology and additional staffing capacity internally and via third-party vendors.
- Effective disaster recovery and business continuity plan: FCI follows an effective protocol for disaster recovery and business continuity. Policies governing network security, password administration, and the confidentiality of borrower data are clearly defined and routinely tested.
- Comprehensive training programs and written policies: FCI has acceptable training programs in place for new hires that are commensurate with the size of the company. FCI also follows proactive practices and procedures that govern special servicing administration and are designed to promote prudent loan-servicing practices throughout the organization, with embedded compliance protocols.

As of Sept. 30, 2014, FCI's servicing portfolio consisted of 14,070 first-lien-position loans with an aggregate unpaid principal balance (UPB) of approximately \$2.8 billion and 7,649 subordinate-lien-position loans with a UPB of approximately \$448 million for more than 5,600 investors.

The forecast for the ranking is Stable. Morningstar believes FCI is capable of serving as an effective residential mortgage special servicer for a variety of financial institution clients. Morningstar expects FCI will continue maintaining organizational stability and providing high-quality service and performance results for clients. Morningstar also expects FCI to identify opportunities for further performance efficiencies and technology enhancements, as it continues to integrate best practices and leverage synergies while executing on emerging business opportunities.

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

About Morningstar Credit Ratings, LLC and Morningstar, Inc.

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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