

RTC REVIEW

RESOLUTION TRUST CORPORATION

VOL. II NO. 6

June 1991

L. William Seldman, Chairman

David C. Cooke, Executive Director

- * **RTC Closed 34 Thrifts in June and Took 6 New Institutions into Conservatorship. 37 Thrifts were Closed in July.**
- * **467 Thrifts Closed by RTC From its Inception in August 1989 Through July 1991.**
- * **Assets Under RTC Control Decrease for the First Time in the RTC's History. Total Assets Equal \$160 Billion on June 30, Compared to \$168 Billion on May 31.**
- * **Recoveries from Principal Collections, Net of Assets Put Back to RTC, Total \$10 Billion in June, \$172 Billion Since Inception.**

CONSERVATORSHIP CASELOAD AND ASSET INVENTORY

In June, the RTC closed 34 savings associations. The RTC also took 6 institutions into its conservatorship program. As a result, the number of conservatorship institutions dropped to 193 at the end of June.

These 193 conservatorships held \$89 billion in gross assets on June 30, 1991. Of the total, cash and securities (including a substantial amount pledged as collateral against borrowings) represented 27%, performing 1-4 family mortgages 23%, other performing loans 21%, delinquent loans 9%, real estate 12%, investments in subsidiaries 3%, and other assets 4%.

Also under the RTC's jurisdiction were 430 receiverships, resulting from the resolution of

thrifts since the RTC's inception, with \$71 billion in assets on June 30. (This total excludes approximately \$7 billion in cash and liquid investments accumulated from receivership collections which are available for payment of expenses and dividends to creditors.) Because many of the relatively marketable assets have been sold before an

RTC June Caseload (\$ in billions)

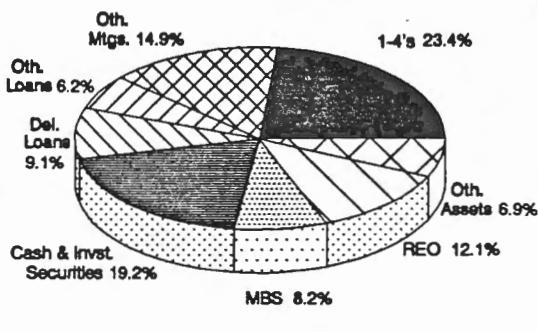
	Number	Assets	Liabilities	Deposits
End of May	221	\$95.6	\$104.6	\$79.4
New Conservatorships	6	1.7	1.7	1.5
Resolved Cases	34	3.4	5.5	4.2
End of June	193	\$88.7	\$100.1	\$76.8

Assets based on preliminary 6/30/91 and 5/31/91 financial reports.

Liabilities and Deposits based on 5/31/91 financial reports.

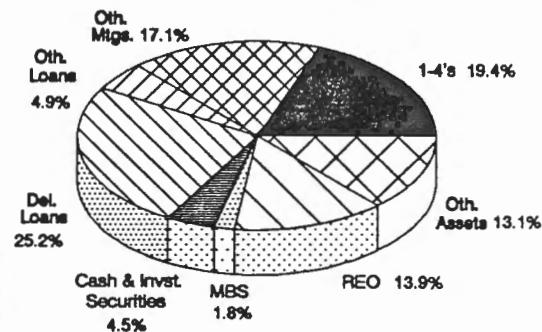
**CONSERVATORSHIP, RECEIVERSHIP ASSETS
UNDER RTC MANAGEMENT**
As of June 30, 1991

**CONSERVATORSHIPS
As of June 30, 1991**



(Percentage Of Gross Assets)

**RECEIVERSHIPS
As of June 30, 1991**



(Percentage Of Gross Assets)

**CONSERVATORSHIP INSTITUTIONS
(dollars in billions)**

	Amount	Percent Gross Assets
Cash & Invst. Sec.	\$ 17.0	19.2%
Mtg. Backed Sec.	7.3	8.2
Perf. Lns. - Total	39.5	44.5
1-4 Family Mtgs.	20.7	23.4
Cstrn. & Land	0.1	0.1
Other Mtgs.	13.1	14.8
Other Loans	5.5	6.2
Del. Lns. - Total	8.1	9.1
1-4 Family Mtgs.	1.0	1.2
Cstrn. & Land	2.2	2.4
Other Mtgs.	3.5	3.9
Other Loans	1.4	1.6
Real Estate Owned	10.8	12.1
Subsidiaries	2.4	2.7
Other Assets	3.7	4.2
Gross Assets	\$ 88.7	100.0 %

Data based on preliminary 6/30/91 information
Number of institutions: 193

**RECEIVERSHIP INSTITUTIONS
(dollars in billions)**

	Amount	Percent Gross Assets
Cash & Invst. Sec.	* 3.2	4.5%
Mtg. Backed Sec.	1.3	1.8
Perf. Lns. - Total	29.6	41.5
1-4 Family Mtgs.	13.8	19.4
Cstrn. & Land	2.2	3.1
Other Mtgs.	10.0	14.1
Other Loans	3.5	4.9
Del. Lns. - Total	18.0	25.2
1-4 Family Mtgs.	2.1	3.0
Cstrn. & Land	6.6	9.3
Other Mtgs.	7.0	9.8
Other Loans	2.2	3.1
Real Estate Owned	9.9	13.9
Subsidiaries	4.2	5.9
Other Assets	5.2	7.2
Gross Assets	71.3	100.0 %

Data based on preliminary 6/30/91 information
Number of institutions: 430

* Excludes \$6.9 billion in cash and cash-equivalents accumulated from receivership collections.

institution enters a receivership, most of the assets retained by the RTC in receivership consisted of lower quality, less marketable assets. Thus, real estate and delinquent loans represented 39% of the \$71 billion in receivership assets. All assets other than cash, securities, and performing 1-4 family mortgages represented 74% of total receivership assets. Moreover, a substantial amount of the securities and performing mortgages in receiverships were junk bonds and substandard loans.

Including both conservatorships and receiverships, the total \$160 billion of assets under RTC management consisted of: \$29 billion in cash and securities, \$35 billion in performing 1-4 family mortgages, \$35 billion in other performing loans, \$26 billion in delinquent loans, \$21 billion in real estate, \$7 billion in investments in subsidiaries, and \$9 billion in other assets.

In June, the amount of assets under RTC control dropped from \$168 billion to \$160 billion. This is the first month in the history of the RTC that total assets under RTC control has dropped; it is a result of significant sales activity coupled with a relatively small number of new conservatorships.

THRIFT CLOSINGS

As of the end of June, the RTC had protected over 14 million deposit accounts through its resolutions. These accounts had an average account balance of \$9,200. About 1 million account holders were protected during the second quarter of 1991.

The 34 resolutions in June brought the total number of thrift closings to 430 from the establishment of the RTC in August 1989 through June 30, 1991. These thrifts held \$136 billion in assets at the time of closure. Of the total, \$35 billion of assets, or 27%, were sold to acquirers (after taking into account assets returned thus far to the RTC

under put back provisions of resolution transactions). Additional assets may be returned to the RTC in future months. Another 37 thrifts were resolved in July. On June 30, assets subject to put totalled \$10.1 billion.

Many of the resolutions in June used a new type of transaction where the RTC allows fewer put back provisions but provides certain representations and warrantees on most of the 1-4 family loans purchased by the acquiring institutions. Because this new type of resolution is expected to be used for most resolutions currently scheduled, the amount of assets put back to the RTC should decrease over the next few months. The amount of assets initially passed to acquirers may also drop.

Estimated resolution costs for the 430 closed thrifts totalled \$57.5 billion, 36% of their total liabilities at the time of resolution. The cost that would have been incurred if the insured deposits of all 430 institutions had been paid out to depositors would have been \$59.4 billion. The \$1.9 billion difference represented the estimated savings, or premiums, over insured deposit payout costs. These savings were equal to 2.1% of core deposits, represented by deposits with balances below \$80,000.

Some of the characteristics of the 430 resolutions were as follows:

Transaction Type Of the 430 cases, 228 were purchase and assumption transactions (P&As), in which all deposits, certain other liabilities, and a portion of the assets were sold to acquirers. Another 136 were insured deposit transfers (IDTs), in which the acquiring institutions served as paying agents for the RTC, established accounts on their books for the depositors of the failed institutions, and acquired some of their assets in many cases. The remaining 66 were insured deposit payouts (POs) in which the RTC directly

Resolution Trust Corporation
Characteristics of 430 Resolutions
Inception to June 30, 1991
(Dollars in Billions)

Type of Acquirer *	Number of Cases	Total Assets	Size of Resolved Institution (Assets)	Number of Cases	Total Assets
Bank	253	\$79.8	\$1 Billion or more	28	\$80.1
Thrift	111	50.0	\$500 to 999 Million	24	16.9
TOTAL--Acquirers	364	129.8	\$250 to 499 Million	38	13.7
Payouts	66	6.4	Under \$250 Million	340	25.5
TOTAL	430	\$136.2	TOTAL	430	\$136.2

Location of Resolved Institution	Number of Cases	Total Assets	Number of Bids Received	Number of Cases	Total Assets
Texas	98	\$22.0	5 or more bids	93	\$40.8
California	40	21.1	4 bids	41	22.3
Illinois	38	5.1	3 bids	67	14.7
Louisiana	34	2.5	2 bids	73	27.0
Florida	22	12.0	1 bid	103	26.1
Kansas	18	3.5	No bids	53	5.3
Colorado	13	2.1	TOTAL	430	\$136.2
Other	167	67.8			
TOTAL	430	\$136.2			

Percentage of Assets Passed to Acquirers***	Number of Cases	Total Assets	Savings over Deposit Payout Costs as % of Core Deposits **	Number of Cases	Total Assets
75% or more	38	\$9.4	5% or more	39	\$14.2
50 to 74.9%	51	17.6	3 to 4.9%	32	31.9
25 to 49.9%	89	37.8	1 to 2.9%	103	30.9
Under 25%	252	71.3	Under 1%	256	59.1
TOTAL	430	\$136.2	TOTAL	430	\$136.2

Estimated Resolution Cost as a % of Liabilities	Number of Cases	Total Assets
60% or more	67	\$12.4
40 to 59.9%	114	27.7
20 to 39.9%	171	69.5
Under 20%	78	26.6
TOTAL	430	\$136.2

* Branch sales involving multiple acquirers are classified according to the insurance status of the majority of acquirers.

** Core deposits are estimated as deposits with balances below \$80,000.

*** Assets passed are net of putbacks.

Note: Assets and liability data reflect post-closing revisions.

**Resolution Trust Corporation
Characteristics of 56 Resolutions
Second Quarter 1991
(Dollars in Billions)**

Type of Acquirer *	Number of Cases		Size of Resolved Institution (Assets)	Number of Cases	
	Total Assets			Total Assets	
Bank	26	\$3.0	\$1 Billion or more	1	\$5.9
Thrift	16	7.2	\$500 to 999 Million	2	1.4
TOTAL--Acquirers	42	10.2	\$250 to 499 Million	3	1.0
Payouts	14	1.4	Under \$250 Million	50	3.3
TOTAL	56	\$11.6	TOTAL	56	\$11.6

Location of Resolved Institution	Number of Cases		Number of Bids Received	Number of Cases	
	Total Assets			Total Assets	
Texas	21	\$2.7	5 or more bids	11	\$2.3
Louisiana	7	0.7	4 bids	2	0.0
Illinois	5	0.4	3 bids	3	0.3
California	4	6.0	2 bids	11	6.5
Florida	4	0.4	1 bid	18	1.3
Other	15	1.4	No bids	11	1.1
TOTAL	56	\$11.6	TOTAL	56	\$11.6

Percentage of Assets Passed to Acquirers***	Number of Cases		Savings over Deposit Payout Costs as % of Core Deposits **	Number of Cases	
	Total Assets			Total Assets	
75% or more	10	\$0.6	5% or more	5	\$0.2
50 to 74.9%	3	0.1	3 to 4.9%	3	0.4
25 to 49.9%	13	6.7	1 to 2.9%	9	0.5
Under 25%	30	4.2	Under 1%	39	10.5
TOTAL	56	\$11.6	TOTAL	56	\$11.6

Estimated Resolution Cost as a % of Liabilities	Number of Cases	
	Total Assets	
60% or more	6	\$1.5
40 to 59.9%	15	1.8
20 to 39.9%	26	7.7
Under 20%	9	0.6
TOTAL	56	\$11.6

* Branch sales involving multiple acquirers are classified according to the insurance status of the majority of acquirers.

** Core deposits are estimated as deposits with balances below \$80,000.

*** Assets passed are net of putbacks.

Note: Assets and liability data reflect post-closing revisions.

paid depositors their insured deposits and retained all of the assets.

Most attractive franchises were resolved using P&As, and acquirers in P&As paid considerably higher premiums over deposit payout costs: 2.5% of core deposits, compared with .6% for IDTs. Although only 53% of RTC resolutions were P&As, these transactions accounted for 78% of the deposits that have been made whole by the RTC from its inception through June 1991.

The P&A transactions included 8 Accelerated Resolution Program (ARP) cases, in which the institutions were closed without first being placed in the conservatorship program.

Type of Acquirer Banks acquired 253 of the resolved institutions, while thrifts acquired 111.

Number of Bids About 53% of the institutions attracted two or fewer bids. 93 cases attracted 5 bids or more. Those attracting no bids tended to be quite small (\$100 million on average), while those attracting 5 bids or more were on average much larger (\$440 million).

Thrift Size Whereas 79% of the resolved institutions had assets of less than \$250 million, there were 28 resolutions of institutions with assets exceeding \$1 billion. The average thrift size was \$320 million.

Location About 23% of the resolved cases were institutions located in Texas. Other states with a large number of resolutions were California, Illinois, Louisiana and Florida. By asset size, Texas and California have accounted for the most assets, followed by Florida.

Assets Sold to Acquirers In 38 cases, 75% or more of the assets were passed to acquirers. However, in 59% of the resolutions, the ac-

quirers purchased less than 25% of the assets of resolved thrifts. Most of the assets purchased by acquirers were securities and 1-4 family mortgages.

Estimated Resolution Costs Estimated resolution costs were under 40% of liabilities for 249 cases, but over 60% for 67 cases.

Savings Over Insured Deposit Payout Costs Estimated savings over insured deposit payout costs were less than 1% of core deposits in 60% of the resolutions, but more than 5% for 39 cases.

ASSET REDUCTIONS

In June, the proceeds of asset sales and other principal collections were \$10.4 billion. This included sales and principal collections in conservatorship institutions, assets passed to acquirers of resolved thrifts, and sales and principal collections in receivership. Due to asset putbacks of \$0.4 billion, net asset reductions were \$10 billion in June.

June activity brought total sales and principal collections since inception to \$172 billion, net of putbacks to date. As noted earlier, additional assets may be returned to the RTC under unexpired putback provisions of resolution transactions.

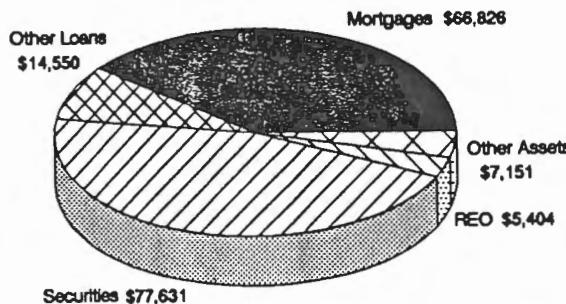
The \$172 billion represented 52% of the total assets of all 623 institutions taken over by the RTC at the time they came under its control. The comparable figure for the 430 resolved institutions was considerably higher -- 64% -- reflecting the volume of assets passed at resolution. For the 193 conservatorships existing on June 30, sales and principal collections from inception through June represented 32% of beginning assets.

June sales and collections of \$10.4 billion included \$3.8 billion in sales proceeds from conservatorships, \$2.3 billion in other conservatorship asset collections, \$0.6 billion in

**ASSET COLLECTIONS
CONSERVATORSHIPS, RESOLUTIONS AND RECEIVERSHIPS
SALES AND COLLECTIONS
(DOLLARS IN MILLIONS)**

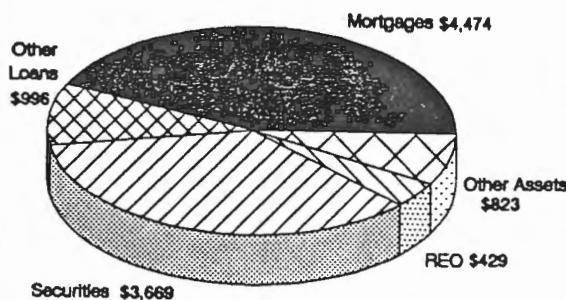
INCEPTION 1989 THROUGH JUNE 1991

(\$ in millions)



JUNE 1991

(\$ in millions)



Inception Through June 1991

	Conservatorships		Resolution Sales (Net) *	Receivership Sales & Collections	Total
	Sales	Collections			
Securities	\$40,633	\$20,785	\$10,877	\$5,336	\$77,631
Mortgages	11,827	18,584	22,157	14,258	66,826
Other Loans	2,938	6,596	2,282	2,735	14,550
REO	4,149	0	32	1,223	5,404
Other Assets	1,270	1,327	1,388	3,167	7,151
TOTALS	\$60,818	\$47,292	\$36,735	\$26,718	\$171,562

June 1991

	Conservatorships		Resolution Sales	Receivership Sales & Collections	Total
	Sales	Collections			
Securities	\$1,849	\$1,168	\$291	\$362	\$3,669
Mortgages	1,484	651	163	2,197	4,474
Other Loans	207	403	36	350	996
REO	215	0	0	214	429
Other Assets	21	95	83	623	823
TOTALS	\$3,755	\$2,317	\$573	\$3,747	\$10,392

1991 Year to Date

	Conservatorships		Resolution Sales	Receivership Sales & Collections	Total
	Sales	Collections			
Securities	\$8,867	\$7,161	\$2,730	\$2,126	\$20,885
Mortgages	4,068	3,635	5,882	8,808	22,391
Other Loans	720	1,320	476	1,411	3,927
REO	856	0	0	644	1,500
Other Assets	198	678	451	1,465	2,792
TOTALS	\$14,709	\$12,794	\$9,539	\$14,452	\$51,494

NA = Not Applicable

* Net Resolution Sales are net of all putbacks recorded to date.

**RESOLUTION SALES
&
ASSET PUTBACKS
(DOLLARS IN MILLIONS)**

Inception Through June 1991 *

	Gross Resolution Sales	Asset Putbacks	Net
Securities	\$11,477	\$600	\$10,877
Mortgages	34,834	12,677	22,157
Other Loans	5,375	3,093	2,282
REO	68	35	32
Other Assets	1,724	337	1,388
TOTALS	\$53,477	\$16,742	\$36,735

1991 Year to Date *

	Gross Resolution Sales	Asset Putbacks **	Net
Securities	\$2,730	\$467	\$2,263
Mortgages	5,882	3,968	1,916
Other Loans	476	1,051	(575)
REO	0	14	(14)
Other Assets	451	209	242
TOTALS	\$9,539	\$5,707	\$3,832

* Asset putback data are revised downward by approximately \$1.2 billion to reflect initial balance sheet adjustments that had previously been reported as putbacks.

** Asset putbacks during 1991 year to date include assets put back from resolutions prior to 1991 as well as 1991 resolutions.

Note: Data on asset putbacks and sales exclude some assets returned to the RTC by acquirers during the month of resolution which are not recorded as sales.

resolution sales, and \$3.7 billion in receivership sales and principal collections.

Since its inception, the RTC disposed of \$61 billion through conservatorship sales, \$47 billion in other conservatorship collections, \$37 billion in resolution sales net of putbacks, and \$27 billion in receivership sales and principal collections.

In terms of broad asset categories from inception through June, the RTC disposed of \$78 billion in securities, \$67 billion in mortgages, \$15 billion in nonmortgage loans, \$5 billion in real estate, and \$7 billion in other assets.

Assets put back to the RTC in June, primarily from assets passed to acquirers in earlier months, totalled \$0.4 billion. From the inception of RTC through June, asset putbacks totaled \$16.7 billion, which is about 31% of the assets initially passed to acquirers.

MAJOR ASSET SALES

Some recent RTC asset sales include:

- * Gleneagles Country Club and Willow Bend Development in Plano, TX, were sold for a total of \$48 million. The development, consisting of the Gleneagles Country Club and several hundred acres of residential land and commercial property, was an asset retained by the RTC following the resolution of Metropolitan Financial Federal Savings and Loan Association, Dallas, TX, on June 22, 1991. The Gleneagles Country Club, which has a club house and two 18-hole golf courses, was sold to Club Corporation of America, Dallas, TX, for \$16 million. The remaining property, including 215 acres of undeveloped residential land, 100 finished residential lots, and 127 acres of commercial property, was sold to Hillwood Development Corporation of Dallas, TX, for \$32 million.
- * Lehigh Corporation and other subsidiaries of Land Resources Corporation, Lehigh, FL, were sold to Topeka Group, Inc., a subsidiary of Min-

nesota Power, Duluth, MN, and DINSAL Corporation, DeLand, FL, for \$40 million. The purchasers acquired the subsidiaries and their assets that include approximately 10,000 homesites; 6,000 acres of unimproved land; commercial and industrial tracts; golf courses; resort facilities; and related Lehigh operations such as home building, building supply, printing, and time-share sales. Land Resources Corporation and its subsidiaries were assets retained by the RTC following the resolution of Security Savings and Loan Association, Scottsdale, AZ, on March 15, 1991.

- * Two hundred and forty-two residential properties in New Orleans, LA, were sold for \$4.5 million during a two-day auction in June. The single family homes, condominiums, duplexes, and townhomes auctioned on June 29 and 30 were assets of failed savings and loans in Louisiana. All of the properties sold were offered as part of the RTC's Affordable Housing Disposition Program.
- * Sixty-four duplexes in Austin, TX, were sold to Buckingham Mutual Housing Inc., an Austin non-profit organization, for \$2.9 million. The sale occurred through the RTC's Affordable Housing Disposition Program, and the 128 units will be

reserved for low- to moderate-income families and individuals. The duplexes were assets retained by the RTC following the resolution of University Federal Savings Association, Houston, TX, on October 13, 1989.

- * The RTC sold the servicing operation of Commonwealth Mortgage of America, L.P. (Commonwealth Mortgage), Houston, Texas, for approximately \$34 million. The servicing operation was jointly purchased by Mondrian Mortgage Corporation and Rousseau Mortgage Corporation, both of Houston. The sale includes approximately \$7 billion of servicing rights and the rights to Commonwealth Mortgage's software and electronic data processing facility. Commonwealth Mortgage was a subsidiary of Commonwealth Federal Savings Association, Houston, Texas, which was resolved by the RTC on June 21, 1991.

ASSET MANAGEMENT CONTRACTS

The RTC placed \$6.7 billion in assets under SAMDA (Standard Asset Management and Disposition Agreement) contracts during the quarter ending June 30, 1991. From its incep-

ASSET MANAGEMENT CONTRACTS (DOLLARS IN MILLIONS)

	Inception Through June 30, 1991	1991 Year to Date	Second Quarter 1991
Number of Contracts	128	62	32
Estimated Book Value of Assets *	\$ 24,447	\$ 14,319	\$ 6,709
Estimated Fees per Annum	150	84	43
Total Estimated Fees	446	247	127

* As of July 9, 1991, asset management contracts in process were \$16 billion.

tion through June 1991, \$24.4 billion in assets have been placed under contract.

SAMDA contracts are used primarily to move hard-to-sell assets into the private sector as quickly as possible. Most of the assets under SAMDAs are foreclosed or other real estate and delinquent loans. The contracts are designed to encourage contractors to sell assets as quickly as possible at the maximum price.

SOURCES AND USES OF FUNDS

From its inception through July 1, 1991, the RTC obtained \$155 billion in funds from the following external sources: \$50 billion in FIRREA appropriations, \$30 billion in funding from the Resolution Trust Corporation Funding Act of 1991, and \$54 billion in Federal Financing Bank (FFB) borrowings. The RTC also obtained \$21 billion in recoveries from receiverships.

The FIRREA appropriations include \$30.1 billion from REFCORP, \$18.8 billion in Treasury funding and \$1.2 in FHLB contributions. The Resolution Trust Corporation Funding Act of 1991 provided for an additional \$30 billion in loss funds through Treasury appropriations.

Working capital, obtained from the FFB, is used for the temporary funding of assets retained by the RTC when institutions are resolved. Working capital has also been used to replace high-cost liabilities and meet liquidity needs of conservatorship institutions. The RTC's outstanding borrowings and other liabilities are subject to a limitation prescribed by FIRREA.

The 430 resolutions through July 1 required outlays of \$121.1 billion from the RTC. Outstanding advances to conservatorships existing at the end of June totalled \$7.6 billion. Interest on FFB borrowings was \$3.6 billion.

SOURCES AND USES OF FUNDS

(\$ in billions)

Inception through July 1, 1991

SOURCES:

Initial Treasury Appropriations	\$ 18.8
FHLB Contribution	1.2
REFCORP Borrowings	30.1
FFB Borrowings	54.1
Funds from RTC Funding Act of 1991	<u>30.0</u>
Total External Sources	134.2
Recoveries from Receiverships	20.6
TOTAL SOURCES	\$154.8

USES:

Resolutions and Receivership Funding	\$ 121.1
Conservatorship Advances Outstanding *	7.6
FFB Interest	3.6
Other Disbursements **	-0.1
TOTAL USES	132.3
NET CASH AVAILABLE	\$ 22.5

* Conservatorship balances are net principal balances outstanding.

** Includes expenses paid on behalf of conservatorships and other corporate disbursements, less interest payments and expense reimbursements received from conservatorships and other sources.

This left \$22.5 billion in cash on hand on July 1.

NEWS NOTES

RTC SELLS ITS SECOND OFFERING OF MORTGAGE-BACKED SECURITIES

In July, the RTC sold its second offering of mortgage pass-through securities. The securities were designated RTC Mortgage Pass-Through Certificates, Series 1991-2, and were rated AAA.

This issue of securities are backed by approximately \$580 million of mortgages issued by three savings and loan associations in California prior to their placement in the RTC's conservatorship program: Columbia Savings and Loan, Beverly Hills; County Bank, FSB, Santa Barbara; and Santa Barbara Savings and Loan Association, Santa Barbara.

The mortgages were performing, single-family, adjustable-rate mortgages that do not conform to Fannie Mae's or Freddie Mac's standards. These mortgages may exhibit several non-conforming features, such as loan-to-value ratios over 80 percent or no primary mortgage insurance. In some cases, the original loan amount was above Fannie Mae's and Freddie Mac's limits.

By securitizing non-conforming mortgages, the RTC can produce a more marketable asset, significantly improving cash recoveries for the taxpayer.

First Boston was the lead managing underwriter and Kidder Peabody was the financial advisor for the \$580 million offering. The minority investment banking firms Pryor, McClelland Counts & Co. Inc. and Ewing Capital were co-managing underwriters on the transaction.

The RTC also selected State Street Bank & Trust to act as trustee and Sears Mortgage Corporation to act as master servicer for the \$580 million transaction.

In April, the RTC filed a shelf registration statement with the Securities and Exchange Commission for the sale of \$4 billion of mortgage pass-through securities backed by mortgages from RTC conservatorship and receivership institutions. The \$580 million offering is the second takedown from the RTC shelf.

SEVEN MINORITY- AND WOMEN- OWNED FIRMS TO PARTICIPATE AS RTC UNDERWRITERS

The RTC has announced the selection of seven minority- and women-owned investment banking firms that will serve as co-managing underwriters for its residential mortgage loan securitization program.

The firms are Doley Securities; WR Lazard, Laidlaw & Mead Incorporated; Pryor, McClelland Counts & Co. Inc.; Ewing Capital; Muriel Siebert; Guzman & Co.; and MR Beal and Co. The firms will participate in the program on a rotating basis, and the RTC has the option to alter the underwriting group at any time.

The firms will underwrite the sale of mortgage pass-through securities offered under the RTC's \$4 billion shelf registration statement. The RTC expects to eventually offer securities at a rate of \$1 billion per month.

"The RTC is committed to employing the expertise of minority- and women-owned firms for its securitization program," said RTC Executive Director David C. Cooke. "The firms we have selected will make a valuable contribution to the underwriting team."

RTC RELEASES QUARTERLY EDITION OF ITS JUNK BOND INVENTORY

On July 11, 1991, the RTC released the quarterly edition of its junk bond inventory, containing securities with a face value of \$4.2 billion from 33 institutions, a decrease from \$5.4 billion on April 18.

Since initial publication of the RTC's junk bond inventory, sales have totaled \$3.7 billion. Junk bond sales since the RTC's inception total \$5 billion.

"We're pleased that we've been able to maintain our pace of sales in spite of weaker overall market conditions," said Elisabeth N. Spector, Director, Capital Markets Office. "Since the beginning of the year, we've achieved \$2.8 billion in junk bond sales."

Copies of the RTC's high-yield portfolio may be obtained from FaxMedia.

RTC ANNOUNCED NATIONWIDE MINI-STORAGE PORTFOLIO SALE

The RTC National Sales Center has announced a nationwide mini-storage portfolio sale, a competitive bid offering of 57 mini-storage properties located in nine states. The properties are valued at approximately \$80 million.

The portfolio sale will offer 23 packages, each containing one or more properties located in Alabama, Arizona, Arkansas, California, Colorado, Indiana, Louisiana, Mississippi, and Texas.

CB Commercial Real Estate Group, Inc., in Dallas, Texas, will market the portfolio and distribute information to interested parties. During the marketing period, prospective purchasers may schedule an inspection of the properties with CB Commercial. Bids are due on September 27, 1991. For more information, contact CB Commercial at 1-800-832-8125.

The RTC prefers cash offers; however, it will offer financing at market interest rates to qualified parties on most packages. Winning bids will be determined by the highest, most qualified offer received on each package.

RTC OPENS SALES CENTER IN TUCSON, ARIZONA

The RTC announced the opening of a sales center in Tucson, Arizona, on July 29, 1991, to facilitate the sale of approximately \$175 million in assets from failed savings and loan institutions. The Tucson Sales Center's asset portfolio will include 550 commercial and residential properties in southern Arizona.

The sales center will provide the public with information about real estate in its portfolio, and will work with local real estate brokers and contracted asset management firms to promote and sell the properties. Other ser-

vices include assisting purchasers with the sales transaction process and helping to identify investments to meet customers' requirements. Inquiries may be made by telephone or on a walk-in basis.

An opening ceremony was held at the sales center, located at 4801 East Broadway, Suite 100, Tucson, on Saturday, July 27. Regular office hours are 8 a.m. to 5 p.m., Monday through Friday. The sales center may be reached on 602-745-7676 or 1-800-223-1863.

JAMES A. SNYDER NAMED AS DIRECTOR OF RTC'S NATIONAL SALES CENTER

The RTC has announced the appointment of James A. Snyder as Director of its National Sales Center in Washington, D.C.

As Director, Mr. Snyder will be responsible for coordinating the marketing and sale of RTC-owned real estate and financial instruments throughout the country. He will develop and implement strategies and programs associated with the bulk sale, auction, and securitization of RTC-owned real estate and financial instruments, and will coordinate the activities of local sales centers that the RTC has established at each of its 15 consolidated field offices.

Mr. Snyder was previously Manager of Real Estate Sales at the National Sales Center. He will be replacing Thomas P. Horton, who has returned to his position as Deputy Director of Asset Sales. The National Sales Center Director reports to Mr. Horton.

FURTHER INFORMATION

All RTC public documents, including RTC press releases and policy statements, are available from the RTC Reading Room at 202-416-6940. Written requests should be mailed to the RTC Reading Room, 801 17th Street, NW, Washington, DC 20434-0001.

All RTC news releases are also available through FaxMedia, a facsimile dial-up service. To access FaxMedia, interested individuals can dial 301-670-0088 from their fax machine's telephone handset. Following the voice prompts, individuals should enter "77" to select the RTC News Release Library index, which will be printed from their fax machine. To retrieve the desired news

releases, individuals should redial the FaxMedia number listed above and enter the numbers of the news releases they want to receive. Users have 24-hour access to RTC news releases through FaxMedia, and are responsible for all phone charges.

Commonly Called RTC Telephone Numbers

National Sales Center	(202) 416-4200
Real Estate Information Center and Orders for Asset Inventory	(800) 431-0600
Asset Specific Inquiry Service	(800) 782-3006
Bulk Sales Information	(800) 782-8808
Securities Sales (Capital Markets)	(202) 416-7554
Contracting Office	(800) 541-1782
Inquiries Regarding S&Ls for Sale	(800) 782-4033
Office of Corporate Communications - Media Inquiries	(202) 416-7568

Low Income Housing Program	(202) 416-7348
Reading Room - Public Information	(202) 416-6940
Main Operator	(202) 416-6900
RTC Western Regional Office	(800) 283-7823
RTC Southwestern Regional Office	(800) 782-4674
RTC North Central Regional Office	(800) 365-3342
RTC Eastern Regional Office	(800) 234-3342

Note: Regions are as follows:

West - AZ, CA, CO, HI, NM, NV, UT

Southwest - TX

North Central - AK, AR, IA, ID, IL, IN, KS, KY, LA, MI, MN, MO, MS, MT, ND, OH, OK, OR, SD, WA, WI, WV

East - AL, CT, DC, DE, FL, GA, MA, NC, NH, NJ, NY, PA, PR, RI, SC, TN, VA, VT, WV

RTC Resolutions
Inception to June 30, 1991
(dollars in billions)

Deal Type *	Number of Cases	Total Assets	Estimated Savings Over Payout Cost	Estimated Savings/ Core Deposits **	Percentage of Assets Passed***	Total Deposits	Number of Accounts (000's)
IDT	136	\$24.1	\$0.1	.64 %	11.47 %	\$24.3	2,626
PA	228	105.7	1.8	2.50	32.16	100.1	11,167
PO	66	6.4	0	0	0	7.6	483
Total	430	\$136.2	\$1.9	2.12 %	26.98 %	\$132.0	14,276

RTC Resolutions
Second Quarter 1991
(dollars in billions)

Deal Type *	Number of Cases	Total Assets	Estimated Savings Over Payout Cost	Estimated Savings/ Core Deposits **	Percentage of Assets Passed***	Total Deposits	Number of Accounts (000's)
IDT	8	\$2.1	\$0.0	0.26 %	13.48 %	\$2.7	275
PA	34	8.1	0.1	1.33	43.44	6.7	559
PO	14	1.4	0	0	0	1.7	157
Total	56	\$11.6	\$0.1	1.00 %	32.78 %	\$11.1	991

* Deal Type:

IDT = Insured Deposit Transfer

PA = Purchase of Assets and Assumption of Liabilities

PO = Insured Deposit Payout

** Core deposits are estimated as deposits with balances below \$80,000.

*** Assets passed are net of putbacks.

Note: Asset and estimated cost data reflect post-closing revisions and may differ from data previously released. Total Assets and Number of Accounts are as of the quarter before resolution.

RTC Resolutions
June 1991
(Dollars in Millions)

Institution Name / City / State	Deal Type*	Resolution Date	Acquirer Name / City / State	Total Assets	Estimated Resolution Cost	Assets Passed to Acquirer Net of Putbacks	Percentage of Assets Passed
American SA, Mt. Carmel, IL	PA	08/07/91	Union FSB, Evansville, IN	\$6.2	\$1.5	\$5.2	83.83%
Broken Arrow SA, Broken Arrow, OK	PA	08/07/91	Metro Bank of Broken Arrow, Broken Arrow, OK	20.7	5.8	6.2	29.82%
North Jersey FSA, Peasitic, NJ	PA	08/07/91	Valley NB, Peasitic, NJ	189.4	157.2	48.8	25.75%
Liberty FSB, Montebello, CA	PA	08/07/91	Commerce NB, Montebello, CA	38.7	5.3	4.7	12.91%
Investors FSB, Deerfield Beach, FL	PA	08/07/91	J. P. Morgan Florida, FSB, Deerfield Beach, FL	192.6	80.9	8.1	4.20%
Citizens Homestead FSA, New Orleans, LA	PO	08/07/91	Payout	73.1	42.3	0.0	0.00%
First FSA of Wichita Falls, Wichita Falls, TX	PO	08/07/91	Payout	69.3	18.1	0.0	0.00%
Surety FSA, El Paso, TX	PO	08/07/91	Payout	217.7	104.5	0.0	0.00%
First FSA of Tucson, Tucson, IL	PA	08/07/91	First NB of Arcola, Arcola, IL	17.0	2.6	15.3	89.71%
Rancho Bernardo FSB, San Diego, CA	PA	08/07/91	Branch Sale to various institutions	67.9	14.9	22.5	33.07%
First FSA, New Braunfels, TX	IDT	08/07/91	Victoria B&TC, Victoria, TX	220.9	56.6	10.9	4.95%
Investors SB, FSB, Nashville, TN	PA	08/07/91	Amerouth Bank of TN, Nashville, TN	40.8	14.6	17.6	43.18%
Texas Commercial FSA, Sulphur Springs, TX	PA	08/14/91	First American Bank, Sulphur Springs, TX	24.5	6.9	6.8	27.57%
Atlanta FSA, Atlanta, TX	PA	08/14/91	Kilgore FSA&LA, Kilgore, TX	78.9	17.4	12.5	16.83%
First Guaranty FSA&LA, Hattiesburg, MS	PA	08/14/91	Branch Sale to various institutions	123.8	98.2	18.3	14.81%
Guaranty SB, FSB, Fayetteville, NC	PA	08/14/91	Branch Sale to various institutions	23.8	12.0	6.3	26.38%
South S&LA, FA, Slidell, LA	IDT	08/14/91	First State B&T, Bogalusa, LA	87.7	103.7	0.4	0.48%
Southwestern FSA, El Paso, TX	PO	08/14/91	Payout	63.9	77.2	0.0	0.00%
Jasper FSA&LA, Jasper, TX	PO	08/14/91	Payout	88.6	72.7	0.0	0.00%
Financial of Hartford, FSB, Hartford, CT	PA	08/19/91	Northeast Savings, FA, Hartford, CT	14.3	3.4	3.0	21.33%
Commonwealth FSA, Houston, TX	IDT	08/21/91	Branch Sale to various institutions	803.4	1,433.3	156.2	10.68%
Travis FSA&LA, San Antonio, TX	PA	08/21/91	International Bank of Commerce, Laredo, TX	234.3	63.2	38.9	16.80%
Capital-Union FSA, Baton Rouge, LA	PO	08/21/91	Payout	181.8	133.3	0.0	0.00%

RTC Resolutions
June 1991
(Dollars in Millions)

Institution Name / City / State	Deal Type*	Resolution Date	Acquirer Name / City / State	Total Assets	Estimated Resolution Cost	Assets Passed to Acquirer Net of Putbacks	Percentage of Assets Passed
First FSA, Las Vegas, NV	PA	06/21/91	Bank of NM, & Las Vegas, Albuquerque, NM	\$45.2	\$13.6	\$31.0	68.63%
Ambassador FS&LA, Tamarac, FL	PA	06/21/91	Bank of North America, Miami, FL	110.7	52.5	44.9	40.56%
Charter FSA, Stamford, CT	PA	06/21/91	Greenwich FS&LA, Greenwich, CT	87.9	45.2	29.7	33.74%
Great Life FSA, Sunrise, FL	PA	06/21/91	U.S. Trust of Florida SB, Palm Beach, FL	24.0	7.9	1.1	4.69%
First FSA of Breaux Bridge, Breaux Bridge, LA	PA	06/21/91	Teche FSB, Franklin, LA	16.1	2.3	16.3	94.89%
Austin FS&LA, Austin, TX	PO	06/26/91	Payout	41.3	28.3	0.0	0.00%
Amigo FS&LA, Brownsville, TX	PA	06/28/91	Brownsville NB, Brownsville, TX	13.0	4.9	1.0	7.88%
Coral FS&LA, FA, Coral Springs, FL	PA	06/28/91	Bank of N. America-Broward, Ft. Lauderdale, FL	25.1	5.0	22.4	89.24%
Southwest TX FSA, Woodville, TX	PO	06/28/91	Payout	18.7	7.5	0.0	0.00%
First FSA, Borger, TX	PA	06/28/91	Amarillo NB, Amarillo, TX	46.6	16.4	2.6	6.54%
Vermont SA, FA, Timonium, MD	PA	06/28/91	First NB of MD, Baltimore, MD	118.3	64.4	41.5	35.08%
Total				3,425.3	2,773.5	673.2	18.73%
Grand Total-Inception through June 30, 1991				\$130,160.8	\$57,525.4	\$30,754.7	23.00%

NA = Not Applicable

* Deal Type:

IDT = Insured Deposit Transfer

PA = Purchase of Assets and Assumption of Liabilities

PO = Insured Deposit Payout

Note: Assets and estimated cost data reflect post-closing resolutions and may differ from preliminary data previously released.

Beginning Assets and Asset Reductions
Inception Through June 1991
(\$ in billions)

430 Closed Institutions

	Cash & Securities /3	Mortgages	Other Loans	Real Estate	Subsid- aries	Other Assets	Total
Assets at Takeover.....	\$52.2	\$102.0	\$16.1	\$15.5	\$5.7	\$12.3	\$203.8
Reductions During Conservatorship							
Sales Proceeds.....	25.6	7.4	1.8	2.7	0.2	0.8	38.5
Payment & Maturities.....	10.6	13.7	4.5	0.0	0.3	0.2	29.3
Other Changes (Net) /1.....	(5.5)	2.5	(2.4)	1.8	(0.4)	3.9	(0.1)
Assets at Resolution.....	21.4	78.4	12.3	11.0	5.5	7.5	136.2
Resolution & Receivership Reductions							
Assets Passed (Net of Putbacks).....	10.9	22.2	2.3	0.0	0.5	0.9	36.7
Assets Retained (After Putbacks).....	10.6	56.2	10.0	11.0	5.0	6.6	99.4
Principal Collections.....	5.3	14.3	2.7	1.2	0.7	2.5	26.7
Other Changes (Net) /2.....	0.7	0.2	1.5	(0.1)	(0.1)	(1.1)	1.4
Receivership Assets as of June 30, 1991.....	\$4.5	\$41.8	\$5.7	\$9.9	\$4.2	\$5.2	\$71.3

193 Conservatorship Institutions

	Cash & Securities /3	Mortgages	Other Loans	Real Estate	Subsid- aries	Other Assets	Total
Assets at Takeover.....	\$42.2	\$52.1	\$9.9	\$10.6	\$3.7	\$5.9	\$124.4
Reductions During Conservatorship							
Sales Proceeds.....	15.0	4.4	1.2	1.5	0.1	0.2	22.4
Payment & Maturities.....	10.2	4.9	2.1	0.0	0.6	0.2	18.0
Other Changes (Net) /1.....	(7.3)	2.2	(0.3)	(1.6)	0.7	1.7	(4.6)
Conservatorship Assets as of June 30, 1991.....	\$24.3	\$40.7	\$6.9	\$10.8	\$2.4	\$3.7	\$88.7

Beginning Assets and Asset Reductions
Inception Through June 1991
(\$ in billions)

All 623 Institutions

	Cash & Securities /3	Mortgages	Other Loans	Real Estate	Subsid- aries	Other Assets	Total
Assets at Takeover.....	\$94.4	\$154.2	\$26.0	\$26.1	\$9.4	\$18.2	\$328.3
Reductions During Conservatorship							
Sales Proceeds.....	40.6	11.8	2.9	4.1	0.2	1.0	60.8
Payment & Maturities.....	20.8	18.6	6.6	0.0	1.0	0.4	47.3
Other Changes (Net) /1.....	(12.8)	4.7	(2.7)	0.2	0.3	5.6	(4.7)
Assets at Resolution.....	21.4	78.4	12.3	11.0	5.5	7.5	136.2
Resolution & Receivership Reductions							
Assets Passed (Net of Putbacks).....	10.9	22.2	2.3	0.0	0.5	0.9	36.7
Assets Retained (After Putbacks).....	10.6	56.2	10.0	11.0	5.0	6.6	99.4
Principal Collections.....	5.3	14.3	2.7	1.2	0.7	2.5	26.7
Other Changes (Net) /2.....	0.7	0.2	1.5	(0.1)	(0.1)	(1.1)	1.4
Conservatorship and Receivership Assets as of June 30, 1991.....	\$28.8	\$82.5	\$12.6	\$20.6	\$6.6	\$8.9	\$160.0

/1 Includes net losses on sales, charge-offs of goodwill and certain equity investments and other assets, accumulation and investment of cash, and new loans and asset purchases.

/2 Includes asset balance adjustments and principal losses.

/3 Excludes accumulation of approximately \$6.9 billion of receivership cash and investments available for the payment of expenses and dividends.