RTC REVIEW

RESOLUTION TRUST CORPORATION

VOL. III NO. 11 November 1992

Albert V. Casey, President, Chief Executive Officer

William H. Roelle, Senior Vice President, Chief Financial Officer

* **RTC Surpasses its $100 Billion Asset Reduction Goal and $86 Billion Principal Collection Goal for Fiscal 1992.**

* **Book Value Reductions for Fiscal 1992 Total $101 Billion, Principal Collections Total $88 Billion.**

* **No RTC Thrift Closings in September or October Due to a Lack of Funding.**

* **652 Thrifts Closed by RTC from its Inception in August 1989 Through October 1992. 21.9 Million Deposit Accounts have been Protected.**

RTC CASELOAD

In September and October, the RTC did not close any institutions, as no action was taken by Congress to provide additional funding.

Through October 31, 1992, the RTC has resolved 652 institutions. The RTC took no new institutions into its conservatorship program in September and four institutions in October. As a result, the number of conservatorship institutions remained at 69 at the end of September and increased to 73 at the end of October.

ASSET INVENTORY

In September, the amount of assets under RTC management, including both conservatorships and receiverships, decreased from $119 billion to $107 billion. The decrease in assets resulted from the ongoing sales effort by the RTC from its conservatorship and receivership programs. Over the past 15

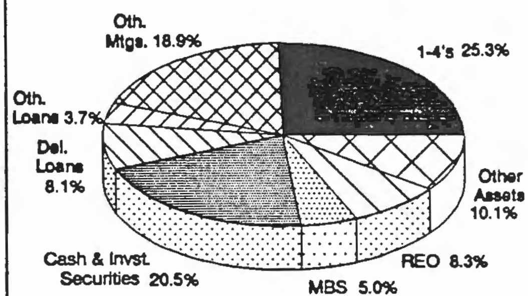
RTC September Caseload
($ in billions)

	Number	Assets	Liabilities	Deposits
End of August	69	$36.5	$36.6	$26.4
New Conservatorships	0	0.0	0.0	0.0
Resolved Cases	0	0.0	0.0	0.0
End of September	69	$34.0	$36.6	$26.4

Assets based on preliminary 9/30/92 and 8/31/92 financial reports.
Liabilities and Deposits based on 8/31/92 financial reports.

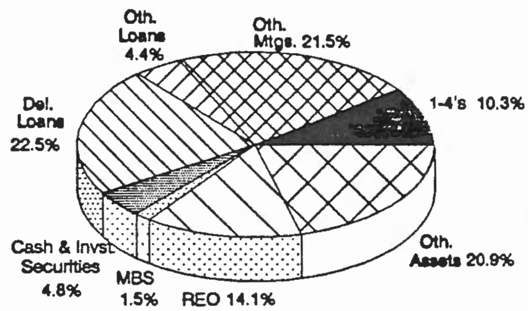
CONSERVATORSHIP, RECEIVERSHIP ASSETS
UNDER RTC MANAGEMENT
As of September 30, 1992

CONSERVATORSHIPS
As of September 30, 1992



(Percentage Of Gross Assets)

RECEIVERSHIPS
As of September 30, 1992



(Percentage Of Gross Assets)

CONSERVATORSHIP INSTITUTIONS
(dollars in billions)

	Amount	Percent Gross Assets
Cash & Invst. Sec.	$7.0	20.5 %
Mtg. Backed Sec.	1.7	5.0
Perf. Lns. - Total	16.3	47.9
1-4 Family Mtgs.	8.6	25.3
Cstrn. & Land	1.5	4.4
Other Mtgs.	4.9	14.5
Other Loans	1.2	3.7
Del. Lns. - Total	2.8	8.1
1-4 Family Mtgs.	0.4	1.2
Cstrn. & Land	0.9	2.6
Other Mtgs.	1.2	3.5
Other Loans	0.3	0.8
Real Estate Owned	2.8	8.3
Subsidiaries	1.0	3.0
Other Assets	2.4	7.1
Gross Assets	$ 34.0	100.0 %

Data based on preliminary 9/30/92 information
Number of institutions: 69

RECEIVERSHIP INSTITUTIONS
(dollars in billions)

	Amount	Percent Gross Assets
Cash & Invst. Sec.*	$3.4	4.8%
Mtg. Backed Sec.	1.1	1.5
Perf. Lns. - Total	26.3	36.2
1-4 Family Mtgs.	7.5	10.3
Cstrn. & Land	3.6	4.9
Other Mtgs.	12.0	16.5
Other Loans	3.2	4.4
Del. Lns. - Total	16.4	22.5
1-4 Family Mtgs.	1.5	2.1
Cstrn. & Land	4.8	6.6
Other Mtgs.	7.7	10.6
Other Loans	2.3	3.2
Real Estate Owned	10.3	14.1
Subsidiaries	6.3	8.7
Other Assets	8.8	12.1
Gross Assets	$ 72.5	100.0 %

Data based on preliminary 9/30/92 information
Number of institutions: 652

* Excludes $15.9 billion in cash, investments (including restricted investments), and accounts receivable accumulated by Receiverships.

months, assets under RTC management have dropped $59 billion.

The $107 billion of assets under RTC management on September 30 consisted of: $13 billion in cash and securities, $16 billion in performing 1-4 family mortgages, $26 billion in other performing loans, $19 billion in delinquent loans, $13 billion in real estate, $7 billion in investments in subsidiaries, and $11 billion in other assets.

The 69 conservatorships held $34 billion in gross assets on September 30, 1992. Of the total, cash and securities (including a substantial amount pledged as collateral against borrowings) represented 26%; performing 1-4 family mortgages, 25%; other performing loans, 23%; delinquent loans, 8%; real estate, 8%; investments in subsidiaries, 3%; and other assets, 7%.

The 652 receiverships held $73 billion in assets on September 30. Because many of the relatively marketable assets have been sold before an 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 37% of receivership assets. Cash, securities, and performing 1-4 family mortgages represented only 17% of receivership assets. Moreover, a substantial amount of the securities and performing mortgages in receivership were junk bonds or pledged for secured borrowings or substandard loans. The $73 billion excludes approximately $16 billion in cash, liquid investments, and accounts receivable accumulated from receivership collections.

THRIFT CLOSINGS

The RTC did not close any institutions in September or October. As of the end of October, RTC resolutions had protected 21.9 million deposit accounts from financial loss. These accounts had an average account balance of $8,989.

The total number of thrift closings was 652 from the establishment of the RTC in August 1989 through September 30, 1992. These thrifts held $216 billion in assets at the time of closure. Of the total, $46 billion of assets, or 21%, were sold to acquirers (after taking into account assets returned thus far to the RTC under putback provisions of resolution transactions).

Estimated resolution costs for the 652 closed thrifts totalled $84.4 billion, 34% of their total liabilities at the time of resolution. If the insured deposits of all 652 institutions had been paid out to depositors, the estimated resolution cost would have been $87.5 billion. The $3.1 billion difference represented the estimated savings, or premiums, over insured deposit payout costs. These savings were equal to 2% of core deposits, represented by deposits with balances below $80,000.

Some of the characteristics of the 652 resolutions were as follows:

Transaction Type Of the 652 cases, 406 were purchase and assumption transactions (P&As), in which deposits, certain other liabilities, and a portion of the assets were sold to acquirers. Another 158 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 88 were insured deposit payoffs (POs) in which the RTC directly paid depositors their insured deposits and retained all of the assets.

Most attractive franchises were resolved using P&As, and these acquirers paid considerably higher premiums over deposit payoff costs: 2.41% of core deposits, compared to 0.67% for IDTs. Although only 62% of RTC

Resolution Trust Corporation
Characteristics of 652 Resolutions
Inception to September 30, 1992
(Dollars in Billions)

Type of Acquirer *	Number of Cases	Total Assets
Bank	384	$127.8
Thrift	180	80.8
TOTAL--Acquirers	564	208.5
Payouts	88	7.6
TOTAL	652	$216.1

Size of Resolved Institution (Assets)	Number of Cases	Total Assets
$1 Billion or more	48	$125.5
$500 to 999 Million	44	31.0
$250 to 499 Million	62	21.7
Under $250 Million	498	37.8
TOTAL	652	$216.1

Location of Resolved Institution	Number of Cases	Total Assets
Texas	137	$43.5
California	55	33.7
Louisana	48	4.7
Illinois	46	7.1
Florida	38	22.0
New Jersey	26	9.6
Kansas	20	3.8
Other	282	91.8
TOTAL	652	$216.1

Number of Bids Received	Number of Cases	Total Assets
5 or more bids	202	$97.3
4 bids	57	25.1
3 bids	90	22.7
2 bids	102	36.4
1 bid	136	28.5
No bids	65	6.1
TOTAL	652	$216.1

Percentage of Assets Passed to Acquirers***	Number of Cases	Total Assets
75% or more	49	$4.3
50 to 74.9%	82	16.4
25 to 49.9%	143	56.2
Under 25%	378	139.3
TOTAL	652	$216.1

Savings over Deposit Payout Costs as % of Core Deposits **	Number of Cases	Total Assets
5% or more	66	$20.0
3 to 4.9%	65	50.2
1 to 2.9%	166	53.7
Under 1%	355	92.2
TOTAL	652	$216.1

Estimated Resolution Cost as a % of Liabilities	Number of Cases	Total Assets
60% or more	88	$22.1
40 to 59.9%	129	34.1
20 to 39.9%	244	93.2
Under 20%	191	66.8
TOTAL	652	$216.1

* *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.

resolutions were P&As, these transactions accounted for 80% of the deposits that have been made whole by the RTC from its inception through September 1992. The P&A transactions included 34 Accelerated Resolution Program (ARP) cases, in which the institutions were closed without first being placed in the conservatorship program.

Type of Acquirer Banks acquired 384 of the resolved institutions, while thrifts acquired 180.

Number of Bids 46% of the institutions attracted two or fewer bids; 23% attracted three or four bids; and 31% attracted five or more bids.

Thrift Size Whereas 76% of the resolved institutions had assets of less than $250 million, there have been 48 resolutions of thrifts with more than $1 billion in assets. These 48 thrifts accounted for 58% of the assets held by resolved thrifts.

Location About 137 of the resolutions were Texas institutions. Other states with a large number of resolutions were California, Louisana, Illinois, and Florida. Resolved institutions from Texas and California held the most assets, followed by Florida.

Assets Sold to Acquirers In 58% of the cases, less than 25% of the assets were sold to acquirers. However, in 49 cases, 75% or more of the assets were passed to acquirers. Most of the assets purchased were securities and 1-4 family mortgages.

Estimated Resolution Costs Estimated resolution costs were under 40% of liabilities in 435 cases, but over 60% for 88 cases.

Savings Over Insured Deposit Payout Costs Estimated savings over insured deposit payout costs were less than 1% of core deposits in 54% of the resolutions; however, these resolutions represented only 43% of total assets.

ASSET REDUCTIONS

In September, the proceeds of asset sales and other principal collections were $10.8 billion. This included sales and principal collections from conservatorship institutions and receiverships. Due to asset putbacks of $280 million, net asset collections were $10.5 billion in September.

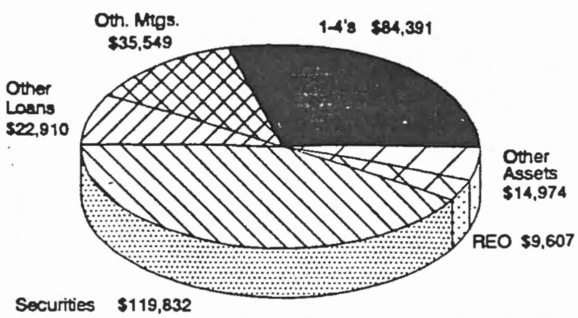
September sales and collections of $10.8 billion included $2.2 billion in sales proceeds from conservatorships, $0.9 billion in other conservatorship asset collections, and $7.8 billion in receivership sales and principal collections. September activity brought total sales and principal collections since inception to $287 billion, net of putbacks to date.

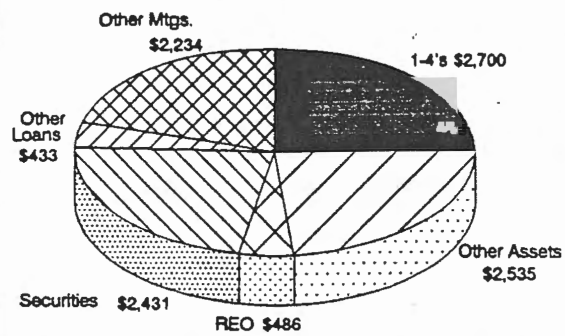
Since its inception, the RTC collected $89 billion through conservatorship sales, $69 billion in other conservatorship collections, $46 billion in resolution sales (net of putbacks), and $84 billion in receivership sales and principal collections. From inception through September, the RTC collected $120 billion from securities, $84 billion from 1-4 family mortgages, $36 billion from other mortgages, $23 billion from non-mortgage loans, $10 billion from real estate, and $15 billion from other assets.

In terms of book value, September sales and collections were $13.5 billion. The average recovery rate on the collection of these assets was 80%. From the inception of the RTC through September, book value asset reductions were $309 billion, and the RTC recovered 93% on these collections.

The $309 billion in book value sales and principal collections represented 81% of the total book value of assets of all 721 institutions taken over by the RTC at the time they came under its control. The comparable figure for

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





Inception Through September 1992

	Conservatorships		Resolution	Receivership	
	Sales	Collections	Sales (Net) *	Sales & Collections	Total
Securities	$52,604	$33,777	$20,408	$13,043	$119,832
1–4 Family Mortgages	20,348	14,770	15,571	33,701	84,391
Other Mortgages	4,032	10,263	5,589	15,665	35,549
Other Loans	4,396	8,033	3,339	7,143	22,910
REO	5,437	0	147	4,023	9,607
Other Assets	1,861	2,385	455	10,273	14,974
TOTALS	$88,678	$69,228	$45,509	$83,848	$287,263

September 1992

	Conservatorships		Resolution	Receivership	
	Sales	Collections	Sales	Sales & Collections	Total
Securities	$1,100	$373	$0	$959	$2,431
1–4 Family Mortgages	708	233	0	1,758	2,700
Other Mortgages	267	116	0	1,852	2,234
Other Loans	21	65	0	346	433
REO	89	0	0	397	486
Other Assets	6	69	0	2,460	2,535
TOTALS	$2,191	$856	$0	$7,772	$10,819

1992 Year to Date

	Conservatorships		Resolution	Receivership	
	Sales	Collections	Sales	Sales & Collections	Total
Securities	$5,664	$4,947	$3,295	$3,568	$17,475
1–4 Family Mortgages	4,104	2,026	800	11,330	18,260
Other Mortgages	1,496	1,155	1,312	7,951	11,914
Other Loans	773	619	432	2,403	4,227
REO	641	0	95	1,660	2,396
Other Assets	530	684	225	5,335	6,774
TOTALS	$13,209	$9,431	$6,159	$32,247	$61,046

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

RESOLUTION SALES & ASSET PUTBACKS
(DOLLARS IN MILLIONS)

Inception Through September 1992

	Gross Resolution Sales	Asset Putbacks	Net
Securities	20,898	490	$20,408
1–4 Mortgages	28,831	13,259	$15,571
Other Mortgages	11,241	5,652	$5,589
Other Loans	6,421	3,083	$3,339
REO	200	53	$147
Other Assets	1,244	789	$455
TOTALS	$68,835	$23,325	$45,509

YTD September 1992

	Gross Resolution Sales	Asset Putbacks *	Net
Securities	$3,295	$194	$3,101
1–4 Mortgages	$800	$429	$371
Other Mortgages	$1,312	$612	$700
Other Loans	$432	$198	$234
REO	$95	$7	$88
Other Assets	$225	$168	$57
TOTALS	$6,159	$1,607	$4,552

* Asset putbacks during 1992 include assets put back from resolutions prior to 1992 as well as 1992 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. Data also include other principal disbursements on assets, such as disbursements on loans in process or transactions with subsidiaries. However, data exclude transfer of REO from one subsidiary to a receivership totaling $200 million.

the 652 resolved institutions was slightly higher -- 85% -- reflecting the volume of assets passed at resolution and the amount of time that these institutions have been under RTC control. For the 69 conservatorships existing on September 30, book value sales and principal collections from inception through September were only 54% of the beginning book value of assets.

The RTC also collected $0.3 billion in receivership income in September. From its inception to September 30, 1992, the RTC has collected $13.1 billion in receivership income.

ASSET PUTBACKS

Assets put back to the RTC in September, primarily from assets passed to acquirers in earlier months, totalled $280 million. From the inception of the RTC through September 1992, asset putbacks totalled $23.3 billion, which is about 34% of the assets initially passed to acquirers. On September 30, 1992, outstanding assets subject to put totalled $147 million. This figure represents assets that the RTC might be required to purchase from acquirers of failed thrifts over the next few months.

MAJOR ASSET SALES:

Recent RTC asset sales include:

* The Clarion Hotel in New Orleans, LA, was sold to 1500 Canal Street Investors, L.P., an affiliate of Patriot American Clarion Acquisition, Dallas, TX, for $25.5 million. The 759-room hotel, located at 1500 Canal Street, was sold through a sealed-bid process. As part of the sales agreement, the RTC provided the buyer with a $20 million, seven-year loan. The property was an asset retained by the RTC following the resolution of Hill Financial Savings Association, Red Hill, PA, on October 13, 1989.

- Twenty-four residential and commercial properties in the Waterloo, IA, area were sold during a September auction for approximately $1.1 million. The properties, which included 11 single-family residences and 13 commercial and land properties, were assets retained by the RTC following the resolution of Statesman Federal Savings Bank, Des Moines, IA, on March 1, 1991.

- Forty-seven cooperative units in River Place Condominiums, Arlington, VA, were sold through the RTC's Affordable Housing Disposition Program for $900,000. The efficiency and one- and two-bedroom units were sold to the Senior Citizens Housing Development Company, a subsidiary of the National Council of Senior Citizens, both non-profit organizations in Washington, DC. The housing units will be leased exclusively to low-income and senior citizen tenants, and will be subject to Arlington County, VA, rent restrictions. The properties were assets retained by the RTC following the resolution of TrustBank Federal Savings Bank, Tysons Corner, VA, on March 20, 1992.

SOURCES AND USES OF FUNDS

From its inception through September 30, 1992, the RTC obtained $133 billion in funds from the following external sources: $50 billion in FIRREA appropriations, $37 billion in loss funds authorized by 1991 Acts of Congress, and $47 billion in Federal Financing Bank (FFB) borrowings. The RTC also obtained $72 billion in recoveries from receiverships.

The FIRREA appropriations include $30.1 billion from REFCORP, $18.8 billion in Treasury funding, and $1.2 billion in FHLB contributions. The Resolution Trust Corporation Funding Act of 1991 and the RTC Refinancing, Restructuring, and Improvement Act of 1991 provided for an additional $30 billion and $25 billion, respectively, in loss funds through Treasury appropriations. The Improvement Act allowed the RTC to obligate funds for new resolutions up to April 1, 1992. On April 30, 1992, the RTC returned $18.3 billion to the Treasury Department that had not been obligated by the April 1, 1992 deadline.

SOURCES AND USES OF FUNDS
($ in billions)
Inception through September 30, 1992

SOURCES:	
Initial Treasury Appropriations	$ 18.8
FHLB Contribution	1.2
REFCORP Borrowings	30.1
Additional Appropriations	36.7
FFB Borrowings	46.5
Total External Sources	133.3
Recoveries from Receiverships	71.6
TOTAL SOURCES	$204.9
USES:	
Resolutions and Receivership Funding	$ 190.1
Conservatorship Advances Outstanding *	4.4
FFB Interest	6.4
Other Disbursements (Net)**	-0.5
TOTAL USES	200.4
NET CASH AVAILABLE	$ 4.5

* 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.

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 652 resolutions through September 30 required outlays of $190.1 billion from the RTC. Outstanding advances to conservatorships existing at the end of September totalled $4.4 billion. Interest on FFB borrowings was $6.4 billion. This left $4.5 billion in cash on hand on September 30, 1992.

NEWS NOTES:

RTC MEETS ASSET REDUCTION AND PRINCIPAL CASH COLLECTION GOALS FOR FISCAL 1992; ESTABLISHES SALES GOAL FOR CALENDAR 1993

The Resolution Trust Corporation (RTC) established its calendar 1993 book value asset reduction goal of $70 billion and reported that it met its goals for fiscal 1992.

"I am proud we met our goals for the 1992 fiscal year despite the fact that we've been without funding since April 1992," said Albert V. Casey, RTC President and Chief Executive Officer. "Without funds, S&L franchise sales halted, which meant we could not market assets in conjunction with franchise sales. Typically, we sell approximately 20 percent of a thrift's assets to the purchaser of a deposit franchise. Obviously, funding would have helped us increase our asset sales in addition to reducing the $6 million average daily losses S&L conservatorships are incurring."

"Our sales goal of $70 billion for 1993 recognizes we will be marketing some of our most distressed assets," said Mr. Casey. "The RTC has met every sales target established since the agency was chartered in 1989 and we expect to meet this new goal."

The RTC concluded the fiscal year ending September 30, 1992, by exceeding its $100 billion asset reduction goal by $1 billion and the principal cash collection goal of $86 billion by $2 billion.

From October 1, 1991, through September 30, 1992, the RTC disposed of $101 billion in assets (book value), recovering $88 billion, or 87 percent of book value. Receivership income during fiscal year 1992 totaled $5 billion, raising total cash collections (principal and income) to $93 billion.

The $101 billion of book value sales and principal collections included $27 billion in securities, $29 billion in one-to-four-family mortgages, $20 billion in other mortgages, $7 billion in other loans, $6 billion in real estate, and $12 billion in other assets.

RTC'S CASEY REFUTES ALLEGATIONS CONCERNING PURSUIT OF S&L WRONGDOERS

On October 1, 1992, Albert V. Casey, President and CEO of the RTC, refuted allegations made by aggrieved employees that the reorganization of the agency is intended to diminish its pursuit of improper conduct on the part of S&L officers and directors.

"The fact is, we have made our legal program more efficient and focused, and have established a more vigorous program since the reorganization than was previously the case," Mr. Casey said.

"Contrary to the suggestions of some employees who may be displaced or reassigned by our restructuring efforts and contrary to the questions of propriety raised by some members of Congress, the streamlining of RTC operations is not fueled by a political conspiracy designed to impede vigorous pursuit of S&L wrongdoers. The facts, if objectively reviewed, show that litigation is being initiated when supported by fact and where there is a prospect of a meaningful recovery for the taxpayer," Mr. Casey stated.

In testimony on October 1, 1992, before the Senate Committee on Banking, Housing and Urban Affairs, Mr. Casey noted that he is the only political appointee at the RTC. He went on to state that decisions regarding the filing of lawsuits are made by career government employees with lengthy and distinguished careers in bank supervision. As a result of the efforts of these employees, the facts on the RTC's pursuit of wrongdoers through its professional liability program, as described by Mr. Casey, are as follows:

* Outside directors were named as defendants in 90 of the 94 director and officer lawsuits filed between January 1, 1992, and September 15, 1992, in which at least one director was named as a defendant. This refutes the allegations that RTC management is promoting leniency for outside directors.

* In all 90 cases, the RTC alleged negligence as a basis of liability, which conclusively refutes assertions that the negligence standards had been deemed insufficient to support the filing of cases by RTC Legal Division management.

* The current Professional Liability Section (PLS) management team is well-qualified and experienced; five of the six PLS managers were in place prior to the reorganization.

* The number of authorized attorney positions devoted to PLS efforts has been increased from 73 in January 1992 to 91 in September 1992. The staff attorneys presently in place are as qualified, or more qualified, than the staff attorneys prior to reorganization.

Mr. Casey also stated, "From all of the foregoing it is clear that there is not now nor has there ever been any effort to weaken or destroy the RTC's professional liability program. Far from being weakened, the program has been strengthened and is in the hands of capable and experienced managers."

A summary of the RTC staff report is available from the RTC Reading Room in Washington, D.C., and from the Public Service Centers in the RTC's field offices.

RTC SELLS FIRST LARGE PORTFOLIO OF NON-PERFORMING HOTEL ASSETS

The RTC has signed a contract with Chequers Investment Associates for the sale of its first large structured portfolio of hotel properties, performing loans, and non-performing loans collateralized by hotel assets.

The agreement between the RTC and Chequers Investment Associates will result in the sale of a portfolio consisting of six REO properties, eight performing loans, and 41 non-performing loans. The loans are collateralized by 49 hotel assets, with a total book value of $237 million.

The transaction is expected to close this month. The terms of the sale will be available after closing.

Chequers Investment Associates is owned by Dallas-based Ashford Financial Corporation, whose principal shareholder is Montgomery Bennett, and Chartwell Hotels, L.P., an investment partnership comprised of members of the Fisher Family of New York City and an affiliate of Gordon P. Getty.

"We are very happy with this agreement," said Ron Cline, Director of the RTC's National Sales Center. "We are now completing work on two additional portfolios of hotel assets to be offered soon, with a total book value of at least $500 million."

"Secured Capital Corp of Los Angeles, which served as the financial advisor to the RTC on this offering, is also expected to assist us in part of the upcoming offerings," Cline added.

In the sale to Chequers, 84 percent of the portfolio is in the form of non-performing loans, with the remainder in REO and performing loans. Combined, the REO and underlying assets are located in 14 different states and comprise approximately 7,000 hotel rooms.

Approximately half of the units are independents and the remainder are affiliated with numerous franchise companies which compete in the mid-priced hotel market. Chequers has contracted with Remington Hotel Corporation, a Dallas-based hotel management firm headed by Archie Bennett, Jr., to manage the REO properties purchased.

Martin Edelman, spokesman for the investment group, said, "The owners have contracted with a Hospitality Franchise Systems (HFS) subsidiary which owns the franchise rights for the Days Inn, Ramada and Howard Johnson chains to have certain properties Chequers owns operate under their brands. HFS was chosen because of the diversity of the brand names offered, the individual brand management and advertising of each, and the fact that all their brands offer full service and limited service choices as appropriate."

Henry R. Silverman, Chairman and CEO of HFS, said, "We are very pleased about this arrangement with Chequers Investment Associates. We have full confidence that Remington Hotel Corporation will do an outstanding job in providing the highest service levels to the consumer."

Investors were asked to submit sealed bids on the entire offering or any combination of five structured sub-pools. Twenty-eight bidders submitted 71 different offers. The portfolio is referred to as EROST-004 (Eastern Region Office Structured Transaction).

RTC OFFERS TWO NEW ISSUES OF MORTGAGE-BACKED SECURITIES

The RTC offered two mortgage pass-through securities issues in October totaling about $1.8 billion. The securities are designated RTC Mortgage Pass-Through Certificates, Series 1992-15, and RTC Commercial Mortgage Pass-Through Certificates, Series 1992-CHF.

The Series 1992-15 securities, priced on October 23, 1992, are backed by approximately $621 million of fixed- and adjustable-rate single-family mortgage loans originated by 217 savings associations prior to their placement in the RTC's conservatorship program. Bear, Stearns & Co., Inc. served as the lead managing underwriter for the offering.

The Series 1992-CHF securities, priced on October 26, 1992, are backed by approximately $1.2 billion of fixed- and adjustable-rate commercial and multi-family mortgage loans, all originated by HomeFed Bank, FA, San Diego, California, prior to its placement in the RTC's conservatorship program. Goldman, Sachs & Co. served as the lead managing underwriter for the offering.

Since February 1992, the RTC has completed seven commercial mortgage securities offerings totaling approximately $4.9 billion.

Separately, since April 1991, the RTC has registered with the Securities and Exchange Commission (SEC) a total of $24 billion of residential, multi-family and manufactured housing mortgage pass-through securities. There have been 43 previous takedowns from the RTC's $24 billion shelf totaling approximately $23 billion. In addition, the RTC filed a separate registration with the SEC for one home equity loan securities issue totaling about $300 million.

TWO TEXAS MEN INDICTED ON CHARGES OF BRIBING RTC OFFICIAL AND CONTRACTOR

Two San Antonio, Texas, men were indicted by a federal grand jury in San Antonio on October 15, 1992, on conspiracy and bribery charges for allegedly bribing an RTC official in order to obtain an RTC-owned property. The indictment followed an investigation by special agents of the RTC's Office of Inspector General (OIG) and the Federal Bureau of Investigation (FBI), which was initiated based on information from an employee of an RTC contractor managing the property.

According to the five-count indictment, Morris Cukier and George W. Gardner allegedly offered a bribe to the contractor employee in exchange for the RTC's acceptance of their bid for an RTC-owned promissory note with a book value of approximately $455,000. The note is collateralized by the John Oliver Building, located at 8151 Broadway Avenue, San Antonio. The contractor reported the matter to the OIG, which then sent an OIG investigator to pose as the RTC official who could approve the deal.

The indictment alleges that Cukier and Gardner gave the RTC official a $2,000 bribe on September 23, 1992, and that Cukier gave the RTC official a $3,000 bribe on October 9, 1992, while attempting to purchase the note. Cukier was arrested immediately after providing the second alleged bribe. Gardner was arrested later that day at the John Oliver Building. Their arrests were reported by the RTC on October 14, 1992.

The defendants are charged with conspiracy, bribery of public officials, bribery concerning programs receiving federal funds, and aiding and inducing a bribe of RTC officials. If convicted of all the charges, the two defendants face a total of 90 years in prison and more than $5 million in fines.

For further information, contact Clark W. Blight of the RTC OIG on 703-908-7860.

TELLERS SENTENCED FOR EMBEZZLING $170,000 FROM ARIZONA THRIFT

Mary Ellen Escobar and Diane L. Lopez, who worked as tellers at the Nogales, Arizona, branch of the former Security Savings and Loan Association (Security Savings), Scottsdale, Arizona, were sentenced on October 6, 1992, in U.S. District Court, District of Arizona, for embezzling approximately $170,000 from the thrift between February 1990 and March 1991. Security Savings was resolved by the RTC on March 15, 1991.

Escobar and Lopez were each sentenced to 10 months in prison to be followed by five years of probation. Each was also ordered to pay $85,000 in restitution. Escobar and Lopez pleaded guilty on July 23, 1992, to embezzling the funds from the thrift by obtaining fraudulent loans on customers' certificates of deposit and forging withdrawals from various accounts.

The prosecution of Escobar and Lopez followed a joint investigation by the RTC OIG and the FBI.

For further information, contact Clark W. Blight of the RTC OIG on 703-908-7860.

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.

To receive the RTC Review monthly, write to: RTC Office of Corporate Communications, 10th Floor, RTC Review Mailing List, 801 17th Street, NW, Washington, DC 20434-0001.

All RTC news releases are also available through WR Systems, a facsimile dial-up service. To access WR Systems, interested individuals can dial 1-800-257-2921 or 703-691-4670, if dialing from Virginia. The voice menu will provide an index of all available RTC news releases. Users have 24-hour access to RTC news releases through WR Systems. System users will incur a per-page fee for document retrieval and per-minute on-line phone charge. All fees can be billed either to a credit card or an account number established with WR Systems.

RTC Resolutions
Inception to September 30, 1992
(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	158	$30.3	$0.1	.67 %	12.56 %	$30.9	2,985
PA	406	178.2	3.0	2.41	22.64	157.3	18,250
PO	88	7.6	0.0	0	0	8.2	615
Total	652	$216.1	$3.1	2.08 %	20.42 %	$196.4	21,850

* Deal Type:

IDT = Insured Deposit Transfer

PA = Purchase of Assets and Assumption of Liabilities

PO = Insured Deposit Payoff

** 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. Number of Accounts are as of quarter before resolution.

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) 782-8806
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) 416-7556
Low Income Housing Program	(202) 416-7348

Reading Room – Public Information	(202) 416-6940
Main Operator	(202) 416-6900
RTC Costa Mesa Office	(800) 283-9288
RTC Denver Office	(800) 542-6135
RTC Dallas Office	(800) 782-4674
RTC Kansas City Office	(800) 365-3342
RTC Atlanta Office	(800) 628-4362
RTC Valley Forge Office	(800) 782-6326

Note:

Costa Mesa Office – CA

Denver Office – AZ, CO, HI, NM, NV, UT

Dallas Office – LA, MS, TX

Kansas City Office – AK, AR, IA, ID, IL, IN, KS, KY, MI, MN, MO, MT, ND, NE, OH, OK, OR, SD, WA, WI, WY

Atlanta Office – AL, DC, FL, GA, MD, NC, PR, SC, TN, VA, WV

Valley Forge Office – CT, DE, MA, ME, NH, NJ, NY, PA, RI, VT

Asset Reductions
By Type of Asset
(Dollars in Millions)

	Inception Through 9/30/92	September 1992	1992 To Date
Cash & Securities			
Book Value Reduction	$122,612	$2,364	$17,798
Discount from Book Value	2,780	(67)	323
Sales & Principal Collections	119,832	2,431	17,475
1–4 Family Mortgages			
Book Value Reduction	87,431	2,823	18,924
Discount from Book Value	3,039	123	664
Sales & Principal Collections	84,391	2,700	18,260
Other Mortgages			
Book Value Reduction	41,104	3,602	15,448
Discount from Book Value	5,555	1,367	3,534
Sales & Principal Collections	35,549	2,234	11,914
Other Loans			
Book Value Reduction	24,545	571	4,734
Discount from Book Value	1,635	138	507
Sales & Principal Collections	22,910	433	4,227
Real Estate			
Book Value Reduction	15,178	1,061	4,847
Discount from Book Value	5,571	575	2,451
Sales & Principal Collections	9,607	486	2,396
Other Assets			
Book Value Reduction	18,181	3,084	9,000
Discount from Book Value	3,207	549	2,226
Sales & Principal Collections	14,974	2,535	6,774
Total Assets			
Book Value Reduction	309,050	13,504	70,751
Discount from Book Value	21,788	2,685	9,706
Sales & Principal Collections	$287,263	$10,819	$61,046

Notes: Data for inception through September 30, 1992 are net of putbacks recorded to date.

Data exclude transfer of REO from one subsidiary to a receivership totaling $200 million.

Resolution sales are shown at book value. Proceeds of assets sales at resolution are not separable from amounts paid for deposits of resolved thrifts.

Beginning Assets and Asset Reductions
Inception Through September 1992
($ in billions)

652 Closed Institutions

	Cash & Securities /3	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate /4	Subsid-iaries	Other Assets	Total
Assets at Takeover	$86.0	$92.3	$66.0	$26.0	$26.3	$8.8	18.7	$324.1
Reductions During Conservatorship								
Sales Proceeds	41.0	15.0	2.3	3.6	4.9	0.2	1.1	68.2
Payment & Maturities	27.4	12.5	8.9	7.3	0.0	1.0	1.0	58.1
Other Changes (Net) /1	(21.3)	2.0	2.3	(3.4)	4.1	8.1	(10.2)	(18.4)
Assets at Resolution	38.8	62.8	52.5	18.4	17.3	(0.6)	26.9	216.1
Resolution & Receivership Reductions								
Assets Passed (Net of Putbacks)	20.4	15.6	5.6	3.3	0.1	0.0	0.4	45.5
Assets Retained (After Putbacks)	18.4	47.2	47.0	15.1	17.1	(0.6)	26.4	170.6
Principal Collections	13.0	33.7	15.7	7.1	4.0	0.1	10.2	83.8
Other Changes (Net) /2	0.9	4.5	3.2	2.4	2.8	(7.0)	7.4	14.2
Receivership Assets as of September 30, 1992	$4.5	$9.0	$28.1	$5.5	$10.3	$6.3	$8.8	$72.5

69 Conservatorship Institutions

	Cash & Securities	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate	Subsid-iaries	Other Assets	Total
Assets at Takeover	$20.4	$16.7	$11.9	$3.0	$3.5	$1.2	$2.2	$58.9
Reductions During Conservatorship								
Sales Proceeds	11.6	5.3	1.8	0.8	0.5	0.0	0.5	20.5
Payment & Maturities	6.4	2.3	1.3	0.7	0.0	0.1	0.3	11.1
Other Changes (Net)	(6.2)	0.1	0.3	(0.0)	0.2	0.1	(1.0)	(6.6)
Conservatorship Assets as of September 30, 1992	$8.7	$9.0	$8.5	$1.5	$2.8	$1.0	$2.4	$34.0

Beginning Assets and Asset Reductions
Inception Through September 1992
($ in billions)

All 721 Institutions

	Cash & Securities /3	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate /4	Subsid-iaries	Other Assets	Total
Assets at Takeover	$106.4	$109.0	$77.9	$29.0	$29.8	$10.0	$20.9	$383.1
Reductions During Conservatorship								
Sales Proceeds	52.6	20.3	4.0	4.4	5.4	0.2	1.6	88.7
Payment & Maturities	33.8	14.8	10.3	8.0	0.0	1.1	1.3	69.2
Other Changes (Net) /1	(27.5)	2.1	2.6	(3.4)	4.3	8.2	(11.2)	(25.0)
Assets at Resolution	38.8	62.8	52.5	18.4	17.3	(0.6)	26.9	216.1
Resolution & Receivership Reductions								
Assets Passed (Net of Putbacks)	20.4	15.6	5.6	3.3	0.1	0.0	0.4	45.5
Assets Retained (After Putbacks)	18.4	47.2	47.0	15.1	17.1	(0.6)	26.4	170.6
Principal Collections	13.0	33.7	15.7	7.1	4.0	0.1	10.2	83.8
Other Changes (Net) /2	0.9	4.5	3.2	2.4	2.8	(7.0)	7.4	14.2
Conservatorship and Receivership Assets as of September 30, 1992	$13.2	$18.0	$36.6	$7.1	$13.1	$7.4	$11.2	$106.5

/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 $15.9 billion of receivership cash and investments available for the payment of expenses and dividends.

/4 Transfer of REO from one subsidiary to a receivership is included in Other Changes.