RTC REVIEW

RESOLUTION TRUST CORPORATION

VOL. III NO. 12 December 1992

Albert V. Casey, President, Chief Executive Officer

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

* **RTC Sold and Collected Assets with Book Value of $7.4 Billion in October, $316 Billion, Net of Assets Putback to RTC, Since Inception.**

* **Recoveries on Asset Reductions Totalled $6.2 Billion (84% of Book Value) in October, $293 Billion (93% of Book Value) Since Inception.**

* **No RTC Thrift Closings in October Due to a Lack of Funding. One Institution Closed in November at No Resolution Cost.**

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

RTC CASELOAD

The RTC did not close any institutions in October due to a lack of funding; in November one institution was closed that involved no resolution cost.

Through November 30, 1992, the RTC resolved 653 institutions. The RTC took four institutions into its conservatorship progam in October and five institutions in November. As a result, the number of conservatorship institutions increased to 73 at the end of October and 77 at the end of November. In the absence of additional funding, the number of conservatorships continues to grow.

ASSET INVENTORY

In October, the amount of assets under RTC management, including both conservatorships and receiverships, decreased from $107 billion to $106 billion. The decrease in assets reflects the ongoing sales effort by the RTC

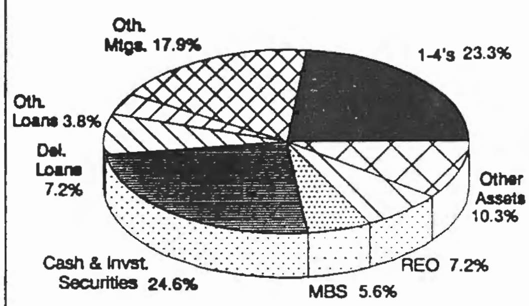
RTC October Caseload
($ in billions)

	Number	Assets	Liabilities	Deposits
End of September	69	$34.0	$34.6	$25.6
New Conservatorships	4	4.0	3.7	2.7
Resolved Cases	0	0.0	0.0	0.0
End of October	73	$37.2	$38.3	$28.3

Assets based on preliminary 10/31/92 and 9/30/92 financial reports.
Liabilities and Deposits based on 9/30/92 financial reports.

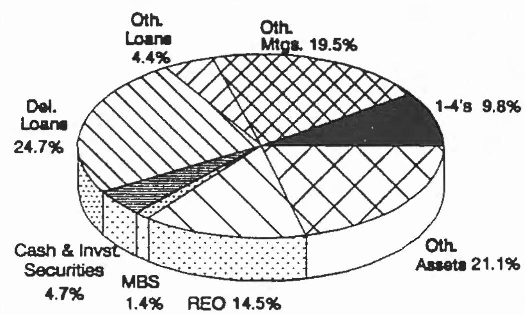
CONSERVATORSHIP, RECEIVERSHIP ASSETS
UNDER RTC MANAGEMENT
As of October 31, 1992

CONSERVATORSHIPS
As of October 31, 1992



(Percentage Of Gross Assets)

RECEIVERSHIPS
As of October 31, 1992



(Percentage Of Gross Assets)

CONSERVATORSHIP INSTITUTIONS (dollars in billions)

	Amount	Percent Gross Assets
Cash & Invst. Sec.	$ 9.2	24.6%
Mtg. Backed Sec.	2.1	5.6
Perf. Lns. - Total	16.7	45.0
1-4 Family Mtgs.	8.7	23.3
Cstrn. & Land	1.6	4.3
Other Mtgs.	5.0	13.6
Other Loans	1.4	3.8
Del. Lns. - Total	2.7	7.2
1-4 Family Mtgs.	0.4	1.2
Cstrn. & Land	0.9	2.5
Other Mtgs.	1.0	2.8
Other Loans	0.3	0.7
Real Estate Owned	2.7	7.2
Subsidiaries	1.0	2.7
Other Assets	2.8	7.6
Gross Assets	$ 37.2	100.0 %

Data based on preliminary 10/31/92 information
Number of institutions: 73

RECEIVERSHIP INSTITUTIONS (dollars in billions)

	Amount	Percent Gross Assets
Cash & Invst. Sec.*	$ 3.2	4.7%
Mtg. Backed Sec.	0.9	1.4
Perf. Lns. - Total	23.1	33.7
1-4 Family Mtgs.	6.7	9.8
Cstrn. & Land	3.1	4.5
Other Mtgs.	10.3	14.9
Other Loans	3.0	4.4
Del. Lns. - Total	16.9	24.7
1-4 Family Mtgs.	1.5	2.2
Cstrn. & Land	5.1	7.5
Other Mtgs.	8.1	11.8
Other Loans	2.2	3.2
Real Estate Owned	9.9	14.5
Subsidiaries	6.2	9.0
Other Assets	8.3	12.1
Gross Assets	$ 68.7	100.0%

Data based on preliminary 10/31/92 information
Number of institutions: 652

* Excludes $14.9 billion in cash, investments (including restricted investments), and accounts receivable accumulated by Receiverships.

from its conservatorship and receivership programs. Over the past 15 months, assets under RTC management have dropped $48 billion.

The $106 billion of assets under RTC management on October 31 consisted of: $15 billion in cash and securities, $15 billion in performing 1-4 family mortgages, $24 billion in other performing loans, $20 billion in delinquent loans, $13 billion in real estate, $7 billion in investments in subsidiaries, and $11 billion in other assets.

The 73 conservatorships held $37 billion in gross assets on October 31, 1992. Of the total, cash and securities (including a substantial amount pledged as collateral against borrowings) represented 30%; performing 1-4 family mortgages, 23%; other performing loans, 22%; delinquent loans, 7%; real estate, 7%; investments in subsidiaries, 3%; and other assets, 8%.

The 652 receiverships held $69 billion in assets on October 31. 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 39% of receivership assets. Cash, securities, and performing 1-4 family mortgages represented only 16% of receivership assets. Moreover, a substantial amount of the securities and performing mortgages in receivership were pledged for secured borrowings or substandard loans. The $69 billion excludes approximately $15 billion in cash, liquid investments, and accounts receivable accumulated from receivership collections.

THRIFT CLOSINGS

The RTC closed no institutions in October and one institution in November. As of the end of November, RTC resolutions had protected 21.9 million deposit accounts from financial loss. These accounts had an average account balance of $8,968.

The total number of thrift closings was 652 from the establishment of the RTC in August 1989 through October 31, 1992. These thrifts held $216 billion in assets at the time of closure. Of the total, $45 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.

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 resolutions were P&As, these transactions accounted for 80% of the deposits that have been made whole by the RTC from its inception through October 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.

ASSET REDUCTIONS

In October, the proceeds of asset sales and other principal collections were $6.2 billion. This included sales and principal collections from conservatorship institutions and receiverships. Due to asset putbacks of $261 million, net asset collections were $6.0 billion in October.

October sales and collections of $6.2 billion included $2.1 billion in sales proceeds from conservatorships, $0.9 billion in other conservatorship asset collections, and $3.2 billion in receivership sales and principal collections.

October activity brought total sales and principal collections since inception to $293 billion, net of putbacks to date.

Since its inception, the RTC collected $91 billion through conservatorship sales, $70 billion in other conservatorship collections, $45 billion in resolution sales (net of putbacks), and $87 billion in receivership sales and principal collections. From inception through October, the RTC collected $121 billion from securities, $86 billion from 1-4 family mortgages, $37 billion from other mortgages, $23 billion from non-mortgage loans, $10 billion from real estate, and $16 billion from other assets.

In terms of book value, October sales and collections were $7.4 billion. The average recovery rate on the collection of these assets was 84%. From the inception of the RTC through October, book value asset reductions were $316 billion, and the RTC recovered 93% on these collections.

The $316 billion in book value sales and principal collections represented 82% of the total book value of assets of all 725 institutions taken over by the RTC at the time they came under its control. The comparable figure for the 652 resolved institutions was slightly higher -- 87% -- reflecting the volume of assets passed at resolution and the amount of time that these institutions have been under RTC control. For the 73 conservatorships existing on October 31, book value sales and principal collections from inception through October were only 56% of the beginning book value of assets.

The RTC also collected $0.3 billion in receivership income in October. From its inception to October 31, 1992, the RTC has collected $13.4 billion in receivership income.

MAJOR ASSET SALES:

Recent RTC asset sales include:

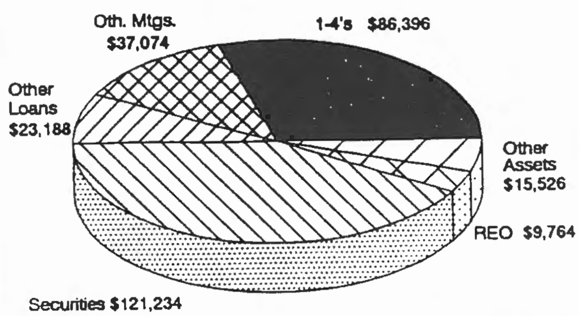
* Knutson Mortgage Corporation, Bloomington, MN, was sold to an investor group including Goldner Hawn Johnson & Morrison, Minneapolis, MN, for approximately $96.5 million in an all-cash transaction. The sale included substantially all of Knutson Mortgage Corporation's assets, including approximately $10 billion in mortgage servicing rights. Knutson Mortgage Corporation was a subsidiary of Home Owners Savings Bank, F.S.B., Burlington, MA, which was resolved by the RTC on September 7, 1990.

* AccuBanc Mortgage Corporation, Dallas, TX, was sold to Merit Investment Corporation, Dallas, for $75.4 million in an all-cash transaction. The sale included all of the assets of AccuBanc Mortgage Corporation and subsidiaries, including $3.5 billion in mortgage servicing rights. AccuBanc Mortgage Corporation was a subsidiary of El Paso Federal Savings Association, El Paso, TX, which was resolved by the RTC on September 20, 1991.

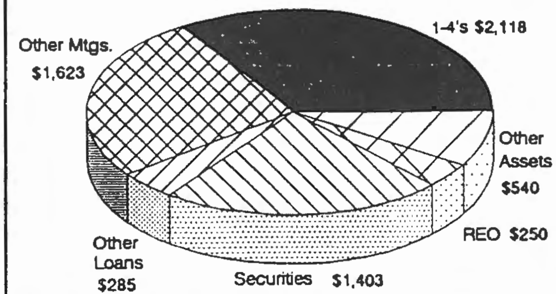
* Sunbelt National Mortgage Corporation, Dallas, TX, was sold to SNMC Acquisition Corporation, Dallas, for $73.1 million in an all-cash transaction. The sale included all of Sunbelt National

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

INCEPTION 1989 THROUGH OCTOBER 1992
($ in millions)



OCTOBER 1992
($ in millions)



Inception Through October 1992

	Conservatorships		Resolution	Receivership	
	Sales	Collections	Sales (Net) *	Sales & Collections	Total
Securities	$53,305	$34,211	$20,408	$13,310	$121,234
1–4 Family Mortgages	21,225	15,036	15,457	34,676	86,396
Other Mortgages	4,280	10,344	5,490	16,960	37,074
Other Loans	4,409	8,105	3,332	7,343	23,188
REO	5,552	0	50	4,162	9,764
Other Assets	1,990	2,425	466	10,644	15,526
TOTALS	$90,762	$70,122	$45,204	$87,095	$293,182

October 1992

	Conservatorships		Resolution	Receivership	
	Sales	Collections	Sales	Sales & Collections	Total
Securities	$702	$434	$0	$267	$1,403
1–4 Family Mortgages	877	266	0	975	2,118
Other Mortgages	248	81	0	1,294	1,623
Other Loans	13	72	0	200	285
REO	115	0	0	135	250
Other Assets	129	41	0	370	540
TOTALS	$2,084	$894	$0	$3,241	$6,220

1992 Year to Date

	Conservatorships		Resolution	Receivership	
	Sales	Collections	Sales	Sales & Collections	Total
Securities	$6,366	$5,381	$3,295	$3,836	$18,878
1–4 Family Mortgages	4,981	2,292	793	12,305	20,371
Other Mortgages	1,745	1,237	1,268	9,245	13,493
Other Loans	786	691	428	2,602	4,508
REO	756	0	95	1,795	2,646
Other Assets	659	725	244	5,706	7,334
TOTALS	$15,293	$10,325	$6,123	$35,489	$67,231

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

RESOLUTION SALES
&
ASSET PUTBACKS
(DOLLARS IN MILLIONS)

Inception Through October 1992

	Gross Resolution Sales	Asset Putbacks	Net
Securities	20,898	490	$20,408
1–4 Mortgages	28,824	13,367	$15,457
Other Mortgages	11,196	5,706	$5,490
Other Loans	6,418	3,086	$3,332
REO	200	150	$50
Other Assets	1,263	797	$466
TOTALS	$68,799	$23,595	$45,204

YTD October 1992

	Gross Resolution Sales	Asset Putbacks *	Net
Securities	$3,295	$195	$3,100
1–4 Mortgages	$793	$536	$257
Other Mortgages	$1,268	$665	$602
Other Loans	$428	$201	$227
REO	$95	$101	($6)
Other Assets	$244	$175	$69
TOTALS	$6,123	$1,874	$4,250

* 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.

Mortgage Corporation's assets, including $4.9 billion in mortgage servicing rights. Sunbelt National Mortgage Corporation was a subsidiary of Sunbelt Federal Savings, FSB, Irving, TX, which was resolved by the RTC on April 10, 1992.

* The Park Laureate office building in Houston, TX, was sold to Houston Laureate Associates, Ltd., Houston, for $14.5 million. The nine-story, 153,00-square-foot building, located on nine acres, was an asset retained by the RTC following the resolution of Commonwealth Federal Savings Association, Houston, on June 21, 1991.

* The Days Inn Seminole Motel, a 54-unit motel in Seminole, FL, was sold to the Deaf Services Center Incorporated of Pinellas County, FL, for $1 million. The motel was sold through the RTC's Affordable Housing Disposition Program and was an asset retained by the RTC following the resolution of Royal Palm Federal Savings and Loan Association, West Palm Beach, FL, on June 8, 1990. The Deaf Services Center plans to renovate the motel to house and train hearing-impaired individuals.

SOURCES AND USES OF FUNDS

From its inception through October 31, 1992, the RTC obtained $129 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 $42 billion in Federal Financing Bank (FFB) borrowings. The RTC also obtained $77 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.

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 October 31 required outlays of $190.3 billion from the RTC. Outstanding advances to conservatorships existing at the end of October totalled $6.3 billion. Interest on FFB borrowings was $6.9 billion. This left $2.6 billion in cash on hand on October 31, 1992.

SOURCES AND USES OF FUNDS
($ in billions)
Inception through October 31, 1992

SOURCES:	
Initial Treasury Appropriations	$ 18.8
FHLB Contribution	1.2
REFCORP Borrowings	30.1
Additional Appropriations	36.7
FFB Borrowings	42.1
Total External Sources	128.9
Recoveries from Receiverships	76.7
TOTAL SOURCES	$205.6
USES:	
Resolutions and Receivership Funding	$ 190.3
Conservatorship Advances Outstanding *	6.3
FFB Interest	6.9
Other Disbursements (Net)**	-0.6
TOTAL USES	202.9
NET CASH AVAILABLE	$ 2.6

* 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.

NEWS NOTES:

RTC AND FANNIE MAE LAUNCH AFFORDABLE MULTIFAMILY HOUSING FINANCE PLAN

The RTC and the Federal National Mortgage Association (Fannie Mae) have launched a new financing initiative for the purchase of RTC multifamily properties that will provide affordable apartment rental housing for low- and moderate-income families.

Under the plan, Fannie Mae has agreed to buy up to $100 million in permanent financing for RTC multifamily properties in which a percentage of the units will be set aside at restricted rents for low-income families. The RTC will also provide second mortgages to non-profit organizations and government agencies, which allows such buyers to purchase the properties with minimum down payments of 5 percent; for-profit purchasers will be required to put down 30 percent.

The initiative is a joint effort between the RTC's Affordable Housing Disposition Program and Fannie Mae to help address the nation's unmet affordable housing needs. Under the RTC's affordable housing program, eligible organizations buying the properties must set aside at least 35 percent of the total project units at restricted rents for low-income families. Fifteen percent of the total project units must be occupied by "lower-income" families earning less than 80 percent of the area median income, and 20 percent of the total project units must be occupied by "very low-income" households earning less than 50 percent of the area median income.

Available for financing under the RTC/Fannie Mae plan are almost 300 RTC-owned apartment properties containing about 25,000 units. Most of the properties are located in Arkansas, Arizona, California, Colorado, Florida, Georgia, Kansas, New

Mexico, Oklahoma, and Texas. Other properties may be available for financing as additional thrifts are resolved. As of August 31, 1992, the RTC sold or accepted offers on 503 multifamily properties containing 50,895 units under its affordable housing program.

"A lack of financing from the private sector has been one of the great difficulties faced by purchasers of multifamily properties under the RTC's affordable housing program," said Stephen S. Allen, Director of the RTC's Affordable Housing Disposition Program. "In FIRREA, Congress envisioned that Fannie Mae would provide liquidity for low-income housing in areas where other private financing resources are scarce. That's now in place."

"Our investment in the mortgages on these apartment buildings is an important step in creating immediate, long-term housing for low-income families, and complements Fannie Mae's other affordable housing efforts for both renters and homebuyers," said Thomas W. White, senior vice president of Fannie Mae's Multifamily Housing Division. "This joint initiative places RTC properties in the hands of non-profit organizations and companies dedicated to affordable housing."

For more information on how to purchase multifamily properties under the RTC's Affordable Housing Disposition Program, interested buyers should call Gregory Orfalea of the RTC on 202-416-2823.

A fact sheet that details the RTC/Fannie Mae financing initiative along with the names and phone numbers of RTC affordable housing coordinators across the country is available from the RTC Reading Room in Washington, D.C., and from the Public Service Centers in the RTC's field offices.

RTC TO HOLD SECOND TAX-EXEMPT BOND OFFERING

The RTC is conducting a second offering under its Tax-Exempt Bond Initiative. The offering consists of a $500 million (book value) portfolio of non-performing loans and real estate owned (REO) financed by tax-exempt bonds.

The loans and REO will be offered in 32 pools stratified by asset type and geographic location. Bids may be submitted on the entire package or individual pools and are due on January 29, 1993. For more information about the offering, contact Sue Valenti of First Boston on 212-909-4282.

In its initial offering under the program, the RTC sold 15 pools of non-performing loans financed by tax-exempt bonds for approximately $117 million, or about 50 percent of book value. Closings on the various loan pools are expected by mid-January 1993, at which time full details will be available.

Under the Tax-Exempt Bond Initiative, the RTC sells loan assets along with the related tax-exempt bonds. The RTC has been buying back the tax-exempt bonds over the last six months and paying bond holders 100 percent of the bonds' value.

The implementation of the program maximizes the sales proceeds to the RTC as well as maintains the related multifamily housing projects as rental housing with at least 20 percent of the housing units restricted to occupancy by persons of low- and moderate-income. In this manner, the program seeks to assist the municipal jurisdictions in accomplishing their low- and moderate-income housing objectives.

The RTC is planning a third tax-exempt bond offering in the spring of approximately $300 million (book value) of non-performing loans and REO.

RTC'S JUNK BOND HOLDINGS REDUCED THROUGH SALES TO $211 MILLION

As of October 31, the RTC's junk bond inventory had been reduced to $211 million (face value) following the conclusion of sales initiatives that began on June 1. The RTC's remaining junk bond inventory consists primarily of illiquid private placements, pledged securities or bonds that cannot currently be offered because of legal restrictions.

Approximately $8.1 billion (face value) of junk bonds have been sold since the RTC's creation on August 9, 1989. The RTC has recovered approximately 65 percent of the total face value of junk bonds sold.

Approximately $1.1 billion (face value) of junk bonds were sold through the RTC's high-yield Securities Sales Program, which was completed on October 31. The program was divided into two sections: the "Bonds of Summer" sale, which began on June 1, 1992, and the "Packaged Sales" program, which began on September 15, 1992. Proceeds from the two sales totalled approximately $504 million.

RTC OFFERS TWO NEW ISSUES OF MORTGAGE-BACKED SECURITIES

The RTC offered two mortgage pass-through securities issues in November totaling about $1.8 billion. The securities are designated RTC Mortgage Pass-Through Certificates, Series 1992-16, and RTC Commercial Mortgage Pass-Through Certificates, Series 1992-C8.

The Series 1992-16 securities, priced on November 18, 1992, are backed by approximately $1 billion of fixed- and adjustable-rate single-family mortgage loans, all originated by HomeFed Bank, Federal Association, 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.

The Series 1992-C8 securities, priced on November 19, 1992, are backed by approximately $756 million of fixed- and adjustable-rate commercial mortgage loans, originated by approximately 38 savings associations prior to their placement in the RTC's conservatorship program. Merrill Lynch & Co. served as the lead managing underwriter for the offering.

Since February 1992, the RTC has completed eight commercial mortgage securities offerings totaling approximately $6.1 billion. Separately, since April 1991, the RTC has registered with the Securities and Exchange Commission (SEC) a total of $24 billion of residential, multifamily, and manufactured housing mortgage pass-through securities. There have been 44 previous takedowns from the RTC's $29 billion shelf totaling approximately $23.4 billion. In addition, the RTC filed a separate registration with the SEC for one home equity loan securities issue totaling about $300 million.

RTC TO SOLICIT BIDS FOR ACQUISITION OF 56 BRANCHES OF HOMEFED BANK, FEDERAL ASSOCIATION, SAN DIEGO, CALIFORNIA

On November 10, 1992, the RTC initiated the marketing process for 56 branches of HomeFed Bank, Federal Association (HomeFed), San Diego, California, which has been operating under RTC supervision since July 6, 1992. The 56 HomeFed branches, located in northern and central California, will be offered in 11 clusters. The branches collectively have deposits of approximately $1.6 billion in 134,000 deposit accounts.

"We believe these branch clusters represent attractive franchise opportunities. Due to their strategic position in the California market, we hope to move these deposits back into the private sector at no cost to the taxpayer," said RTC President and Chief Executive Officer Albert V. Casey.

In conjunction with the deposit franchise offering, the RTC is also marketing approximately $1.2 billion of HomeFed's performing assets. The assets to be sold include $1.11 billion in one- to four-family adjustable-rate mortgage loans, and $61 million in fixed- and adjustable-rate second mortgage loans. The assets will be offered on a servicing-released basis in two pools. One of the pools will be divided into four sub-pools. The structure of this asset offering is described in a bid package which was available on November 17, 1992.

A bidders' conference for the branch clusters is expected to be held in early December, with bids due in January 1993. Bids on the loan pools also will be due in January 1993. Deposit acquirers may link their bids for deposits and assets.

A listing of the branch clusters and the assets being offered is available from the RTC's Reading Room in Washington, D.C. Interested branch bidders may contact Kevin Sheehan at the RTC on 202-416-7539 for further information. Interested asset bidders may contact Price Waterhouse at 619-627-0500 for further information.

RTC SUBCONTRACTOR SENTENCED FOR EMBEZZLEMENT

Harvey Grathwohl of Gulfport, Mississippi, who worked as a subcontractor for the RTC, was sentenced on November 10, 1992, to 14 months in prison after pleading guilty to embezzling funds from the RTC between February 1991 and July 1991.

Grathwohl, who pleaded guilty on September 9, 1992, to one count of embezzlement, was also fined $3,000 and ordered to make restitution of $850.

Grathwohl embezzled over $30,000 in rental receipts from Rolling Hills Mobile Home Estates, Biloxi, Mississippi. His company, Capital Management Associates, Inc. (CMA), Gulfport, was hired as a subcontractor to manage the mobile home park for the RTC. The park was an asset of the former Gibraltar Savings, F.A., Simi Valley, California.

The investigation was conducted by the RTC's Office of Inspector General (OIG) in conjunction with the U.S. Attorney's Office in Jackson, Mississippi, after an RTC contractor, Simon Asset Management Group (Simon Asset), Oklahoma City, Oklahoma, reported the embezzlement to the RTC OIG. Simon Asset subcontracted with CMA to manage the mobile home park.

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

FORMER NORTH CAROLINA BUSINESS OWNERS, TWO BUSINESSMEN SENTENCED IN NORTH CAROLINA S&L FRAUD SCHEME

The former owners of two North Carolina companies and two businessmen were sentenced on November 24, 1992, for their involvement in a loan fraud scheme at the former First Federal Savings Association of Raleigh (First Federal), Raleigh, North Carolina. First Federal was resolved by the RTC on March 6, 1992.

Louis T. Mancuso and his wife, Susan L. Mancuso, who owned and operated Precision Erectors, Inc. and Piedmont Installers, Inc., Youngsville, North Carolina, and now reside in Bakersfield, California, were found guilty in August 1992 on three counts of conspiracy to commit bank fraud and 17 counts of bank fraud in connection with a scheme to divert more than $550,000 in loan repayments from First Federal between August 1990 and March 1991. Louis Mancuso was also found guilty of making false statements to First Federal to conceal the diversion of funds.

Louis Mancuso received a three-and-a-half-year prison sentence and Susan Mancuso was sentenced to two-and-a-half years in prison. They were ordered to pay combined restitution of $699,000 to the RTC.

The Mancusos were convicted and sentenced along with two of their customers, R. Philip Hartman, president of Hartman Rack Products, Inc., Waterloo, New York, and Robert S. Schmidt of Milwaukee, Wisconsin.

Hartman and his company were convicted of conspiracy to defraud First Federal, 10 counts of bank fraud, and one count of making false statements to First Federal. Hartman was sentenced to 21 months in prison and was ordered to pay $328,000 in restitution to the RTC. Hartman Rack Products, Inc. was also ordered to pay $328,000 in restitution to the RTC.

Schmidt, a subcontract administrator for Harnischfeger Engineers, Inc., Milwaukee, Wisconsin, was convicted of two counts of conspiracy to defraud First Federal and seven counts of bank fraud. Schmidt was sentenced to five months in prison and five months of community confinement. He was also ordered to pay $371,000 in restitution to the RTC.

The investigation was conducted by agents of the RTC after First Federal was placed under RTC conservatorship in December 1990.

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

RTC DALLAS CHIEF RETURNS TO FDIC; JOHN LOMAX NAMED VICE PRESIDENT OF DALLAS OFFICE

Carmen Sullivan, Vice President of the RTC's Dallas office, returned to the Federal Deposit Insurance Corporation (FDIC) in November to head the FDIC's new Division of Information Resource Management.

Ms. Sullivan headed the FDIC's regional liquidation office in Kansas City, Missouri, prior to the establishment of the RTC in 1989. Once the RTC was created, she organized the agency's Southwest Region, which became one of the RTC's largest and most active regions.

Ms. Sullivan was responsible for taking control of and resolving 137 thrifts with $38.5 billion in deposits in 3.1 million accounts. Asset sales and collections totalled $47.3 billion (book value).

Ms. Sullivan's deputy, John Lomax, was appointed the new Vice President of the RTC Dallas office on November 24, 1992. Mr. Lomax has been with the RTC since 1990. He served as Director of the RTC Gulf Coast Consolidated Office in Houston, Texas, as well as Director of the RTC North Central Regional Office until June 30, 1992, when the office was closed as part of the RTC's field reorganization. Mr. Lomax had been assisting Ms. Sullivan in Dallas since the North Central regional office was closed.

Mr. Lomax will oversee the liquidation of $22.4 billion in assets remaining in the Texas inventory. He will also oversee the consolidation and restructuring of RTC offices in Texas and Louisiana. RTC offices in San Antonio, Texas, and Baton Rouge, Louisiana, are scheduled to close by January 31, 1993; the Houston, Texas, office is scheduled to close by May 31, 1993.

"Carmen has done an outstanding job in Dallas as head of one of our largest and most troubled regions," said RTC President and Chief Executive Officer Albert V. Casey. "Her return to the FDIC at this time coincides with the tremendous progress she made in selling assets and insolvent S&Ls. John will continue to wind down the inventory in the Southwest as the RTC moves closer to its legislative sunset deadline."

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.

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

RTC Resolutions
Inception to October 31, 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 %	12.50 %	$30.9	2,985
PA	406	178.2	3.0	2.41	23.09	156.9	18,250
PO	88	7.6	0.0	0	0	8.2	615
Total	652	$216.1	$3.1	2.08 %	20.78 %	$196.0	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.

Asset Reductions By Type of Asset
(Dollars in Millions)

	Inception Through 10/31/92	October 1992	1992 To Date
Cash & Securities			
Book Value Reduction	$124,077	$1,465	$19,263
Discount from Book Value	2,843	62	385
Sales & Principal Collections	121,234	1,403	18,878
1–4 Family Mortgages			
Book Value Reduction	89,480	2,163	21,081
Discount from Book Value	3,085	45	710
Sales & Principal Collections	86,396	2,118	20,371
Other Mortgages			
Book Value Reduction	42,963	1,957	17,361
Discount from Book Value	5,889	334	3,868
Sales & Principal Collections	37,074	1,623	13,493
Other Loans			
Book Value Reduction	24,891	352	5,083
Discount from Book Value	1,702	67	575
Sales & Principal Collections	23,188	285	4,508
Real Estate			
Book Value Reduction	15,624	534	5,382
Discount from Book Value	5,860	284	2,735
Sales & Principal Collections	9,764	250	2,646
Other Assets			
Book Value Reduction	19,131	938	9,957
Discount from Book Value	3,605	397	2,623
Sales & Principal Collections	15,526	540	7,334
Total Assets			
Book Value Reduction	316,166	7,410	78,127
Discount from Book Value	22,984	1,190	10,896
Sales & Principal Collections	$293,182	$6,220	$67,231

Notes: Data for inception through October 31, 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 October 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................................	$85.8	$92.3	$66.0	$26.0	$26.3	$8.8	19.0	$324.2
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.......................	(21.5)	2.0	2.3	(3.4)	4.1	8.1	(10.0)	(18.3)
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	15.5	5.5	3.3	0.0	0.0	0.5	45.2
Assets Retained (After Putbacks).......	18.4	47.3	47.1	15.1	17.2	(0.6)	26.4	170.9
Principal Collections..........................	13.3	34.7	17.0	7.3	4.2	0.1	10.6	87.1
Other Changes (Net) /2.......................	1.0	4.4	3.5	2.5	3.1	(6.8)	7.5	15.1
Receivership Assets as of October 31, 1992..............................	$4.2	$8.2	$26.6	$5.2	$9.9	$6.2	$8.3	$68.7

73 Conservatorship Institutions

	Cash & Securities	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate	Subsid-iaries	Other Assets	Total
Assets at Takeover................................	$21.1	$18.2	$12.4	$3.2	$3.7	$1.4	$2.9	$62.9
Reductions During Conservatorship								
Sales Proceeds..................................	12.3	6.2	2.0	0.8	0.6	0.0	0.7	22.5
Payment & Maturities.........................	6.8	2.6	1.4	0.8	0.0	0.1	0.3	12.0
Other Changes (Net)	(9.2)	0.4	0.4	(0.0)	0.3	0.3	(0.9)	(8.8)
Conservatorship Assets as of October 31, 1992..............................	$11.2	$9.1	$8.6	$1.7	$2.7	$1.0	$2.8	$37.2

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

All 725 Institutions

	Cash & Securities /3	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate /4	Subsid- iaries	Other Assets	Total
Assets at Takeover................................	$106.9	$110.5	$78.4	$29.2	$29.9	$10.2	$21.9	$387.1
Reductions During Conservatorship								
Sales Proceeds..................................	53.3	21.2	4.3	4.4	5.6	0.2	1.7	90.8
Payment & Maturities.........................	34.2	15.0	10.3	8.1	0.0	1.1	1.3	70.1
Other Changes (Net) /1.......................	(30.7)	2.4	2.6	(3.4)	4.4	8.4	(10.9)	(27.1)
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	15.5	5.5	3.3	0.0	0.0	0.5	45.2
Assets Retained (After Putbacks).......	18.4	47.3	47.1	15.1	17.2	(0.6)	26.4	170.9
Principal Collections..........................	13.3	34.7	17.0	7.3	4.2	0.1	10.6	87.1
Other Changes (Net) /2.......................	1.0	4.4	3.5	2.5	3.1	(6.8)	7.5	15.1
Conservatorship and Receivership Assets as of October 31, 1992...............................	$15.4	$17.3	$35.2	$6.9	$12.6	$7.2	$11.2	$105.9

/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 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.