

RTC REVIEW

RESOLUTION TRUST CORPORATION

VOL. IV NO. 11

November 1993

Roger C. Altman, Interim Chief Executive Officer

William H. Roelle, Senior Vice President,
Chairman, Executive Committee

- * **Five Institutions Closed in September. Three Institutions Closed in October.**
- * **678 Thrifts Closed by RTC from its inception in August 1989 Through October 1993. 22.5 Million Deposit Accounts have been Protected.**
- * **RTC Sold or Collected Assets with a Book Value of \$4.8 Billion in September, \$382 Billion, Net of Assets Put Back to RTC, Since Inception.**
- * **Recoveries on Asset Reductions Totaled \$3.4 Billion (71% of Book Value) in September, \$345 Billion (90% of Book Value) Since Inception.**

RTC CASELOAD

Through October 31, 1993, the RTC resolved 678 thrift institutions including five in September and three in October. Earlier this year, the RTC began to market 23 thrifts using reserves released for this purpose following the General Accounting Office's audit of the RTC's 1992 financial statements. As of October 31, 20 of the 23 institutions were resolved and resolution of the remaining three is expected in the near future. Resolution of the remaining conservatorship institutions requires additional funding by the Congress. The Senate and the House of Representatives have passed funding bills which would provide an additional \$18.3 billion in

loss funds. A conference committee must reconcile differences between the two bills and the resulting version must be adopted by the two houses.

RTC September Caseload (\$ in billions)

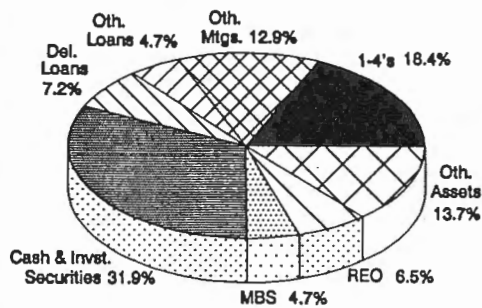
	Number	Assets	Liabilities	Deposits
End of August	71	\$32.0	\$35.5	\$25.6
New Conservatorships	1	0.1	0.1	0.1
Resolved Cases *	5	1.1	1.0	0.9
End of September	68	\$30.2	\$34.2	\$24.2

Assets and liabilities based on preliminary 9/30/93 and 8/31/93 financial reports.

* Includes one Accelerated Resolutions Program (ARP) institution.

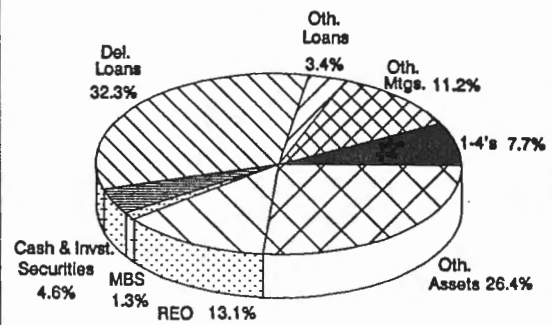
CONSERVATORSHIP, RECEIVERSHIP ASSETS **UNDER RTC MANAGEMENT** **As of September 30, 1993**

CONSERVATORSHIPS **As of September 30, 1993**



(Percentage Of Gross Assets)

RECEIVERSHIPS **As of September 30, 1993**



(Percentage Of Gross Assets)

CONSERVATORSHIP INSTITUTIONS **(dollars in billions)**

	Amount	Percent Gross Assets
Cash & Invst. Sec.	\$9.6	31.9 %
Mtg. Backed Sec.	1.4	4.7
Perf. Lns. - Total	10.9	36.0
1-4 Family Mtgs.	5.6	18.4
Cstrn. & Land	1.0	3.4
Other Mtgs.	2.9	9.5
Other Loans	1.4	4.7
Del. Lns. - Total	2.2	7.2
1-4 Family Mtgs.	0.4	1.3
Cstrn. & Land	0.6	2.0
Other Mtgs.	1.0	3.2
Other Loans	0.2	0.7
Real Estate Owned	2.0	6.5
Subsidiaries	1.2	4.1
Other Assets	2.9	9.6
Gross Assets	\$30.2	100.0 %

Data based on preliminary 9/30/93 information
 Number of Institutions: 68

RECEIVERSHIP INSTITUTIONS **(dollars in billions)**

	Amount	Percent Gross Assets
Cash & Invst. Sec.*	\$2.0	4.6 %
Mtg. Backed Sec.	0.6	1.3
Perf. Lns. - Total	9.7	22.3
1-4 Family Mtgs.	3.3	7.7
Cstrn. & Land	1.1	2.5
Other Mtgs.	3.7	8.6
Other Loans	1.5	3.4
Del. Lns. - Total	14.0	32.3
1-4 Family Mtgs.	1.0	2.4
Cstrn. & Land	4.0	9.3
Other Mtgs.	6.7	15.5
Other Loans	2.2	5.2
Real Estate Owned	5.7	13.1
Subsidiaries	5.2	12.0
Other Assets	6.2	14.4
Gross Assets	\$43.3	100.0 %

Data based on preliminary 9/30/93 information
 Number of Institutions: 675

* Excludes \$9.3 billion in cash, investments (including restricted investments), and accounts receivable accumulated by Receiverships.

ASSET INVENTORY

In September, the amount of assets under RTC management, including both conservatorships and receiverships, decreased from \$76 billion to \$74 billion. The decrease in assets reflects the ongoing sales effort by the RTC to reduce its conservatorship and receivership inventory. The \$74 billion of assets under RTC management on September 30 consisted of: \$14 billion in cash and securities, \$9 billion in performing 1-4 family mortgages, \$12 billion in other performing loans, \$16 billion in delinquent loans, \$8 billion in real estate, \$6 billion in investments in subsidiaries, and \$9 billion in other assets.

The 68 conservatorships held \$30 billion in gross assets on September 30, 1993. Of the total, cash and securities (including a substantial amount of short term securities purchased with the proceeds of asset sales) represented 37%; performing 1-4 family mortgages, 18%; other performing loans, 18%; delinquent loans, 7%; real estate, 6%; investments in subsidiaries, 4%; and other assets, 10%.

Assets in receiverships remaining from the 675 institutions closed by the RTC amounted to \$43 billion 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 45% of receivership assets. Cash, securities, and performing 1-4 family mortgages represented only 14% of receivership assets. The \$43 billion excludes approximately \$9 billion in cash, liquid investments, and accounts receivable accumulated from receivership collections.

ASSET REDUCTIONS

In September, the proceeds of asset sales and other principal collections were \$3.4 billion. This included \$0.7 billion in sales proceeds from conservatorships, \$1.3 billion in other conservatorship asset collections, \$0.3 billion in resolution sales, \$0.4 billion in receivership sales, and \$0.6 billion from other receivership principal collections. From inception through September, the RTC collected \$140 billion from securities, \$99 billion from 1-4 family mortgages, \$48 billion from other mortgages, \$27 billion from non-mortgage loans, \$14 billion from real estate, and \$18 billion from other assets.

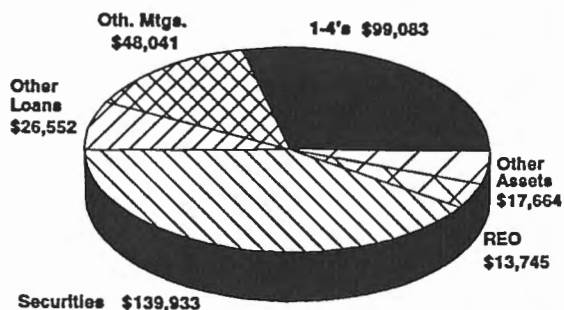
In terms of book value, September sales and collections were \$4.8 billion. The average recovery rate on the collection of these assets was 71%. During the month, the RTC recovered 100% from securities, 94% from 1-4 family mortgages, 46% from other mortgages, 82% from non-mortgage loans, 34% from real estate, and 78% from other assets.

From the inception of the RTC through September, book value asset reductions were \$382 billion, and the RTC recovered 90% on these collections. From inception, the RTC has recovered 98% from securities, 97% from 1-4 family mortgages, 81% from other mortgages, 91% from non-mortgage loans, 57% from real estate, and 76% from other assets.

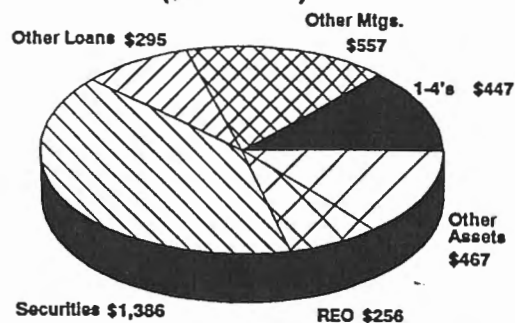
The RTC also collected \$0.3 billion in receivership income in September. From its inception to September 30, 1993, the RTC has collected \$17.1 billion in receivership income.

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

INCEPTION 1989 THROUGH SEPTEMBER 1993
(\$ In millions)



SEPTEMBER 1993
(\$ In millions)



Inception through September 1993

	Conservatorships		Resolution	Receivership		Total
	Sales	Collections	Sales (Net) *	Sales	Collections	
Securities	\$60,351	\$43,314	\$21,611	\$8,321	\$6,335	\$139,933
1-4 Family Mortgages	28,143	16,893	15,498	29,808	8,742	\$99,083
Other Mortgages	7,289	11,359	5,547	15,932	7,914	\$48,041
Other Loans	4,970	9,838	3,343	4,507	3,893	\$26,552
REO	6,885	0	148	6,712	0	\$13,745
Other Assets	2,237	2,876	410	3,566	8,574	\$17,664
TOTALS	\$109,876	\$84,280	\$46,558	\$68,846	\$35,457	\$345,017

September 1993

	Conservatorships		Resolution	Receivership		Total
	Sales	Collections	Sales	Sales	Collections	
Securities	\$332	\$714	\$289	\$30	\$21	\$1,386
1-4 Family Mortgages	151	115	5	65	112	\$447
Other Mortgages	80	89	0	152	236	\$557
Other Loans	96	115	2	13	69	\$295
REO	84	0	0	172	0	\$256
Other Assets	2	273	0	7	184	\$467
TOTALS	\$744	\$1,306	\$296	\$439	\$622	\$3,409

1993 Year to Date

	Conservatorships		Resolution	Receivership		Total
	Sales	Collections	Sales	Sales	Collections	
Securities	\$4,889	\$8,679	\$1,109	\$835	\$452	\$15,964
1-4 Family Mortgages	4,687	1,353	103	1,932	906	\$8,982
Other Mortgages	1,781	794	41	3,566	2,243	\$8,424
Other Loans	414	1,456	10	470	442	\$2,792
REO	1,128	0	5	1,565	0	\$2,697
Other Assets	129	487	3	261	1,232	\$2,113
TOTALS	\$13,028	\$12,769	\$1,272	\$8,630	\$5,275	\$40,973

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

Note: Receivership sales and collections include sales and collections of assets held by RTC in its corporate capacity.

The distribution of Receivership sales and collections for 1989 and 1990 is estimated.

Quarterly Asset Activity
1992 – 1993
(Dollars In Billions)

	3rd Quarter 1993	2nd Quarter 1993	1st Quarter 1993	4th Quarter 1992	3rd Quarter 1992
<u>CONSERVATORSHIP ACTIVITY</u>					
Conservatorship Assets at Beginning of Period.....	\$34.8	\$35.7	\$40.2	\$34.0	\$23.2
ADD:					
New Conservatorship Assets.....	0.1	3.8	2.1	12.6	17.2
LESS:					
Conservatorship Payments & Maturities.....	4.1	4.1	4.6	2.9	2.3
Conservatorship Sales Proceeds.....	3.4	2.8	6.7	8.2	5.5
Loss on Sales.....	0.6	0.5	0.3	0.3	0.2
Other Changes (add).....	(5.6)	(3.4)	(4.9)	(5.2)	(2.9)
Assets of Resolved Conservatorships.....	2.2	0.7	0.0	0.2	1.2
Conservatorship Assets at End of Period.....	30.2	34.8	35.7	40.2	34.0
<u>RESOLUTION & RECEIVERSHIP ACTIVITY</u>					
Receivership Assets at Beginning of Period.....	47.1	55.3	63.4	72.5	87.6
ADD:					
Assets of Resolved Conservatorships.....	2.2	0.7	0.0	0.2	1.2
Accelerated Resolution Program Assets.....	0.0	0.0	0.0	0.0	0.0
LESS:					
Resolution Sales (Gross of Putbacks).....	0.8	0.5	0.0	0.2	0.1
Receivership Payments & Maturities.....	1.7	1.8	1.8	1.3	5.4
Receivership Sales Proceeds.....	1.2	3.7	3.7	4.9	7.7
Loss on Sales.....	3.0	3.8	3.0	3.5	4.5
Other Changes (add).....	(0.6)	(0.9)	(0.5)	(0.5)	(1.4)
Receivership Assets at End of Period.....	43.3	47.1	55.3	63.4	72.5
Total Assets at End of Period.....	\$73.5	\$81.9	\$90.9	\$103.6	\$106.5
Recovery Rate on Asset Sales and Collections.....	75%	75%	84%	82%	82%

QUARTERLY ASSET ACTIVITY

A look at quarterly activity of RTC assets shows that conservatorship assets have decreased 13% from \$34.8 billion at the end of the second quarter of 1993 to \$30.2 billion at the end of the third quarter of 1993. The reduction is due to the continuing conservatorship sales effort by the RTC, and the limited resumption of RTC resolutions. In addition, only two relatively small institutions entered conservatorship during the third quarter.

Payments and maturities of conservatorship assets during the third quarter of 1993 remained constant from the second quarter of 1993, totaling \$4.1 billion in each quarter. Sales proceeds increased by 19% over the same two quarters. Losses from the disposition of assets amounted to \$600 million for the third quarter of 1993, a \$100 million increase from the second quarter of 1993. The recovery rate on the sale of conservatorship assets remained relatively constant over the second and third quarters of 1993, registering 85% in both quarters.

Sales of assets to acquirers of thrifts were \$800 million during the third quarter of 1993. Assets held by the RTC in receiverships dropped from \$47.1 billion at the end of the second quarter of 1993 to \$43.3 billion at the end of the third quarter of 1993, an 8% decline. Since June 30, 1992, assets in receivership decreased by more than 50%, from \$87.6 billion.

Receivership payments and maturities remained relatively constant between the second and third quarter of 1993, registering \$1.8 billion and \$1.7 billion, respectively. However, proceeds from receivership sales dropped by 69% from \$3.7 billion in the second quarter of 1993 to \$1.2 billion in the third quarter.

Overall, assets under RTC control continued to decrease. As of September 30, 1993, the RTC controlled \$73.5 billion in assets, whereas it held \$106.5 billion on September 30, 1992. From June 30, 1993 to September 30, 1993, assets fell by 10%. In disposing of assets, the RTC recovered 75% on average of the asset book value reduced during both the second and third quarters of 1993, a decrease from 84% in the first quarter of 1993. In 1992, the recovery rate was 85%. The RTC expects recovery rates to continue to fall as lower quality assets are sold.

MAJOR ASSET SALES:

- * The stock of Fidelity Bond and Mortgage Company (Fidelity Bond), Blue Bell, Pennsylvania, was sold to 13 individual investors for \$9.3 million in an all-cash transaction. The sale included all of the assets of Fidelity Bond, including approximately \$1 billion in residential mortgage servicing rights. Fidelity Bond was a subsidiary of Hansen Federal Savings Association, Hammononton, New Jersey, which has been operating under RTC supervision since January 10, 1992.
- * The Deerwood Place Apartments, the Deerwood Village Townhomes, and the Deerwood Village residential parcels in Miami, Florida, were sold to Gannon Properties, Miami, for \$8.3 million, or approximately 82 percent of the properties' book value. The properties were assets retained by the RTC following the resolution of Flagler Federal Savings and Loan Association, Miami, Florida, on March 27, 1992.

THRIFT CLOSINGS

The RTC closed five institutions in September and three institutions in October. As of the end of October, RTC resolutions had protected 22.5 million deposit accounts from financial loss. These accounts had an average account balance of \$9,000.

The total number of thrift closings was 675 from the establishment of the RTC in August 1989 through September 30, 1993. These thrifts held \$219 billion in assets at the time of closure. Of the total, \$47 billion of assets,

or 21%, were sold to acquirers (after taking into account assets returned to the RTC under putback provisions of resolution transactions).

Estimated resolution costs for the 675 closed thrifts totaled \$80.0 billion, after taking into account the reduction in loss estimates for already resolved institutions confirmed by GAO's audit of the RTC's 1992 financial statements. The \$80.0 billion represented 32% of their total liabilities at the time of resolution. If the insured deposits of all 675 institutions had been paid out to depositors, the estimated resolution cost would have been \$83.3 billion. The \$3.3 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 675 resolutions were as follows:

Transaction Type Of the 675 cases, 428 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 89 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: 2.47% of core deposits, compared to 0.67% for IDTs. Although only 63% of RTC resolutions were P&As, these transactions accounted for 80% of the deposits that have been made whole by the RTC from its incep-

tion through September 1993. The P&A transactions included 35 Accelerated Resolution Program (ARP) cases, in which the institutions were closed without first being placed in the conservatorship program.

Twenty-two institutions have been resolved from January to September 1993. On average, these institutions were somewhat more attractive candidates for sale than earlier RTC resolutions. Thus, the average premium paid (as a percentage of core deposits) and the average percentage of assets passed to acquirers in 1993 were nearly double the rates experienced prior to 1993.

Type of Acquirer Banks acquired 390 of the resolved institutions, while thrifts acquired 196 from inception through September 30. During 1993, thrifts have acquired 15 of the 22 institutions resolved.

Number of Bids 46% of the institutions attracted two or fewer bids; 22% attracted three or four bids; and 32% attracted five or more bids. In 1993, 16 of the 22 resolved institutions with \$2.8 billion in assets attracted five or more bids.

Thrift Size Whereas 77% 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. During 1993, 18 thrifts that had assets of less than \$250 million have been resolved.

Location With 137 institutions resolved, Texas represents the state with the most resolutions. Other states with a large number of resolutions were California, Louisiana, Illinois, and Florida. Resolved institutions from Texas and California held the most assets, followed by Florida. California has the most resolutions in 1993. Its six resolved institutions had assets of \$1.2 billion.

**Resolution Trust Corporation
Characteristics of 675 Resolutions
Inception through September 30, 1993
(Dollars in Billions)**

Type of Acquirer *	Number of Cases	Total Assets	Size of Resolved Institution (Assets)	Number of Cases	Total Assets
Bank	390	\$128.1	\$1 Billion or more	48	\$125.5
Thrift	196	83.6	\$500 to 999 Million	46	32.4
TOTAL---Acquirers	586	211.6	\$250 to 499 Million	64	22.4
Payouts	89	7.7	Under \$250 Million	517	39.0
TOTAL	675	\$219.4	TOTAL	675	\$219.4

Location of Resolved Institution	Number of Cases	Total Assets	Number of Bids Received	Number of Cases	Total Assets
Texas	137	\$43.5	5 or more bids	218	\$100.1
California	61	34.8	4 bids	58	25.1
Louisiana	48	4.7	3 bids	90	22.7
Illinois	47	7.3	2 bids	104	36.6
Florida	38	22.0	1 bid	139	28.6
New Jersey	27	9.7	No bids	66	6.2
Kansas	21	3.8	TOTAL	675	\$219.4
Other	296	93.5			
TOTAL	675	\$219.4			

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	54	\$5.2	5% or more	78	\$21.4
50 to 74.9%	85	14.9	3 to 4.9%	67	51.1
25 to 49.9%	150	58.8	1 to 2.9%	170	53.8
Under 25%	386	140.4	Under 1%	360	93.1
TOTAL	675	\$219.4	TOTAL	675	\$219.4

Estimated Resolution Cost as a % of Liabilities	Number of Cases	Total Assets	<p>* Branch sales involving multiple acquirers are classified according to the insurance status of the majority of acquirers.</p> <p>** Core deposits are estimated as deposits with balances below \$80,000.</p> <p>*** Assets passed are net of putbacks.</p> <p>Note: Assets and liability data reflect post-closing revisions.</p>
60% or more	87	\$19.1	
40 to 59.9%	134	31.1	
20 to 39.9%	231	77.0	
Under 20%	223	92.1	
TOTAL	675	\$219.4	

**Resolution Trust Corporation
Characteristics of 22 Resolutions
YTD through September 30, 1993
(Dollars in Millions)**

Type of Acquirer *	Number of Cases	Total Assets	Size of Resolved Institution (Assets)	Number of Cases	Total Assets
Bank	6	\$320.5	\$1 Billion or more	0	\$0.0
Thrift	15	2,602.1	\$500 to 999 Million	2	1,417.8
TOTAL--Acquirers	21	2,922.6	\$250 to 499 Million	2	635.2
Payouts	1	93.7	Under \$250 Million	18	963.3
TOTAL	22	\$3,016.3	TOTAL	22	\$3,016.3

Location of Resolved Institution	Number of Cases	Total Assets	Number of Bids Received	Number of Cases	Total Assets
California	6	\$1,152.9	5 or more bids	16	\$2,788.8
Pennsylvania	4	490.8	4 bids	1	11.1
South Carolina	2	174.7	3 bids	0	0.0
Alabama	2	115.8	2 bids	1	4.1
Other	8	1,082.1	1 bid	3	118.7
TOTAL	22	\$3,016.3	No bids	1	93.7
			TOTAL	22	\$3,016.3

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	4	\$656.9	5% or more	11	\$1,193.1
50 to 74.9%	5	184.7	3 to 4.9%	2	896.8
25 to 49.9%	6	1,031.9	1 to 2.9%	4	85.3
Under 25%	7	1,142.7	Under 1%	5	841.0
TOTAL	22	\$3,016.3	TOTAL	22	\$3,016.3

Estimated Resolution Cost as a % of Liabilities	Number of Cases	Total Assets
60% or more	0	\$0.0
40 to 59.9%	1	18.3
20 to 39.9%	6	216.8
Under 20%	15	2,781.2
TOTAL	22	\$3,016.3

* 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.

Assets Sold to Acquirers In 57% of the cases, less than 25% of the assets were sold to acquirers. However, in 54 cases, 75% or more of the assets were passed to acquirers. Most of the assets purchased were securities and 1-4 family mortgages. During 1993, in 68% of the cases, 25% or more of the assets were sold to the acquirer.

Estimated Resolution Costs Estimated resolution costs were under 40% of liabilities in 454 cases, but over 60% for 87 cases. In 1993, 15 institutions had estimated resolution costs of under 20%.

Savings Over Insured Deposit Payout Costs
Estimated savings over insured deposit

payout costs were less than 1% of core deposits in 53% of the resolutions; however, these resolutions represented only 43% of total assets. In 1993, 50% of the resolutions with assets of \$1.2 billion had estimated savings over insured deposit payout costs of greater than 5%.

RECEIVERSHIP TERMINATIONS

Since the inception of the Receivership Termination Program in July 1992, 59 receiverships which had \$2.9 billion in total gross assets at the time of takeover have been terminated. The percentage of total dividends paid to proven claimants was 77% with \$1.6 billion of total dividends being paid on total

<div> Receivership Terminations Inception Through September 1993 (Dollars In Billions) </div>	
Number of Receiverships Terminated or in Process of Termination (1).....	59
Book Value of Assets at Takeover.....	\$2.9
Book Value of Assets at Resolution.....	\$2.0
Book Value of Assets Sold and Collected at Resolution or in Receivership.....	\$1.8
Cash Proceeds from Assets Sold and Collected at Resolution or in Receivership.....	\$1.7
Total Book Value Purchased by Corporation.....	\$0.2
Estimated Cash Proceeds from Assets Purchased by Corporation...	\$0.1
Total Dividends from Terminating Receiverships (2).....	\$1.6
Total Proven Claims on Terminating Receiverships.....	\$2.1
Pct. Dividends to Proven Claims.....	77%
<p>(1) Refers to receiverships that the RTC has approved for termination and which have reached at least the Corporate Purchase stage of the termination process. All dividends have been declared in the 59 receiverships. Three receiverships did not have remaining funds to pay a final dividend.</p> <p>(2) All payments paid to the RTC and other proven claimants over time on an undiscounted basis. Excludes \$264 million in repayments of RTC advances.</p> <p>Notes: Data exclude general claims proved and dividends paid at time of pass-through receivership. Data exclude general unsecured creditors for institutions in depositor preference states. Data are preliminary.</p>	

proved claims of \$2.1 billion. The difference between the proven claims of the terminating receiverships and the actual total dividend paid represents the negative book value net worth at time of resolution for these institutions, minus any deposit premiums paid by acquirers, plus all post-conservatorship asset losses, expenses, and adjustments. Virtually all claims (99.98%) were from the RTC.

The 59 terminating receiverships had resolution and receivership book value reductions of \$1.8 billion, and recovered \$1.7 billion in cash proceeds from resolution and receivership sales and collections to the general public. The corporation purchased \$230 million (book value) in assets from these institutions for \$140 million. After purchasing these assets, the corporation has received \$64 million in cash proceeds from sales and collections on assets with a book value of \$111 million.

In the RTC Receivership Termination Program, the remaining assets of a receivership are purchased by the corporation and placed into a corporate pool for disposition. Final dividends are paid out to proved claimants of the receivership, other liabilities are written off, and the receivership is terminated.

SOURCES AND USES OF FUNDS

From its inception through September 30, 1993, the RTC obtained \$119 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 \$32 billion in Federal Financing Bank (FFB) borrowings. The RTC also obtained \$97 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

SOURCES AND USES OF FUNDS (\$ in billions) Inception through September 30, 1993

SOURCES:

Initial Treasury Appropriations	\$ 18.8
FHLB Contribution	1.2
REFCORP Borrowings	30.1
Additional Appropriations	36.7
FFB Borrowings	31.7
Total External Sources	118.5
Recoveries from Receiverships	97.0
TOTAL SOURCES	\$215.5

USES:

Resolutions and Receivership Funding	\$ 192.9
Conservatorship Advances Outstanding *	6.6
FFB Interest	7.7
Other Disbursements (Net)**	-0.6
TOTAL USES	206.6
NET CASH AVAILABLE	\$ 8.8

* 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.

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 675 resolutions through September 30 required outlays of \$192.9 billion from the

RTC. Outstanding advances to conservatorships existing at the end of September totaled \$6.6 billion. Interest on FFB borrowings was \$7.7 billion. This left \$8.8 billion in cash on hand on September 30.

NEWS NOTES

RTC'S TWO SENIOR VICE PRESIDENTS SET TO RESUME CAREERS WITH FDIC

The RTC's two senior vice presidents -- William H. Roelle and Lamar C. Kelly, Jr. -- are expected to resume their careers with the Federal Deposit Insurance Corporation (FDIC).

"Bill and Lamar were assigned to the nation's S&L cleanup effort before the RTC was created in 1989. Each sought to return to the FDIC at the beginning of this year, but agreed to remain to assist me in reviewing the agency's operations and in formulating a business plan for the final phase of the RTC's mission," Roger C. Altman, Interim Chief Executive Officer of the RTC, said.

Roelle, Senior Vice President for Institution Operations and Sales, and Chairman of the agency's Executive Committee, will resume FDIC service after the RTC's new chief executive officer is confirmed by the Senate and installed in office.

"Bill has done a highly professional job of taking control of more than 700 insolvent savings institutions, containing their losses, and selling these distressed businesses," Altman said. "The conservatorship and resolution program he developed not only reduced taxpayer costs, but also maintained the confidence of millions of depositors whose life savings were held by these insolvent thrifts."

Roelle said that too often RTC observers fail to recognize that the protection of depositors is the prime reason the RTC was created.

"Although I am anxious to return to the FDIC, I will certainly miss working with a staff that has acted to protect depositors whose funds were threatened by failed savings institutions," Roelle said. Once a date is set for Roelle's return to the FDIC, his successor will be named.

Kelly, Senior Vice President for Asset Management and Sales, will return to the FDIC by the end of the year. He has developed and implemented the RTC's asset sales program, which has recovered \$345 billion through asset sales and collections since 1989 and achieved an overall recovery rate of 90 percent of book value.

"Lamar's dedication to the RTC's mission, enthusiasm in meeting the many challenges that have confronted the agency, and marketing creativity have served the RTC well," Altman said. "Due to the programs established under his leadership, this unfortunate S&L cleanup effort will not need to be continued into the next century."

Kelly observed, "We have pioneered a tremendous number of initiatives at the RTC -- securitization, bulk sales, equity participations and the Small Investor Program are merely a few. All were possible due to the dedication and talents of the RTC staff. Working with these individuals has been a pleasure, and I look forward to seeing them back at the FDIC soon."

In anticipation of Kelly's return to the FDIC, Thomas P. Horton, Vice President, Department of Field Activities, and a member of the RTC's Executive Committee, will assume day-to-day responsibility for the Division of Asset Management and Sales. Horton held several senior positions with the FDIC prior to his assignment to the RTC in 1989. At the RTC, he has been responsible for a variety of sales initiatives and oversees all asset management and sales operations of the RTC's six field offices.

Upon their return to the FDIC, Roelle and Kelly will join approximately 676 career FDIC employees who have completed their RTC assignments.

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, 12th Floor, RTC Review Mailing List, 801 17th Street, NW, Washington, DC 20434-0001.

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
Securities Sales (Capital Markets)	(202) 416-7554
Contracting Office	(800) 541-1782
Inquiries Regarding S&Ls for Sale	(202) 416-7539
Office of Corporate Communications – Media Inquiries	(202) 416-7556
Low Income Housing Program	(202) 416-2823
Asset Claims	(202) 416-7262
Information Center ATI (Complaints)	(800) 348-1484

RTC Small Investors Program	(800) 421-2073
RTC Special Resources Clearinghouse	(800) 466-6288
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 September 30, 1993
(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 %	12.48 %	\$30.7	2,985
PA	428	181.4	3.1	2.47	23.61	159.4	18,822
PO	89	7.7	0.0	.00	0	8.3	616
Total	675	\$219.4	\$3.3	2.14 %	21.20 %	\$198.4	22,423

RTC Resolutions
YTD through September 30, 1993
(dollars in millions)

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	0	\$0.0	\$0.0	0.0 %	0.0 %	\$0.0	0
PA	21	2,922.6	89.1	3.96	43.52	\$2,434.9	707
PO	1	93.7	0.0	0.0	0.0	47.1	1
Total	22	\$3,016.3	\$89.1	3.96 %	42.16 %	\$2,482.0	708

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

RTC Resolutions **September 1993** (Dollars in Millions)

Institution Name / City / State	Deal Type*	Resolution Date	Acquirer Name / City / State	Total Assets	Estimated Resolution Cost	Assets Passed to Acquirers Net of Putbacks	Percentage of Assets Passed
Amador Valley S&LA, Pleasanton, CA	PA	09/10/93	Community First NB, Pleasanton, CA	\$43.7	\$2.1	\$4.1	9.40%
Homestead FSA, Millbrae, CA	PA	09/17/93	Branch Sale to Various Institutions	\$887.1	\$72.9	\$219.4	24.73%
Evergreen FS&LA, Charleston, WV	PA	09/17/93	The Merchants NB of Montgomery, Montgomery, WV	\$14.4	\$2.6	\$7.5	52.27%
Standard FS&LA, Columbia, SC	PA	09/24/93	The NB of South Carolina, Columbia, SC	\$153.0	\$9.5	\$64.6	42.25%
First South FSB, Columbia, SC	PA	09/24/93	Southtrust Bank of Charleston, NA, Charleston, SC	\$21.6	\$6.2	\$0.8	3.85%
Total				\$1,119.8	\$93.3	\$296.4	26.47%
Grand Total-Inception through September 30, 1993				\$219,357.6	\$79,958.6	\$46,558.2	21.20%

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 revisions and may differ from preliminary data previously released.

Asset Reductions
By Type of Asset
(Dollars in Millions)

	Inception Through 9/30/93	September 1993	1993 To Date
<u>Cash & Securities</u>			
Book Value Reduction	\$143,309	\$1,393	\$16,399
Discount from Book Value	3,377	7	435
Sales & Principal Collections	139,933	1,386	15,964
<u>1-4 Family Mortgages</u>			
Book Value Reduction	102,671	476	9,452
Discount from Book Value	3,588	29	470
Sales & Principal Collections	99,083	447	8,982
<u>Other Mortgages</u>			
Book Value Reduction	59,328	1,219	13,153
Discount from Book Value	11,287	662	4,728
Sales & Principal Collections	48,041	557	8,424
<u>Other Loans</u>			
Book Value Reduction	29,051	358	3,531
Discount from Book Value	2,499	63	739
Sales & Principal Collections	26,552	295	2,792
<u>Real Estate</u>			
Book Value Reduction	24,250	754	6,125
Discount from Book Value	10,504	499	3,427
Sales & Principal Collections	13,745	256	2,697
<u>Other Assets</u>			
Book Value Reduction	23,353	596	3,521
Discount from Book Value	5,689	130	1,407
Sales & Principal Collections	17,664	467	2,113
<u>Total Assets</u>			
Book Value Reduction	381,962	4,797	52,179
Discount from Book Value	36,944	1,389	11,207
Sales & Principal Collections	\$345,017	\$3,409	\$40,973

Notes: Data for inception through September 30, 1993 are net of putbacks recorded to date.

Data exclude asset transfers between receiverships, subsidiaries,
and RTC Corporate.

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 1993
(\$ in billions)**

675 Closed Institutions

	Cash & Securities /3	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate /4	Subsid- iaries	Other Assets	Total
Assets at Takeover.....	\$87.7	\$94.6	\$67.0	\$26.4	\$26.7	\$9.7	18.0	\$330.0
<u>Reductions During Conservatorship</u>								
Sales Proceeds.....	42.0	16.5	2.3	3.8	5.1	0.2	1.1	71.0
Payment & Maturities.....	28.8	12.8	9.1	7.5	0.0	1.0	1.0	60.2
Other Changes (Net) /1.....	(22.9)	1.8	2.5	(3.4)	2.6	(0.6)	(0.7)	(20.6)
Assets at Resolution.....	39.8	63.5	53.0	18.5	19.0	9.0	16.5	219.4
<u>Resolution & Receivership Reductions</u>								
Assets Passed (Net of Putbacks).....	21.6	15.5	5.5	3.3	0.1	0.4	0.0	46.6
Assets Retained (After Putbacks).....	18.2	48.0	47.5	15.1	18.9	8.6	16.5	172.8
Principal Collections.....	14.7	38.5	23.8	8.4	6.7	4.3	7.8	104.3
Other Changes (Net) /2.....	1.0	5.1	8.1	3.0	6.5	(0.9)	2.5	25.1
Receivership Assets as of September 30, 1993.....	\$2.6	\$4.4	\$15.6	\$3.7	\$5.7	\$5.2	\$6.2	\$43.3

68 Conservatorship Institutions

	Cash & Securities	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate	Subsid- iaries	Other Assets	Total
Assets at Takeover.....	\$23.4	\$20.6	\$14.5	\$4.1	\$4.4	\$1.6	\$3.3	\$71.8
<u>Reductions During Conservatorship</u>								
Sales Proceeds.....	18.3	11.7	5.0	1.2	1.8	0.0	0.8	38.8
Payment & Maturities.....	14.5	4.1	2.3	2.4	0.0	0.1	0.7	24.1
Other Changes (Net)	(20.5)	(1.2)	1.7	(1.1)	0.6	0.2	(1.1)	(21.3)
Conservatorship Assets as of September 30, 1993.....	\$11.1	\$6.0	\$5.5	\$1.6	\$2.0	\$1.2	\$2.9	\$30.2

Beginning Assets and Asset Reductions
Inception Through September 1993
(\$ in billions)

All 743 Institutions

	Cash & Securities /3	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate /4	Subsid- iaries	Other Assets	Total
Assets at Takeover.....	\$111.1	\$115.2	\$81.4	\$30.4	\$31.1	\$11.3	\$21.4	\$401.8
<u>Reductions During Conservatorship</u>								
Sales Proceeds.....	60.4	28.1	7.3	5.0	6.9	0.3	2.0	109.9
Payment & Maturities.....	43.3	16.9	11.4	9.8	0.0	1.1	1.7	84.3
Other Changes (Net) /1.....	(43.4)	0.7	4.3	(4.5)	3.2	(0.4)	(1.8)	(41.9)
Assets at Resolution.....	39.8	63.5	53.0	18.5	19.0	9.0	16.5	219.4
<u>Resolution & Receivership Reductions</u>								
Assets Passed (Net of Putbacks).....	21.6	15.5	5.5	3.3	0.1	0.4	0.0	46.6
Assets Retained (After Putbacks).....	18.2	48.0	47.5	15.1	18.9	8.6	16.5	172.8
Principal Collections.....	14.7	38.5	23.8	8.4	6.7	4.3	7.8	104.3
Other Changes (Net) /2.....	1.0	5.1	8.1	3.0	6.5	(0.9)	2.5	25.1
Conservatorship and Receivership Assets as of September 30, 1993.....	\$13.6	\$10.3	\$21.1	\$5.4	\$7.6	\$6.4	\$9.1	\$73.5

/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 \$9.3 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.