RTC REVIEW

RESOLUTION TRUST CORPORATION

VOL. V NO. 3 March 1994

Roger C. Altman, Interim Chief Executive Officer John E. Ryan, Deputy Chief Executive Officer

* **683 Thrifts Closed by RTC from its Inception in August 1989 Through February 1994. 23.0 Million Deposit Accounts have been Protected.**

* **No Institutions Closed in January. Three Institutions Closed in February.**

* **RTC Sold or Collected Assets with a Book Value of $2.5 Billion in January, $399 Billion, Net of Assets Put Back to RTC, Since Inception.**

* **Recoveries on Asset Reductions Totaled $1.7 Billion (68% of Book Value) in January, $358 Billion (90% of Book Value) Since Inception.**

RTC CASELOAD

In February, the RTC resolved three institutions to bring the total number of resolutions to 683 since the inception of the RTC in 1989. As of February 28, 1994, the RTC had 60 institutions remaining in its conservatorship program. All of the remaining institutions have been marketed for resolution, and it is expected that they all will be resolved by the third quarter of 1994. No institutions were placed in conservatorship in January or February.

ASSET INVENTORY

In January, the amount of assets under RTC management, including both conservatorships and receiverships, decreased from $63 billion to $61 billion. The decrease in assets reflects the ongoing sales effort by the RTC to reduce its asset inventory. The $61 billion of assets under RTC management on January

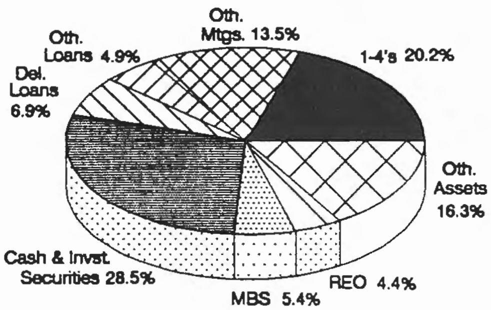
RTC January Caseload
($ in billions)

	Number	Assets	Liabilities	Deposits
End of December	63	$23.2	$27.3	$17.8
New Conservatorships	0	0.0	0.0	0.0
Resolved Cases	0	0.0	0.0	0.0
End of January	63	$22.7	$27.0	$17.4

Assets and liabilities based on preliminary 1/31/94 and 12/31/93 financial reports.

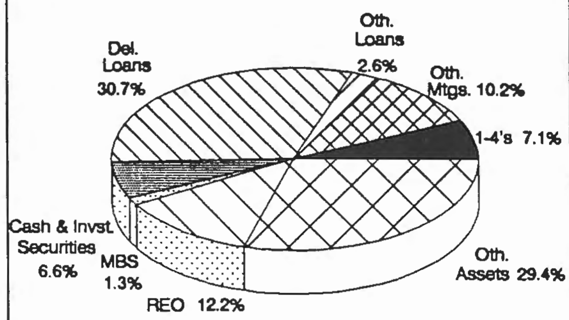
CONSERVATORSHIP, RECEIVERSHIP ASSETS
UNDER RTC MANAGEMENT
As of January 31, 1994

CONSERVATORSHIPS
As of January 31, 1994



(Percentage Of Gross Assets)

RECEIVERSHIPS
As of January 31, 1994



(Percentage Of Gross Assets)

CONSERVATORSHIP INSTITUTIONS
(dollars in billions)

	Amount	Percent Gross Assets
Cash & Invst. Sec.	$6.5	28.5%
Mtg. Backed Sec.	1.2	5.4
Perf. Lns. - Total	8.8	38.6
1-4 Family Mtgs.	4.6	20.2
Cstrn. & Land	0.6	2.7
Other Mtgs.	2.4	10.8
Other Loans	1.1	4.9
Del. Lns. - Total	1.6	6.9
1-4 Family Mtgs.	0.3	1.4
Cstrn. & Land	0.3	1.1
Other Mtgs.	0.8	3.5
Other Loans	0.2	0.8
Real Estate Owned	1.0	4.4
Subsidiaries	1.4	6.1
Other Assets	2.3	10.2
Gross Assets	$22.7	100.0 %

Data based on preliminary 1/31/94 information
Number of institutions: 63

RECEIVERSHIP INSTITUTIONS
(dollars in billions)

	Amount	Percent Gross Assets
Cash & Invst. Sec.*	$2.5	6.6 %
Mtg. Backed Sec.	0.5	1.3
Perf. Lns. - Total	7.6	19.8
1-4 Family Mtgs.	2.7	7.1
Cstrn. & Land	0.7	1.7
Other Mtgs.	3.2	8.4
Other Loans	1.0	2.6
Del. Lns. - Total	11.7	30.7
1-4 Family Mtgs.	1.0	2.7
Cstrn. & Land	3.3	8.7
Other Mtgs.	5.3	13.8
Other Loans	2.1	5.6
Real Estate Owned	4.7	12.2
Subsidiaries	5.1	13.3
Other Assets	6.1	16.1
Gross Assets	$38.2	100.0 %

Data based on preliminary 1/31/94 information
Number of institutions: 680

* Excludes $10.3 billion in cash, investments (including restricted investments), and accounts receivable accumulated by receiverships.

31 consisted of: $11 billion in cash and securities, $7 billion in performing 1-4 family mortgages, $9 billion in other performing loans, $13 billion in delinquent loans, $6 billion in real estate, $6 billion in investments in subsidiaries, and $8 billion in other assets.

The 63 conservatorships held $23 billion in gross assets on January 31, 1994. Of the total, cash and securities (including a substantial amount of short term securities purchased with the proceeds of asset sales) represented 34%; performing 1-4 family mortgages, 20%; other performing loans, 18%; delinquent loans, 7%; real estate, 4%; investments in subsidiaries, 6%; and other assets, 10%.

Assets in receiverships remaining from the 680 institutions closed by the RTC amounted to $38 billion on January 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 43% of receivership assets. Cash, securities, and performing 1-4 family mortgages represented only 15% of receivership assets. The $38 billion excludes approximately $10 billion in cash, liquid investments, and accounts receivable accumulated from receivership collections.

ASSET REDUCTIONS

In January, the proceeds of asset sales and other principal collections were $1.7 billion. This included $0.1 billion in sales proceeds from conservatorships, $0.6 billion in other conservatorship asset collections, $0.6 billion in receivership sales, and $0.4 billion from other receivership principal collections. From inception through January, the RTC collected $147 billion from securities, $100 billion from 1-4 family mortgages, $50 billion from other mortgages, $28 billion from non-mortgage loans, $15 billion from real estate, and $18 billion from other assets. (Note: conservatorship principal collections for 1989 through 1993 reflect an upward revision of $3.5 billion to correct data that was previously misstated.)

In terms of book value, January sales and collections were $2.5 billion. The average recovery rate on the collection of these assets was 68%. During the month, the RTC recovered 96% from securities, 91% from 1-4 family mortgages, 62% from other mortgages, 77% from non-mortgage loans, 36% from real estate, and 51% from other assets.

From the inception of the RTC through January, book value asset reductions were $399 billion, and the RTC recovered 90% on these collections. From inception, the RTC has recovered 98% from securities, 96% from 1-4 family mortgages, 79% from other mortgages, 91% from non-mortgage loans, 55% from real estate, and 74% from other assets.

The RTC also collected $0.2 billion in receivership income in January. From its inception to January 31, 1994, the RTC has collected $18.4 billion in receivership income.

MAJOR ASSET SALES:

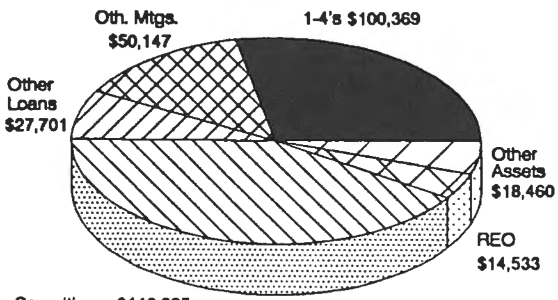
* The Main Mall in Park City, Utah, was sold to Wong Investment Management Company of Park City for $4 million, or 87 percent of its book value. The four-story retail/office complex, located at 333 Main Street, was an asset retained by the RTC following the resolution of American Savings, a Federal Savings and Loan Association, Salt Lake City, Utah, on June 8, 1990.

* A 13.6-acre tract of land, site of the Continental Theater and Alpine Ice Arena, Denver, Colorado, was sold to The Contalp LLC, Denver, for $3.7 million, or 92 percent of its original book value. The property was an asset of Oak Tree Federal Savings Bank, New Orleans, Louisiana, which has been operating under RTC supervision since October 15, 1991.

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

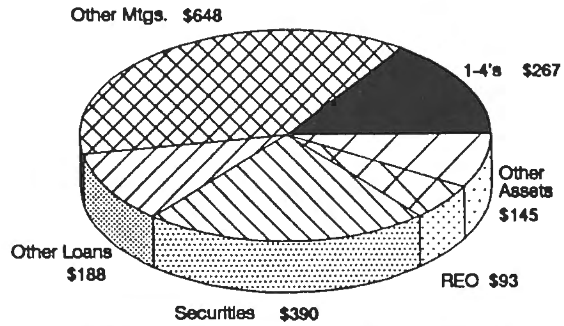
INCEPTION 1989 THROUGH JANUARY 1994

($ in millions)



JANUARY 1994

($ in millions)



Inception through January 1994

	Conservatorships		Resolution	Receiverships		
	Sales	Collections	Sales (Net) *	Sales	Collections	Total
Securities	$60,780	$48,017	$23,036	$8,375	$6,417	$146,625
1-4 Family Mortgages	28,287	17,385	15,502	30,111	9,084	100,369
Other Mortgages	7,442	11,668	5,537	16,969	8,531	50,147
Other Loans	5,092	10,372	3,362	4,751	4,124	27,701
REO	7,176	0	146	7,210	0	14,533
Other Assets	2,329	3,051	411	3,630	9,038	18,460
TOTALS	$111,105	$90,494	$47,994	$71,046	$37,195	$357,834

January 1994

	Conservatorships		Resolution	Receiverships		
	Sales	Collections	Sales	Sales	Collections	Total
Securities	$33	$343	$0	$7	$7	$390
1-4 Family Mortgages	16	100	0	82	69	267
Other Mortgages	40	50	0	422	135	648
Other Loans	25	107	0	16	40	188
REO	18	0	0	74	0	93
Other Assets	1	29	0	1	114	145
TOTALS	$133	$629	$0	$603	$365	$1,730

1994 Year to Date

	Conservatorships		Resolution	Receiverships		
	Sales	Collections	Sales	Sales	Collections	Total
Securities	$33	$343	$0	$7	$7	$390
1-4 Family Mortgages	16	100	0	82	69	267
Other Mortgages	40	50	0	422	135	648
Other Loans	25	107	0	16	40	188
REO	18	0	0	74	0	93
Other Assets	1	29	0	1	114	145
TOTALS	$133	$629	$0	$603	$365	$1,730

*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. Inception through January 1994 conservatorship principal collections reflect an upward revision of $3.5 billion to correct data that was previously misstated.

* The Interstate Secured Storage complex, Colorado Springs, Colorado, was sold to Quan Van Nguyen and Quang Tri Tran of Colorado Springs for $1.4 million, or 140 percent of its original book value. The 475-unit self-storage facility was an asset retained by the RTC following the resolution of American Savings of Colorado, a Federal Savings and Loan Association, Colorado Springs, on May 18, 1990.

* Commodore Plaza Square, a 55,777-square-foot tract of land and a 20,036-square-foot building in Coral Gables, Florida, was sold to the U.S. Postal Service for $1 million, or 68 percent of its original book value. The property was an asset retained by the RTC following the resolution of Professional Federal Savings Bank, Coral Gables, Florida, on March 13, 1992.

* A 13.8-acre tract of vacant land located in Pembroke Pines, Florida, was sold to Pasadena at Pembroke Lakes South, Ltd., Pembroke Pines, for $1 million, or 42.5 percent of its original book value. The land was an asset 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 no institutions in January and three institutions in February. As of the end of February, RTC resolutions had protected 23.0 million deposit accounts from financial loss. These accounts had an average account balance of $9,000.

The total number of thrift closings was 680 from the establishment of the RTC in August 1989 through January 31, 1994. These thrifts held $224 billion in assets at the time of closure. Of the total, $48 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 680 closed thrifts totaled $81.3 billion, representing 32% of their total liabilities at the time of resolution. If the insured deposits of all 680 institutions had been paid out to depositors, the estimated resolution cost would have been $84.8 billion. The $3.5 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 680 cases, 433 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: 2.57% of core deposits, compared to 0.67% for IDTs. Although only 64% of RTC resolutions were P&As, these transactions accounted for 81% of the deposits that have been made whole by the RTC from its inception through January 1994. 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.

SOURCES AND USES OF FUNDS

From its inception through January 31, 1994, the RTC obtained $117 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 $30 billion in Federal Financing Bank (FFB) borrowings. The RTC also obtained $101 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. The RTC Completion Act, enacted into law on December 17, 1993, authorizes the Treasury to provide the RTC with up to $18.3 billion in loss funds. If more than $10 billion is needed, the Secretary of the Treasury must certify that RTC is complying with specified management reforms. As of January 31, 1994, $4 billion of the $18.3 billion had been released by the Thrift Depositor Protection Oversight Board to fund resolutions.

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 680 resolutions through January 31 required outlays of $197.2 billion from the RTC. Outstanding advances to conservatorships existing at the end of January totaled $6.9 billion. Interest on FFB borrowings was $8.2 billion. This left $10.0 billion in cash on hand on January 31.

SOURCES AND USES OF FUNDS
($ in billions)
Inception through January 31, 1994

SOURCES:	
Initial Treasury Appropriations	$ 18.8
FHLB Contribution	1.2
REFCORP Borrowings	30.1
Additional Appropriations	40.7
FFB Borrowings	30.1
Total External Sources	120.9
Recoveries from Receiverships	100.8
TOTAL SOURCES	$221.7
USES:	
Resolutions and Receivership Funding	$ 197.2
Conservatorship Advances Outstanding *	6.9
FFB Interest	8.2
Other Disbursements (Net)**	-0.7
TOTAL USES	211.7
NET CASH AVAILABLE	$ 10.0

* 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 ISSUES NEW BIDDING PROCEDURES APPLICABLE TO THRIFTS IN MINORITY NEIGHBORHOODS

New bidding procedures applicable to failed thrifts or branches located in predominantly minority neighborhoods have been approved by the RTC.

The procedures called for by Congress are being used for the sale of thrifts presently in the RTC inventory and any new institutions placed in conservatorship.

The RTC has currently identified 10 whole institutions, and branches at 11 additional institutions, that fall within the definition of located within a predominantly minority neighborhood. They are being sold according to the new procedures. Additional branches and thrifts will be identified when the RTC completes its review of current conservatorships.

"The RTC has and will interpret minority preference provisions as expansively as possible within both the letter and the spirit of the law, while at the same time balancing the mandate to do our job at the least possible cost to the taxpayers," said John E. Ryan, Deputy CEO of the RTC.

The RTC defines a predominantly minority neighborhood as a postal zip code area in which 50 percent or more of the residents are minorities, according to U.S. census data. The RTC may determine that other reliable data indicate more accurate neighborhood boundaries.

A whole thrift is generally considered to be eligible for purchase under the new procedures if its home office is located in a predominantly minority neighborhood at the time the RTC takes over the institution, or if 50 percent or more of its branch offices are located in predominantly minority neighborhoods. A branch office is considered to be eligible if it is located in an area defined as a predominantly minority neighborhood.

For institutions or branches located in these areas, the general procedures are as follows:

* Minority bidders will win a tie bid with non-minority bidders when the bids result in the same cost to the RTC. All resolutions must continue to be least costly for taxpayers.

* If a minority bidder makes an offer within 10 percent of the most cost-effective bid made by a non-minority bidder, the RTC will allow the highest non-minority bidder and the highest minority bidder to submit best and final bids.

* Non-minority bidders making offers on whole institutions or clusters of branches are required to allocate premium amounts to any branches in predominantly minority neighborhoods. Minority bidders who have offered bids equal to or higher than the premium amount allocated by non-minority bidders will win the bid.

In addition to the new bidding procedures, Congress authorized the RTC to use special incentives to encourage the acquisition of thrifts by minority investors. These incentives are:

* Loans from the RTC for up to two-thirds of the capital necessary for the transaction for a term of up to five years at a rate equal to the RTC's cost of funds;

* The option to buy performing assets owned by the RTC at market value; and

* Leases of owned branch offices in predominantly minority neighborhoods are to be made available by the RTC on a rent-free basis for five years with an option to buy.

Copies of the RTC's directive on the new procedures and lists of the institutions are available from the RTC Reading Room at 202-416-6940.

OHIO COUPLE SENTENCED IN FRAUDULENT BOAT SALES SCHEME

An Ohio couple was sentenced on February 28 to 12 months in prison, ordered to make restitution of $126,431, and required to pay $6,100 in fines for their participation in a fraudulent boat sales scheme. The RTC's Office of the Inspector General (OIG) conducted the investigation of this matter.

Richard and Anita Plantz of Toledo, Ohio, boat brokers for Pointe Marina in Curtice, Ohio, each were sentenced in federal court in Toledo after pleading guilty on December 6, 1993, to one count of filing false statements in connection with a boat sales scheme.

The Plantzes were under contract to sell repossessed boats for First Federal Savings Association of Toledo (First Federal), Toledo, Ohio. When First Federal failed on February 1, 1991, the RTC, as conservator, continued to contract with Pointe Marina.

From May 1990 to July 1991, the couple recovered approximately $1 million from the sale of repossessed boats, but only gave First Federal $911,420 in proceeds from the sales.

Upon completing the 12-month jail term, the Plantzes will serve two years probation.

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

FLORIDA ATTORNEY PLEADS GUILTY TO BANK FRAUD

A Florida attorney pled guilty on February 24 to two counts of bank fraud committed against Goldome Savings Association (Goldome Savings), St. Petersburg, Florida, which has operated under RTC conservatorship since May 31, 1991.

Jason Scott Cole of Boca Raton, Florida, an attorney formerly with the Lake Worth, Florida, law firm of Varner, Stafford & Cole, cashed approximately $160,000 in checks at Goldome between March 1992 and April 1993. Cole presented checks payable to his clients on which he had forged the clients' signatures.

Cole faces a maximum sentence of 60 years imprisonment and a $2 million fine. Cole already has paid more than $150,000 in restitution as a result of the bank fraud convictions. Sentencing is scheduled for April 29, 1994.

The RTC's Office of Inspector General (OIG) conducted the investigation of this matter. For further information, contact Clark W. Blight of the RTC OIG on 703-908-7860.

TWO PENNSYLVANIA BUSINESSMEN INDICTED FOR DEFRAUDING RTC, TWO THRIFTS

Two Pennsylvania businessmen were indicted on February 24 by a federal grand jury in Pittsburgh, Pennsylvania, for defrauding the RTC and two of its former conservatorship institutions.

According to the indictment, Sidney J. Dickler of Murrysville, Pennsylvania, and Richard R. Petrucci of New Kensington, Pennsylvania, owned and operated Action Repossession Services, Inc. (ARSI) and Action Motors. ARSI had a contract to repossess and resell vehicles for Atlantic Financial Savings, FA (Atlantic Financial), Bala Cynwyd, Pennsylvania, and Horizon Financial, FA (Horizon), Southampton, Pennsylvania. When the institutions failed, the RTC, as conservator, continued to contract with ARSI.

Dickler and Petrucci allegedly presented to Atlantic Financial, Horizon, and the RTC fraudulent bids they claimed had been received for the sale of the repossessed vehicles. Based on the false information, the two thrifts and the RTC agreed to the sales and transferred the vehicles' titles to ARSI. ARSI, through Action Motors, then would sell the vehicles for a higher price than reflected in the agreed-upon bids. Dickler and Petrucci would pay the thrifts and the RTC the lower, agreed amount for the sales, and keep the difference. As a result of this scheme, which took place between January 1985 and December 1992, the RTC allegedly was defrauded of more than $367,000.

If convicted on all three counts, Dickler and Petrucci face a maximum sentence of 30 years in prison and $1.5 million in fines.

Atlantic Financial was placed in the RTC's conservatorship program on January 11, 1990, and was resolved by the RTC on November 15, 1991. Horizon was placed in conservatorship on June 8, 1989, and was resolved on May 25, 1990.

The RTC's Office of Inspector General (OIG) and the United States Secret Service conducted the investigation of this matter. For further information, contact Clark W. Blight of the RTC OIG on 703-908-7860.

RTC DONATES GEORGE WASHINGTON ARTIFACTS TO MOUNT VERNON LADIES' ASSOCIATION

A collection of George Washington memorabilia, including a letter he wrote in 1786, was donated by the RTC to the Mount Vernon Ladies' Association, a non-profit organization that owns and operates Mount Vernon, Washington's Virginia home.

The artifacts, assets of the former Southwest Federal Savings Association, Dallas, Texas, were presented to a representative of the Mount Vernon Ladies' Association in a ceremony on February 16 in Dallas.

"These are superb additions to Mount Vernon's collection," said Mrs. H. Taylor Morrissette, Regent of the Mount Vernon Ladies' Association. "We are dedicated to helping the public learn about our country's most famous founding father, and these add to our ability to present his true personality. We are grateful to the RTC for this public-spirited donation."

The centerpiece of the collection is a letter dated May 18, 1786, from Washington to George Taylor, Jr. In the letter, Washington thanked Taylor for a gift of food which included apples, pickles, and fried oysters.

According to Morrissette, the letter is particularly valuable to the Mount Vernon estate, which re-creates the home life of the Washingtons. In its Christmas program, the estate features a display of a fully set table, including replicas of food items such as those mentioned in the letter.

Other artifacts include:

* A drawstring bag made from the material of one of Martha Washington's gowns by her granddaughter, Eliza. Several such purses were known to have been made from the fabric of her gowns and donated for charitable purposes.

* A blunderbuss and a pistol from the mid-18th century. Although the items did not belong to Washington, they are representative of the weapons used by colonial troops in the Revolutionary War as well as by men for fowling and other purposes.

* Two coins and a medal minted in the late 1700s.

* Five original copies of eulogies and sermons published following Washington's death in 1799.

* Several other artifacts in the collection, including letters written by members of the Washington family, are not directly related to Washington or to Mount Vernon. These items will be donated by the RTC later this year to the Smithsonian Institution in Washington, D.C.

The Mount Vernon Ladies' Association is America's oldest national-preservation organization. The association purchased George Washington's home from his heirs in 1858 and has since held the property in public trust. Mount Vernon is located 16 miles south of Washington, D.C., and is open to the public every day of the year.

RTC RELEASES QUARTERLY EDITION OF ITS FIXED-INCOME CORPORATE SECURITIES INVENTORY

On February 15, the RTC released the quarterly edition of its fixed-income securities portfolio, which contains junk bonds, foreign bonds, and various corporate debt obligations totaling $317.2 million (par amount); 110.6 million shares of preferred and common stock, including warrants; 18 limited-partnership interests; and $78.6 million (par amount) of highly leveraged transaction loan interests. These securities are from more than 60 institutions.

The remaining junk bonds consist primarily of private placements and securities with restrictions on sale.

During 1993, the RTC sold over $181.5 million of debt, 26.7 million shares of preferred stock, common stock, and warrants, and $138.7 million of highly leveraged transaction loan interests. The RTC's total high-yield sales since inception in August 1989 exceeded $8.3 billion.

For more information on sales of securities, contact Stephen Guy of the RTC on (202) 416-4458.

Copies of the RTC's fixed-income portfolio may be obtained from the RTC Reading Room on (202) 416-6940.

RTC THRIFTS POST $623 MILLION LOSS FOR FOURTH QUARTER OF 1993

The 63 insolvent savings institutions operating in the RTC conservatorship program on December 31, 1993, incurred total losses of $623 million for the fourth quarter of 1993.

Net operating losses for these institutions totaled approximately $424 million, -- $2 million in net interest expense (interest income minus interest expenses) and $421 million in net non-interest operating expenses (non-interest operating expenses minus non-interest income).

Operating losses essentially represent the cash expenses of funding the institutions' negative net worth and operating expenses such as salaries and other overhead. They also include marketing expenses related to asset sales, and income (loss) from subsidiaries.

The remaining $199 million in losses reflects non-cash charges to recognize prior losses on assets.

Total losses at these conservatorships decreased from the previous quarter by $68 million, the net result of a $64 million increase in operating losses and a $132 million decrease in non-cash charges to recognize prior losses on assets. The increase in operating losses was caused, in part, by a $48 million increase in subsidiary losses, which was largely due to write-downs of subsidiary assets at one large institution. An improvement between the third and fourth quarters in profits on assets held for sale at one institution was mainly responsible for the large decrease in non-cash charges to recognize prior losses on assets.

The 63 conservatorships had gross assets of $23.2 billion on December 31. Total liabilities of the 63 institutions amounted to $27.3 billion. Deposits represented 65 percent of total liabilities, or $17.8 billion.

Total brokered deposits of the 63 conservatorships have dropped 93 percent, or $5.7 billion, since these institutions entered conservatorship. Total non-brokered deposits have declined 50 percent, or $17.2 billion, and total Federal Home Loan Bank advances have fallen 92 percent, or $8.5 billion, during the same period.

Other borrowings, including advances from the RTC for liquidity purposes and the replacement of high-cost funds, increased 166 percent, or $4.6 billion, since these institutions entered conservatorship. RTC advances to conservatorships totaled $6.5 billion as of December 31, 1993.

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 Dialed RTC Telephone Numbers

National Sales Center	(202) 416-4200	RTC Small Investors Program	(800) 421-2073
Real Estate Information Center and Orders for Asset Inventory	(800) 431-0600	RTC Special Resources Clearinghouse	(800) 466-6288
Asset Specific Inquiry Service	(800) 782-3006	Reading Room – Public Information	(202) 416-6940
Securities Sales (Capital Markets)	(202) 416-7554	Main Operator	(202) 416-6900
Contracting Office	(800) 541-1782	RTC Costa Mesa Office	(800) 283-9288
Inquiries Regarding S&Ls for Sale	(202) 416-7539	RTC Denver Office	(800) 542-6135
Office of Corporate Communications – Media Inquiries	(202) 416-7556	RTC Dallas Office	(800) 782-4674
Low Income Housing Program	(202) 416-2823	RTC Kansas City Office	(800) 365-3342
Asset Claims	(202) 416-7262	RTC Atlanta Office	(800) 628-4362
Information Center ATI (Complaints)	(800) 348-1484	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 January 31, 1994
(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	0.67 %	12.50 %	$30.7	2,985
PA	433	186.2	3.3	2.57	23.77	164.9	19,337
PO	89	7.7	0.0	0.00	0.00	8.3	616
Total	680	$224.2	$3.5	2.22 %	21.42 %	$203.9	22,938

* 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 1/31/94	January 1994	1994 To Date
Cash & Securities			
Book Value Reduction	$150,141	$408	$408
Discount from Book Value	3,516	18	18
Sales & Principal Collections	146,625	390	390
1–4 Family Mortgages			
Book Value Reduction	104,133	292	292
Discount from Book Value	3,765	25	25
Sales & Principal Collections	100,369	267	267
Other Mortgages			
Book Value Reduction	63,458	1,045	1,045
Discount from Book Value	13,311	398	398
Sales & Principal Collections	50,147	648	648
Other Loans			
Book Value Reduction	30,497	245	245
Discount from Book Value	2,796	57	57
Sales & Principal Collections	27,701	188	188
Real Estate			
Book Value Reduction	26,211	261	261
Discount from Book Value	11,679	168	168
Sales & Principal Collections	14,533	93	93
Other Assets			
Book Value Reduction	24,913	282	282
Discount from Book Value	6,453	138	138
Sales & Principal Collections	18,460	145	145
Total Assets			
Book Value Reduction	399,353	2,533	2,533
Discount from Book Value	41,519	803	803
Sales & Principal Collections	$357,834	$1,730	$1,730

Notes: Data for inception through January 31, 1994 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.

Inception through 1/31/94 reflects a $3.5 billion upward revision of conservatorship principal collections to correct data that was previously misstated.

Beginning Assets and Asset Reductions
Inception Through January 1994
(Dollars in Billions)

680 Closed Institutions

	Cash & Securities /3	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate /4	Subsid-iaries	Other Assets	Total
Assets at Takeover	$89.7	$100.1	$70.4	$27.1	$28.2	$9.9	18.5	$343.9
Reductions During Conservatorship								
Sales Proceeds	46.3	21.2	4.2	4.1	6.0	0.2	1.2	83.2
Payment & Maturities	30.9	13.6	9.6	7.9	0.0	1.0	1.1	64.2
Other Changes (Net) /1	(29.4)	1.5	2.8	(3.4)	2.8	(0.9)	(1.0)	(27.7)
Assets at Resolution	41.8	63.8	53.9	18.6	19.4	9.6	17.2	224.2
Resolution & Receivership Reductions								
Assets Passed (Net of Putbacks)	23.0	15.5	5.5	3.4	0.1	0.4	0.0	48.0
Assets Retained (After Putbacks)	18.7	48.3	48.3	15.2	19.3	9.2	17.2	176.2
Principal Collections	14.8	39.2	25.5	8.9	7.2	4.7	8.0	108.2
Other Changes (Net) /2	0.9	5.3	10.4	3.2	7.4	(0.6)	3.1	29.7
Receivership Assets as of January 31, 1994	$3.0	$3.7	$12.4	$3.1	$4.7	$5.1	$6.1	$38.2

63 Conservatorship Institutions

	Cash & Securities	1-4 Family Mortgages	Other Mortgages	Other Loans	Real Estate	Subsid-iaries	Other Assets	Total
Assets at Takeover	$21.4	$15.1	$11.0	$3.3	$2.9	$1.4	$2.8	$57.9
Reductions During Conservatorship								
Sales Proceeds	14.4	7.1	3.3	1.0	1.2	0.1	0.8	27.9
Payment & Maturities	17.1	3.8	2.1	2.4	0.0	0.1	0.8	26.3
Other Changes (Net)	(17.8)	(0.6)	1.6	(1.5)	0.7	(0.3)	(1.1)	(19.0)
Conservatorship Assets as of January 31, 1994	$7.7	$4.9	$4.1	$1.3	$1.0	$1.4	$2.3	$22.7

Beginning Assets and Asset Reductions
Inception Through January 1994
(Dollars 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	$31.0	$11.3	$21.4	$401.8
Reductions During Conservatorship								
Sales Proceeds	60.8	28.3	7.4	5.1	7.2	0.3	2.0	111.1
Payment & Maturities	48.0	17.4	11.7	10.4	0.0	1.1	1.9	90.5
Other Changes (Net) /1	(47.2)	0.8	4.4	(4.9)	3.5	(1.2)	(2.1)	(46.6)
Assets at Resolution	41.8	63.8	53.9	18.6	19.4	9.6	17.2	224.2
Resolution & Receivership Reductions								
Assets Passed (Net of Putbacks)	23.0	15.5	5.5	3.4	0.1	0.4	0.0	48.0
Assets Retained (After Putbacks)	18.7	48.3	48.3	15.2	19.3	9.2	17.2	176.2
Principal Collections	14.8	39.2	25.5	8.9	7.2	4.7	8.0	108.2
Other Changes (Net) /2	0.9	5.3	10.4	3.2	7.4	(0.6)	3.1	29.7
Conservatorship and Receivership Assets as of January 31, 1994	$10.7	$8.6	$16.6	$4.4	$5.7	$6.5	$8.4	$60.9

/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 $10.3 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.

Note: Conservatorship payments and maturities reflect an upward revision of $3.5 billion to correct data that was previously misstated.