



# PRESS RELEASE

Federal Deposit Insurance Corporation

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## **FDIC ANNOUNCES SALE OF RESIDUAL INTERESTS AND SERVICING RIGHTS OF SUPERIOR FEDERAL BANK, FSB**

The Federal Deposit Insurance Corporation (FDIC) has announced the sale of the servicing rights for and residual interests in \$3.7 billion of securitized subprime mortgage loans from the former Superior Federal Bank, FSB, Hinsdale, Illinois.

The assets were sold to EMC Mortgage Corporation, a wholly owned subsidiary of Bear Stearns & Co., Inc.. The FDIC recovered \$517 million (net) from the residual interest portfolio since Superior's failure on July 27, 2001, including \$471 million in sales proceeds. The transfer of the servicing rights to EMC Mortgage Corporation is expected to be completed by the end of June.

Acting as financial advisor for the sale was HanoverTrade.com, Inc., Edison, New Jersey, a subsidiary of Hanover Capital Mortgage Holdings, Inc. HanoverTrade.com is also conducting the sales on the balance of Superior's subprime mortgage loan portfolio. Two loan portfolios from Superior are being readied for sale. They consist of \$43 million of performing and non-performing residential loans, and \$275 million of recently originated performing whole loans. Interested bidders will be able to perform online due diligence by viewing scanned images of the actual loan files. More information on the sales is available at [www.hanovertrade.com](http://www.hanovertrade.com).



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-21-2002**