



# PRESS RELEASE

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**FOR IMMEDIATE RELEASE**  
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## **FDIC Selects Consortium of Residential Credit Solutions, Inc., Carval Investors and RBS Financial Products, Inc. as Winning Bidder of \$898 Million in Single Family Non-Performing Residential Loan Assets: Amtrust 2010 NP-SFR**

The Federal Deposit Insurance Corporation (FDIC) has closed on a sale of 40 percent equity interest in a limited liability company (LLC) created to hold approximately \$898 million of primarily non-performing residential loan assets out of AmTrust Bank. The winning bidder of the Structured Transaction is a three-party consortium made up of Residential Credit Solutions, Inc., CarVal Investors and RBS Financial Products Inc. at a price of approximately 37 percent of unpaid principal balance.

As an equity participant, the FDIC will retain a 60 percent stake in the LLC and share in the returns on the assets. The FDIC offered 1:1 leverage financing and has agreed to guaranty Purchase Money Notes issued by the LLC in the original principal amount of approximately \$169.5 million. The sale was conducted on a competitive basis with the FDIC receiving a total of 5 bids on either a 40 percent leveraged ownership interest or a 40 percent unleveraged ownership interest in the newly-formed LLC.

The FDIC as Receiver for the failed bank will convey to the LLC a portfolio of approximately \$898 million residential real estate loans, of which approximately 96 percent are delinquent. Thirty-seven percent of the collateral in the portfolio is located in Florida, 11 percent in California, 5 percent in each of Arizona, Nevada and Massachusetts, and the balance in 42 other states.

As the managing member of the LLC's managing equity owner, Residential Credit Solutions, Inc. will provide for the management, servicing and ultimate disposition of the LLC's assets. RCS will apply the HAMP loan modification protocol to eligible loans in the portfolio.

The bid received from the consortium was determined to be the offer that resulted in the greatest return to the participating receiverships.



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.

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AmTrust bank failed on December 4, 2009, and the FDIC immediately entered into a purchase and assumption agreement with New York Community Bank, Westbury, New York, to assume all the deposits and approximately \$9 billion of the assets. This transaction completes the sale of the majority of the remaining assets of AmTrust Bank.

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