

- A REMIC (Real Estate Mortgage Investment Conduit) - a vehicle for issuing mortgage-backed securities that allows the issuer to treat the security as a sale of asset for tax and accounting purposes.
- HELOCs are dynamic in nature. The securitization of these loans needs special handling as Payments and Draws are not predictable.

Our HELOC Offering

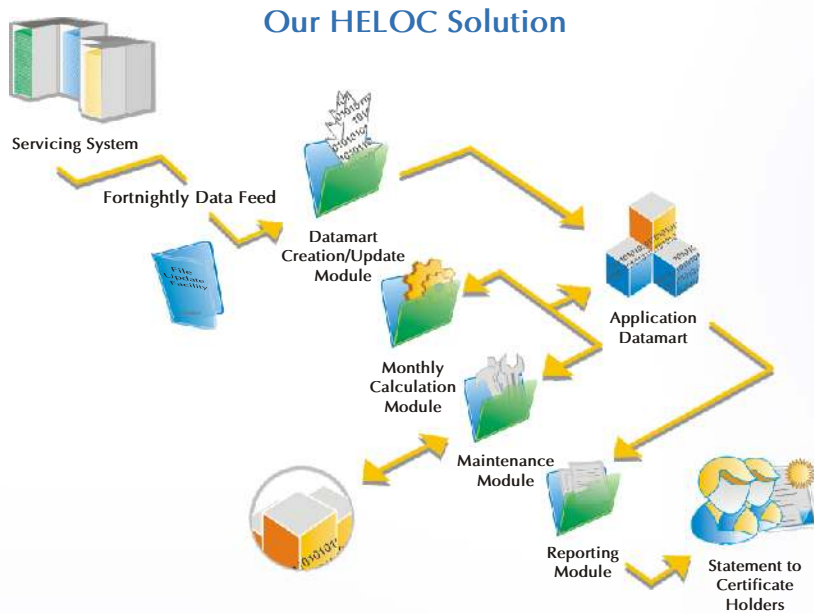
- **Packaged Solution**
 - Data Update Module (From Servicing System)
 - HELOC Datamart Model
 - HELOC/REMIC Computational Model
- **Custom Developed**
 - Maintenance Module
 - Reporting Module



HELOC Revolving Trust Securitization “Catch your Profit”



Offer HELOC Securitization Now
Enable a New Revenue Stream
Avoid Transaction Costs Model



MORTGAGE LENDER HELOC Securitization

Corporate Profile

One of the top three mortgage originator/servicer in the US

Business Challenge

Customer paying per transaction costs to a third party vendor and offering a sub-optimal product

Solution

Develop an "Integrated" customized solution to offer REMIC certificate

Results

ROI of two months.

Why Visionet?

Visionet has spent ten years working with top tier mortgage companies in the country. Visionet has built various mortgage industry specific products and solutions over the years. Please visit www.visionetsystems.com for more information. These products include production lead management, product recommendation engines, channel and broker profitability, post close compliance automation, loan boarding and special loan setup, escrow float and shortage management, prepayment risk modeling, default risk analysis, loss estimation and tracking and REO. We built these solutions after analyzing the data from dominant servicing and origination platforms.

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The Revolving Trust Model

- The premise behind the revolving trust REMIC certificate is to match the structure of the trust to the revolving nature of the underlying loans. In a revolving deal structure new draws are added back into the trust. This slows down the prepayment rate and gives lenders a mechanism for funding new draws inside an existing deal, rather than having to continuously re-securitize balances.
- The revolving trust consists of three phases:
 - The revolving phase
 - The managed amortization phase (MAP)
 - The rapid amortization phase (RAP)

Features of Our Model

- Set up an Investor Pool
- Monthly Processing:
 - Designed to perform the computations based on the

current phase of an Investor Pool both in Revolving and Non Revolving Trust Model

- Allocates monthly Principal payments (FIFO)
- Allocates monthly Draws
- Computes Pool Closing Balance
- Computes Average Daily balance of the Pool
- Computes Allocation of Finance Charge
- Computes Weighted Average Coupon
- Based on these figures, Real Estate Mortgage Investment Conduit Certificates are produced
- Reports are produced as an XLS or as PDF
- Loans can be added from warehouse or removed from any investment pool to warehouse
- And audit trail is maintained for such activities
- Web Based application
- Pool, Loan and Participating Balance level history is maintained
- Loan balance can be securitized in different investor pools
- Interest is allocated on Average Daily Balance of loan balance in Investor pools