



financial consulting

This section summarizes selected financial consulting engagements performed by the Firm:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

1. Due Diligence for \$775 Million of Multifamily and Healthcare Loans in Two Sales for HUD

TCBA performed comprehensive due diligence and related asset sales support services for HUD on 190 healthcare and multifamily performing and non-performing loans with an outstanding principal balance in excess of \$775 million. This project was performed in association with an 8(a) firm. TCBA's employees served as project manager and assistant project manager for this engagement, and TCBA participated extensively in numerous other technical capacities.

The due diligence services performed by TCBA included the following:

- Planned and implemented extensive file review process for complex, large value assets,

- Obtained property site inspections, physical needs assessment reports, environmental reviews, and title updates from multiple third-party vendors under extremely tight time frames,
- Managed creation of a large loan database used to capture a wide range of information from multiple sources about assets included in this transaction,
- Organized extensive document imaging project to allow due diligence to be conducted over the Internet on a secure project web site by potential bidders,
- Provided ongoing support to loan sale advisor throughout the investor review process,
- Operated an efficient investor review site and distributed asset information via CD ROMS,
- Provided updated asset information to investors throughout the investor review period, and
- Completed all aspects of the project on time and within budget with increased financial results for HUD.

2. Transaction Specialist for \$480 Million of Multifamily and Healthcare Loans in Two HUD Loan Sales Transactions

TCBA provided the project manager for a Transaction Specialist (TS) engagement for HUD. The team led by

the TCBA project manager was responsible for conducting the MHLS 2004-1 (multifamily and healthcare loan sale) transaction including 43 non-performing healthcare and multifamily loans with an outstanding balance of approximately \$200 million. The assets were located all over the country. TCBA also provided senior management oversight and advisory services for the HUD MHLS 2003-1 Transaction Specialist engagement involving 45 similar assets with an outstanding balance of \$280 million.

These engagements required the Transaction Specialist to perform the following key activities:

- Recommend a transaction structure and asset pooling to obtain the optimal level of return for HUD,
- Conduct a comprehensive national marketing effort to reach a wide range of potential investors,
- Provide detailed oversight and quality control of the project's due diligence contractor, and
- Provide asset valuations to project budgetary impact of the sales for the U. S. Office of Management and Budget (OMB).

3. Due Diligence and Related Asset Sales Support Services for \$300 Million of HUD Multi-family Loans

TCBA provided due diligence and related asset sales support services for 98 non-performing multifamily loans with a total outstanding balance of more than \$300 million for the HUD Southeast Sale. The sale was a major new initiative for HUD, which began a series of large sales of non-performing multifamily mortgages by HUD. TCBA's role was to perform the due diligence on these multifamily mortgages and to compile detailed packages of accurate and readily understandable information about these mortgages for the benefit of HUD and potential investors. The due diligence, accounting

and financial modeling services provided by TCBA assisted HUD in maximizing the value of these assets at disposition.

U.S. SMALL BUSINESS ADMINISTRATION (SBA)

1. Conduct Reviews of US Small Business Administration Preferred Lender Program (PLP) Participants Annually

TCBA reviewed the lending operations and loan file documentation of 300 to 350 participating lenders in the SBA's Preferred Lenders Program (PLP) on an annual basis, for five years, to ensure compliance with all relevant SBA lending requirements. These lenders are granted expedited guaranty authority for loans under the 7(a) program as long as they follow the appropriate SBA policies and procedures. SBA 7(a) loans are made for a wide variety of business purposes including the purchase of real estate, operating capital, and the purchase of business equipment and other business assets. The PLP reviews were expanded in 2000 to include loans from the SBA Express lending program.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

1. Financial Advisory Services for a \$440 Million FDIC Commercial Mortgage Loan Sale

TCBA served as a part of the Financial Advisor team to the FDIC for the sale of performing and non-performing loans with a total outstanding balance of \$440 million.