

Richard W. Payne III

57 Union Place

Suite 316

Summit, NJ 07901

(908) 803-1290 (Cell)

(908) 277-0250 (Office)

rpayne@payneadvisory.com

Highlights:

- Developed Interest Only and Principal Only Mortgaged Backed Securities
- Served As Lead Advisor For The RTC At Prudential Securities For Mortgage Securitizations
- Innovator In Mortgage Servicing Rights Market
- Served As President Of Three Mortgage Companies
- Served On Regional Advisory Boards Of Both FNMA And Freddie Mac

Work Experience:

2008 – Present Payne Advisory, LLC – Managing Partner

Experience: Consultant to mortgage industry, warehouse reviews, put-back reviews, operational reviews, capital market evaluations and expert witness. www.payneadvisory.com

Expert Engagements:

- Tier One Bank v. Hartford Insurance, pre-litigation. Omaha District Court (Retained by Defendant)
- David H. Hart, et al v. Homecomings Financial, LLC et al., Philadelphia District Court Case # USDC: Civil Action #07-4177 (Retained by Defendant)
- American Federal Mortgage Corp v. Residential Home Mortgage Corp., Superior Court of New Jersey Bergen County Docket MRS-C-38-06 (Retained by Plaintiff)
- Hassel Moran, Jr. v. Dell Computer, American Arbitration Association Case #1410004709 (represented Defendant)
- JP Morgan Chase v. Mortgage IT, U. S. District Court Northern District of Texas Dallas Division Civil # 3:06-Cv-440-N (Retained by Defendant)
- Gibson v. Countrywide, Superior Court of the State of California County of Los Angeles Case # BC356053 (Retained by Plaintiff)
- Miller v. Greenwich Capital, et al., United States Bankruptcy Court for the District of Delaware Case #06-50826 (MFW) (Retained by Defendant Ocwen)
- Wachovia Mortgage Corp., F/S/B f/k/a v. Barbara Blace and Kevin Blace, Superior Court Of New Jersey Chancery Division Bergen County Docket # F-41354-08 (Retained by Plaintiff)
- Cecil, Albert and Eric Natsvogel v. Fire Insurance Company, Capital Financial Corporation, Mark Lombardo, Chase Home Finance A/K/A and Chase Home Finance, LLC and Nationwide Land Transfer, LLC, Superior Court of New Jersey Ocean County Docket # L-1710.09 (Retained by Plaintiff)
- Christopher Meyers and Sarah Wright Meyers v. Jeffrey Chandor, et al., Superior Court of New Jersey Hunterdon County Docket # HNT-L-499-08 (Retained by Plaintiff)

- Fairfield County Bank, Corp., Claimant v. Genworth Mortgage Insurance Corp., Respondent, American Arbitration Assoc. # 12 195 00270 09 (Retained by Respondent)
- New Mexico Investment Council, et al. v. Countrywide Financial Corp., State of New Mexico County of Santa Fe First Judicial District Court, Case # d-0101-CV-2008-02289 (JAH) (Retained by Plaintiffs)
- Titan Investment Fund, II LP v. Freedom Mortgage Corp., Superior Court of the State of Delaware In and For New Castle County Case # 09c-10-259 NCC (Retained by Defendant)
- Briarwood Investments, Inc. v. Care Investment Trust Inc., F, Scott Kellman, Robert O'Neill and Flint D. Besecker, Superior Court of New York Southern District Civil Action #1:07-cv-08159-LLS (Retained by Plaintiff)
- FISERV, et al v. XL Insurance, Supreme Court of the State of New York County of New York Index # 601096-2009 (Retained by Defendant)
- Perri v. Village Capital, Superior Court State of New Jersey Burlington County LLC, Docket # 2008 CH 002063 (Retained by Plaintiff)
- Wyndham Lending Group, LLC, a Delaware Limited Liability Company, and Robert C. Walsh an individual v. Banco Popular North America, Inc., Superior Court State of New Jersey Morris County Case # MRS-L-002862-8 (Retained by Plaintiff)
- Ameribanq Mortgage Group, LLC and Ameribanq Mortgage Group Liquidating Trust v, R. Daniel Lindley, In the Court of Common Pleas Lancaster County, Pennsylvania No. CI-07-03968 (Retained by Plaintiff)
- MetLife Bank, N.A. v. John Badostain, Jon L. Lewis, Brian J. Neville, Michael D. McLean and Eagle Home Mortgage, LLC, United States District Court District of Idaho Case No: 1:10 CV-00118-CWD (Retained by Defendants)
- H. Jason Gold, Chapter 11 Trustee v. EMC Mortgage Corporation, United States Bankruptcy Court Eastern District of Virginia. Case No: 08-13293-SSM, Adv. Proc. No. 10-01222 (Retained by Plaintiff)
- H. Jason Gold, Chapter 11 Trustee v. J.P. Morgan Chase Bank, N.A., et al, United States Bankruptcy Court Eastern District of Virginia. Case No: 08-13293-SSM, Adv. Proc. No. 10-01219 (Retained by Plaintiff)
- H. Jason Gold, Chapter 11 Trustee v. Gateway Bank, FSB, United States Bankruptcy Court Eastern District of Virginia. Case No: 08-13293-SSM, Adv. Proc. No. 10-01510 (Retained by Plaintiff)
- H. Jason Gold, Chapter 11 Trustee v. Regions Bank, United States Bankruptcy Court Eastern District of Virginia. Case No: 08-13293-SSM, Adv. Proc. No. 10-01204 (Retained by Plaintiff)
- H. Jason Gold, Chapter 11 Trustee v. Southwest Securities Bank, United States Bankruptcy Court Eastern District of Virginia. Case No: 08-13293-SSM, Adv. Proc. No. 10-01521 (Retained by Plaintiff)
- H. Jason Gold, Chapter 11 Trustee v. Wells Fargo Funding and Wells Fargo Bank, N.A., United States Bankruptcy Court Eastern District of Virginia. Case No: 08-13293-SSM, Adv. Proc. No. 10-01365 (Retained by Plaintiff)
- United States of America v. Shaheid Bilal, Rhonda Payne and Richard Britt, United States District Court Southern District of New York, 10 Criminal 129 (Retained by Public Defender)

I have testified in a trial, an arbitration and eight depositions.

Work Experience:

2007 – 2008 Tribeca Lending Corp - President

Experience: Manage mortgage origination unit for this subsidiary of Franklin Credit Management Corp.

- Successfully integrated the NYMC division into the Company and introduced the Tribeca product line to the NYMC production unit.
- Increased volume levels while simultaneously tightening underwriting guidelines to conform to industry standards.
- Enhanced the Parent Company's procedures for reviewing loans for potential put backs to sellers and drafted hundreds of legal summaries in this effort.
- Met with several members of Congress to discuss pending legislation and to promote Tribeca's Liberty Mortgage Product

2005 – 2007 The New York Mortgage Company - President, Wholesale Division

Experience: To start up Wholesale Channel for this REIT owned Mortgage Company.

- Negotiated and consummated the sale of the division to Tribeca Lending Corp. at book value.
- Implemented a strategy of creating an inside only wholesale sales force and increased closing volumes every month until the Company started to explore selling or liquidating its origination units.
- Worked with Marketing Director to develop a complete marketing plan and authored several articles that promote NYMC Wholesale in Trade Publications.
- Consistently closed \$40million a month and achieving profitability of \$50,000 to \$75,000 a month.

2004 – 2005 Lehman Brothers - Managing Director
Director of Wholesale Development – Aurora Loan Services

Experience: To assist Aurora Sales Manager in growing the wholesale channel.

- Developed new inside sales force to activate dormant accounts and cover accounts where the Outside Account Executive had left the Company. In a six month period this unit achieved a volume level of \$50million per month.
- Developed new customer service function that served as inside sales support for Account Executives.
- Coordinated and standardized all recruiting efforts for outside Account Executives that led to the targeting and hiring of higher quality candidates.
- Served as main liaison for Lehman Brothers in merging SIB employees into Aurora after the acquisition.
- Served on Aurora's Senior Management Committee.

1997 – 2004

SIB Mortgage Corp. - President and CEO

Experience: Manage Company with over 2500 employees that achieved levels of \$20billion of annual production and rose to become the sixth largest Alt-A lender based on MBA league tables. Also served on the parent company's Executive Management Committee and Asset/Liability Committee.

- Hired as CEO of a small sub-prime lender, Ivy Mortgage that at the time was closing \$20million a month and grew the production to a \$20billion annual pace and ranked as the 20th largest mortgage lender. Assisted the owners of Ivy Mortgage in the sale of the company to SI Bank & Trust.
- Increased book value from \$2million to \$100million in six years.
- Managed warehouse lines totaling \$3billion with three separate lenders and an early funding line with two separate investors.
- Achieved profitability of \$41million in 2002, \$100million in 2003 and \$24million for the first nine months of 2004.
- Serves as lead liaison with outside counsel on any lawsuit involving the Company. SIB was able to obtain dismissals of two major class action suits during my tenure.
- Served as SI Bank & Trust's liaison with the OTS regulators. Achieved high marks in both safety and soundness and compliance (includes fair lending) reviews.
- Served on committee to select a new internal auditor for SI Bank & Trust after demise of Peat Marwick.
- Participated in all conference calls, investor presentations and individual meetings with stock analyst.
- Served as main contact with the investment bankers and potential investors during the marketing of SIB Mortgage. Met with 15 different potential acquirers and ultimately sold the company to ten different investors the largest being Lehman Brothers who acquired the Wholesale Channel.

1994 – 1997

Eastern Mortgage Services, Inc. - President and CEO

Experience: Manager a Nationwide Mortgage Company with over 500 employees, \$2billion of annual production and a \$1.6billion servicing portfolio. Also served on the parent's Executive Management Committee and Asset/Liability Committee.

Major Accomplishments: Assumed CEO position of an unprofitable mortgage company with declining production. Achieved the following:

- Created value in excess of \$90,000,000 by diversifying product lines and expanding retail, wholesale and nonconforming (B, C) networks.
- Returned company to profitability within the third month by downsizing workforce by 33%. Accomplished without loss of a major production center.
- Increased closing volumes to a level of \$200million per month by selectively expanding the retail production network, introducing a new wholesale center in Jacksonville and greatly expanding the sub-prime originations. EMS was the 4th fastest growing mortgage company in 1996 and achieved a ranking of being the 25th largest retail originator and 42nd overall originator.

- Started nonconforming lending division in 1994. Volume levels exceeded \$40million per month and were sourced through three channels of distribution; retail; wholesale and consumer direct marketing. All loans were sold serviced released without recourse.
- Obtained passing grades on several Federal Reserve audits of mortgage operation including a safety and soundness exam and compliance exam.
- Upgraded mortgage delivery information system with no major capital expenditures and successfully incorporated “Loan Prospector” artificial intelligence system and “Smart Works” laptop software into origination process. EMS’s internet site was selected to be in the top ten of mortgage websites by “Mortgage Banker” magazine and was the subject of a feature article.
- Served as EMS chairperson for integration of EMS into Dauphin.
- Member of FNMA Northeast Regional Advisory Board.

1992 – 1994 Anchor Mortgage Services, Inc. - First Senior Vice President, Secondary Market and Wholesale Executive

Experience: Manage all Capital Market and Secondary Activities for the Mortgage Subsidiary.

- Reduced G &A expenses for the department by 25% while increasing volume by 50%
- Hedged entire mortgage serving rights asset utilizing derivatives. Purchased over \$2billion of mortgage servicing rights.
- Served as mortgage team leader on (2) acquisitions. Supervised all mortgage due diligence from a credit and interest rate risk standpoint.
- Increased wholesale production from \$25million a month to over \$100million a month within six months of taking over the wholesale unit.
- Invited speaker at many national and regional conferences and conventions.

1990 – 1992 Prudential Securities, Inc. - Vice President, Senior Nonconforming Mortgage Trader

Experience: In charge of Whole Loan Commercial and Residential Trading, Senior Advisor to RTC on liquidation of residential portfolio and assist investment bankers in valuing mortgage related companies for mergers and acquisitions.

- Advised RTC on securitization of \$10billion of mortgage securities.
- Assisted investment banking group in acquisition of Empire Realty Credit Corporation by Cargill Associates and Gordon Capital.
- Annual trading volumes exceeded \$5billion and annual cost center profits exceeded \$10million.
- Assisted financial products group with various securitizations of first and second mortgages.

1985 – 1990 Home Owners Savings Bank – Director of Capital Markets

June 1980 – June 1985 Investors Savings Bank – Director of Secondary Markets

June 1978 – June 1980 Citizens Home Insurance – Manager of Investment Department

Education:

University of Richmond

Bachelor of Science in Business Administration, Concentration in Finance

Virginia Commonwealth University

Continuing Education Courses in Real Estate

Affiliations:

Mortgage Bankers Association

Gotham Networking Inc. Expert Witness Group