



US Residential Mortgage Banking Compensation Survey Program — 2009

INTRODUCTION TO MCLAGAN

At McLagan, we have a singular focus: helping our clients make important business decisions by leveraging the unique combination of our in-depth financial services industry knowledge, proprietary pay and performance studies and proven consulting expertise.

Our belief is that data can be a powerful management tool if it is simultaneously accurate, comprehensive, and actionable. Our goal is to provide a complete set of data which, taken in context, can improve business results.

ABOUT THE RESIDENTIAL MORTGAGE BANKING COMPENSATION SURVEY PROGRAM

The ongoing partnership with the Mortgage Bankers Association (MBA) and McLagan leverages the Association's industry network with McLagan's deep experience in compensation benchmarking, performance analysis and compensation plan design within the financial services industry. The compensation survey program has multiple components constructed to address the needs of both large and small firms. In addition, McLagan and the MBA also execute a *Commercial Real Estate Compensation Survey* examining competitive pay levels for positions within commercial real estate finance businesses. The complete MBA survey program consists of the following five components:

I. COMPENSATION LEVEL BENCHMARKING

This comprehensive report provides key data on professionals across the major functions/areas within the mortgage banking industry. Our process enables us to collect data by function, specialization, business or product group, and distribution channel, in conjunction with scope factors such as: geographic location, number of employees and revenue size. A comprehensive list of functions and business areas covered in the three compensation surveys is found on the next page.

II. INCENTIVE PLAN STUDY

This study provides aggregated information on current incentive plan designs for the origination, underwriting, operations, and servicing positions in residential mortgage banking. Compensation topics include: commission payout metrics, performance measures, funding criteria, merit budget data and executive perquisites, as well as market practices related to merit budgets, bonus pool accruals, eligibility, performance measures, long-term incentive plan design.

III. PRODUCTIVITY ANALYSIS

This product provides in depth analysis of the correlation between loan volume levels and compensation for origination business lines. Participating firms will be able to compare aggregated and individual incumbent level production levels and compensation data with external market benchmarks.

IV. REVERSE MORTGAGE BANKING SURVEY (NEW IN 2009)

With the expansion of firms entering into the reverse mortgage market, this survey will consist of information similar to that of the Residential Mortgage Banking Survey. The positions covered are as follows:

EXECUTIVE/ORIGINATION

- Executive Management
- Origination Channels:
 - Retail
 - Telemarketing
 - Wholesale

SECONDARY/CAPITAL MARKETS

- Loan Portfolio Management
- Securitization
- Pricing
- Quantitative Analysis
- Sales/Investor Relations
- Secondary/Capital Markets Management
- Secondary/Capital Markets Support
- Trading

OPERATIONS/SERVICING & INFRASTRUCTURE

- Customer Service
- Finance
- Loan Operations
- Loan Workout
- Marketing & Communications
- Quality Control/Compliance
- Risk Management
- Technology
- Underwriting

V. CUSTOMIZED REPORTING AND CONSULTING CAPABILITIES

McLagan is experienced in incentive compensation plan design and market benchmarking, consulting incentives, peer group selection, geographical analysis, incumbent-by-incumbent results, functional management reporting and top-paid analysis.

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EXECUTIVE MANAGEMENT & PRODUCTION ADMINISTRATION

- ABA/Joint Venture
- Affordable Lending
- Appraisal
- Asset Sales
- Commercial/Multi-Family Origination
- Construction Loan Origination
- Corporate Relocation
- Correspondent/Whole Loan Acquisition
- Cross Sell
- Documentation/Negotiation
- Executive Management
- Loan Securitization
- Operations
- Overall Origination Management
- Portfolio Management
- Pricing
- Private Mortgage Banker
- Quantitative Analysis
- Retail
- Sales Satellite
- Secondary/Capital Markets Mgmt
- Secondary/Capital Markets Support
- Securitized Products Research
- Strategic Planning & Development
- Telemarketing/Consumer Direct
- Title Services
- Trading
- Transaction Mgmt/Trader Support
- Underwriting
- Validation
- Web Based Lending
- Wholesale

LOAN SERVICING/LOAN ADMINISTRATION

- Capacity Planning & Forecasting
- Customer Service
- Escrow & Tax Services
- Executive Management
- Inspection
- Investor Relations
- Loan Workout
- Operations
- Portfolio Retention Sales

CORPORATE ADMINISTRATION & SUPPORT

- Centralized Vendor Management
- Compliance/Quality Control
- Economic Research
- Finance
- Human Resources
- Information Technology
- Internal Audit
- Legal
- Marketing & Communications
- Mergers & Acquisitions
- Office Services
- Project Management/Process Re-Engineering
- Risk Management
- Support Staff

2008 US PARTICIPANTS

§ AEGON USA Realty Advisors, Inc	§ EverBank	§ PHH Mortgage
§ AIG	§ Fannie Mae	§ Plaza Home Mortgage, Inc
§ American Home Bank	§ Fifth Third Bank	§ PMI Group
§ Arvest Mortgage Company	§ Freddie Mac	§ Prime Lending
§ B.F. Saul Mortgage	§ GMAC	§ Pulte Homes, Inc.
§ Bank of America	§ Home Street Bank	§ ResMAE Mortgage Corporation
§ Bank of the West	§ HSBC Bank	§ Regions Financial Corporation
§ BMO Financial Group	§ Home State Bank	§ Saxon Mortgage
§ BOK Financial Corporation	§ IBM	§ Shea Financial Services
§ Branch Banking & Trust Co.	§ Johnson Financial Group	§ Sovereign Bank
§ Charter Bank Mortgage Insurance	§ JP Morgan Chase	§ Standard Pacific Mortgage, Inc.
§ Cenlar	§ KeyCorp	§ SunTrust Banks
§ Citi Global Consumer Group	§ Lehman Brothers Inc.	§ Union Bank of California
§ Citizens Bank	§ Lending Tree, LLC	§ Universal American Mortgage
§ Colonial Savings, FA	§ Litton Loan Servicing	§ USAA
§ Compass Bancshares, Inc.	§ Marix Servicing	§ Wachovia Corporation
§ Countrywide Financial Corp.	§ MGIC	§ Washington Mutual
§ Downey Savings and Loan	§ Mission Federal Credit Union	§ Wells Fargo and Company
§ EMC Mortgage	§ Nationstar Mortgage LLC	§ Wilmington Finance, Inc.
§ EquiFirst Corp.	§ New South Federal	

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