
From: Erin Granoff [mailto:erin_granoff@hotmail.com]
Sent: Wednesday, April 01, 2009 7:56 PM
To: LLCComments
Subject: Legacy Loans Program

Legacy Loan Questions

The following questions relate to land loans, land development loans and construction loans to private homebuilders:

1. Will government guaranteed loans be made that do not require any payment including interest until the loan is paid off or principal payments are made in order to gain the release of some real estate?
2. Does the government as partner pay its share of loan servicing, management, loan guarantee fees and interest as it comes due.
3. Can a bank turn down the highest bid and negotiate a higher price?
4. Can a bank sell a loan in the program that is part of a group of loans to one homebuilder that are cross collateralized?
5. Legacy securities must have originated prior to 2009 in order to qualify for the Legacy Loan Program. Is there the same requirement for Legacy Loans or can Legacy Loans still be funded after this date?
6. Can private investors invest in PPIFs that purchase loans where the investor is the debtor?
7. Can a pool consist of only one loan?
8. Can sales be negotiated between buyer and seller without going to auction?
9. Can a US bank owning a loan in participation with a foreign bank sell it under the Legacy Loan Program?
10. Can a bank sell a loan in the Program when it has made an arrangement with the buyer to pay the shortfall?
11. Can a bank sell a loan in the Program and then try to collect the shortfall through a personal guarantee?
12. If debtor is also an investor in the PPIF, does the debtor need to work out revisions to the loan terms before making a bid?