



To All Field Representatives,

This is in addition to the letter sent to you all February 12, 2016. It is to continue to communicate with you about the recently released HUD regulations, Mortgagee Letter 2016-02. I thank you for responding to the release and learning all you can in the short time the letter has been in effect. I also want to bring to your attention the things we have seen and learned via the MBA Servicing Conference, speaking with HUD representatives, speaking with our client's whom are leaders in our industry, with some of you, and from two non-compliance notices received since the letter was released. It is clear this letter is still a work in progress and there will certainly be changes to it in the coming days, weeks and months. Wolverine is also working to change our PCR to help you to view, complete, bid and document issues at the property and to satisfy all of the requirements.

POSTING EMERGENCY CONTACT SIGNS; The first item I want to urge you to do as soon as you make entry into the house and have determined it is vacant and safe for you to be there is to post the emergency contact sign. This sign is now part of each work order you receive from Wolverine. Posting it before you begin your work protects you from overzealous police officers looking to protect their neighborhoods, by letting them know why you are there. And from inquisitive neighbors that may take up your time by asking questions you cannot answer or distract you from your duties. You can ask them to contact the number on the sign for any questions they may have. Make sure you post the sign inside the front window so it is visible from the street, and to provide photos.

COMPLETING THE PCR and DPR; you have all improved at reporting, documenting and bidding more damages and issues at the properties. The issue is the guidelines require you to do all three. You must report, document in photos and/or writing, and bid any damages you find at these properties. They require you to document these items from the very first time you enter the property until it is conveyed, or you could be responsible for the cost of the repair. Not only could you find yourself having to make repairs because you did not look through the property and complete the PCR and DPR completely but you, Wolverine and our clients are losing valuable time by having to return to properties to provide photos or measurements you should have gotten when you completed the initial secure. I urge you to take a few more minutes at each job to make sure you have reported, documented and bid any issue or damage you find in these properties. And complete the PCR and DPR completely. It will save you time and extra trips back.

FOLLOWING THE INSTRUCTIONS ON EACH WORK ORDER; another tip that will save you time, fuel and money is to follow the instructions on each work order. Wolverine and our client's work together to tailor each order per the client's and investors requirements. This information is on each order you receive and must be completed before the order can be invoiced. This seems like the simplest thing to do but for some they seem to be taking the instructions for granted. If Wolverine's staff finds they have to reject an order for this or any other reason, we are finding it takes far too long for you to return the corrected information. I recommend you read each order when you receive it, or when you are preparing to go to the property so you know how to prepare yourself for that job, and again while at the job so you can catch anything before you leave. This will save you time, fuel and money, and will save Wolverine and our client's valuable time.

SECURING AND MAINTAINING POOLS AND SPAS; you should not overlook the security of pools and spas even if they are indoors. The department has sent a strong signal to Wolverine that they will not tolerate any liability regarding pools and spas being secure. You should make sure that if there is a fence it is locked and secure and that the pool and/or spa are completely covered, and secure against trespass. Especially secure from young children being able to enter the pool area or the pool itself. The covers should be and remain taught against the sides. The cover may need to have the water removed or pumped from it periodically depending on the weather and location of the property. You are responsible to make sure it is secure per local regulations and the investor's guidelines, and you should check the pool and/or spa each time you visit the property. That includes on each grass cut or snow removal. You are also responsible to make sure pools are shocked where and when it is applicable. Wolverine will monitor properties that have pools to make sure they are put on a schedule if necessary.

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- DELINQUENCY INTERVIEWS
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- APPRAISALS
- PROPERTY PRESERVATION
- PROPERTY REHABILITATION
- EVICTION SERVICES
- PROPERTY RISK MANAGEMENT
- VACANT PROPERTY REGISTRATIONS
- THIRD PARTY QUALITY REVIEWS
- UTILITIES

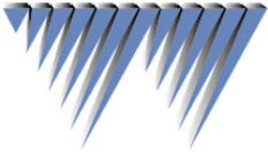
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IDENTIFYING TRIP HAZARDS; Wolverine received a non-compliance letter for a small, approximately 6" X 8" rotted portion of wood decking that had fallen off. This is a small area but it must be repaired to avoid liabilities. It is clear that the department is looking at uneven walkways, driveways, patios, porches, decks and steps. They are also noticing obstructions coming out of the ground. If there is a pipe, pole, cable, tree, rock or anything coming out of the ground you should bid to remove, cover or to set a barricade around it. You must also look for trip hazards inside the house and outbuildings. You should look for uneven flooring, uneven transitions between rooms and/or flooring, wire and cables, and any obstruction in the floor. You should look for these carefully and thoroughly to avoid return trips, or non-compliance letters.

I want to remind you of other items that in the course of driving from house to house, taking phone calls, working with neighbor and local authorities are easily over looked but are just as important as the topics discussed in this letter. It is important not to miss viewing, documenting, repair when possible within the guidelines or providing a bid to remedy the items below;

- Shrubs and trees that are overgrown or touching a structure
- The condition of the downspouts and gutters, fascia and soffits
- Condition of the roof, chimney and vents
- The condition of stairs and railings inside and outside
- If there is mold on the outside walls, or inside walls, ceilings and floors
- Report and document all missing appliances and fixtures
- Report and document all damages no matter how small it might be
- Remove and/or report any graffiti
- Severely soiled carpets must be removed and/or reported
- All exterior openings doors, windows, crawl spaces, soffit vents, chimneys, and roof vents must be covered and closed

Please do not hesitate contacting me if you have any questions, comment, concerns or suggestions. This and all memos and the current guidelines are posted on our website at www.fieldinspection.com

Thank you,
Mark Dorchen, CEO
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Our Service and Experience Make the Difference!

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