

SALE ANNOUNCEMENT

\$26.8MM JUMBO ARM LOAN SALE

LOCATION: WEST COAST

FEBRUARY 2019



Loan Type:	Residential Mortgage Loans, Performing and Scratch & Dent
Location:	WA (50%), CA (40%), HI (4%), ID (2%), OR (2%), CO (2%)
Performance:	Always Current

Overview

\$26,772,790 (Approximate Unpaid Principal Balance) Residential Mortgage Loan Sale (the “Asset Sale”) being conducted by Mission Capital Advisors, LLC (“Mission Capital” or “Asset Sale Advisor”) on behalf of an undisclosed seller (the “Seller”).

Asset Sale Structure

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of residential mortgage loans (the “Loans,” “Assets” or collectively, the “Portfolio”). On behalf of the Seller, Mission is initially soliciting indicative bids from prospective bidders (“Prospective Bidders”) for the purchase of the Portfolio pursuant to the Asset Sale timeline attached hereto.

The Seller is offering the loans on a servicing released basis.

Portfolio Overview

Product Type	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
7/1 ARM	24	\$23,636,675	88.3%	4.629%	\$984,861	\$23,738,312	3	356	275	762	72.9%	76.1%	31.5%
10/1 ARM	1	\$895,444	3.3%	4.750%	\$895,444	\$900,000	4	355	275	768	38.7%	38.7%	34.0%
15/1 ARM	3	\$2,240,671	8.4%	4.754%	\$746,890	\$2,241,786	1	359	225	774	81.6%	82.0%	34.8%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Exhibit A contains detailed stratifications for the Portfolio contained in this offering.



Highlights

The highlights of the Asset Sale are as follows:

- Seller desires to sell and Prospective Bidder's bid should be for 100% of the Assets offered in each Pool. The Seller, at its sole and absolute discretion, may entertain loan kick-outs ("Non-conforming bids").
- Assets will be sold subject only to those representations and warranties noted in the Mortgage Loan Purchase Agreement (the "Asset Sale Agreement"). Prospective Bidders may present their form of Asset Sale Agreement prior to the Bid Date.

Portfolio highlights include:

- The Portfolio is comprised of 28 loans with a total unpaid principal balance of \$26,772,790.
- 100.0% of the Portfolio is always current and features a 4.643% WAC.
- 100% of the loans are adjustable rate mortgages with a weighted average margin of 271 basis points.
- The sale offers attractive borrower characteristics with a weighted average FICO of 763 and a weighted average debt-to-income ratio of 31.9%.
- A due diligence review of the loans was conducted and will be provided to approved bidders. The exception report includes various curable and uncurable due diligence findings.



Loan Sale Timeline

Important Loan Sale dates are as follows:

Event	Date
OFFERING & BID PHASE:	
Cutoff Date	Wednesday, January 31, 2018
Sale Announcement Distributed	Tuesday, February 5, 2019
CAs Executed and Data Tape Distributed	Wednesday, February 6, 2019
Bid Date	Wednesday, February 20, 2019
Award Date	Thursday, February 21, 2019
DUE DILIGENCE PHASE:	
Initiate Due Diligence	Friday, February 22, 2019
Complete Due Diligence	Monday, March 25, 2019
Settlement Date	Tuesday, March 26, 2019

Asset Sale Process

The Seller, in conjunction with Mission Capital, has prepared a comprehensive set of deal materials (the “Deal Materials”) that will be made available to Prospective Bidders executing the confidentiality agreement (“Confidentiality Agreement”), which can be accessed on the offering email or by visiting www.missioncap.com/transactions. Included in the Deal Materials will be asset-level data, asset sale overview and bidding rules. Prospective Bidders must execute the Confidentiality Agreement prior to review of the Deal Materials. Prospective Bidders will be provided Deal Materials via Mission Capital’s online due diligence site and be required to designate individuals to whom Deal Materials access should be granted subject to the Confidentiality Agreement.

PLEASE RETURN EXECUTED CONFIDENTIALITY AGREEMENT (OR PROPOSE CHANGES IN REDLINE FORMAT) TO NDA@MISSIONCAP.COM. Please note that e-signatures will be processed in top priority.

All inquiries should be directed through Mission Capital at the contacts contained herein. Neither the Seller nor borrowers are to be contacted. Bidders are required to strictly adhere to the terms of the Confidentiality Agreement.

Reservation of Rights

The Seller, at its sole and absolute discretion, reserves the right to, at any time and without obligation to any Prospective Bidder:

- a) Alter, amend, or supplement the terms and conditions of the Asset Sale or Deal Materials;
- b) Withdraw any or all the Assets or from the Asset Sale prior to awarding the bid;
- c) Withdraw Assets after the awarding of the bid subject to the terms of the Asset Sale Agreement;
- d) Extend any deadline or timeframe;
- e) Accept any bid in accordance with the bidding rules, whether or not it is the highest bid, waive any technical defects therein and/or reject any and all bids;
- f) Terminate discussions and negotiations with any Prospective Bidder at any time and for any reason; and
- g) Not award the Portfolio and reject any or all bids.

No obligation to sell shall be binding on Seller unless and until a written contract of sale or Asset Sale Agreement is signed and delivered by Seller.

Representations & Warranties

The Seller will be providing industry standard representations and warranties. Pursuant to the Asset Sale Agreement, the Seller is selling the Assets subject only to those warranties and representations explicitly stated in the Asset Sale Agreement.



Mission Capital Contact Information

Asset Sale Discussion

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Disclaimer:

THIS SALE ANNOUNCEMENT HAS BEEN PREPARED TO ASSIST THE RECIPIENT IN DECIDING WHETHER TO PROCEED WITH FURTHER INVESTIGATION OF THE ASSETS. WHILE THE INFORMATION INCLUDED HEREIN IS BELIEVED TO BE ACCURATE AND RELIABLE, SELLER, MISSION CAPITAL AND THEIR RESPECTIVE SUBSIDIARIES, AFFILIATES, AGENTS, ASSIGNEES, OFFICERS, TRUSTEES, DIRECTORS, SERVICERS AND EMPLOYEES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, INCLUDING BUT NOT LIMITED TO THE VALIDITY OR PRIORITY OF ANY LIENS AND THE VALUE OF ANY COLLATERAL. ONLY THOSE REPRESENTATIONS AND WARRANTIES THAT ARE MADE BY THE SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED ASSET SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

Exhibit A – Portfolio Stratifications

(Data as of 1/31/2019)

Product Type	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
7/1 ARM	24	\$23,636,675	88.3%	4.629%	\$984,861	\$23,738,312	3	356	275	762	72.9%	76.1%	31.5%
10/1 ARM	1	\$895,444	3.3%	4.750%	\$895,444	\$900,000	4	355	275	768	38.7%	38.7%	34.0%
15/1 ARM	3	\$2,240,671	8.4%	4.754%	\$746,890	\$2,241,786	1	359	225	774	81.6%	82.0%	34.8%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Balance Range	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
\$450,000 - \$700,000	7	\$4,122,692	15.4%	4.882%	\$588,956	\$4,132,036	2	358	269	752	66.8%	67.0%	32.7%
\$700,000 - \$950,000	10	\$8,455,908	31.6%	4.604%	\$845,591	\$8,479,868	2	357	265	767	71.2%	73.3%	32.2%
\$950,000 - \$1,200,000	4	\$3,933,303	14.7%	4.438%	\$983,326	\$3,957,194	5	355	275	762	71.8%	78.0%	36.0%
\$1,200,000 - \$1,450,000	4	\$5,385,621	20.1%	4.464%	\$1,346,405	\$5,420,000	5	355	275	766	75.9%	82.0%	29.0%
> \$1,450,000	3	\$4,875,266	18.2%	4.875%	\$1,625,089	\$4,891,000	3	357	275	766	76.5%	76.5%	30.5%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Rate	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
3.500% - 4.000%	4	\$4,045,343	15.1%	3.909%	\$1,011,336	\$4,087,194	7	352	275	752	71.9%	77.6%	26.2%
4.000% - 4.500%	5	\$4,446,984	16.6%	4.339%	\$889,397	\$4,455,250	2	358	266	768	68.9%	73.3%	36.5%
4.500% - 5.000%	15	\$15,095,920	56.4%	4.820%	\$1,006,395	\$15,144,654	3	357	273	767	73.1%	74.6%	30.8%
> 5.000%	4	\$3,184,543	11.9%	5.163%	\$796,136	\$3,193,000	2	357	260	755	75.8%	78.8%	37.9%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

OLTV	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
<= 50%	4	\$3,096,456	11.6%	4.466%	\$774,114	\$3,108,000	3	356	275	793	40.9%	40.9%	27.1%
50% - 60%	1	\$660,440	2.5%	5.125%	\$660,440	\$663,000	2	358	275	735	53.0%	53.0%	39.0%
60% - 70%	3	\$2,928,733	10.9%	4.535%	\$976,244	\$2,934,500	2	358	275	748	67.1%	73.8%	37.6%
70% - 80%	19	\$19,138,276	71.5%	4.648%	\$1,007,278	\$19,224,598	4	356	272	761	78.5%	81.5%	31.4%
> 80%	1	\$948,885	3.5%	5.125%	\$948,885	\$950,000	1	358	225	784	84.8%	84.8%	35.0%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Exhibit A – Portfolio Stratifications (Cont'd)

(Data as of 1/31/2019)

DTI	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
15%	3	\$2,903,371	10.8%	4.667%	\$967,790	\$2,914,000	3	356	275	787	68.5%	68.5%	13.2%
15% - 25%	3	\$3,706,992	13.8%	4.450%	\$1,235,664	\$3,740,368	6	353	275	774	79.4%	85.5%	20.5%
25% - 35%	9	\$6,990,821	26.1%	4.647%	\$776,758	\$7,010,786	3	357	265	771	65.0%	65.1%	32.4%
35% - 43%	13	\$13,171,606	49.2%	4.691%	\$1,013,200	\$13,214,944	3	357	272	751	75.5%	79.5%	39.0%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Margin (bps)	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
225	3	\$2,240,671	8.4%	4.754%	\$746,890	\$2,241,786	1	359	225	774	81.6%	82.0%	34.8%
275	25	\$24,532,119	91.6%	4.633%	\$981,285	\$24,638,312	3	356	275	762	71.7%	74.8%	31.6%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Remaining Term	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
345 - 350	2	\$2,309,479	8.6%	3.841%	\$1,154,740	\$2,345,194	10	349	275	722	79.8%	89.7%	28.6%
350 - 355	1	\$1,440,806	5.4%	4.750%	\$1,440,806	\$1,450,000	4	355	275	814	78.8%	78.8%	19.0%
355 - 360	25	\$23,022,505	86.0%	4.717%	\$920,900	\$23,084,904	2	357	270	764	71.4%	73.7%	33.0%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Loan Age (months)	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
0	1	\$812,000	3.0%	4.250%	\$812,000	\$812,000	0	359	225	765	80.0%	80.0%	37.7%
1	1	\$479,786	1.8%	4.875%	\$479,786	\$479,786	1	359	225	771	78.0%	80.0%	29.5%
2	8	\$7,642,454	28.5%	4.804%	\$955,307	\$7,655,250	2	358	269	760	70.9%	73.5%	36.4%
3	8	\$6,575,818	24.6%	4.602%	\$821,977	\$6,593,868	3	357	275	760	71.6%	74.3%	32.8%
> 3	10	\$11,262,732	42.1%	4.578%	\$1,126,273	\$11,339,194	5	354	275	767	73.4%	76.7%	28.0%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Exhibit A – Portfolio Stratifications (Cont'd)

(Data as of 1/31/2019)

FICO	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
700 - 725	5	\$4,447,754	16.6%	4.562%	\$889,551	\$4,478,750	5	354	275	715	75.8%	80.9%	32.9%
725 - 750	4	\$3,848,488	14.4%	4.622%	\$962,122	\$3,874,194	5	355	275	736	73.4%	75.9%	38.1%
750 - 775	11	\$10,172,037	38.0%	4.620%	\$924,731	\$10,192,786	2	358	269	765	71.0%	73.9%	33.8%
775 - 800	5	\$5,161,489	19.3%	4.905%	\$1,032,298	\$5,176,368	3	357	266	794	79.3%	82.1%	27.3%
> 800	3	\$3,143,022	11.7%	4.431%	\$1,047,674	\$3,158,000	4	356	275	814	60.7%	60.7%	24.4%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Vintage	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
2018	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

State	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	FICO	OLTV	CLTV	DTI
WA	13	\$13,526,747	50.5%	4.626%	\$1,040,519	\$13,579,062	3	356	268	770	71.4%	72.8%	30.6%
CA	11	\$10,636,688	39.7%	4.588%	\$966,972	\$10,685,250	4	356	275	750	74.6%	79.4%	33.7%
HI	1	\$1,016,222	3.8%	4.875%	\$1,016,222	\$1,020,000	4	356	275	795	80.0%	85.0%	38.0%
ID	1	\$614,550	2.3%	5.125%	\$614,550	\$616,000	2	357	275	793	80.0%	80.0%	41.0%
OR	1	\$498,796	1.9%	5.000%	\$498,796	\$500,000	2	357	275	769	29.4%	29.4%	8.0%
Other	1	\$479,786	1.8%	4.875%	\$479,786	\$479,786	1	359	225	771	78.0%	80.0%	29.5%
Grand Total	28	\$26,772,790	100.0%	4.643%	\$956,171	\$26,880,098	3	356	271	763	72.5%	75.4%	31.9%

Exhibit B – Due Diligence Results

	Loan Count				
	Total	Credit	Compliance	Property	Doc
No Material Findings	10				
Exceptions	18	11	7	5	7
Total	28	11	7	5	7

Important Information Regarding Sale Announcement

1. The information (whether written, electronic or verbal) furnished by Mission Capital and/or Seller or their affiliates or by any of their respective officers, directors, shareholders, owners, employees, contractors or agents, including that contained in this Sale Announcement and any Deal Materials is furnished solely for the purpose of a review by a Prospective Bidder of the Portfolio, and is not to be used for any other purpose or made available to any other person without the express written consent of Seller. The information is based upon information supplied by the Seller from sources it deems reasonably reliable. Summaries of any documents or materials are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and are qualified in their entirety by the actual document to which they relate.
2. While the Seller has no reason to believe that the information provided herein and any Deal Materials, or in any other marketing or due diligence materials provided, contains any material inaccuracies, neither the Seller nor its affiliates, nor any of their respective officers, directors, shareholders, owners, employees, contractors or agents have independently verified such information or make any representations or warranties, expressed or implied, as to the accuracy or completeness of the information, including, without limitation, any information pertaining to the creditworthiness or financial condition of any borrower or guarantor or the existence or value of any collateral, or as to the future performance of any Loan, any Pool or the Portfolio. Some of the information regarding the Loans was obtained from a third party review company and none of the information has been independently verified by the Seller or its affiliates. Without limiting the foregoing, Prospective Bidders should make their own projections and form their own conclusions without sole reliance upon the material contained herein or provided by Seller and should conduct their own due diligence to determine the existence and condition of any real property. Any materials made available or provided by Seller are for informational purposes only. Prospective Bidders are responsible for performing and completing their own due diligence to the extent they consider it necessary, and any decisions in taking or not taking action will be made based solely on Prospective Bidder's own analysis and without reliance on any materials provided by Seller.
3. In no event shall a Prospective Bidder have any claims against Seller or any of its affiliates or any of their respective officers, directors, shareholders, owners, employees or agents, for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Portfolio.
4. Prospective Bidders are not to construe the contents of this Sale Announcement or any prior or subsequent communications from Seller or its affiliates or any of their respective officers, directors, shareholders, owners, employees or agents as legal, tax or other advice. Prior to submitting a bid, Prospective Bidders should consult with their own legal counsel, as well as tax and other advisors, to determine the consequences of an investment in the Portfolio and arrive at an independent evaluation of such investment. No brokerage commission or finder's fee shall be payable to any party by Seller or any affiliate or agent thereof in connection with the sale of the Portfolio or any Pool unless otherwise agreed to by Seller in writing.
5. Acquisitions of Loans such as the Portfolio or any Pool described herein can involve a high degree of risk and are suitable only for persons and entities of substantial financial means who have no need for liquidity and who can hold the Portfolio or any Pool indefinitely and bear the partial or entire loss of the value of such Portfolio or any Pool. In connection with the sale of the Portfolio or any Pool as contemplated hereby, none of Portfolio or any Pool shall be deemed a "security" under the Securities Act and, as such, the protections of such act will not apply to the sale of the Portfolio or any Pool hereunder.