

SALE ANNOUNCEMENT

\$65,538,382 RESIDENTIAL LOAN SALE

Loan Type: Hybrid ARMs

Location: WA (54%), CA (29%), AZ (9%), ID (4%), OR (3%), HI (2%)

Performance: Performing

Overview Summary

\$65,538,382 (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”).

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.

Highlights & Sale Summary

- 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.
- The Portfolio is comprised of 75 loans with a total unpaid principal balance of \$65,538,382.
- 100.0% of the Portfolio is current and features a 3.933% WAC.
- 100% of the loans are adjustable rate mortgages with a weighted average margin of 273 basis points.
- The sale offers attractive borrower characteristics with a weighted average FICO of 771 and a weighted average debt-to-income ratio of 30.6%.

Product Type	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
7/1 ARM	35	\$32,954,943	50.3%	3.744%	\$941,570	\$35,760,734	24	336	271	774	72.8%	75.9%	30.2%
10/1 ARM	40	\$32,583,440	49.7%	4.124%	\$814,586	\$34,284,000	22	338	275	767	74.1%	77.3%	31.0%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

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.

Sale Timeline

The transaction contemplated herein has been scheduled as follows:

OFFERING & BID PHASE:

Cutoff Date	Wednesday, July 31, 2019
Distribute Sale Announcement	Tuesday, August 13, 2019
CAs Executed and Data Tape Distributed	Wednesday, August 14, 2019
Bid Date	Tuesday, August 27, 2019
Award Date	Wednesday, August 28, 2019

DUE DILIGENCE PHASE:

Initiate Due Diligence	Thursday, August 29, 2019
Complete Due Diligence	Friday, September 27, 2019
Settlement Date	Monday, September 30, 2019

Disclaimer

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. THE SELLER RESERVES THE RIGHT, AT ITS SOLE AND ABSOLUTE DISCRETION, TO WITHDRAW THE ASSETS FROM THE ASSET SALE, AT ANY TIME. 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 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 APPLICABLE SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED ASSET SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

Mission Capital Contacts

MISSION CAPITAL ADVISORS, LLC

Asset Sale Discussions

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Exhibit A – Portfolio Stratifications

(Data as of 7/31/2019)

Product Type	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
7/1 ARM	35	\$32,954,943	50.3%	3.744%	\$941,570	\$35,760,734	24	336	271	774	72.8%	75.9%	30.2%
10/1 ARM	40	\$32,583,440	49.7%	4.124%	\$814,586	\$34,284,000	22	338	275	767	74.1%	77.3%	31.0%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Balance Range	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
\$450,000 - \$700,000	23	\$14,296,706	21.8%	3.986%	\$621,596	\$15,596,124	21	339	273	757	73.8%	78.4%	28.1%
\$700,000 - \$950,000	27	\$21,641,650	33.0%	3.929%	\$801,543	\$22,546,740	23	337	273	770	78.3%	82.6%	32.4%
\$950,000 - \$1,200,000	15	\$15,663,044	23.9%	4.081%	\$1,044,203	\$16,951,000	25	335	272	777	67.6%	69.5%	31.1%
\$1,200,000 - \$1,450,000	8	\$10,394,191	15.9%	3.836%	\$1,299,274	\$11,171,870	21	339	275	779	71.9%	71.9%	31.1%
> \$1,450,000	2	\$3,542,791	5.4%	3.371%	\$1,771,395	\$3,779,000	30	330	275	775	73.2%	77.4%	26.3%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Rate	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
<= 3.500%	16	\$14,901,011	22.7%	3.347%	\$931,313	\$15,945,722	26	334	267	785	71.9%	74.6%	30.4%
3.500% - 4.000%	26	\$22,487,248	34.3%	3.871%	\$864,894	\$24,535,390	23	337	275	765	79.0%	83.5%	32.6%
4.000% - 4.500%	29	\$25,727,829	39.3%	4.246%	\$887,167	\$27,066,322	23	337	275	770	69.4%	71.4%	29.6%
4.500% - 5.000%	4	\$2,422,295	3.7%	4.781%	\$605,574	\$2,497,300	9	351	275	728	74.4%	79.2%	24.9%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

OLTV	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
<= 50%	2	\$1,735,653	2.6%	3.832%	\$867,827	\$1,830,000	32	328	255	794	40.8%	40.8%	35.1%
50% - 60%	7	\$6,287,656	9.6%	4.308%	\$898,237	\$6,719,500	19	341	275	775	55.5%	58.3%	25.1%
60% - 70%	11	\$12,067,630	18.4%	3.654%	\$1,097,057	\$13,186,970	28	332	268	789	66.7%	67.9%	28.7%
70% - 80%	55	\$45,447,442	69.3%	3.959%	\$826,317	\$48,308,264	22	338	275	764	79.0%	82.8%	31.7%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

DTI	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
<= 15%	4	\$3,166,994	4.8%	4.083%	\$791,749	\$3,757,300	24	336	275	747	66.7%	66.7%	11.1%
15% - 25%	10	\$9,316,206	14.2%	3.838%	\$931,621	\$9,947,770	21	339	275	770	71.8%	75.8%	22.0%
25% - 35%	37	\$31,659,139	48.3%	3.913%	\$855,652	\$33,646,822	23	337	271	771	74.5%	77.8%	30.3%
35% - 43%	24	\$21,396,043	32.6%	3.981%	\$891,502	\$22,692,842	24	336	275	773	73.6%	76.6%	37.8%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Margin	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
225	3	\$2,396,794	3.7%	3.301%	\$798,931	\$2,584,000	42	318	225	792	58.6%	58.6%	32.7%
275	72	\$63,141,589	96.3%	3.957%	\$876,967	\$67,460,734	22	338	275	770	74.0%	77.3%	30.5%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Exhibit A – Portfolio Stratifications

(Data as of 7/31/2019)

Remaining Term	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
<= 336	22	\$19,613,400	29.9%	3.871%	\$891,518	\$21,240,792	31	329	269	786	70.7%	73.9%	31.2%
336 - 341	35	\$31,628,823	48.3%	3.912%	\$903,681	\$33,806,920	21	339	275	761	75.7%	78.9%	30.7%
341 - 346	13	\$11,128,020	17.0%	3.896%	\$856,002	\$11,749,722	18	342	275	779	71.2%	73.2%	31.2%
346 - 351	3	\$1,773,191	2.7%	4.793%	\$591,064	\$1,836,800	11	349	275	730	80.0%	86.6%	24.5%
351 - 356	2	\$1,394,949	2.1%	4.483%	\$697,474	\$1,410,500	5	355	275	742	70.3%	75.6%	23.9%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Loan Age	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
<= 12	5	\$3,168,139	4.8%	4.656%	\$633,628	\$3,247,300	8	352	275	735	75.7%	81.8%	24.2%
12 to 24	50	\$44,288,218	67.6%	3.909%	\$885,764	\$47,149,442	21	339	275	767	74.7%	77.7%	30.7%
24 to 36	13	\$11,211,021	17.1%	4.040%	\$862,386	\$12,138,250	27	333	275	792	72.0%	74.9%	32.1%
> 36	7	\$6,871,004	10.5%	3.583%	\$981,572	\$7,509,742	40	320	258	774	66.5%	69.7%	30.3%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Current FICO	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
<= 700	0	\$0	0.0%			\$0							
700 - 725	6	\$5,260,347	8.0%	4.241%	\$876,724	\$5,503,700	22	338	275	709	76.2%	78.9%	28.6%
725 - 750	18	\$13,563,158	20.7%	4.075%	\$753,509	\$14,326,012	20	340	275	736	78.7%	84.7%	31.3%
750 - 775	16	\$15,828,171	24.2%	3.858%	\$989,261	\$17,174,590	24	336	273	766	71.5%	74.6%	27.6%
775 - 800	20	\$16,849,412	25.7%	3.893%	\$842,471	\$18,451,112	24	336	273	788	69.8%	71.9%	31.7%
> 800	15	\$14,037,295	21.4%	3.812%	\$935,820	\$14,589,320	24	336	271	811	73.9%	75.7%	32.8%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

Vintage	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
2015	4	\$3,307,436	5.0%	3.562%	\$826,859	\$3,584,000	42	318	239	772	62.6%	64.5%	33.9%
2016	4	\$4,270,672	6.5%	3.627%	\$1,067,668	\$4,671,992	38	322	275	778	71.0%	74.5%	28.5%
2017	60	\$52,961,537	80.8%	3.924%	\$882,692	\$56,422,420	22	338	275	772	74.5%	77.5%	31.0%
2018	5	\$3,603,788	5.5%	4.556%	\$720,758	\$3,955,822	13	347	275	752	71.3%	76.1%	27.1%
2019	2	\$1,394,949	2.1%	4.483%	\$697,474	\$1,410,500	5	355	275	742	70.3%	75.6%	23.9%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%

State	Count	UPB	% UPB	WAC	Average Balance	Original Balance	Loan Age	Rem Term	Margin	Current FICO	OLTV	CLTV	DTI
WA	40	\$35,041,405	53.5%	3.881%	\$876,035	\$37,190,260	21	339	275	774	75.4%	78.1%	30.6%
CA	22	\$19,117,971	29.2%	3.949%	\$868,999	\$20,826,012	26	334	271	770	70.5%	74.4%	28.3%
AZ	8	\$6,124,818	9.3%	4.001%	\$765,602	\$6,485,962	26	334	269	762	74.1%	77.3%	33.7%
ID	2	\$2,339,331	3.6%	4.239%	\$1,169,666	\$2,426,500	24	336	275	795	63.2%	63.2%	33.1%
OR	2	\$1,904,142	2.9%	4.098%	\$952,071	\$1,996,000	24	336	275	735	73.4%	77.4%	37.2%
HI	1	\$1,010,714	1.5%	4.000%	\$1,010,714	\$1,120,000	24	336	275	737	80.0%	89.9%	37.0%
Grand Total	75	\$65,538,382	100.0%	3.933%	\$873,845	\$70,044,734	23	337	273	771	73.4%	76.6%	30.6%