

SALE ANNOUNCEMENT

\$26 MILLION RESIDENTIAL LOAN SALE

SECOND LIEN HELOC (NATIONWIDE)

FEBRUARY 2020



Loan Type:	Residential Loans – Second Lien HELOC Loans
Location:	Nationwide – CA (48.1%), NY (5.3%), MD (5.3%), NJ (4.9%) and FL (4.6%)
Performance:	Performing (93.9%) and Non-Performing (6.1%)

Overview

\$25,833,299 (approximate current principal balance) home equity line of credit (“HELOC”) residential loan sale (the “Loan Sale”) being conducted by Mission Capital Advisors, LLC (“Mission Capital” or “Loan Sale Advisor”) on behalf of an undisclosed seller (the “Seller”).

Mission Capital has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of a portfolio of active residential loans (the “Loans,” “Assets” or collectively, the “Portfolio”). The Portfolio consists of Loans from a securitization trust that will be collapsed.

Loan Sale Structure

Mission Capital is initially soliciting indicative bids from prospective bidders (the “Prospective Bidders”) for the purchase of a loan portfolio pursuant to the timeline set forth herein. Mission Capital and the Seller, at the sole and absolute discretion of the Seller, will then invite multiple final bidders (the “Final Bidders”) to complete due diligence and submit non-contingent final bids for the Portfolio pursuant to the timeline set forth herein. The active loans are being offered on a servicing-released basis.

Highlights

The highlights of the Asset Sale are as follows:

- The Portfolio is comprised of 629 HELOC loans with a total unpaid principal balance of \$25,833,299.
- The Portfolio features an average outstanding principal balance of \$41,070.
- The Portfolio consists of WSJ Prime Rate floating loans and features a 5.162% WAC.
- 93.9% of the Loans are current and 6.1% of the Loans are Non-Performing.
- The Portfolio features a weighted average origination of 7/14/2006 and a weighted average maturity date of 2/10/2029.
- The sale offers attractive borrower characteristics with a weighted average FICO of 691.
- All loans are closed to further draw.



Loan Sale Process

The Seller, in conjunction with Mission Capital, has prepared a set of deal materials (the “Deal Materials”) that will be made available to Prospective Bidders executing the Nondisclosure Agreement (“Confidentiality Agreement”), which can be accessed on the offering email or by visiting market.missioncap.com. Included in the Deal Materials will be loan-level data, loan sale overview and bidding rules, collateral exception reports and a form of Loan Sale Agreement. 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.

Timeline

The transaction contemplated herein has been scheduled as follows:

Event	Date
Distribute Sale Announcement	Tuesday, February 18, 2020
Indicative Bid Materials Distributed	Wednesday, February 19, 2020
Indicative Bid Date	Tuesday, March 10, 2020
Final Bidder Diligence Begins	Thursday, March 12, 2020
Final Bidder Diligence Ends	Monday, April 6, 2020
Final Bid Date/Final Bid Summary	Tuesday, April 7, 2020
Portfolio Awarded	Thursday, April 9, 2020
10% Deposit Received (if required)	Friday, April 10, 2020
Collateral Review onsite (as requested)	Thursday, April 16, 2020
Escrow Closing Date (Loan Sale Agreement and Servicing Agreement executed)	Monday, April 20, 2020
Closing Date	Monday, April 27, 2020
Servicing Transfer	TBA

Representations & Warranties

The Seller will make their required form of Loan Sale Agreement available for review during due diligence. Pursuant to the Loan Sale Agreement, the Seller is selling the Assets of the related pool(s) subject only to those warranties and representations explicitly stated in the final Loan Sale Agreement and will be **sold on an as-is, where-is basis**.

No other Seller representations or warranties, either expressed or implied, shall apply, and it is expected that each Prospective Bidder will conduct and rely on its own due diligence. Prospective Bidders will be obligated to continue to comply with Home Affordable Modification Program (“HAMP”) on those loans subject to HAMP, if applicable.

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:

- Alter, amend, or supplement the terms and conditions of the Loan Sale or Deal Materials;
- Withdraw any or all the Assets from the Loan Sale prior to awarding the bid;
- Withdraw Assets after the awarding of the bid;
- Extend any deadline or timeframe;
- 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;
- Terminate discussions and negotiations with any Prospective Bidder at any time and for any reason; and
- Not award all or any of 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 Loan Sale Agreement is signed and delivered by Seller.



Mission Capital Contact Information

Asset Sale Discussions

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Asset Sale Discussion & Data

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Due Diligence

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Additional Contacts

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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 OR THE INFORMATION IN THE DEAL MATERIALS, INCLUDING BUT NOT LIMITED TO THE EXISTENCE, VALIDITY OR PRIORITY OF ANY LIENS AND THE VALUE OF ANY COLLATERAL, IF ANY, AND HAVE NOT INDEPENDENTLY VERIFIED ANY OF SUCH INFORMATION. ONLY THOSE REPRESENTATIONS AND WARRANTIES THAT ARE MADE BY THE SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED LOAN SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

Portfolio Strats

(Data as of 12/31/2019)

Performance	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
Performing	597	\$24,262,768	93.9%	5.158%	\$23,596,561	\$40,641	\$50,656,158	7/14/2006	2/12/2029	162	698	1
Non-Performing	32	\$1,570,531	6.1%	5.223%	\$1,524,200	\$49,079	\$2,186,498	7/7/2006	1/7/2029	162	591	821
Grand Total	629	\$25,833,299	100.0%	5.162%	\$25,120,761	\$41,070	\$52,842,656	7/14/2006	2/10/2029	162	691	51

Vintage	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
2006	608	\$25,069,947	97.0%	5.179%	\$24,404,180	\$41,233	\$50,882,006	7/24/2006	2/12/2029	161	691	52
2005	17	\$708,396	2.7%	4.531%	\$661,624	\$41,670	\$1,610,650	10/6/2005	4/30/2029	171	683	34
2004	1	\$9,671	0.0%	5.125%	\$9,671	\$9,671	\$100,000	6/1/2004	7/9/2024	187	726	0
2003	3	\$45,285	0.2%	5.068%	\$45,285	\$15,095	\$250,000	10/18/2003	10/22/2023	195	709	3
Grand Total	629	\$25,833,299	100.0%	5.162%	\$25,120,761	\$41,070	\$52,842,656	7/14/2006	2/10/2029	162	691	51

State	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
CA	252	\$12,425,501	48.1%	5.027%	\$12,017,877	\$49,308	\$26,538,394	7/11/2006	1/14/2029	162	695	14
Other (31)	169	\$5,588,958	21.6%	5.308%	\$5,531,215	\$33,071	\$11,128,914	7/24/2006	11/30/2028	161	695	82
NY	42	\$1,373,717	5.3%	5.254%	\$1,266,756	\$32,708	\$3,010,682	7/21/2006	3/24/2030	161	677	77
MD	40	\$1,366,515	5.3%	5.260%	\$1,360,481	\$34,163	\$2,819,241	7/12/2006	2/4/2028	162	659	174
NJ	25	\$1,263,967	4.9%	5.206%	\$1,207,640	\$50,559	\$2,263,140	7/20/2006	3/25/2031	161	672	0
FL	37	\$1,180,277	4.6%	5.181%	\$1,180,277	\$31,899	\$2,158,728	6/21/2006	7/3/2029	162	683	197
IL	21	\$937,284	3.6%	5.164%	\$925,856	\$44,633	\$1,596,300	7/11/2006	3/7/2029	162	704	114
VA	25	\$886,228	3.4%	5.439%	\$836,580	\$35,449	\$1,774,067	7/20/2006	5/26/2029	161	689	15
AZ	18	\$810,853	3.1%	5.474%	\$794,080	\$45,047	\$1,553,190	6/20/2006	2/17/2027	162	714	1
Grand Total	629	\$25,833,299	100.0%	5.162%	\$25,120,761	\$41,070	\$52,842,656	7/14/2006	2/10/2029	162	691	51



Portfolio Strats

(Data as of 12/31/2019)

Performing Population

Vintage	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
2006	579	\$23,609,873	91.4%	5.181%	\$22,990,438	\$40,777	\$48,827,258	7/23/2006	2/15/2029	161	698	1
2005	14	\$597,939	2.3%	4.192%	\$551,167	\$42,710	\$1,478,900	10/31/2005	4/5/2029	170	695	0
2004	1	\$9,671	0.0%	5.125%	\$9,671	\$9,671	\$100,000	6/1/2004	7/9/2024	187	726	0
2003	3	\$45,285	0.2%	5.068%	\$45,285	\$15,095	\$250,000	10/18/2003	10/22/2023	195	709	3
Grand Total	597	\$24,262,768	93.9%	5.158%	\$23,596,561	\$40,641	\$50,656,158	7/14/2006	2/12/2029	162	698	1

State	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
CA	241	\$11,885,923	46.0%	5.007%	\$11,516,758	\$49,319	\$25,778,094	7/13/2006	1/12/2029	162	700	1
Other (31)	161	\$5,210,203	20.2%	5.335%	\$5,160,332	\$32,362	\$10,561,416	7/21/2006	12/3/2028	161	701	2
MD	39	\$1,274,601	4.9%	5.387%	\$1,268,567	\$32,682	\$2,719,241	7/10/2006	3/11/2028	162	664	0
NJ	25	\$1,263,967	4.9%	5.206%	\$1,207,640	\$50,559	\$2,263,140	7/20/2006	3/25/2031	161	672	0
NY	37	\$1,185,443	4.6%	5.055%	\$1,078,482	\$32,039	\$2,666,682	7/12/2006	4/17/2030	162	688	0
FL	32	\$928,986	3.6%	5.325%	\$928,986	\$29,031	\$1,885,428	7/6/2006	3/17/2030	162	706	0
VA	24	\$854,559	3.3%	5.329%	\$804,911	\$35,607	\$1,724,067	7/22/2006	7/5/2029	161	693	4
IL	20	\$848,233	3.3%	5.208%	\$836,805	\$42,412	\$1,504,900	7/8/2006	5/28/2028	162	723	3
AZ	18	\$810,853	3.1%	5.474%	\$794,080	\$45,047	\$1,553,190	6/20/2006	2/17/2027	162	714	1
Grand Total	597	\$24,262,768	93.9%	5.158%	\$23,596,561	\$40,641	\$50,656,158	7/14/2006	2/12/2029	162	698	1

Non-Performing Population

Vintage	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
2006	29	\$1,460,073	5.7%	5.144%	\$1,413,743	\$50,347	\$2,054,748	8/7/2006	12/19/2028	161	589	866
2005	3	\$110,457	0.4%	6.224%	\$110,457	\$36,819	\$131,750	5/21/2005	9/10/2029	176	617	219
Grand Total	32	\$1,570,531	6.1%	5.223%	\$1,524,200	\$49,079	\$2,186,498	7/7/2006	1/7/2029	162	591	821

State	Count	Total Balance	% Balance	WAC	Int Bearing Balance	Average Balance	Original Balance	WA Orig Date	WA Maturity Date	WA Loan Age	WA FICO	WA Days PD
CA	11	\$539,578	2.1%	5.492%	\$501,119	\$49,053	\$760,300	5/28/2006	3/2/2029	163	580	282
Other (31)	8	\$378,755	1.5%	4.936%	\$370,883	\$47,344	\$567,498	8/30/2006	10/24/2028	160	614	1,182
FL	5	\$251,291	1.0%	4.648%	\$251,291	\$50,258	\$273,300	4/28/2006	11/27/2026	164	590	925
NY	5	\$188,274	0.7%	6.392%	\$188,274	\$37,655	\$344,000	9/16/2006	10/21/2029	160	607	557
MD	1	\$91,914	0.4%	3.500%	\$91,914	\$91,914	\$100,000	8/4/2006	9/25/2026	161	594	2,585
IL	1	\$89,051	0.3%	4.750%	\$89,051	\$89,051	\$91,400	8/12/2006	8/2/2036	161	525	1,168
VA	1	\$31,669	0.1%	8.250%	\$31,669	\$31,669	\$50,000	6/2/2006	6/9/2026	163	582	321
Grand Total	32	\$1,570,531	6.1%	5.223%	\$1,524,200	\$49,079	\$2,186,498	7/7/2006	1/7/2029	162	591	821

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.