

From: Jeffrey <jeevacation@gmail.com>

To: "Barrett, Paul S" <[REDACTED]>

Subject: Re: To Do - BALTA 03-3 B1 @ \$55-16 (11.64% yield / 6.71 durn)

Date: Wed, 18 Apr 2012 23:36:21 +0000

Ok

Sorry for all the typos .Sent from my iPhone

On Apr 18, 2012, at 4:28 PM, "Barrett, Paul S" <[REDACTED]> wrote:

Hi Jeffrey

We should buy this bond. Spending \$770,000. Base case yield 11.64%.

Paul

WFMB5 04-EE B1 is a Prime 5/1 subordinate bond backed by 97month seasoned 5/1 hybrids.

#### HIGHLIGHTS

- 707 FICO
- HPI Updated LTV = 64%
- 82% of the borrowers have not missed a payment in the past 2 years
- 104 months seasoned

#### BALTA 2003-3 B1 Offered @ 55-16

BOND DESCRIPTION	
Cusip:	07386HCM1
Original Face:	4,500,000
Current Face:	1,399,744
Bond Type:	Seasoned Alt-A Subs
Ratings (S&P/Moodys/Fitch):	AAA/Caa3-
Current Coupon:	2.947%
Yield @ Base Case	11.644%
WAL @ Base Case	12.25
Principal Window @ Base Case	May12 to Sep33
Writedown %	5.13%
Current Credit Enhancement:	9.58%
60+ Delinquencies	10.25
60+ Delinquency Coverage	0.93x

UNDERLYING COLLATERAL DESCRIPTION	
Average Loan Balance (\$,000s)	231
Mortgage Type	Seasoned Alt-A Hybrids
Wtd Avg Mortgage Coupon	3.449%
Wtd Avg FICO Score	707
Wtd Avg Orig Loan-to-Value	65.68%
HPI Adj LTV	64.14%
Weighted Avg Loan Age	104
Owner Occupied	86.03
Top 1 Geo Concentration	CA 31%
Top 2 Geo Concentration	GA 27%
Top 3 Geo Concentration	FL 13%
Always Current (24 mos)	82.35%

Prepay Rate	3 CPR	5 CPR	7 CPR
Default Rate	1.5 ramp 24 5 5 ramp 12 3 CDR	1.5 ramp 24 4 4 ramp 12 2 CDR	1.5 ramp 24 4 4 ramp 12 1.5 CDR
Default Severity	55 ramp 24 50	50 ramp 36 45	45 ramp 24 40

Price @ 55-16	Stress Case	Base Case	Recovery Case
Yield	2.367	11.644	12.725
Spread	46	930	1060
Duration	4.98	6.71	6.14
WAL	8.73	12.25	10.29
Principal Window	May12 to Mar21	May12 to Sep33	May12 to Sep33
Principal Writedown	75.40%	5.13%	0.00%
Total Collat Loss	1.68%	1.19%	0.93%
Total Liquidation	25.51%	17.41%	13.44%

HISTORICAL PERFORMANCE			
	1 MOS	3 MOS	6 MOS
CPR	0.16	3.59	6.24
CDR	0.00	0.00	0.39
SEV	NA	NA	37.51

\*All Investments are subject to risk, including possible loss of principal.

\*Investment idea may not be suitable for all investors.

\*This message is a product of sales and trading and is not a research report

\*Non-Agency bonds may have limited liquidity and clients should be aware that the secondary market for mortgage-backed securities has experienced periods of illiquidity and may do so in the future. Illiquidity means that there may not be any purchasers for your class of certificates. Although any class of certificates may experience illiquidity, it is more likely that classes

\*High Yield Non-Agency bonds are speculative non-investment grade bonds that have higher risk of default or other adverse credit events which are appropriate for high risk investors only.

\*\*\* ALL OFFERS ARE SUBJECT

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