

**From:** Tazia Smith <[REDACTED]>  
**To:** jeevacation@gmail.com  
**Cc:** [REDACTED], Paul Morris <[REDACTED]>, Vahe Stepanian <[REDACTED]>  
**Subject:** Follow-Up: RMBS positions [I]  
**Date:** Mon, 17 Feb 2014 14:38:17 +0000  
**Inline-Images:** unnamed; unnamed(1); unnamed(2)

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Jeffrey -

Per your request, posting you today on your non-agency RMBS positions. We are including indicative levels/context from the DB traders (compared to Bloomberg's levels, which is where the positions mark from pure data feeds, vs. real bids). Harry and I talked about the drop in payment on your G5 B1. The concern was that the B3 subordinate to your own B1 tranche had stopped paying, and your payments on the B1 were affected/reduced (Monthly principal payments on the B1 tranche dropped 85% month-over-month. You collected \$5,880.98 in interest, \$407.99 in principal for Jan). You can see the trader's comments directly below – the view being that the pipeline of underlying loans should recover from temporary gaps in payments. Our DB RMBS traders noted that the underlying collateral of your positions is relatively clean, seasoned (2003-05) and should recoup somewhat from current levels. That said, most of the tranches you own will be subject to some degree of losses. On your G5, for example, our traders note that there's 5% of credit enhancements on your B1s and ~9% of delinquency on the underlying pool.

I'm not certain on your impetus for buying these over the spring (please post us if there's color we should know on your original investment thesis). We don't believe you need to sell into this, but we wanted you to have the update on the levels and affected payments.

Market Value as of 2/14 (\$M)*	CUSIP	Description	Bloomberg	Market Context, DB Trading Desk**	
1.02	12669DYS1	Countrywide Home Loans Ser 03-1(B1)	Low 80s	Low 70s	CCC; Seasoned Fixed
2.8	378961AV8	Global MTG Securitization Ltd (B2)	High 90s	Low 80s	Caa3/B-; Seasoned Fixed (deal is 2005, but collat is 2003-2004)
1.05	45254NNC7	Impac CMB TR 2005-2 (1M2)	High 60s	Low 60s	Ca/CC; Mixed
0.72	939336S20	Washington Mut Mtg Secs Corp (CB2)	High 90s	Low 70s	D; Super-seasoned fixed, taking losses, low loan count (44)
1.1	36242D7X5	GS MTG Secs Corp (B1)	Low 80s	Low 80s	Seasoned Fixed
<b>6.69</b>					

Source: Pershing, LLC\* and Bloomberg as of 2/14/14; DB Non-Agency RMBS Trading as of 2/13/14\*\*

**From:** Brian Clark  
**Sent:** 02/12/2014 03:41 PM CST  
**To:** Tazia Smith  
**Subject:** GSR 2005-5F B1 [I]

I took a deeper dive into this. And it looks like all hope is not lost. It may enter a period of little or no principal/interest, but keep holding it. The model I'm looking at forecasts payments to resume in the future. It's quite a thick tranche vs the size of the serious delinquency pipeline, and could be worth quite a bit still. Looking solely at the Bloomberg historical cashflow tables can sometimes be misleading. Call me if you'd like to discuss.

Thanks,

Brian Clark  
 Vice President | Non-Agency RMBS Trading

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Please access the link for disclaimer: <http://www.jobalmarkets.db.com/news/content/3045.html>



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