
From: Barrett, Paul S <[REDACTED]>
Sent: Friday, May 10, 2013 8:05 PM
To: Epstein, Jeffrey (jeevacation@gmail.com)
Cc: Barrett Pod
Subject: NEW PRIME HY RMBS - \$1.5mm of GSR 05-5F B1 @ 97-16 (6.132% yield/7.23durn)

Jeffrey

We should buy these for Haze Trust. Spend around \$1.2MM, We have over \$3MM in cash.

*** ALL OFFERS ARE SUBJECT

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THE BOND:

The GSR 05-5F B1 is a seasoned Prime Fix 5.76% subordinate bond backed by 105 months seasoned 30yr Fix mortgages. The bond has 4.81% credit enhancement vs. 9.99% 60+ delinquencies, for a 0.48x coverage ratio. The bond has a fairly stable yield profile ranging from 6.11% in our stress case to 6.15% in our recovery case. This is attributable to both the quality of the underlying loans and the relatively thicker CE/60+ ratio. Additionally, we do not see this bond taking any writedowns in all scenarios.

THE COLLATERAL:

The bond is backed by 836-Prime 30yr Fix Rate mortgages that are 104-months seasoned and have a 64% updated LTV. The average balance of the loans is \$369k. This coupled with the low updated LTVs and a recovering housing market should keep future severities low on this pool. Further, the 3-month and 6-month average severity have been light at approx 32% and 35%, respectively. We are using 40% Severity ramping down to 35% over 4 years in our base case. Additionally, 84% of homeowners are 24-months perfect payers.

THE STORY:

For investors looking to gain exposure to US housing recovery backed by cleaner and more seasoned Prime collateral, this bond provides a healthy yield pickup that is less levered to other

Please call the desk with all bids/inquiries related to this bond. X32124

HIGHLIGHTS

- HPI Updated LTV = 64%
- 84% 24-month perfect payers

- 726 FICO score
- 105 months seasoned
- \$368k average balance

**Source: Bloomberg

GSR 2005-5F B1 Offered @ 97-16

BOND DESCRIPTION

Prepay Rate

17 CPR

22 CPR

25 CPR

Cusip:

36242D7X5

Default Rate

3 ramp 60 1 CDR

2.5 ramp 30 2 CDR

2.5 ramp 30 2 ramp 12 1.5 CDR

Original Face:

1,500,000

Default Severity

45 ramp 24 35

40 ramp 48 30

35 ramp 12 30

Current Face:

1,245,235

Delinq Rate

10 Percent

9.5 Percent

9.5 Percent

Bond Type:

Prime Fix 5.76% Sub

Delinq Advance (% of P&I)

95

100

100

Ratings (S&P/Moodys/Fitch):

B+/NR/-

Current Coupon:

5.759%

Yield @ Base Case

6.132%

Price @ 97-16

Stress Case

Base Case

Recovery Case

WAL @ Base Case

10.34

Yield

6.113

6.132

6.157

Principal Window @ Base Case

Jun13 to May35

Spread over Tsy

392

412

436

Writedown %

0.00%

Duration

7.82

7.23

6.59

Current Credit Enhancement:

4.81%

WAL

11.71

10.34

9.05

60+ Delinquencies

9.99

Principal Window

Jun13 to May35

Jun13 to May35

Jun13 to May35

60+ Delinquency Coverage

0.48x

Principal Writedown

0.00%

0.00%

0.00%

Total Collat Loss

0.94%

0.91%

0.75%

UNDERLYING COLLATERAL DESCRIPTION

Total Liquidation

7.95%

7.73%

6.10%

Average Loan Balance (\$,000s)

368

Loan Count

818

HISTORICAL PERFORMANCE

Mortgage Type

Prime 30yr Fix

1 MOS

3 MOS

6 MOS

Wtd Avg Mortgage Coupon

5.813%

CPR

24.51

22.35

23.44

Wtd Avg FICO Score

726

CDR

0.00

1.08

1.66

Wtd Avg Orig Loan-to-Value

59.50%

SEV

NA

31.29

35.51

HPI Adj LTV

64.07%

Weighted Avg Loan Age

105

Owner Occupied

91.47

Top 1 Geo Concentration

CA 33%

Top 2 Geo Concentration

NY 11%

Top 3 Geo Concentration

FL 7%

Always Current (24 mos)

84.04%

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