
From: Barrett, Paul S [REDACTED]
Sent: Friday, March 30, 2012 5:45 PM
To: Epstein, Jeffrey (jeevacation@gmail.com)
Cc: Giuffrida, David J
Subject: \$6mm of IMSA 03-3 M2 @ 78-00 (10.24% yield / 2.64 durn)

Jeffrey

=nbsp;

This is an ex=mple of the bonds I think we should accumulate. Let me know when you hav= free time to discuss.

Paul

</=:p>

</=pan>

BOND HIGHLIGHTS

- &nb=p; The IMSA 03-3 M2 is a fix 4.967% Mezz bond backed by seasoned Alt-A=collateral

=0A1.&nbs=; Bond is backed by 105 month seasoned Alt-A 30yr mort=ages with an average coupon of 5.284%

2. 76% of the borrowers have =ever missed a payment in the past 2 years

3. </=pan>HPI Updated LTV = 54%<=:p>

4.<=pan style="font:7.0pt "Times New Roman""> &bsp; The deal currently has 2.44% overcollateralization (think \$97.5= of bonds created for a \$100 worth of underlying mortgages)

* If there are losses in th= collateral, you have more collateral to cover you for the principal losse= you incurred than you have bonds

· &nbs=; Additionally, you have B-class bond that is su=ordinate to you that will absorb losses in front of you<=p>

5. =0D Base case= 10.24% yield @ 2.64 mod duration

&iddot; = <=pan style="font-size:10.0pt;font-family:"Calibri","sans-serif";color:#1F497D">Compare vs similar short durn, upper tier HY pa=er

=0D

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=0D =0D

=0D

BOND DESCRIPT=ON

=/o:p>

Prepay =ate

10 CPR

14 CPR

=0D 16 CPR

=0A

Cusip:

=0A Default Rate

2 CDR

2 CDR<=p>

Original Face:<=span>

=span style="font-size:8.0pt;font-family:"Arial","sans-s=rif";color:#1F497D">6,000,000

<=d width="41" nowrap="" valign="bottom" style="width:30.65pt;padd=ng:0in 5.4pt 0in 5.4pt;height:13.35pt"> Default Severity

=0A 55

45<=o:p>

=0D Current Face:

1,203,948

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Bond Type:=o:p>

Alt-A Fix 4.967% Mezz

=0A Price @ 78-00

=0A Stress=Case

Re=covery Case

=0D

Ratings (S&P/Moodys/Fitch):

=0A Yield

=0D 3.213=/p> 11.558

Current Coupon:

4.967%<=:p>

921<=span>

1=60

Yield @ Base Case

=0D

Duration=/span>

2.74

2.64

2.49

=0A

WAL @ Base Case=/span>

=0D WAL

4.23

4.17</=> Principal Window @ Base Case

May12 to May24

Principa Window

May12 to Mar21<=span>

=0D

May12 to May24

=0A=May12 to Oct24

=0A

14.74%

Princ=pal Writedown

35.41%=/p> =0A

14.74%

10.73%

Current Cr=dit Enhancement:

4.40%</=pan>

=0D Total Collat Loss

=0A

1.51%

1.23%

1.16%

=0A

60+ Delinquencies

=0D 7.67

Total Liquidation

9.79%

8.94%

8.2=%

60+= Delinquency Coverage

0.57x<=o:p>

=0A =0D

=0A=p class="MsoNormal">>HISTORICAL PERFORMANCE

<=span>

=0D UNDERLYING COLLATERAL DESCRIPTIO=

1 MOS=/span>

3 MOS

6 MOS

=0D

Average Loan Balance (\$,000s)</=pan>

=0D

<=pan style="font-size:8.0pt;font-family:"Arial","sans-se=if";color:#1F497D">196

CPR

23.58=/p> =0A

15.83

16.07<=:p>

Mortgage T=pe

Seasoned Alt-A 30yr Fix</=pan>

=0D CDR

<=td> 0.00=/p> =0A

0.64

=0A

Wtd Avg Mortgage Coupon

=0D 5.284%

SEV

NA

=0D NA

37.63=/p>

Wtd Avg FICO Score

NA

=0A

=0AWtd Avg Orig Loan-=o-Value

58.05%

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< class="MsoNormal" style="text-indent:8.0pt">

54.01%

=0A =0D
=0D

Weighted Avg Loan Age

105=/o:p>

=0A =0D
Owner Occupied

79.13=0D

=0D =/tr>
CA 70%

=0A
Top 2 Geo Concentration=/span>

Top 3 Geo Concentration

NY 5%

=0A =0A 76.36%

=0A =0D
=0D

=p class="MsoNormal" style="margin-bottom:12.0pt">

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=tr style="height:13.8pt"> &nbs=;

*Inv=stment idea may not be suitable for all investors.

=0D

*This message is a product of sale= 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

=0D

*High Yield Non-Agency bonds are speculative non-investment grade bonds that have higher

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risk of default or other adverse credit events which are appropriate for high risk investors only

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*** ALL OFFERS ARE SUBJECT

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<http://pscppv1.amer.jpmchase.net:8080/BlueSkyPage=2Ehtml>

<<http://pscppv1.amer.jpmchase.net:8080/BlueSkyPage.html>> and review to see if your client's state of residence is listed. If you receive 'NO SECURITY FOUND', 'NO STATES FOUND' or the security DOES NOT HAVE A CUSIP or is not USD-denominated, then please contact your SM or local compliance officer and provide the requested security and client information. Please note that a suitability review and other pre-trade procedures must still be followed.

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