
From: Barrett, Paul S <[REDACTED]>
Sent: Tuesday, September 11, 2012 2:28 PM
To: Epstein, Jeffrey (jeevacation@gmail.com)
Cc: Giuffrida, David J; Schaffer, Susannah
Subject: NEW HY RMBS on 10am BWIC - \$8.13mm of MHL 05-2 1M1 (BBB+*) @ \$70-00 (6.50% yield / 6.25 durn)

Jeffrey

=br> US Onshore Clients – Blue Sky (U.S. State Securities La=): Please confirm Blue Sky eligibility before soliciting to a US Onshore c=ient by entering the CUSIP into the web tool located at:
<http://scppv1.amer.jpmchase.net:8080/BlueSkyPage.html> and r=view to see if your client's state of residence is listed. If you =eceive 'NO SECURITY FOUND', 'NO STATES FOUND' or t=e security DOES NOT HAVE A CUSIP or is not USD-denominated, then ple=se contact your SM or local compliance officer and provide the requested s=curity and client information. Please note that a suitability review and=other pre-trade procedures must still be followed.<=>

The MHL 05-2 1M1 is a Seasoned Mezz Floater backed by Prime H=brid ARMs. This bond is on BWIC at 10am and there is no guarantee =e can trade this bond at our talked level.
Please call th= desk with all bids/inquiries related to this bond. X32124

HIGHLIGHTS

- =0AHPI Updat=d LTV = 92%
- <=span>76% of the borrowers=have not missed a payment in the past 2 years
- = 90 months seasoned
- &nb=p; 734=FICO

**Source: Bloomberg

MHL 2005-2 1M1 Offered @ 70-00

=0D	=0D
=/td>	=0A

BOND DESCRIPTION

Prepay Rate

0.5 CPR

3 CPR

Cusip:

61915RAD

=0D Default Rate

=0D 5 for 30 4.5 CDR

=0A 5 ramp 24 4.5 CDR

=0D 5 ramp 18 4.5 CDR

=0D

Original Face:<=span>

=span style="font-size:9.0pt;font-family:"Arial", "sans-s=rif";color:#1F497D">8,130,000

<=d width="48" nowrap="" valign="bottom" style="width:35.8pt;paddi=g:0in 5.4pt 0in 5.4pt;height:13.35pt"> Default
Severity

=0A 65 ramp 12 60 60 for 36 55</=> 55 ramp 12 45

</=d>

Current Face:

=0D 2,080,970

=span style="font-size:9.0pt;font-family:"Arial", "sans-s=rif";color:black">Advance (% of P&I)

<=td> 85

85<=o:p>

=0D Bond Type:

De=inq Rate

11 Percent

Ratings (S&P/Moodys/F=tch):

BBB+/* /NR/-

=/td>

Balance Forgiveness=o:p>

0.02 for 20 0 =0A

0.01 for 20 0=0D

C=rrent Coupon:

0.676%

=0A =0D
Yield @ Base Case

</=d> Price=@ 70-00

Stress Case=/p> Base Case

Recovery Case

<=d width="206" nowrap="" valign="bottom" style="width:154.6pt;bac=ground:#D7E4BC;padding:0in 5.4pt 0in 5.4pt;height:13.35pt">

W=L @ Base Case

8.=2

5.310

=0D 6.5=5

7=2E924

Principal Window @ Base Case

<=td> Sp=ead over Tsy

381</=> 671

=0D
10.45%

=0D =0D Duration

6.53</=pan>

6.25

=0A Current Credi= Enhancement:

11.24%

=0A WAL

=0D

<=pan style="font-size:9.0pt;font-family:"Arial","sans-se=if";color:black">9.12

8.82

7.74=/o:p>

60+ Delinquencies

10.17

Principal Window

Sep12 to Jan35

Sep12 to Apr35

60+ Delinquency Coverage

1.11x

Principal Writedown

19.89%

10.45%

0.00%

Total Collat Loss 10.20%

9.47%

7.91%

UNDERLYING COLLATERAL DESCRIPTION

Total Liquidation

40.65%

36.74%

Average Loan Balance (\$,000s)

276

Loan Count

580

HISTORICAL PERFORMANCE

=0D =0D

</=pan>

Mortgage Type

<=td> Prime Hybrid ARMs

1 MOS

3 MOS

=0D Wtd Avg Mortgage=Coupon

3.012%

=0D =0D CPR

<=d width="150" nowrap="" valign="bottom" style="width:112.2pt;pad=ing:0in 5.4pt 0in 5.4pt;height:13.35pt">

0=2E28

1.73

=0A 2.18

Wtd Avg FICO Score

734

=0D

CDR<=p> =0A

6.62

3.38

Wtd Avg Orig Loan-to-Value

=0D

<=pan style="font-size:9.0pt;font-family:"Arial","sans-se=if";color:#1F497D">69.62%

SEV

50.96

=0D

<=pan style="font-size:9.0pt;font-family:"Arial","sans-se=if";color:#1F497D">60.70

48.=9

HP= Adj LTV

=/td> =0A

=0A

Weighted Avg Loan Age

90</=:p>

=0A

=0D

<=r style="height:13.35pt"> 82.8=

=0D

=/tr>

CA 56%

=0A

Top 2 Geo Concentration</=:p>

AZ 7%

=0D

=0D Top 3 Geo Con=entration

FL 6%

=0A =0D

Always Current (24 mos)

76.=1%

=0A

=0D

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IMPORTANT DISCLAIMER:

Non-agen=y RMBS is a complex fixed income product and is not suitable for all inves=ors. Please note that while desk assumptions are driven by a numbe= of collateral and macro factors, the historical performance of a=deal is not indicative of its future performance. Additionally= this message is a product of sales and trading and is not a research repo=t. Other key risks to consider are outlined below:

- All investments ar= subject to possible loss of principal

- &n=sp; Non-Agency bonds may have limited liqu=dity and clients should be aware that the secondary market for mortgage-ba=ked securities has experienced periods of illiquidity and may do so =n the future. Illiquidity means that there may not be any purchasers for=your class of certificates. Although any class of certificates may exper=ence

illiquidity, it is more likely that classes that are lower in the capital structure and non-investment grade related may experience greater illiquidity than more senior, investment-grade rated 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

Non-Agency bonds are intended for clients with a minimum total net worth of \$50m. Please make sure your client fulfills this requirement before soliciting this order.

<=o:p>

Kevin Lynn
Vice President | JPMorgan Securities

Fixed Income Trading

[REDACTED]

Desk: [REDACTED]

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