

U.S. Housing Outlook Q2 2022

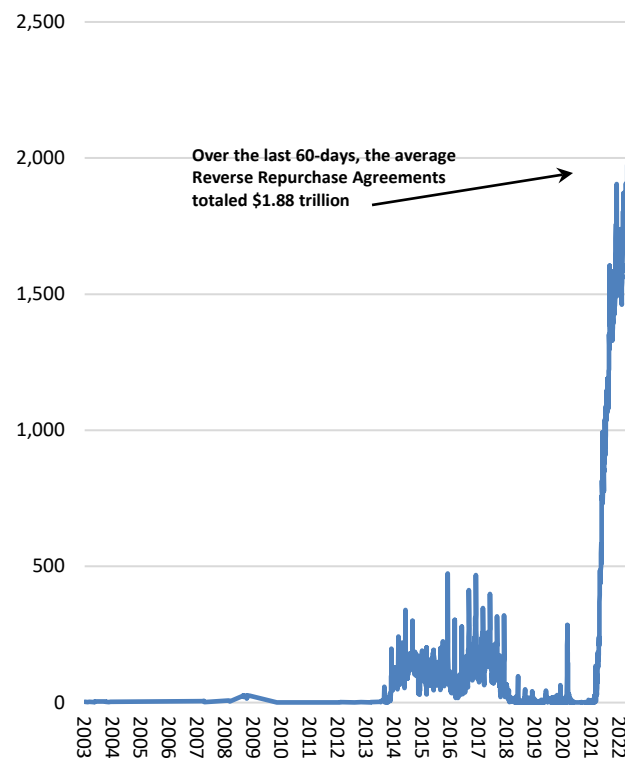
U.S. Housing Sector and Mortgage Credit

U.S. Housing Overview and Q2 2022 Outlook

Our 2022 Housing Outlook Remains Positive

- **As mortgage rates increase from historic lows, affordability will be negatively impacted.** We expect buyer demand in certain markets to potentially slow, but credit performance to remain strong. Tight credit and consistent, strict underwriting processes will continue to be the driving force behind strong collateral performance (Slides 11, 14).
- **Low interest rates and tight inventories have provided strong support to the housing market.**
- **Annualized home price appreciation (“HPA”) is expected to revert to a long-term compound annual growth rate (“CAGR”) at the National and CBSA level** (Slides 6, 7, 10). Declining affordability caused by higher home valuations, increase in energy prices, increased mortgage rates and other inflationary pressures will create headwinds for new buyers; while demand for homeownership and investment in residential real estate is expected to stay strong as a result of household formations. Additionally, pent-up demand for housing, aging demographics and shifts in work-from-home dynamics will continue to support U.S. housing.
- **Credit performance is expected to stay very strong** as it continues to benefit from solid fundamentals and tight underwriting guidelines, providing investors with continued relative value in Credit Risk Transfer (“CRT”) markets. (Slides 3).
- **Continued flattening in yield curve is not reflected in higher cost of bank deposits yet.** Excess liquidity, as measured by the current level of overnight NY Fed Reverse Repo, will continue to provide cheap funding for banks through the expansion of net interest margin amidst a flatter yield curve. (Please see graph depicting the spike in Reverse Repurchase Agreements since the Pandemic related emergency stimulus).

New York Fed Reverse Repurchase Agreements (\$BN)

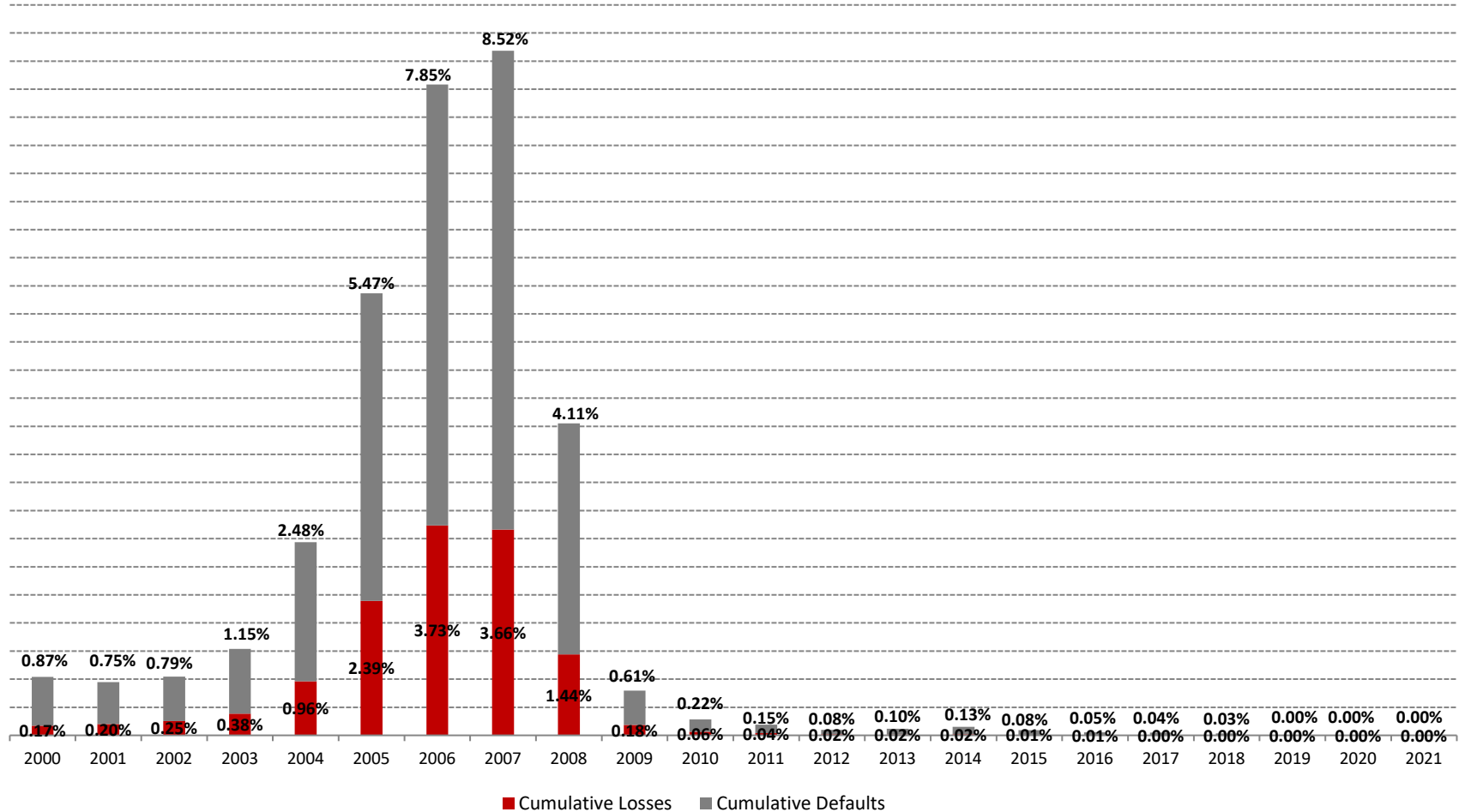


Sources: Federal Reserve Bank of New York (New York Fed), FBC.

Historical Performance of Conforming Agency Mortgages

Post Great Financial Crisis (“GFC”) underwriting changes have resulted in extremely low defaults and losses over the past 10 years. Tight underwriting standards and effective modification programs created to assist borrowers facing hardships are expected to result in continued strength in underlying fundamentals of the sector

Cumulative Default and Loss % across Origination Vintages



Low Impact on Mortgage Credit Performance

- Home price moderation observed during the 1981 and 1991 Recessions is indicative of decline in demand due to higher levels of unemployment. **Great Financial Crisis ("GFC") was the only period when home prices fell rapidly. (Figure 3)**
- Standards for mortgage originations have significantly tightened since the housing crisis. As a result, **default risk of newly originated mortgages is lowest in history. (Figure 5)**
 - No documentation and low documentation loans that were prevalent during the housing bubble are no longer being originated. All loans have full income documentation.
 - Risk Layering that occurred prior to the crisis has been significantly curtailed in Agency eligible loans.
- Bank charge-offs of residential real estate only materially increased during the GFC. (Figure 4)**

Figure 3: YoY Case Shiller Home Price Change.

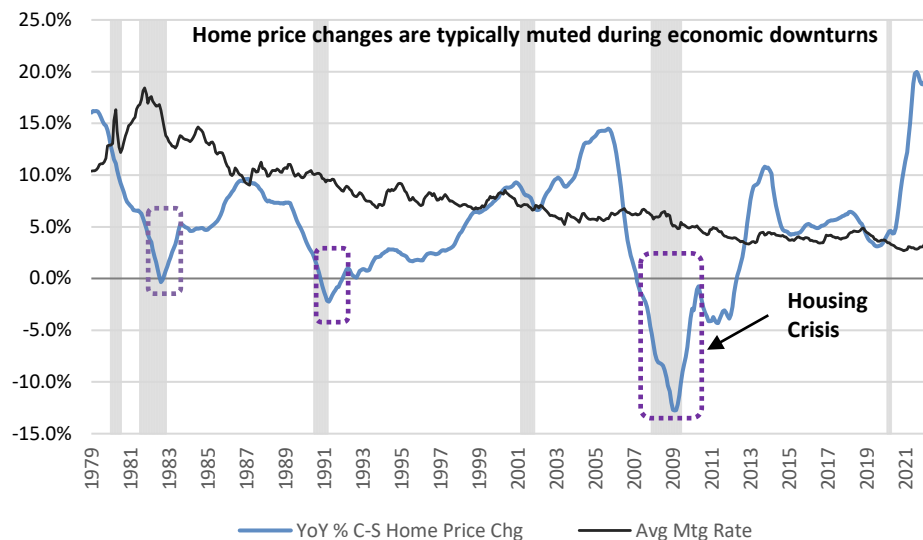


Figure 4: Charge-off & 30+ Delinquency; Mortgages all Commercial Banks.

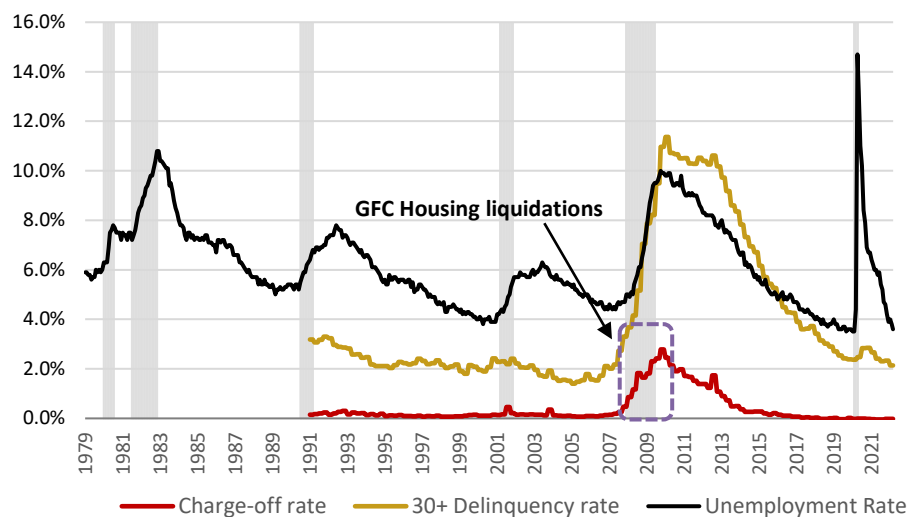
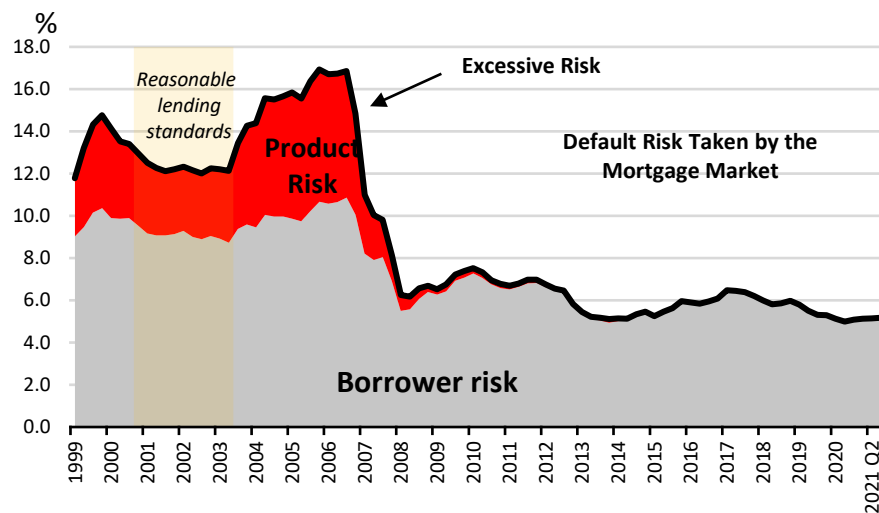


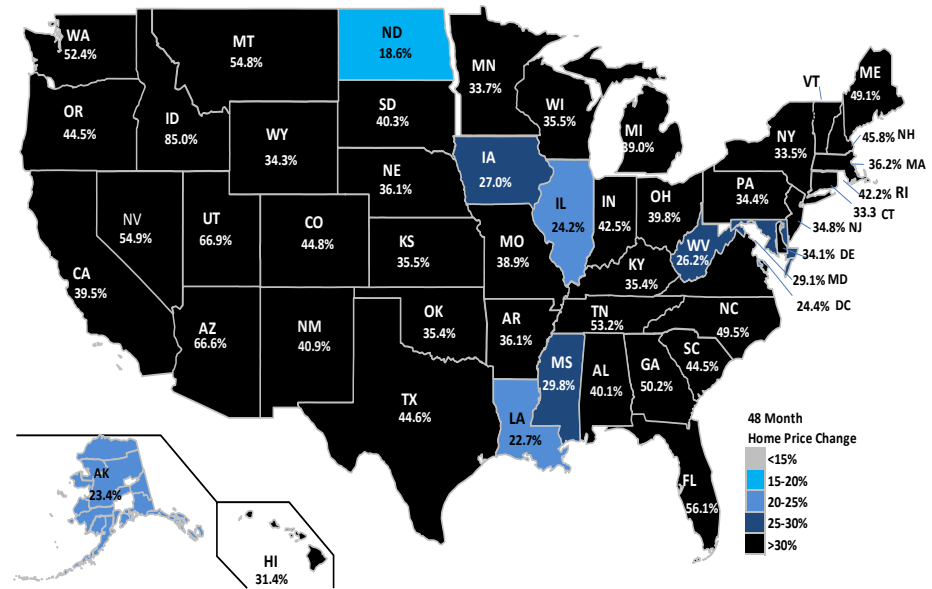
Figure 5: Superior loan quality results in better credit performance.



Home Price Appreciation Has Led To Significant Increase In Borrower Equity

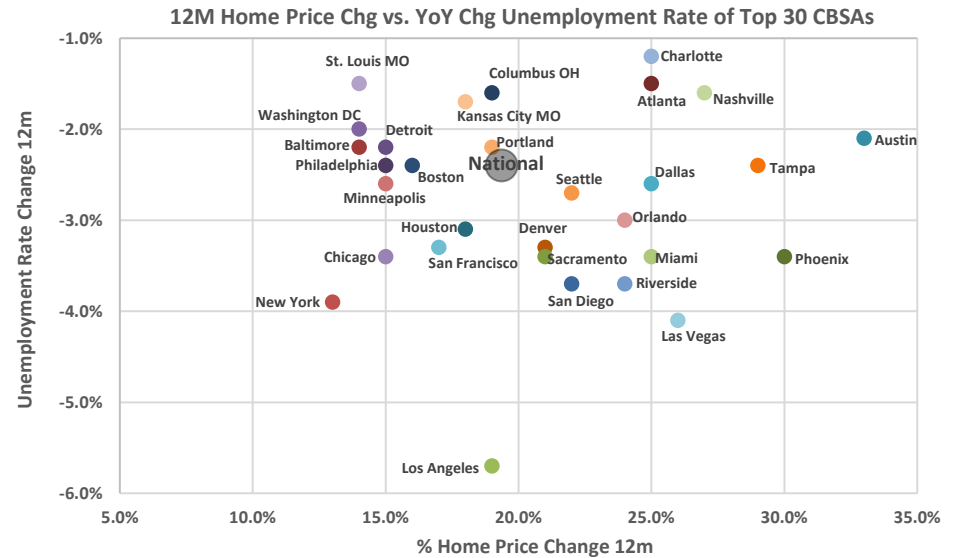
- **FHFA All-Transactions (“AT Index”) National home price index increased 19.4% from Q1 2021 to Q1 2022.**
 - Home prices increased 17.95% in 2021.
- HPA over the past **48 months** has contributed to the increase in home equity across the country (see U.S. Map Chart on the right).
- ~ 40% of price appreciation over the last 4 years was in 2021.
- Significant home price appreciation observed since March 2020 is a result of low interest rates, extremely low inventory levels, and strong household demand, as well as flexible work-from-home trends developed across many sectors of the economy.

Home Price Appreciation observed over a 48-month period.

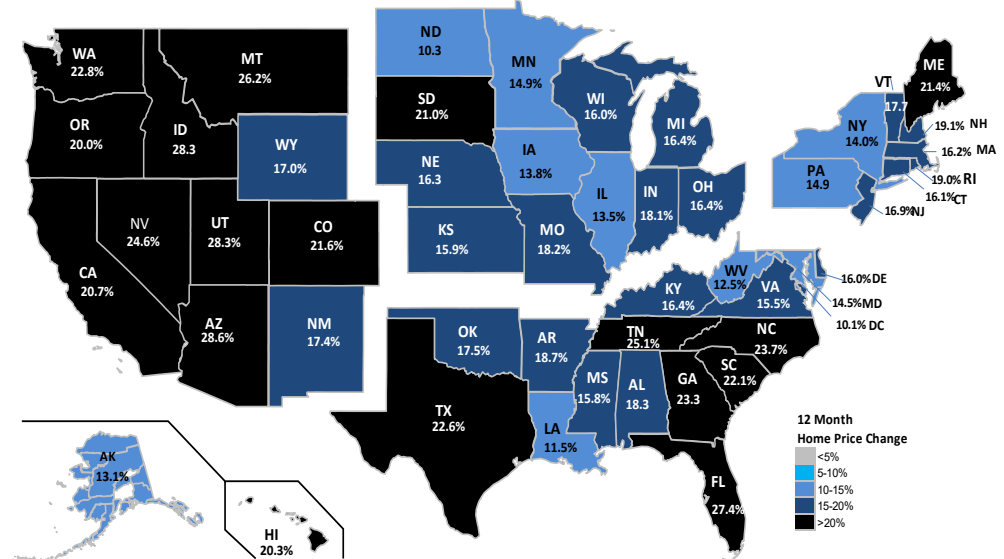


National Home Price Performance Trends

- Home prices rose in all states between Q1 2021 and Q1 2022
- Strong State Level HPA Observed Across All Regions
- The states with highest annual HPA:
 - Arizona 28.6%
 - Utah 28.3%
 - Idaho 28.3%
 - Florida 27.4%
 - Montana 26.2%
- The states with lowest annual HPA:
 - Washington D.C. 10.1%
 - North Dakota 10.3%
 - Louisiana 11.5%
 - West Virginia 12.5%
 - Alaska 13.1%
- The Mountain region experienced the strongest annual HPA 24.99%
- See Appendix A and B for detail analysis.



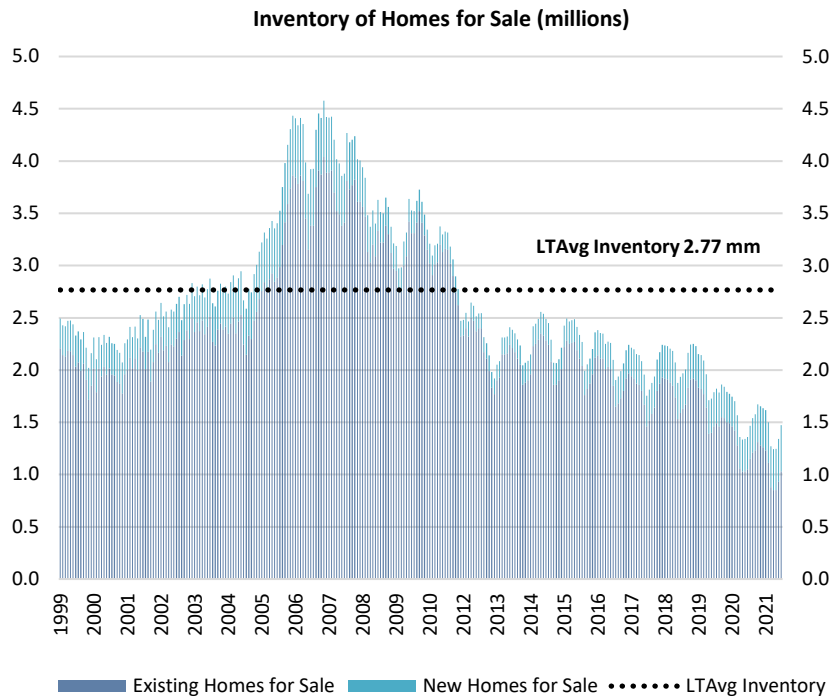
Home Price Appreciation observed over past 12 months.



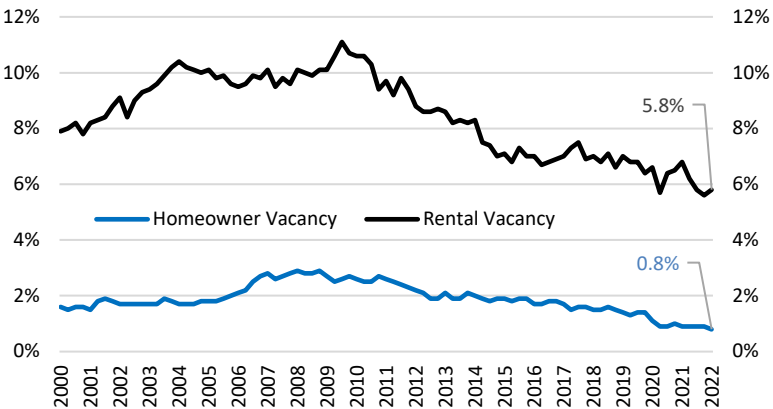
Housing Supply-Demand Dynamics

- Home prices have been impacted by prevailing supply-demand dynamics. Inventory levels and vacancy rates are at historic lows, supporting increases in valuations.

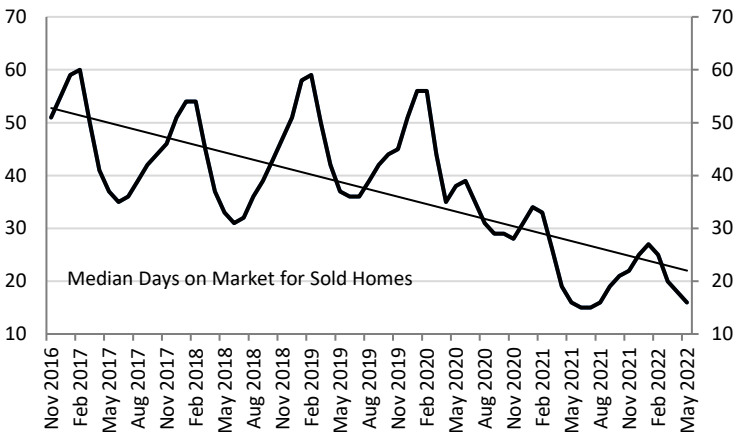
Housing inventory is ~47% below long-term trend. The supply of homes available for sale (existing and new) has stabilized at ~ 1.5 million in April 2022. In comparison, inventory averaged 2.8 million during 1999-2019.



Historic low vacancy rates imply U.S. housing market is out of equilibrium. Limited supply, especially at lower price points, is expected to prevail in the near-term future.

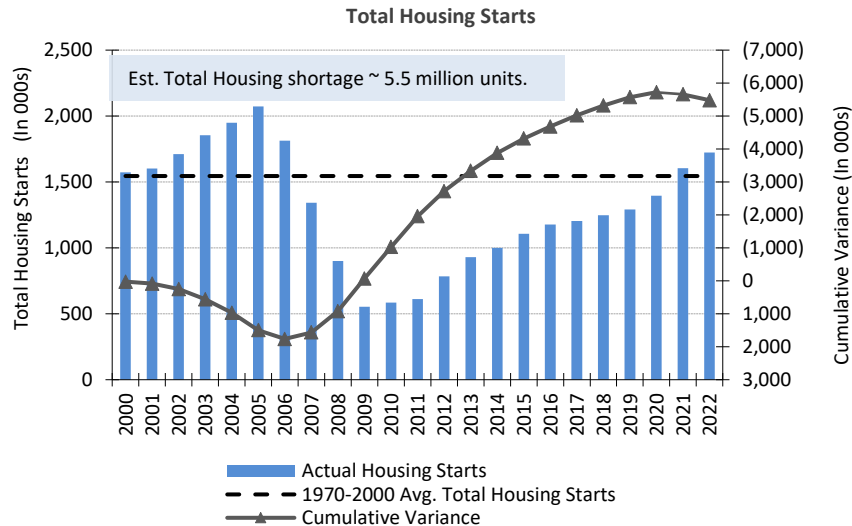
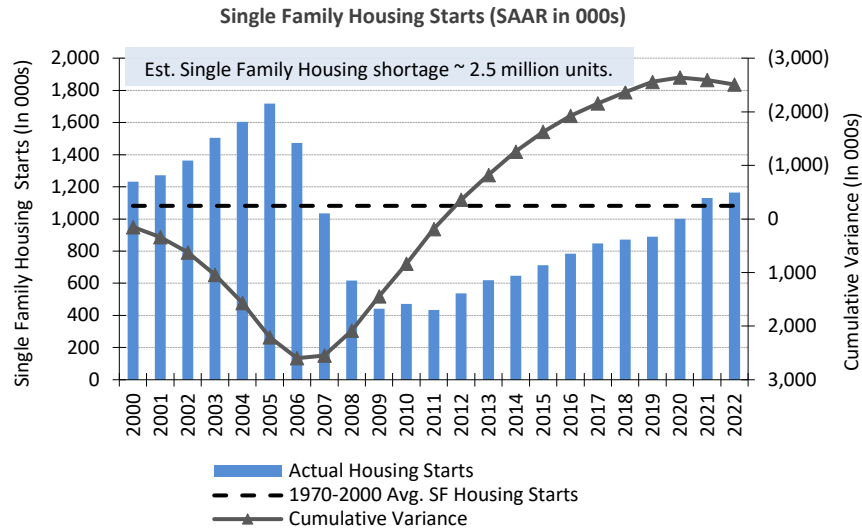


The median number of days between the day a house is listed on the market and the day it is sold remains well below what is considered supply-demand equilibrium of 60 days.

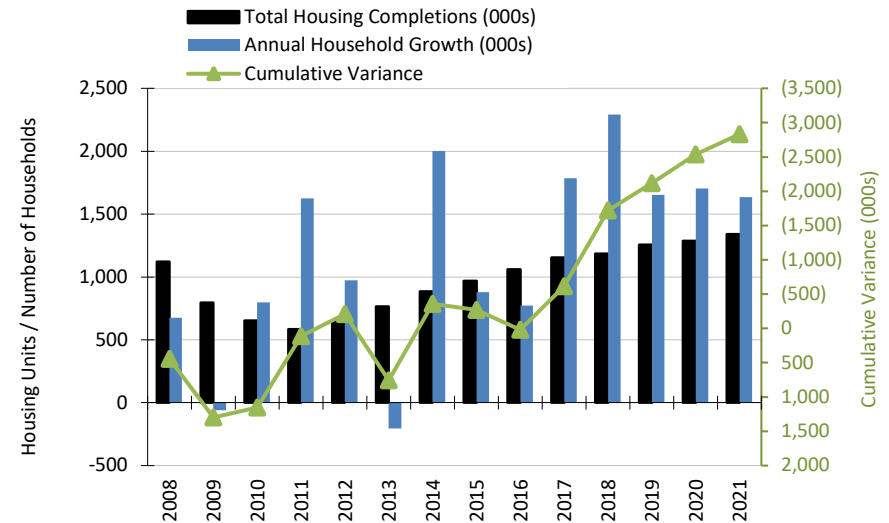


Deficit of Available Housing

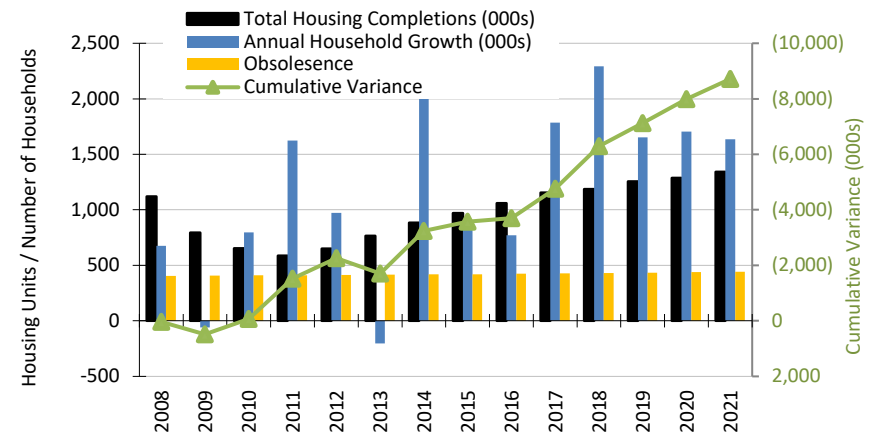
- Recently observed housing construction is finally at levels consistent with historic norms. **Supply-Demand equilibrium may still be 5 years away.**



- New construction has not kept up with household formation. Since 2008, there were 2.8million more households created than housing units built.

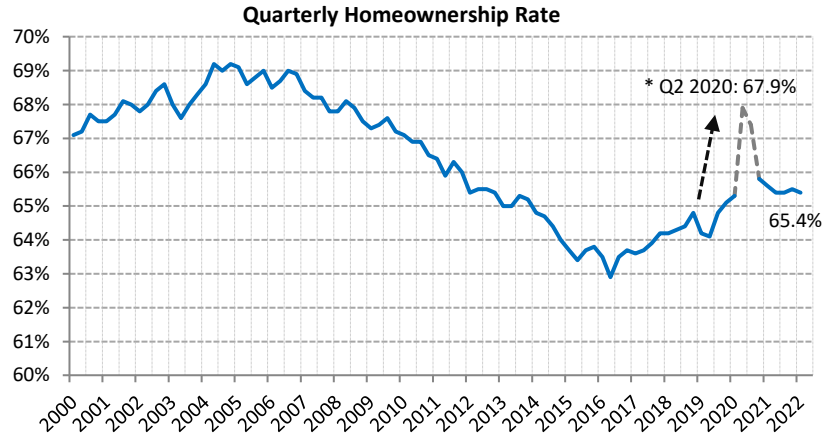


- If we were to account for the need to replace obsolete housing units (~3.1 per 1,000 homes annually), shortage is ~ 8million units.

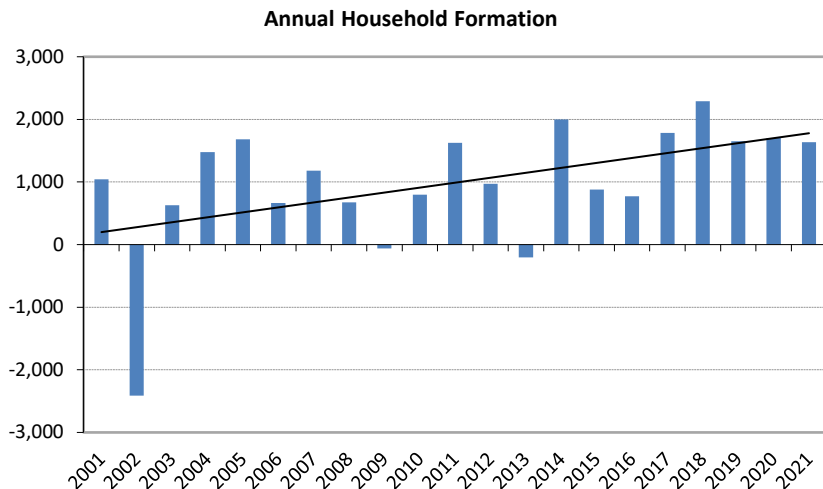


Home Ownership and Housing Formation Increasing in Recent Years

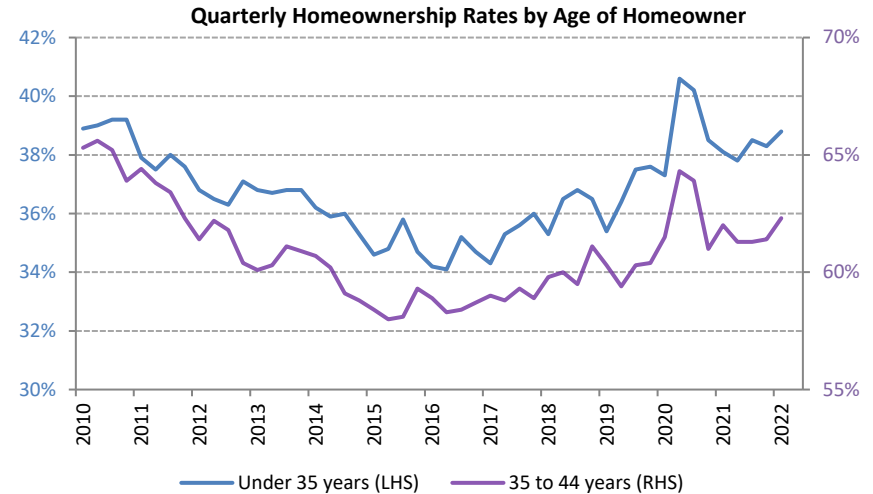
U.S. Homeownership Rate normalized at 65.4%. **Positive consumer sentiment for housing and low interest rates are still driving demand for homeownership.**



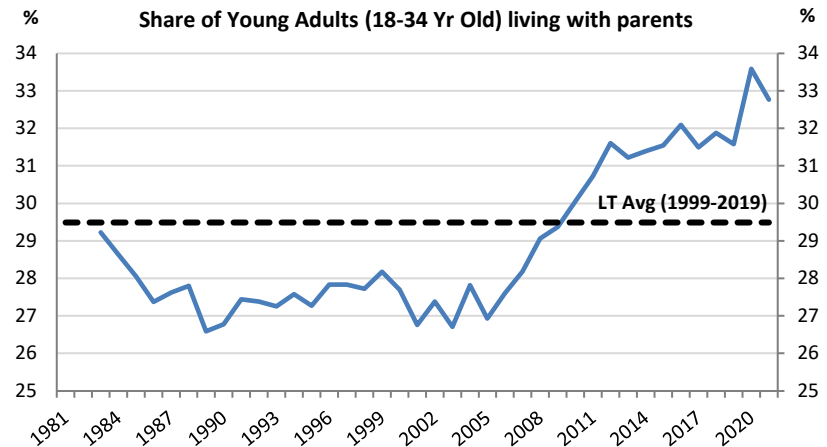
Household formations have recovered steadily since the Great Financial Crisis.



Relatively low interest rates and changes in work-from-home patterns are pulling forward Millennial demand for homeownership. Younger age groups, including Millennials (under 35 and 35-44 age groups), show an increase in homeownership rate since 2015.



The percentage of young adults living with their parents has decreased, but the overall level remains high relative to historic norms. **Reversion to mean would result in additional household formation and ultimately, housing demand.**

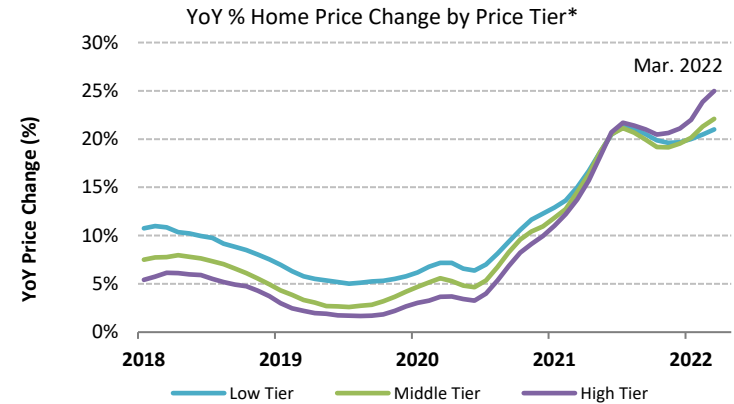
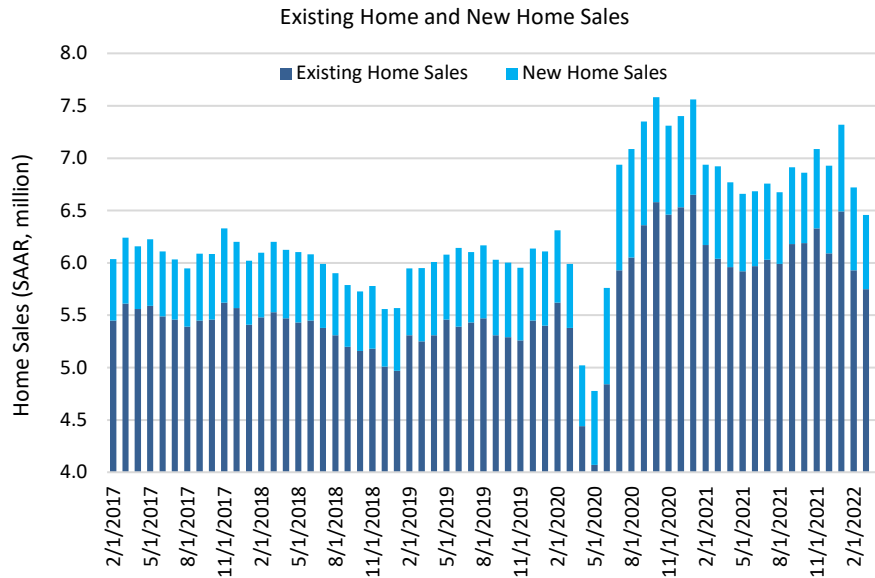


Source: U.S. Census, FBC.

* In its announcement, the U.S. Census Bureau has acknowledged that the sample size was ~12% lower than previous samples due to inability to reach survey participants during the shelter-in-place, which could lead to revisions in the estimate.

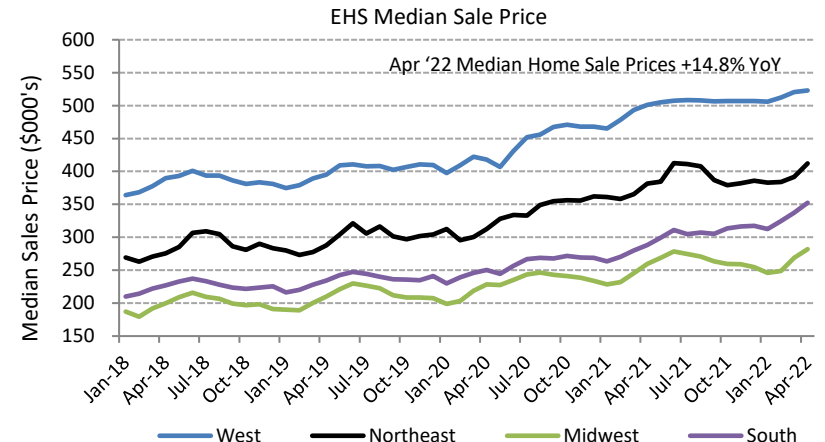
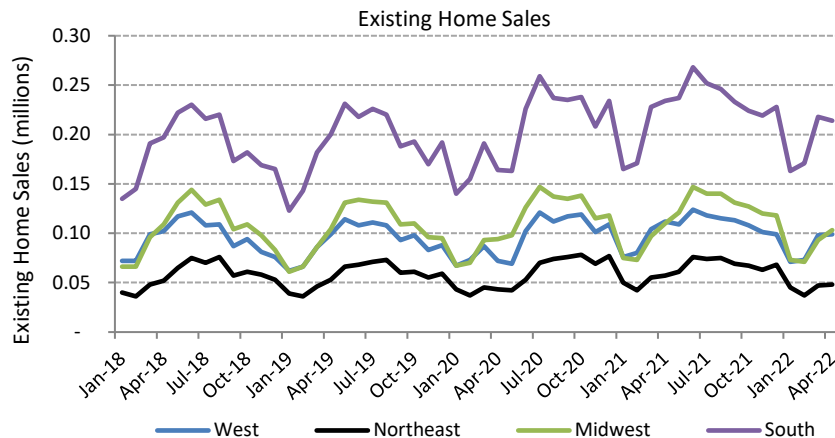
Housing Demand Remains Strong Across All Regions and Price Tiers

In May, existing home sales fell for the 4th straight month (8.6% lower than May 2021) with the median sales price reaching a record high \$407,600.



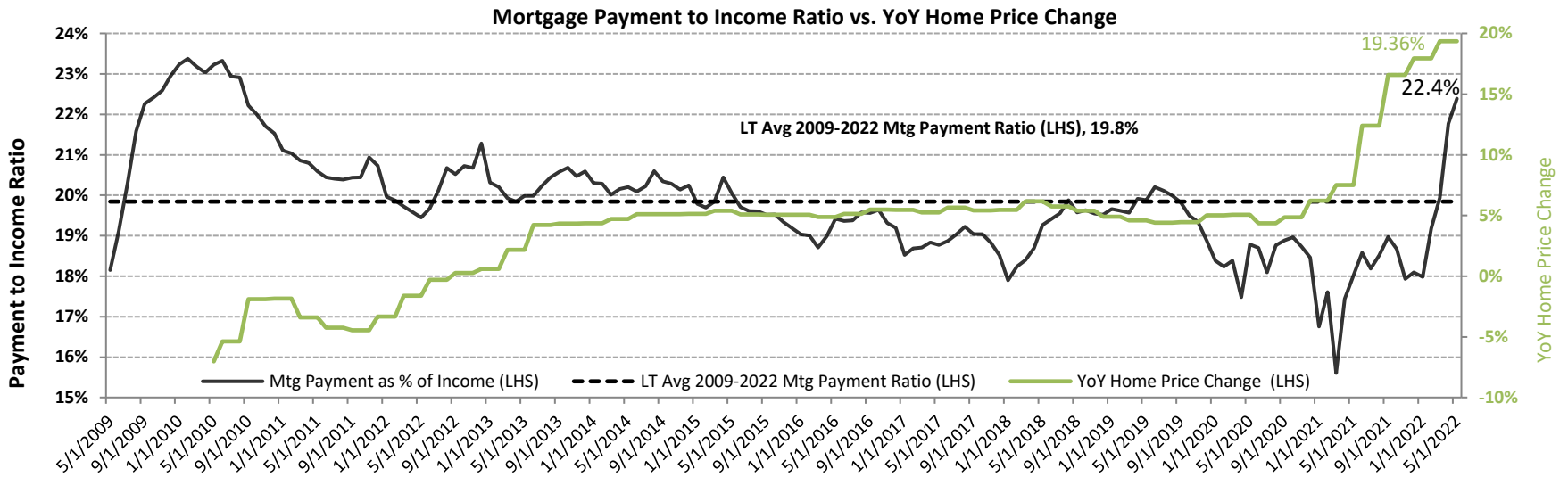
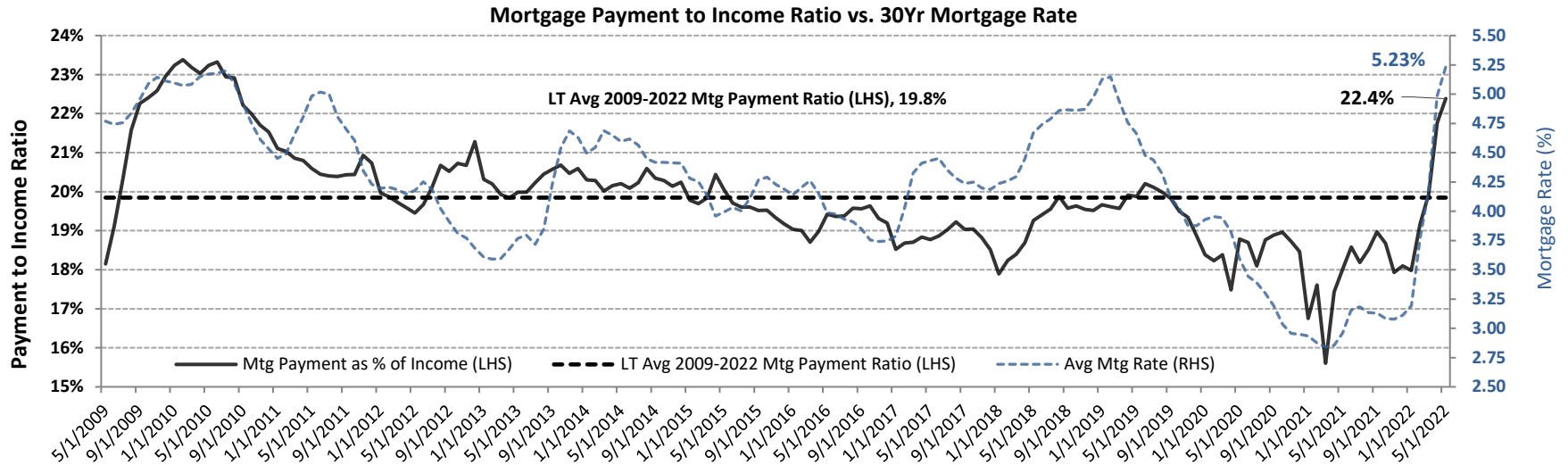
High Price Tier home price increases have outpaced Low and Middle Tier home price appreciation in the last 6 months.

* Note: Home Price by price tier are averaged across 16 metro areas. Price-tier breakpoints are computed using all sales for each period so that there are the same number of sales in each of the three tiers. For example, tier price breakpoints for Atlanta are \$316,817 and \$452,886 vs. \$937,299 and \$1,574,920 for San Francisco. Tier breakpoints are as of January 2022.



Affordability Constraints Will Impact Future Prices

- Higher mortgage rates and surging HPA have resulted in mortgage payment to income ratio to rise above long-term trends, confirming decreasing affordability.



Households Well-Positioned to Withstand Tightening of Monetary Policy

- **Tight labor markets and strong household balance sheets suggest most borrowers should be able to absorb potential economic downturn spurred by Fed tightening. (Figure 9)**
- **Affordability headwinds are expected to affect future home price appreciation and prepayment activity. (Figure 10)**
 - Following robust gains in home prices and amidst rising mortgage rates, housing affordability continues to decline.
 - Most major markets are now exhibiting affordability levels below recent norms.

Figure 9: Tight Labor Markets are likely to soften the impact of Fed Tightening.



Figure 10: Declining affordability is expected to affect housing demand.

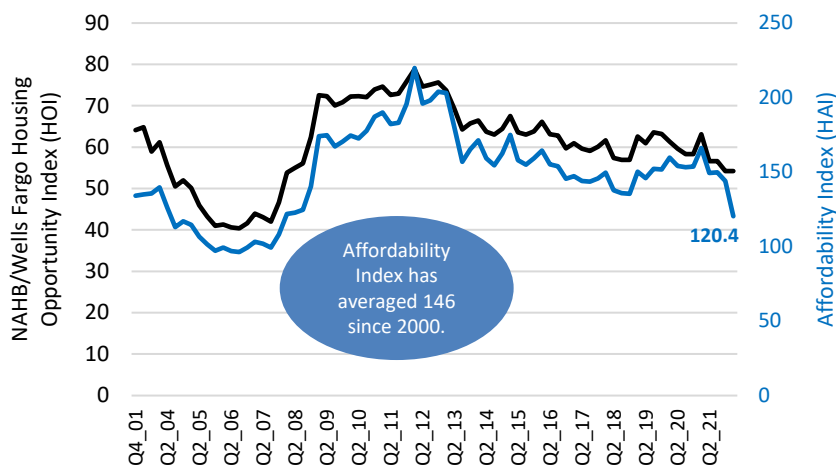
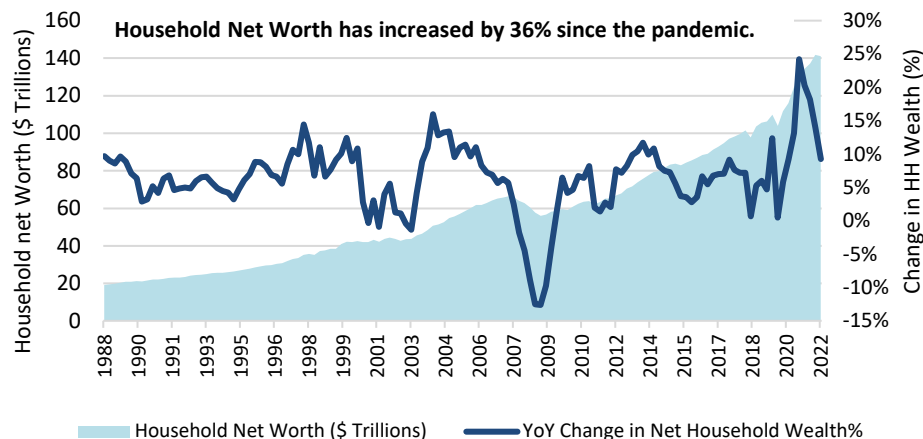


Figure 11: Healthy financial state and strong household balance sheets provide support for continued robust mortgage credit performance.



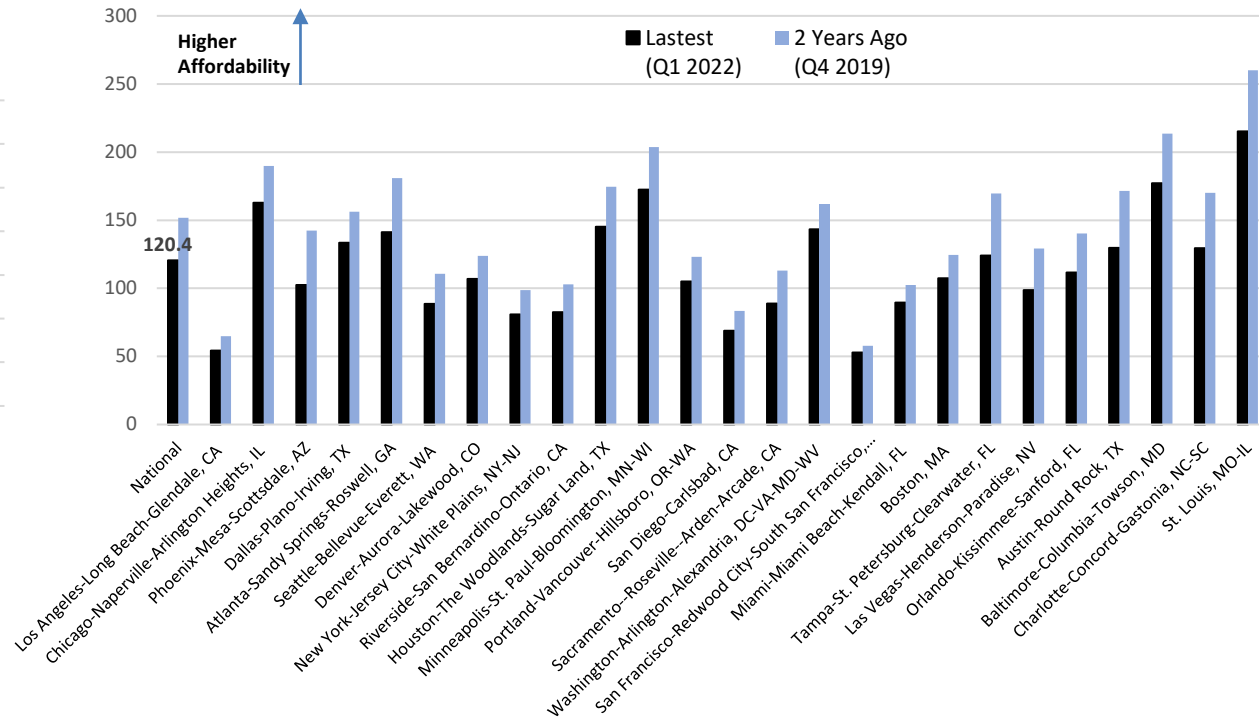
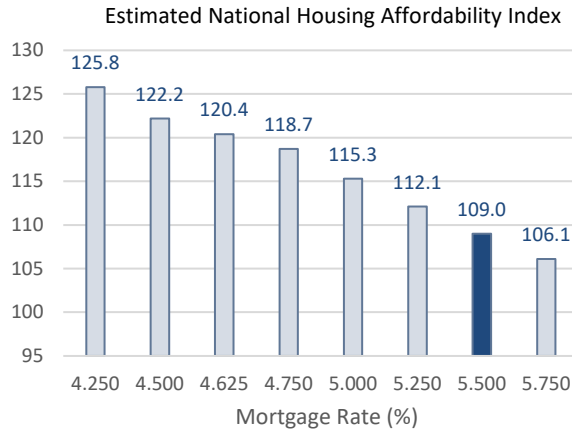
Sources: NAHB, NAR, Federal Reserve Economic Data, U.S. Bureau of Labor Statistics, Falcon Bridge Capital.

An affordability index (HAI) value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that family earning the median income has enough income to qualify for a mortgage loan on a median-priced home, assuming a 20% down payment. For example, a composite HAI of 120.0 means a family earning the median family income has 120% of the income necessary to qualify for a conventional loan covering 80% of a median-priced existing single-family home. Current Mortgage rates are 4.625% for Q1 2022.

Affordability Headwinds to Curtail Home Price Appreciation in 2022 - 2023

- Following gains in home prices, housing affordability continues to decline.
- Most major markets are now exhibiting affordability levels below recent levels.

Affordability index (HAI) is likely to continue to drop in 2022 amid strong housing demand and increasing interest rates.



Sources: NAHB, NAR, Census, FBC.

An **affordability index (HAI)** value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that family earning the median income has enough income to qualify for a mortgage loan on a median-priced home, assuming a 20% down payment. For example, a composite HAI of 120.0 means a family earning the median family income has 120% of the income necessary to qualify for a conventional loan covering 80% of a median-priced existing single-family home. Current Mortgage rates are 5.25% to 5.50% for June 2022.

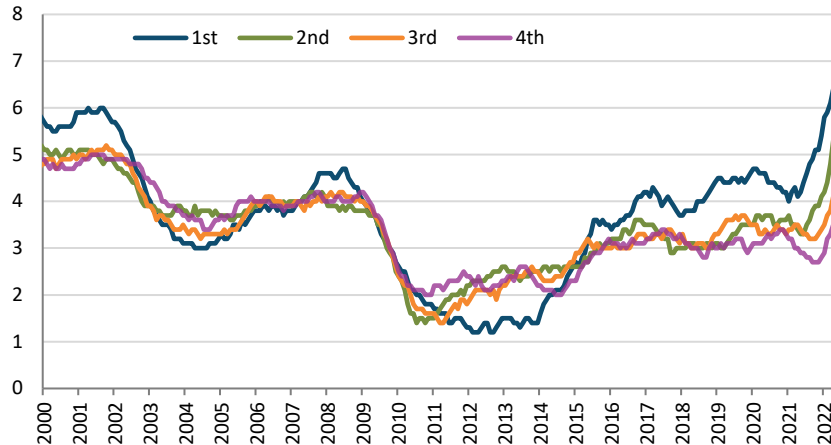
The **NAHB/Wells Fargo Housing Opportunity Index (HOI)** for a given area is defined as the share of homes sold in that area that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria.

Overall Unemployment Trends positive for Current and Prospective Homeowners

- Decreasing unemployment rates and labor shortages leading to income growth witnessed in 2021 will likely continue in the coming year.

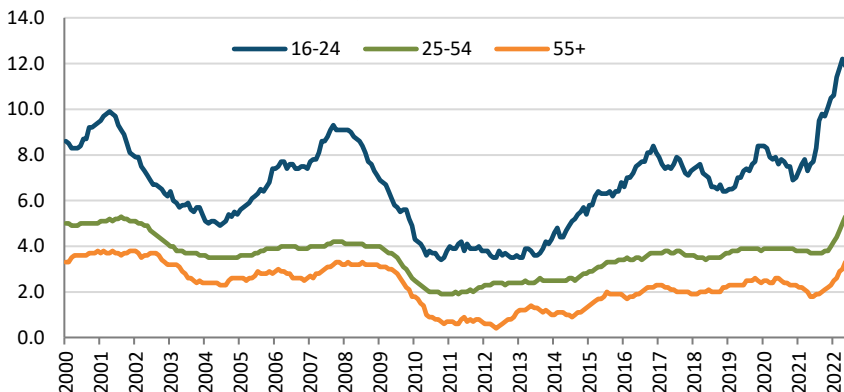
Lower-paying industries have had the highest wage gains.

Percent 12 Mo Moving Avg. of Monthly Median Wage Growth Across Wage Quartiles



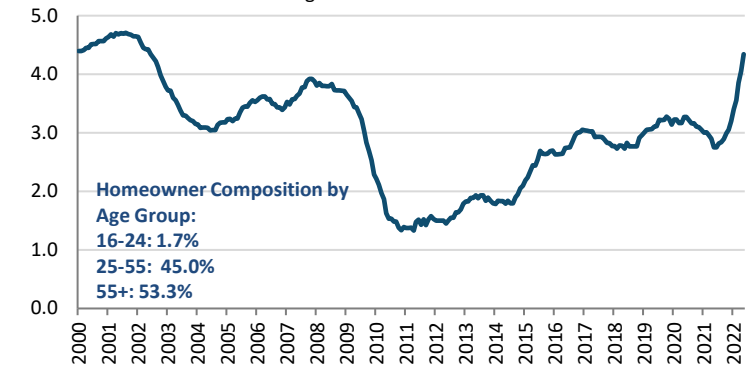
Wage gains have been highest for the youngest age cohorts.

Percent 12 Mo Moving Avg. of Monthly Median Wage Growth



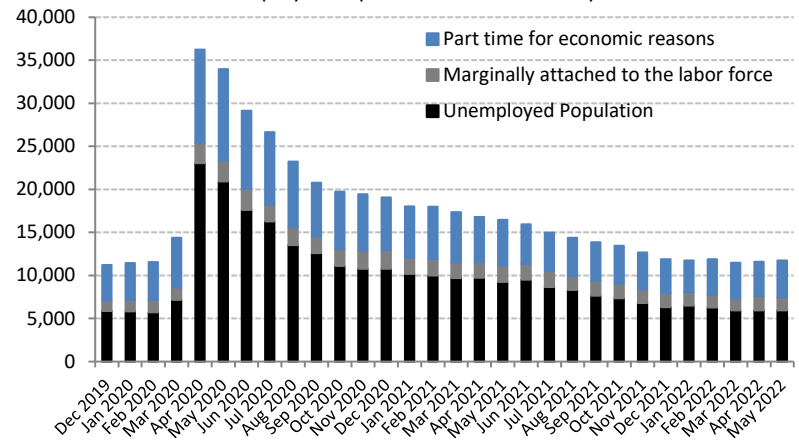
Wage growth for those likely to be homeowners (based on age), although strong, has trailed slightly behind the headline numbers.

Percent Est. Wage Growth of Homeowners



- Jobless claims data from Department of Labor gives an estimate of 1.3mm people still on some type of unemployment benefits.
- Approximately 7.1% (11.7mm) of the labor force remains impacted by the Pandemic.

in thousands Unemployed Population Dec.2019 - May 2022



Mortgage Collateral Strength: Minimal Layered Risk

Qualities of the current Housing Market:

- **Tighter underwriting standards:**
 - Full income documentation
 - Down payment verification/no reliance on silent seconds
 - Independent appraisals
 - Minimal risk layering
 - Stronger borrower profile
 - Low Risk mortgage products
 - Personal liability of mortgage brokers/originators.
- **Proactive Mortgage Servicing that avoids foreclosure:**
 - Focus on loss mitigation strategies to avoid losses to bond holders

Post-crisis collateral is much cleaner compared to pre-crisis vintages.

2000 - 2004 Origination: FNMA 30 year

FICO Range	LTV Range			
	<70	=>70 <80	=>80 <90	=>90 <100
<620	1.34%	1.52%	1.37%	1.09%
=>620 <640	1.05%	1.34%	1.47%	1.26%
=>640 <660	1.46%	1.84%	2.26%	1.82%
=>660 <680	1.94%	2.40%	3.03%	2.23%
=>680 <700	2.48%	2.75%	3.45%	2.45%
=>700 <720	3.00%	2.99%	3.59%	2.40%
=>720 <740	3.37%	3.16%	3.73%	2.33%
=>740 <760	4.28%	3.48%	3.90%	2.18%
=>760 <780	5.25%	3.37%	3.44%	1.54%
=>780	4.65%	2.15%	1.96%	0.69%

21.63%

2017 - 2019 CAS Deals

FICO Range	LTV Range			
	<70	=>70 <80	=>80 <90	=>90 <100
<620	0.12%	0.09%	0.08%	0.15%
=>620 <640	0.43%	0.80%	0.20%	0.34%
=>640 <660	0.65%	1.30%	0.37%	0.67%
=>660 <680	0.95%	2.04%	0.62%	1.10%
=>680 <700	1.33%	3.35%	1.26%	2.21%
=>700 <720	1.61%	4.51%	1.69%	2.94%
=>720 <740	1.70%	5.14%	1.98%	3.47%
=>740 <760	1.93%	6.14%	2.38%	3.88%
=>760 <780	2.51%	7.46%	2.73%	4.05%
=>780	5.34%	13.15%	4.12%	5.23%

7.77%

2020 - 2021 CAS Deals

FICO Range	LTV Range			
	<70	=>70 <80	=>80 <90	=>90 <100
<620	0.01%	0.02%	0.00%	0.00%
=>620 <640	0.24%	0.44%	0.08%	0.14%
=>640 <660	0.42%	0.81%	0.17%	0.32%
=>660 <680	0.76%	1.46%	0.30%	0.55%
=>680 <700	1.28%	3.00%	0.80%	1.29%
=>700 <720	1.71%	4.83%	1.01%	1.77%
=>720 <740	2.11%	6.13%	1.25%	2.11%
=>740 <760	2.80%	8.51%	1.49%	2.25%
=>760 <780	4.05%	11.03%	1.67%	2.20%
=>780	8.29%	19.90%	2.25%	2.51%

4.31%

Default performance of loans originated in 2000-2001

Doc	DTI	CLTV	FICO					
			>740	(700-740]	(660-700]	(620-660]	(580-620]	<=580
Full	(0-30)	(0-68]	0	0	1	3	5	11
Full	(0-30)	(68-78]	0	1	2	3	7	12
Full	(0-30)	(78-82]	0	1	2	3	6	10
Full	(0-30)	(82-90]	1	1	2	5	9	13
Full	(0-30)	(90-95]	1	2	4	8	12	16
Full	(0-30)	above 95	3	5	9	17	31	43
Not full doc		(0-68]	2	7	10	14	18	21
Not full doc		(68-78]	8	17	22	28	25	34
Not full doc		(78-82]	11	20	24	30	28	34
Not full doc		(82-90]	16	26	31	33	31	36
Not full doc		(90-95]	17	27	29	31	29	41
Not full doc		above 95	29	36	36	35	38	48

- Fully documented loans have performed much better than partial documentation loans.
- Current Agency underwriting is 100% Full Documentation.
- 100% of Collateral in Fannie Mae and Freddie Mac deals is backed by Full Documentation Loans with a low % of risk-layering.

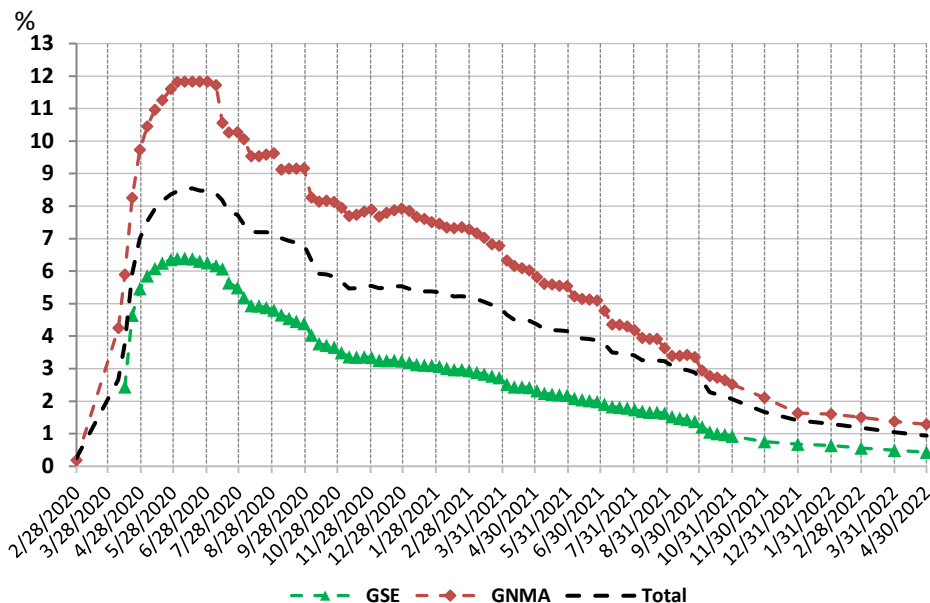
Housing Agencies immediately implemented programs to mitigate the economic hardship from the pandemic and its implications.

Borrower Options and their Impact on CRT Performance			
Steps	Description	Credit Event (Y/N/Other)	Other Comments
1. Initial Temporary Forbearance	<p>Borrowers are allowed to stop making their mortgage payments for up to 18 months (or longer with a written approval from the GSEs) and are not being charged late fees, penalties, or reported to credit bureaus.</p> <ul style="list-style-type: none">Initially, borrowers will be offered a 2-3 month deferral, at which point their situation will be reassessed.Borrowers must contact their Servicer for a temporary forbearance; however, no documentation is required to implement it. <p>Currently, borrowers can still request a forbearance until the end of the COVID-19 National Emergency.</p>	N	<p>Increased delinquencies may result in failed delinquency triggers and cause principal to be diverted to senior bonds.</p> <ul style="list-style-type: none">Under the STACR program, the trigger will fail if the 6-month average of stressed loans (60 days past due, in bankruptcy, foreclosure or REO, or modified in the 12 months prior to the reporting period) exceeds 50% of the amount of credit enhancement provided by the entire structure to the reference pool.Triggers in CAS deals use a 40% threshold and calculate the balance using loans greater than 90 days past due and do not include modified loans.
If the temporary hardship has been resolved, the borrower has the option to reinstate the mortgage loan.			
If the temporary hardship has been resolved and the borrower does not have the ability to reinstate the mortgage loan , servicers should offer the following, and in order:			
2. Repayment Plan	Total monthly repayment plan payment is offered to borrowers who have the financial capacity to bring the mortgage loan current during a specified repayment period (typically less than 12 months).	N	
3. Payment Deferral	If the borrower does not have the ability to afford a repayment plan, the servicer should defer the past-due principal and interest payments as a non interest-bearing balance, due and payable at maturity of the mortgage loan, or earlier upon the sale or transfer of the property, refinance of the mortgage loan, or payoff of the interest-bearing UPB.	N	
4. Permanent Loan Modification	<p>If it's determined that the borrower is not capable of maintaining the current contractual monthly PITI payment or if the borrower doesn't qualify for a Payment Deferral due to the maximum delinquency constraint, Servicer will offer a modification:</p> <ol style="list-style-type: none">Capitalize arrearages.Extend the term in monthly increments up to a maximum of 480 months.Provide or increase forbearance amount.Lower interest rate.	Depends (See: "Other Comments")	<p>Only modifications that result in a permanent interest rate reduction or permanent principal forbearance may result in bond losses (amounts to interest short-fall passed to investors on a monthly basis).</p> <p>Term extension and/or delinquent amount capitalization do not result in losses.</p>

Loss Mitigation Strategies by FHFA Proven Successful

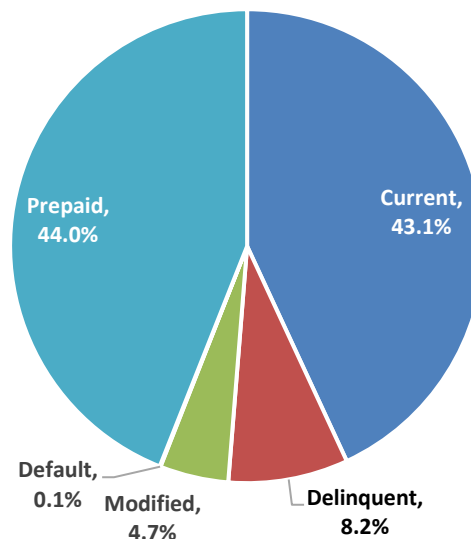
- Loss mitigation programs coupled with equity associated with increased home values positively affect mortgage credit performance.

Forbearance Requests since the onset of Pandemic



- Most loan modifications are simple term extensions and/or delinquent amount capitalizations and carry no negative implications of the credit performance of the CRT pools. Interest reductions are limited and are being mainly offered to high LTV borrowers.

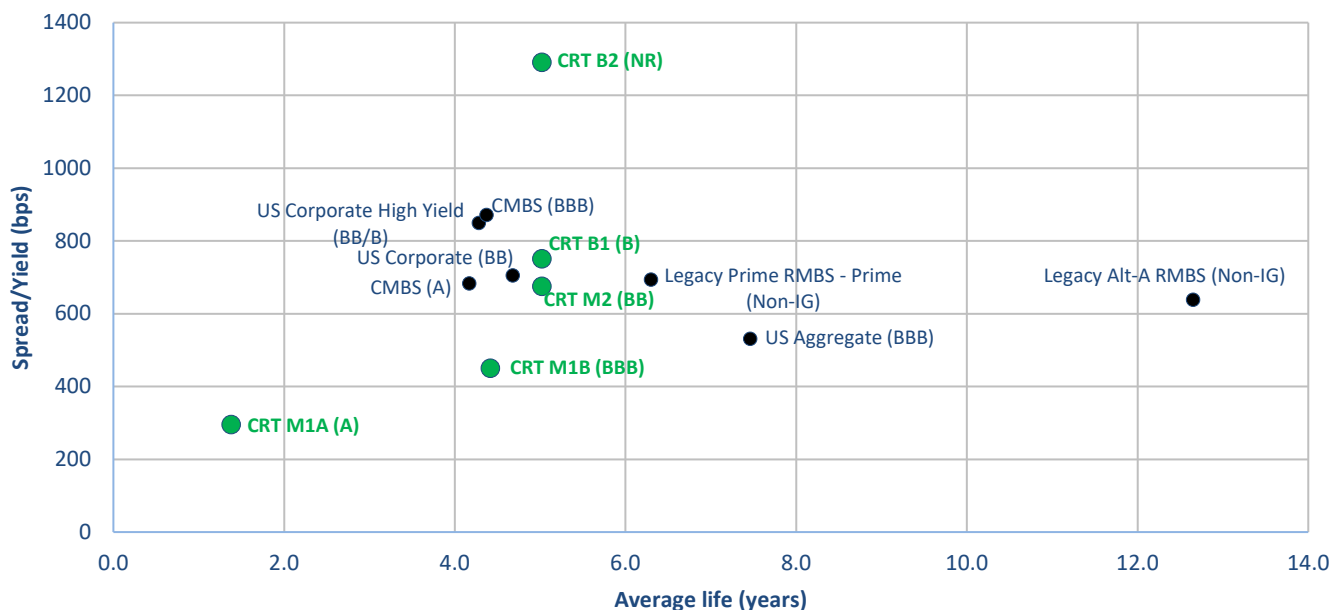
~ 87% of loans that requested COVID-19 related forbearances are already current or Prepaid.



Note: The above chart represents current status of loans that requested forbearance in response to the pandemic related business closures and employment disruptions.

Credit Risk Transfer Securities: 2022 Outlook

- Housing demand continues to be strong due to factors discussed herewith. Supply–Demand dynamics, household formation, and availability of credit will continue to support housing demand amidst higher mortgage rates.
- Relatively high coupon and floating rate structure remains very attractive, especially given the potential of higher short-term rates in the near-term. 100% of CRT sector is floating rate. Excess liquidity in the system will continue to keep credit spreads range-bound.
- Structural changes, specifically the addition of a 5-year call option by the issuer, will likely result in reduced price volatility for B1 and B2 tranches as convexity concerns will limit price volatility. Investor returns will be dominated by coupon interest.
- Strict underwriting standards and limited housing inventories (for owners AND renters) will result in very low defaults, **consistent with “Investment Grade” risk.**



Source: CRT M1A (A): STACR 2022-DNA5 M1A; CRT M1B (BBB): STACR 2022-DNA5 M1B; CRT M2 (BB): STACR 2022-DNA5 M2; CRT B1 (B): STACR 2022-DNA5 B1; CRT B2 (NR): STACR 2022-DNA5 B2; JP Morgan: Legacy Prime RMBS - Prime (Non-IG): Average of PrimeX.ARM.1 and PrimeX.ARM.2; Legacy Alt-A RMBS (Non-IG): Average of ALT-A.Hybrid PT.1 and ALT-A.Hybrid PT.2; Barclays: US Aggregate (BBB): US Aggregate Baa Index; US Corporate (BB): US Corporate Ba Index; US Corporate High Yield (BB/B): US Corporate High Yield Index; CMBS (A): CMBS 2.0 A Index; CMBS (BBB): CMBS 2.0 Baa Index

Note: CRT Bonds are expressed in spreads for the latest Freddie Mac deal in 2022; all other indices are expressed in yield-to-worst based on J.P. Morgan and Bloomberg projections as of 6/14/22.

Appendix A – Home Price Performance

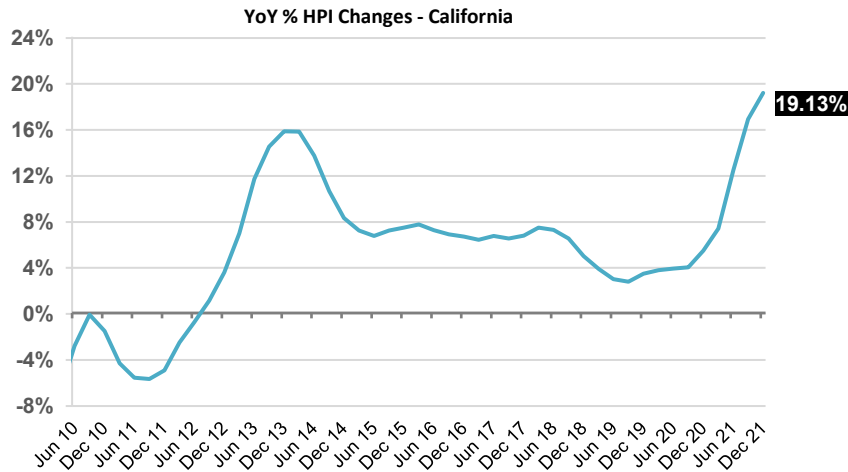
CBSA/Metro Level HPI Trend Analysis Indicates Above Normal Price Appreciation

- Home prices increased in all the top 100 largest metro areas over the last four quarters.
- Table shows HPA trends of top 50 CBSAs by comparing current annual HPAs to 5yr and 10Yr Compound Annual Growth Rates (CAGRs) and standard deviations over the 10-year period.
- The current annual HPAs of most of the top 50 metro areas are at least one standard deviation above the long-term average growth rate.
 - 1SD above: 98% of top 50 CBSAs**
 - 2SD above: 85% of top 50 CBSAs**
- All the top 50 metro areas have current annual growth rates above its 10Yr CAGR, except San Francisco

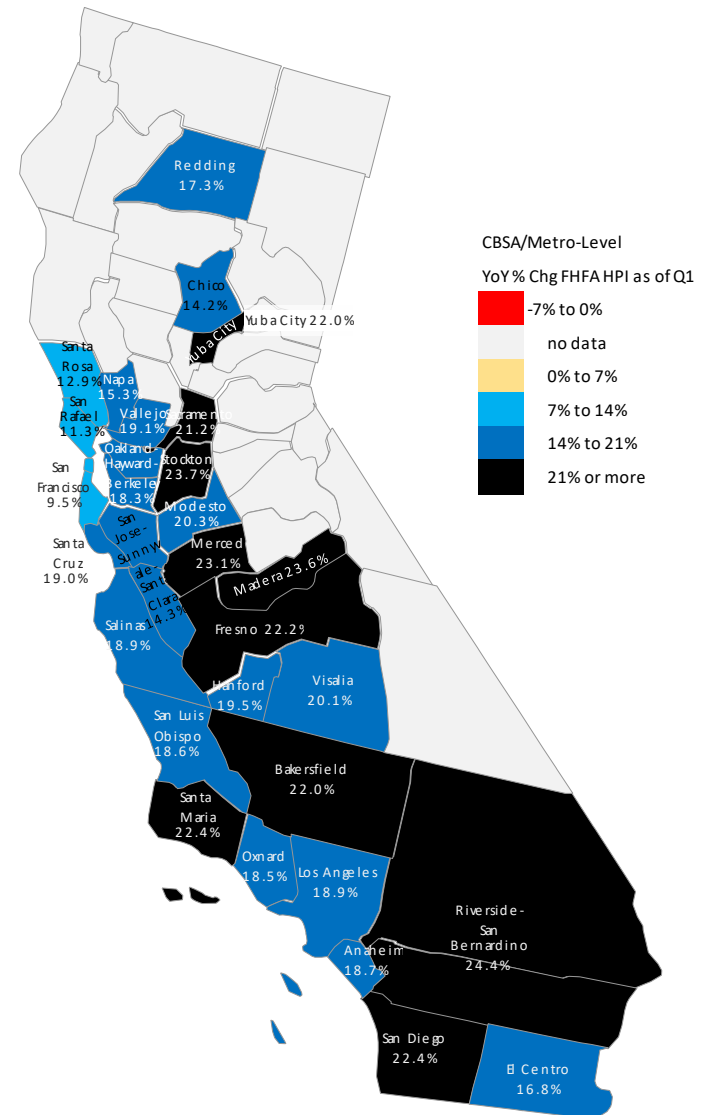
FHFA All-Transactions HPI as of 2022Q

	12-Month % Chg	5Yr CAGR	10Yr CAGR	StDev YoY% 10Yr
National	19.36%	8.41%	6.42%	4.30%
California	20.67%	8.42%	8.56%	5.38%
New York-Jersey City-White Plains, NY-NJ	11.36%	5.66%	4.27%	3.10%
Los Angeles-Long Beach-Glendale, CA	18.94%	8.07%	8.13%	4.89%
Anaheim-Santa Ana-Irvine, CA (MSAD)	18.71%	7.04%	7.19%	4.90%
Dallas-Plano-Irving, TX	25.18%	9.47%	8.79%	5.25%
Houston-The Woodlands-Sugar Land, TX	17.81%	6.94%	6.74%	3.59%
Philadelphia, PA	13.35%	7.56%	4.92%	3.78%
Washington-Arlington-Alexandria, DC-VA-MD-WV	13.55%	6.37%	4.99%	2.89%
Miami-Miami Beach-Kendall, FL	23.57%	9.81%	9.94%	5.21%
Atlanta-Sandy Springs-Roswell, GA	24.60%	10.64%	8.68%	6.08%
Boston, MA	15.33%	7.49%	5.82%	3.60%
San Francisco-San Mateo-Redwood City, CA	9.55%	3.09%	6.75%	6.15%
Oakland-Berkeley-Livermore, CA	18.33%	7.38%	9.20%	5.97%
Riverside-San Bernardino-Ontario, CA	24.43%	10.16%	10.07%	7.31%
Phoenix-Mesa-Scottsdale, AZ	30.11%	13.00%	11.78%	7.08%
Detroit-Dearborn-Livonia, MI	14.63%	8.00%	7.63%	3.61%
Seattle-Bellevue-Everett, WA	22.64%	10.12%	9.71%	5.72%
Minneapolis-St. Paul-Bloomington, MN-WI	14.66%	7.38%	6.18%	3.70%
San Diego-Carlsbad, CA	22.36%	8.83%	8.36%	5.54%
Tampa-St. Petersburg-Clearwater, FL	29.04%	12.60%	10.65%	6.26%
St. Louis, MO-IL	14.16%	6.38%	4.29%	3.64%
Baltimore-Columbia-Towson, MD	13.73%	5.69%	3.77%	3.50%
Denver-Aurora-Lakewood, CO	21.44%	9.50%	9.67%	4.82%
Pittsburgh, PA	14.09%	7.15%	5.04%	3.12%
Charlotte-Concord-Gastonia, NC-SC	25.05%	10.82%	7.82%	5.62%
Portland-Vancouver-Hillsboro, OR-WA	19.08%	8.25%	8.77%	5.20%
San Antonio-New Braunfels, TX	21.78%	9.02%	7.18%	4.39%
Orlando-Kissimmee-Sanford, FL	24.15%	10.59%	9.79%	5.72%
Sacramento--Roseville--Arden-Arcade, CA	21.16%	9.30%	9.75%	6.56%
Cincinnati, OH-KY-IN	17.40%	8.39%	5.31%	4.29%
Cleveland-Elyria, OH	14.97%	7.61%	5.00%	4.18%
Kansas City, MO-KS	18.05%	9.27%	6.37%	4.48%
Las Vegas-Henderson-Paradise, NV	26.08%	12.40%	12.40%	8.42%
Columbus, OH	18.58%	9.24%	6.65%	4.25%
Indianapolis-Carmel-Anderson, IN	19.83%	9.63%	6.23%	4.55%
San Jose-Sunnyvale-Santa Clara, CA	14.27%	5.32%	7.53%	5.47%
Austin-Round Rock, TX	33.32%	12.40%	10.52%	7.47%
Nashville-Davidson--Murfreesboro--Franklin, TN	26.75%	10.95%	8.88%	5.48%
Virginia Beach-Norfolk-Newport News, VA-NC	15.50%	6.45%	3.80%	4.38%
Providence-Warwick, RI-MA	18.20%	8.49%	5.61%	5.06%
Milwaukee-Waukesha-West Allis, WI	14.66%	6.93%	4.54%	3.87%
Jacksonville, FL	25.17%	10.98%	8.45%	6.27%
Memphis, TN-MS-AR	20.36%	9.27%	6.02%	4.81%
Oklahoma City, OK	18.10%	7.03%	5.11%	3.65%
Louisville/Jefferson County, KY-IN	15.56%	7.20%	5.13%	3.66%
Richmond, VA	16.81%	7.73%	5.32%	4.42%
New Orleans-Metairie, LA	13.48%	6.04%	4.60%	2.88%
Hartford-West Hartford-East Hartford, CT	15.02%	5.74%	2.74%	4.53%
Raleigh, NC	28.27%	10.11%	7.18%	5.86%
Birmingham-Hoover, AL	16.58%	7.72%	5.17%	4.00%
Buffalo-Cheektowaga-Niagara Falls, NY	16.08%	8.77%	5.83%	4.09%

Appendix B – California Home Price Performance



- Like national home price appreciation, California home prices rose 19.13% over the last four quarters based on the quarterly All-Transactions FHFA HPI as of Q1 2022.
 - Similar strong home price appreciation since March 2020 resulted from an increase in housing demand caused by working from home requirements imposed by COVID-19 pandemic.
- Map reflects All-Transactions FHFA HPI Performance in CBSA/Metro areas:
 - Most CBSA/Metro areas have had at least 14% increase.
 - San Francisco reported 9.5% annual growth, San Rafael and San Jose metro area reported 11.3% and 14.3% home price increases, respectively.



Company Background

INVESTORS

Capitalize on FBC's insight and product knowledge of the U.S. Securitized market

Registered with the SEC since June 30, 2011

SEC Registration Number: 801-72513
FINRA IARD Number: 156661
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06.2022