



Santander US Capital Markets LLC

Santander US Capital Markets
Non-Agency
Mortgage Market Monitor
March 2024 Remittance

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Key Assumptions

We use 'Investor Balance'

This is the balance known by the trust of a deal and may differ from the balance known to a borrower if any forbearance amounts have been incurred.

Our denominators may differ from conventional calculations

Certain performance measures herein are reflected as a percentage of a given cohort balance and may cause our rates to vary from those represented as a percentage of total collateral balance. For example, Voluntary Prepayment Rates (VPRs) on Always Performing Loans (APLs) are calculated as a percentage of the related APL balance, not total collateral.

Categories are mutually exclusive

We create categories that do not overlap for interpretational ease. For example, when we present data for states, we bucket certain states distinctly, i.e. CA or NY/NJ, and then group the rest into Non-Judicial or Judicial. These buckets are mutually exclusive.

Classification of liquidations or prepayments

We categorize any loan that leaves the pool with less than a 1.5% loss severity as a prepayment. This is assumed to account for prepayment interest shortfalls and other noise that would otherwise cause us to categorize prepayments as liquidations.

Delinquent loan abatements

We refer to any loan that leaves a pool as an abated loan. Slides related to this concept exclude loans from called deals, attempt to control for repurchase activity, and utilize our determination of whether a loan has liquidated or prepaid.

Net cure and transition rates

This is calculated as a percentage of the balance of total transitions and cures in a period. For example, Net Cure Rate is calculated as the total balance cured divided by the sum of the balance of all loans that either cured or transitioned in a given period. This is meant to show the trajectory of loans that changed states but remain outstanding.

Certain exclusions

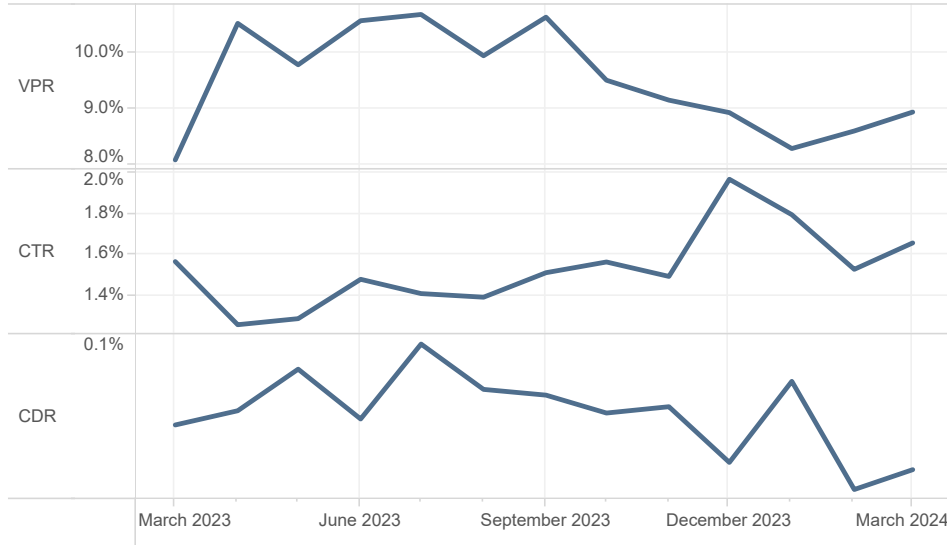
For ease of reporting, we are currently excluding all loans issued within a 'post-crisis' deal (i.e. with a vintage of greater than or equal to 2009) and also any loans located in Puerto Rico. Also, any data related to the period in which the clean-up call for a deal was exercised is excluded, if any.

Acronyms

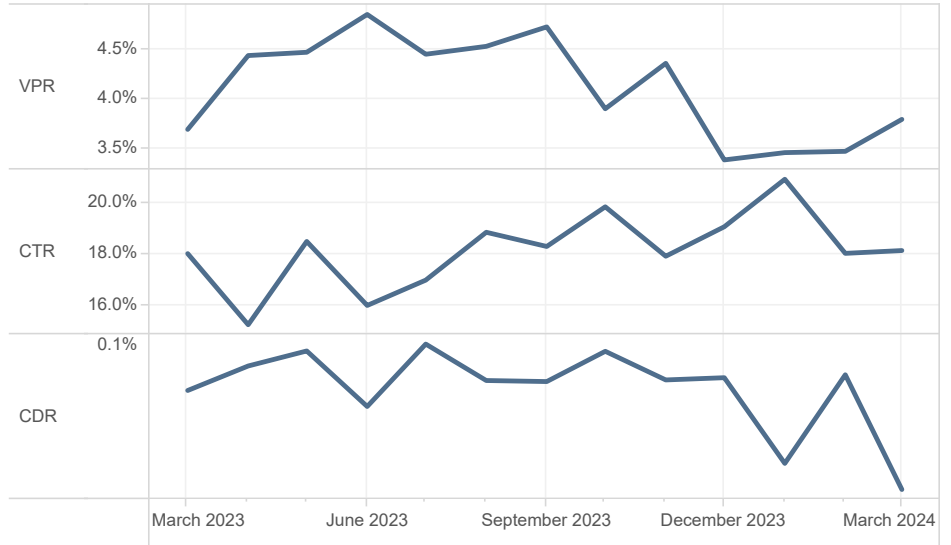
Always Performing Loans ("APLs"), Re-Performing Loans ("RPLs"), Non-Performing Loans ("NPLs"), Voluntary Prepayment Rate ("VPR"), Constant Modification Rate ("CMR"), Constant Default Rate ("CDR"), Constant Transition Rate ("CTR"), Constant Cure Rate ("CCR")

PLS Balance and Performance Snap-Shot

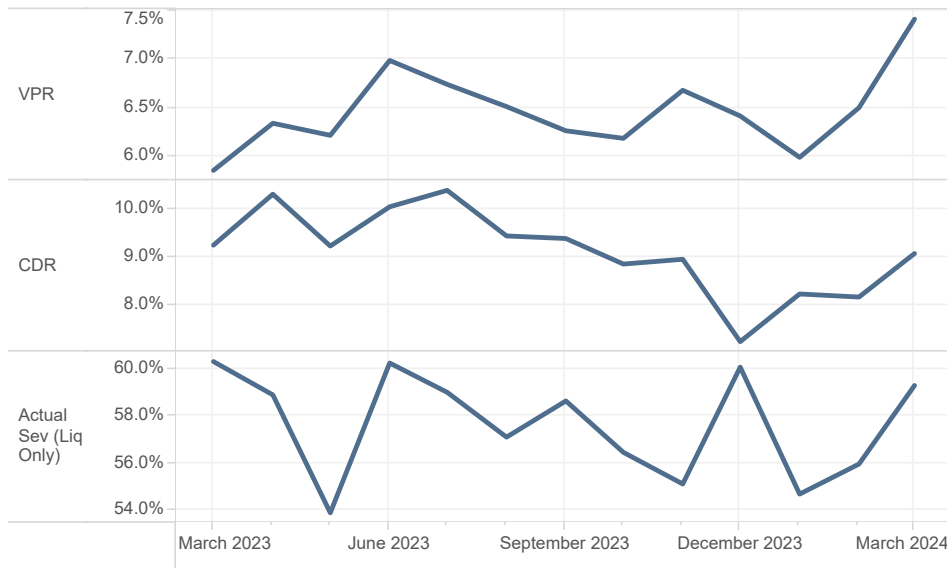
Always Performing Loans (% of APL Balance)



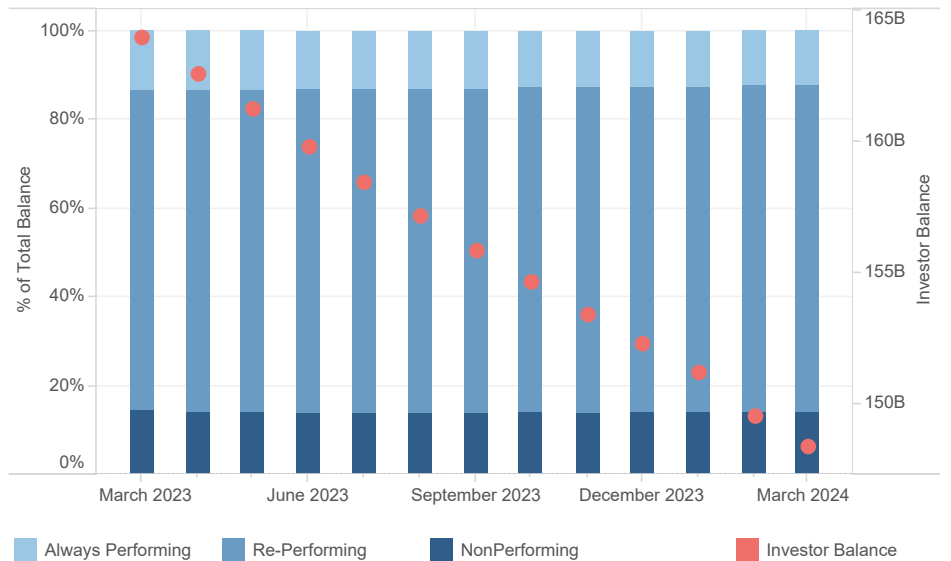
Re-Performing Loans (% of RPL Balance)



Non-Performing Loans (% of NPL Balance)

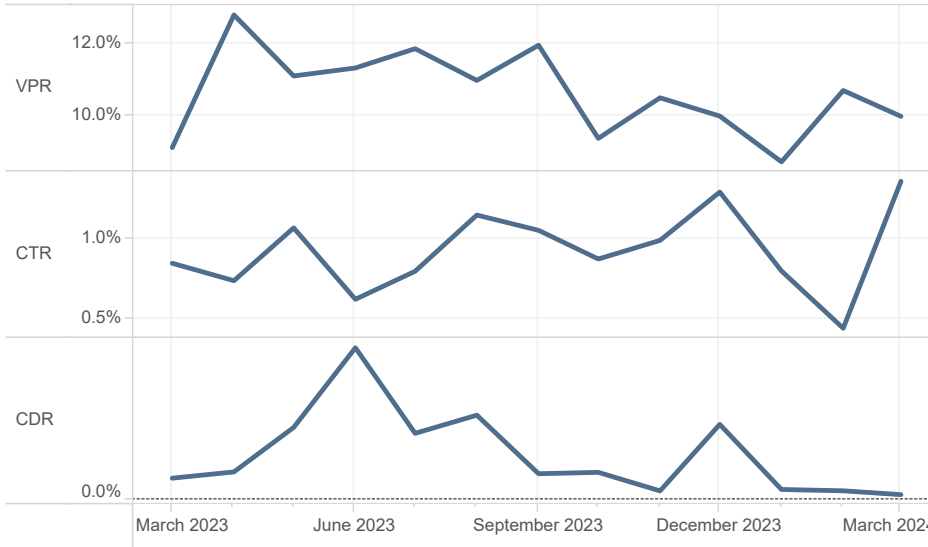


Balance Composition

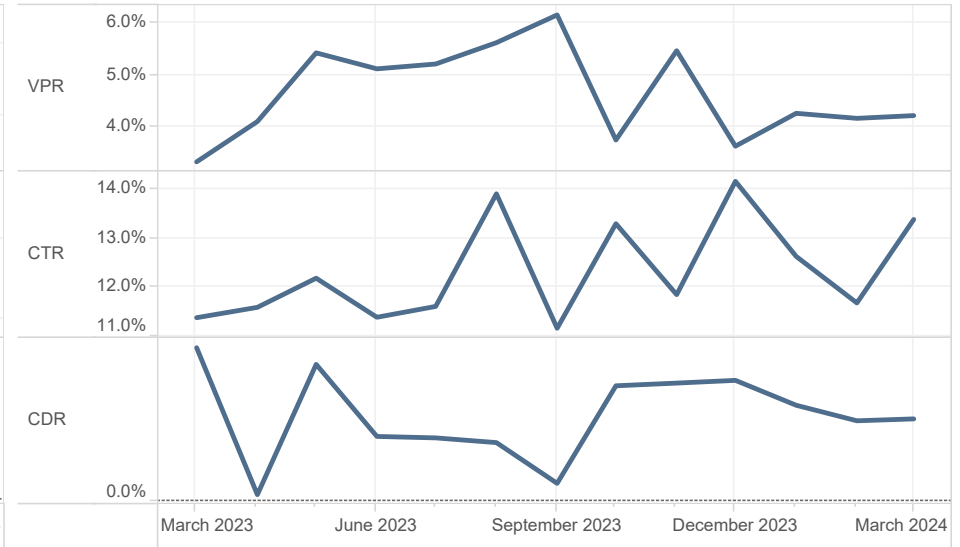


Prime Balance and Performance Snap-Shot

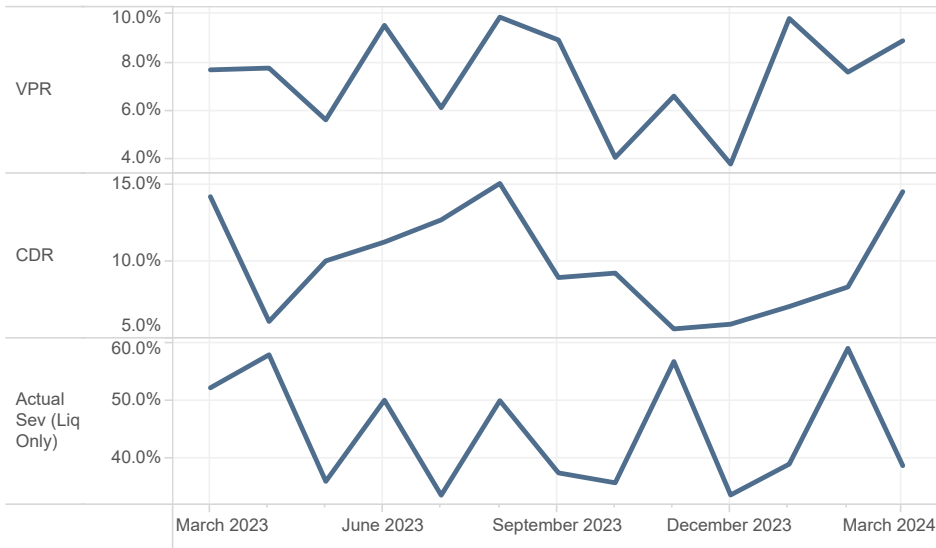
Always Performing Loans (% of APL Balance)



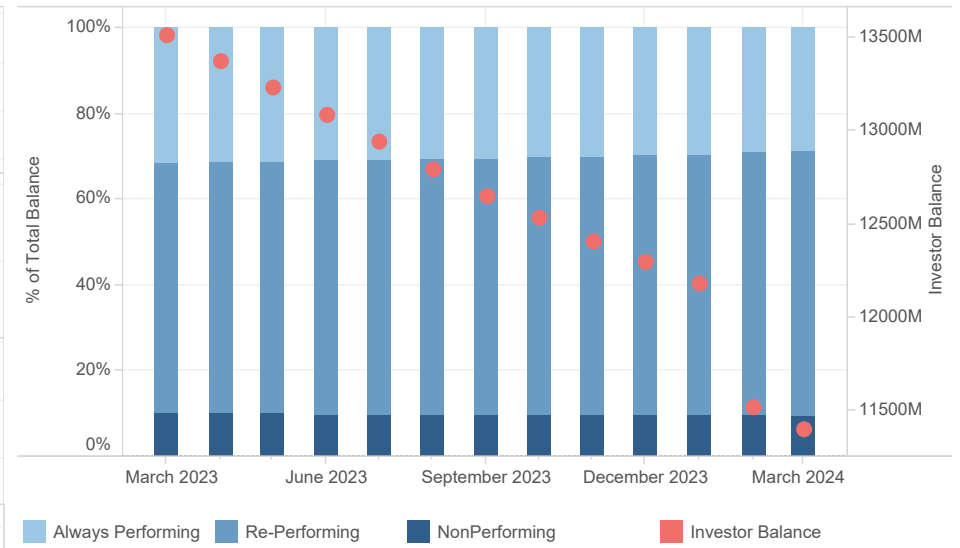
Re-Performing Loans (% of RPL Balance)



Non-Performing Loans (% of NPL Balance)

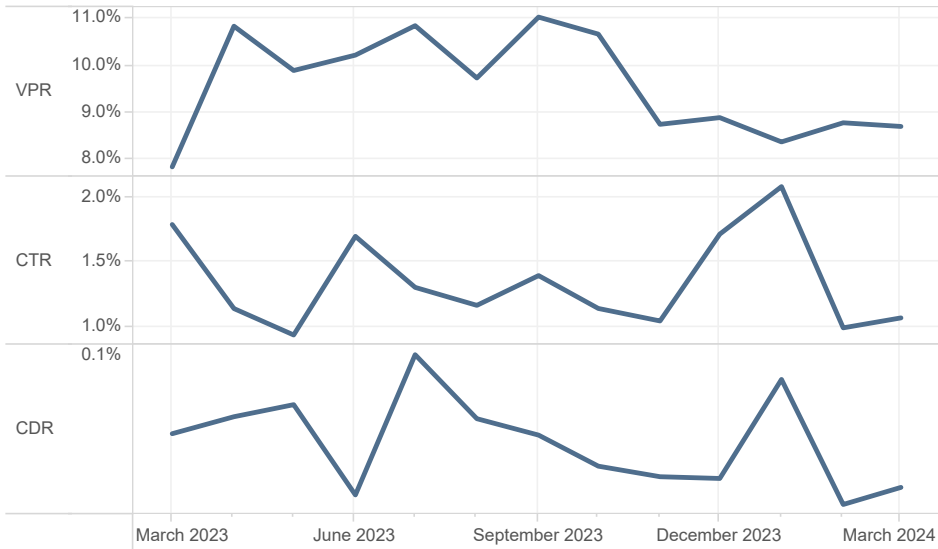


Balance Composition

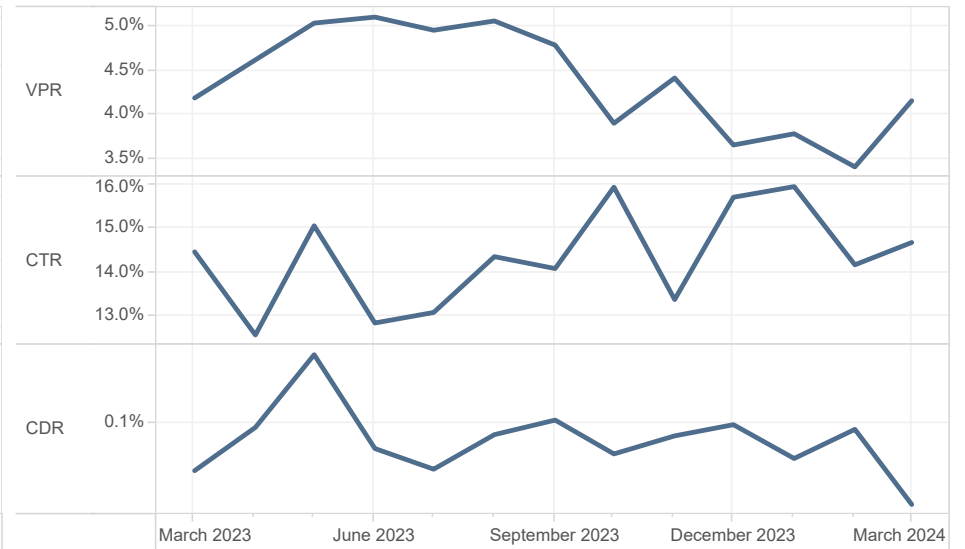


Alt-A Balance and Performance Snap-Shot

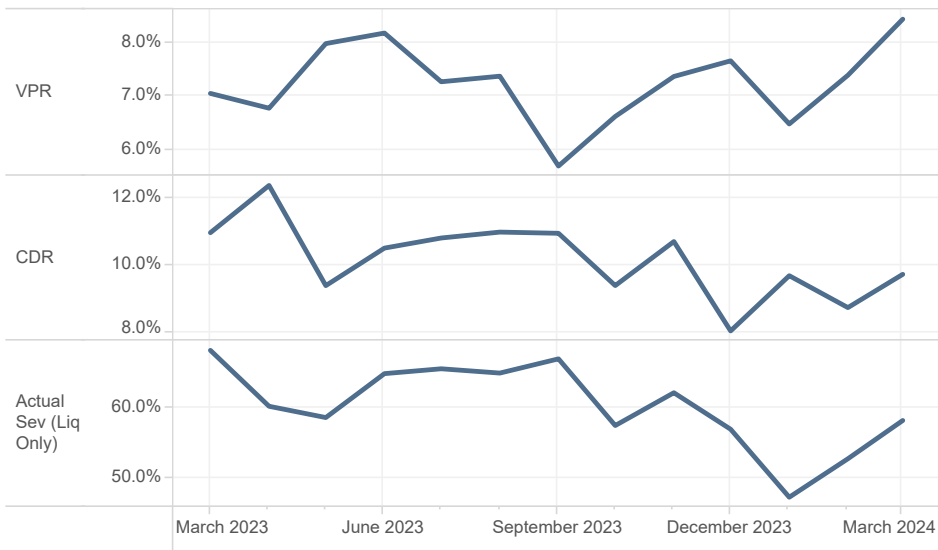
Always Performing Loans (% of APL Balance)



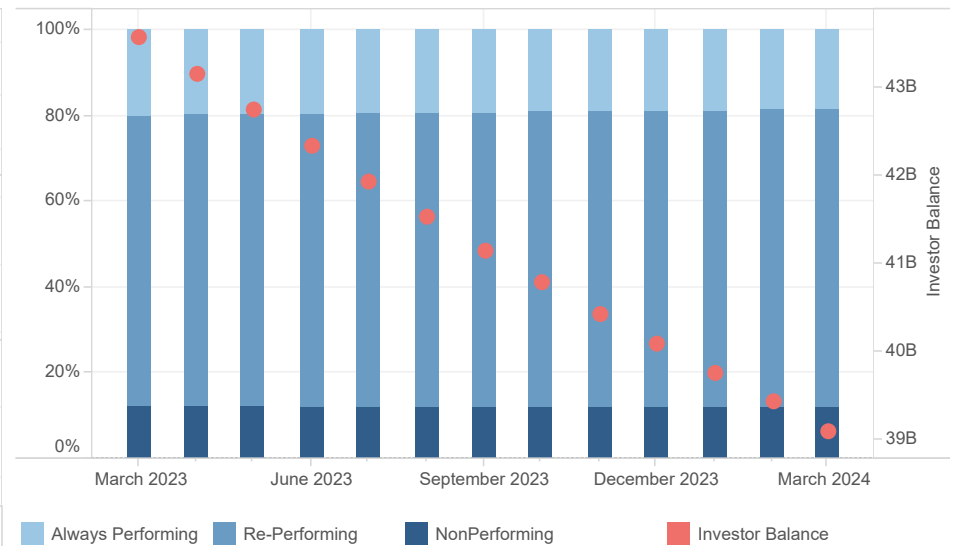
Re-Performing Loans (% of RPL Balance)



Non-Performing Loans (% of NPL Balance)

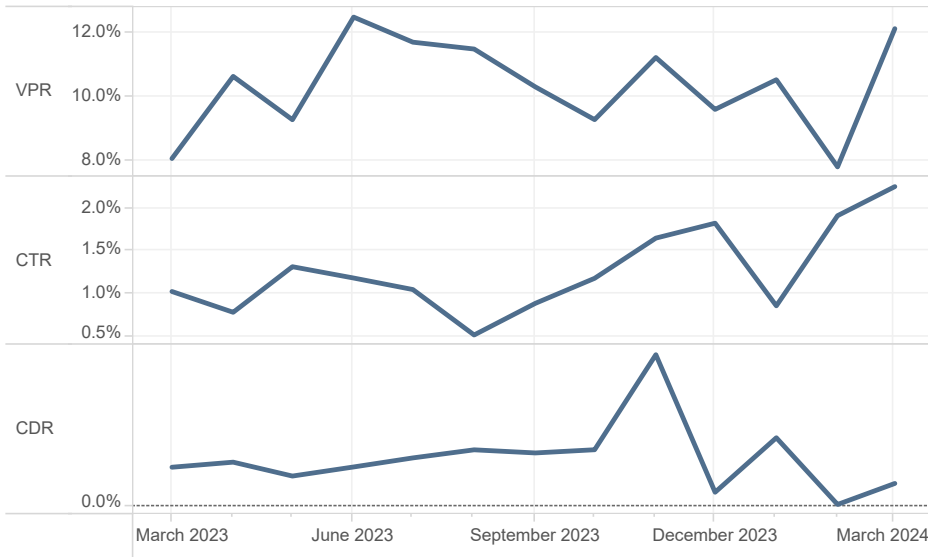


Balance Composition

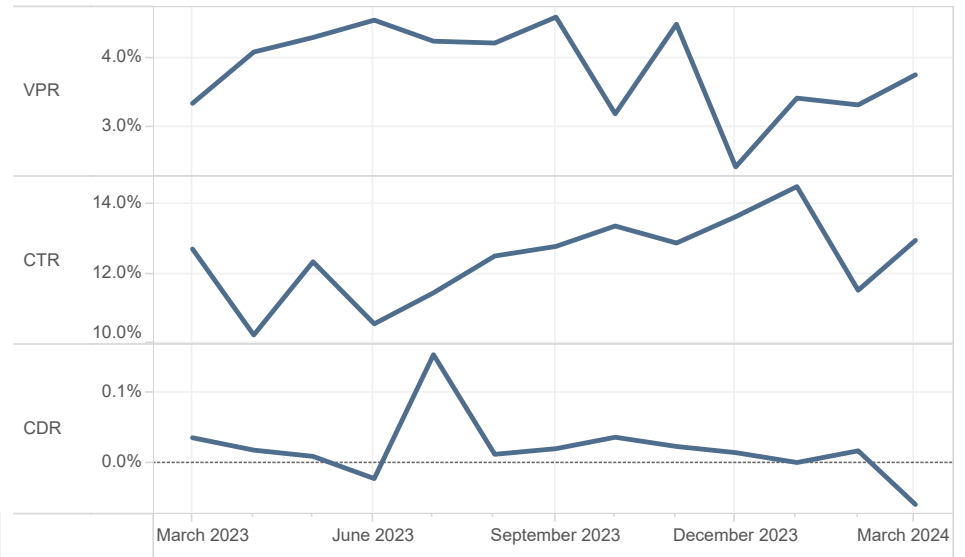


Option ARM Balance and Performance Snap-Shot

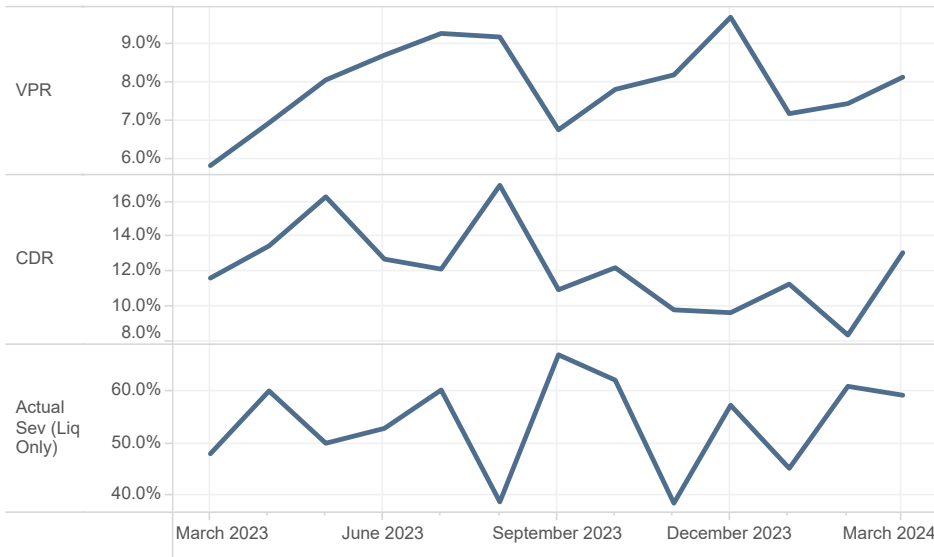
Always Performing Loans (% of APL Balance)



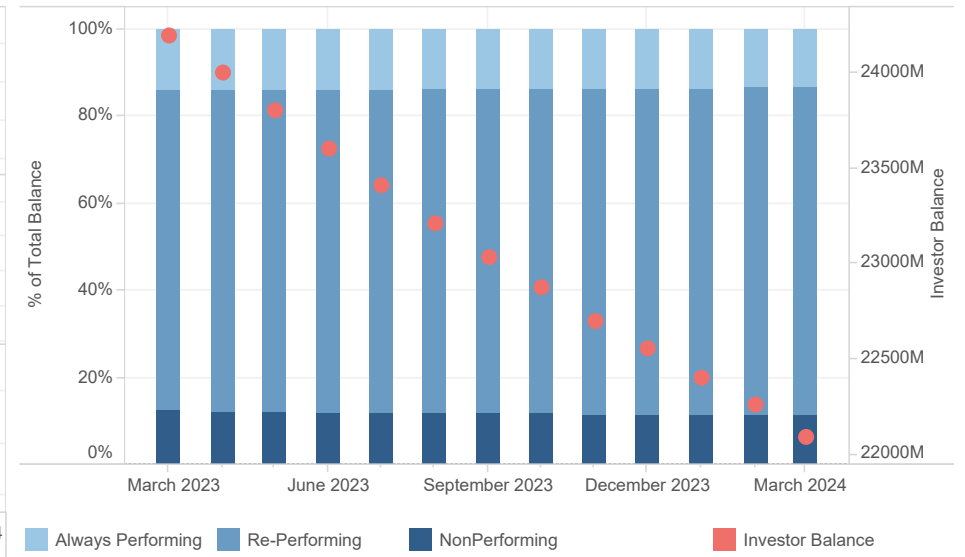
Re-Performing Loans (% of RPL Balance)



Non-Performing Loans (% of NPL Balance)

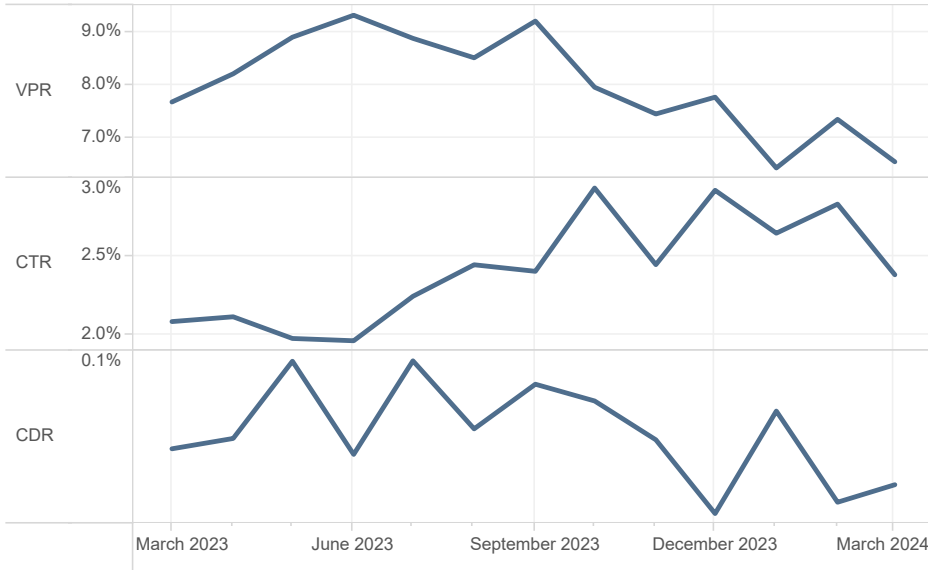


Balance Composition

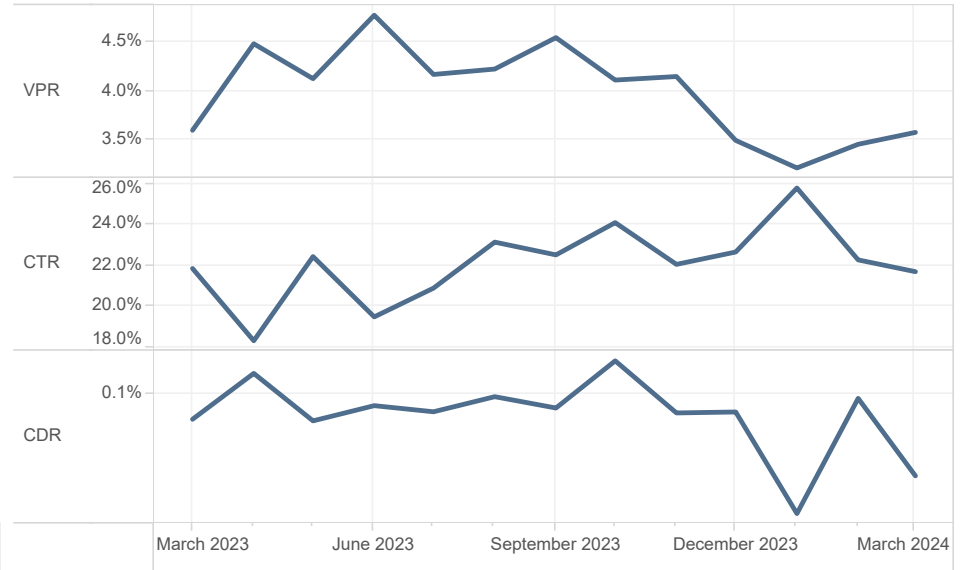


Subprime Balance and Performance Snap-Shot

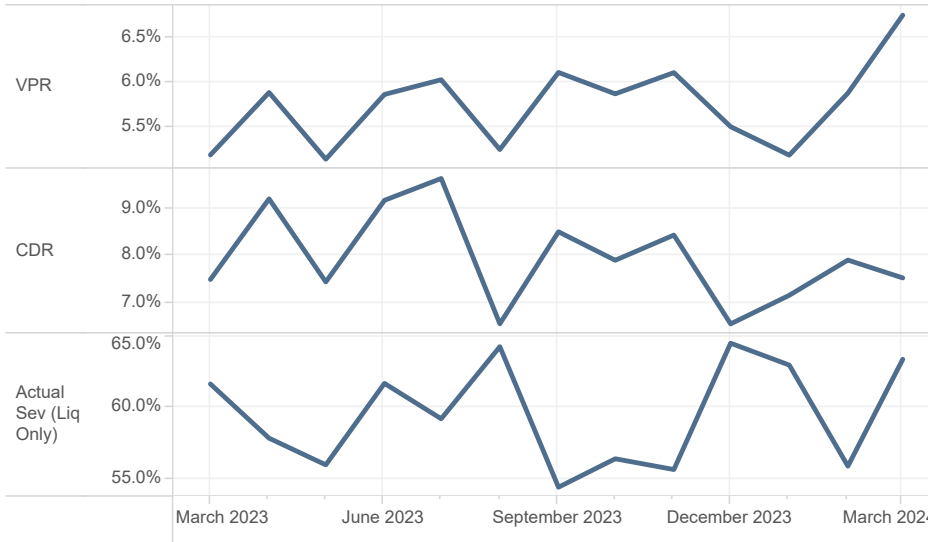
Always Performing Loans (% of APL Balance)



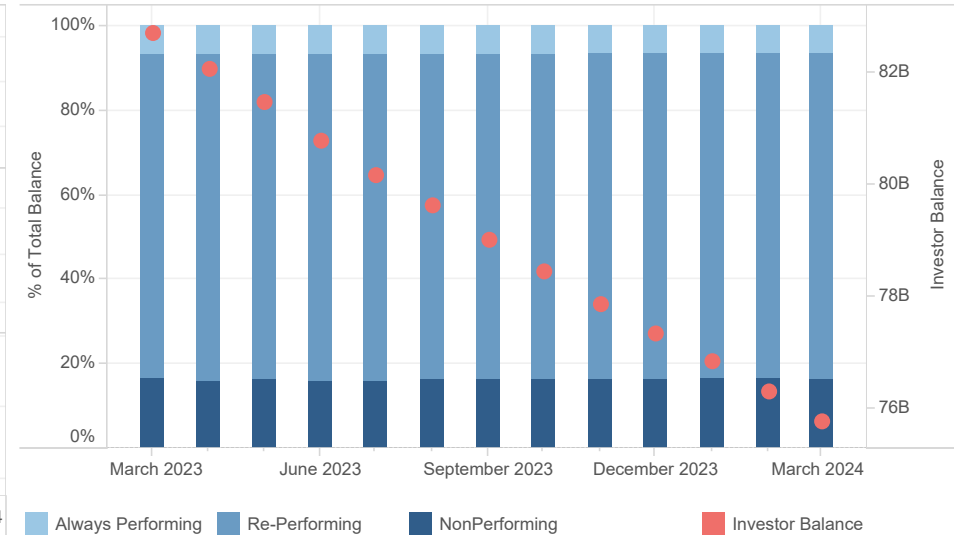
Re-Performing Loans (% of RPL Balance)



Non-Performing Loans (% of NPL Balance)



Balance Composition



Balance by Credit and Status

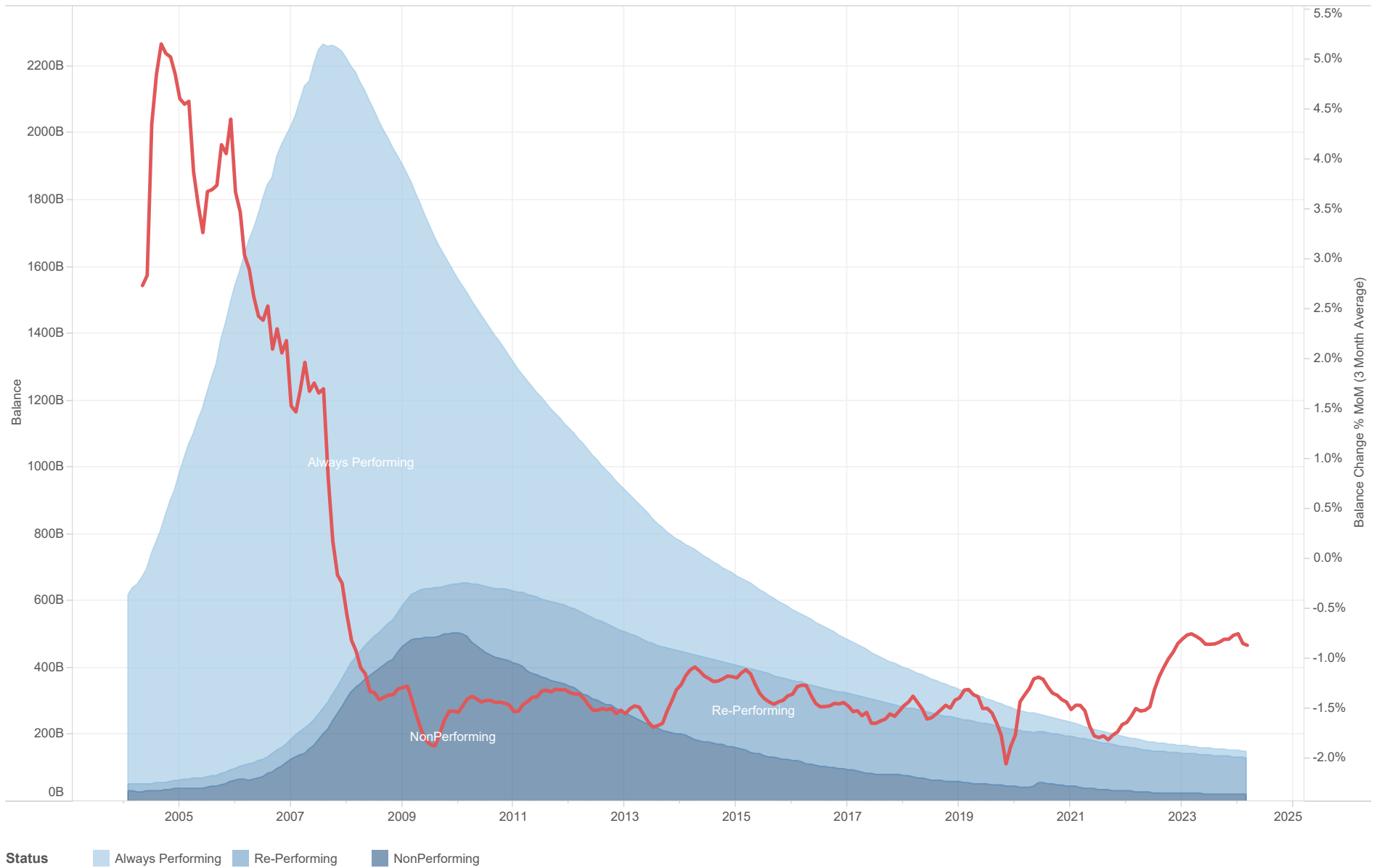


Source: SCIB US, Corelogic
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Universe Balance Composition

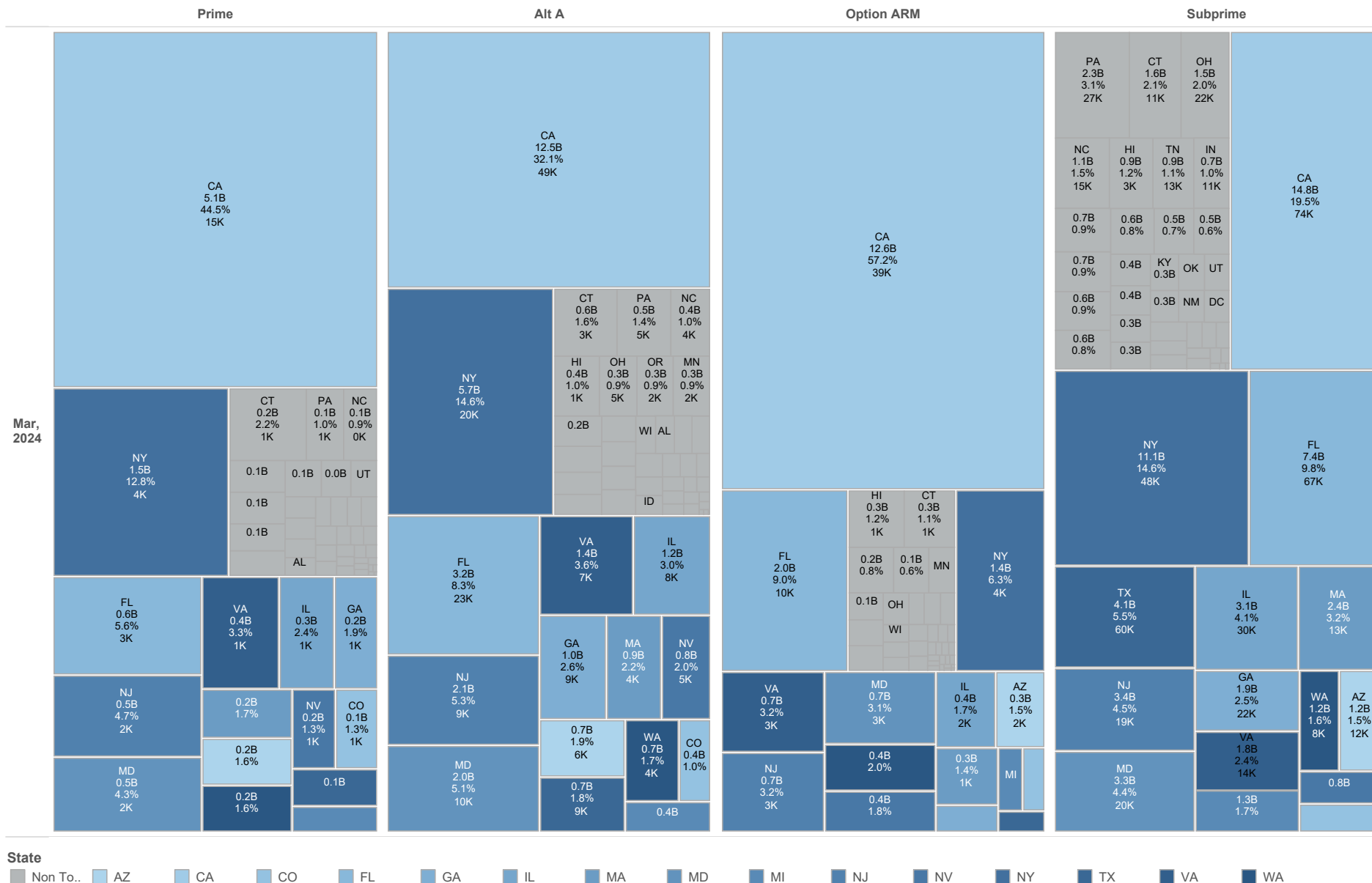


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Top 15 State Balance Composition

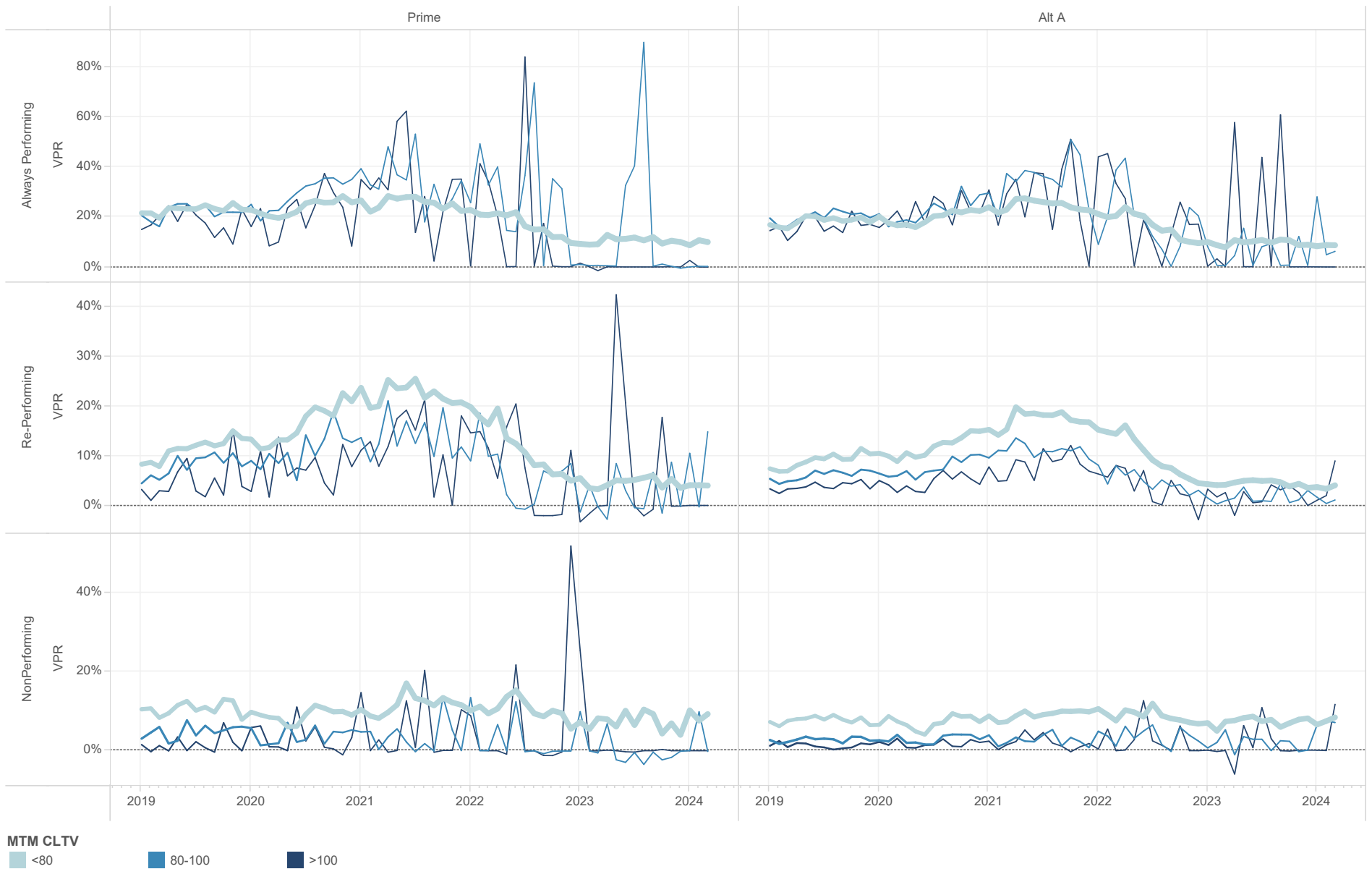


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Annualized Voluntary Prepayment Rates



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Annualized Voluntary Prepayment Rates



Source: SCIB US, Corelogic
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Annualized Performing to Non-Performing Transition Rates

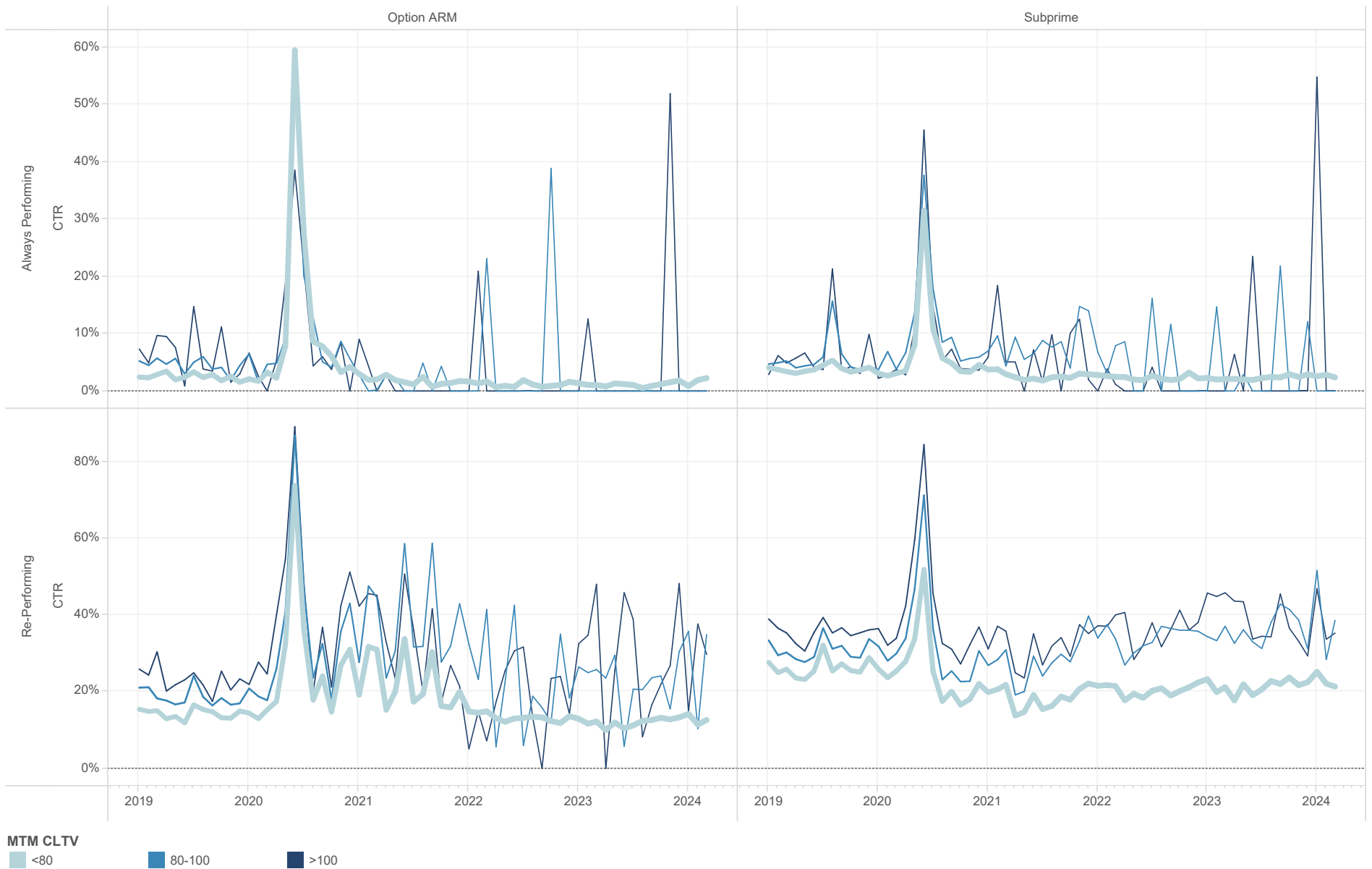


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Annualized Performing to Non-Performing Transition Rates



Source: SCIB US, Corelogic
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Annualized Liquidation Rates of Non-Performing Loans

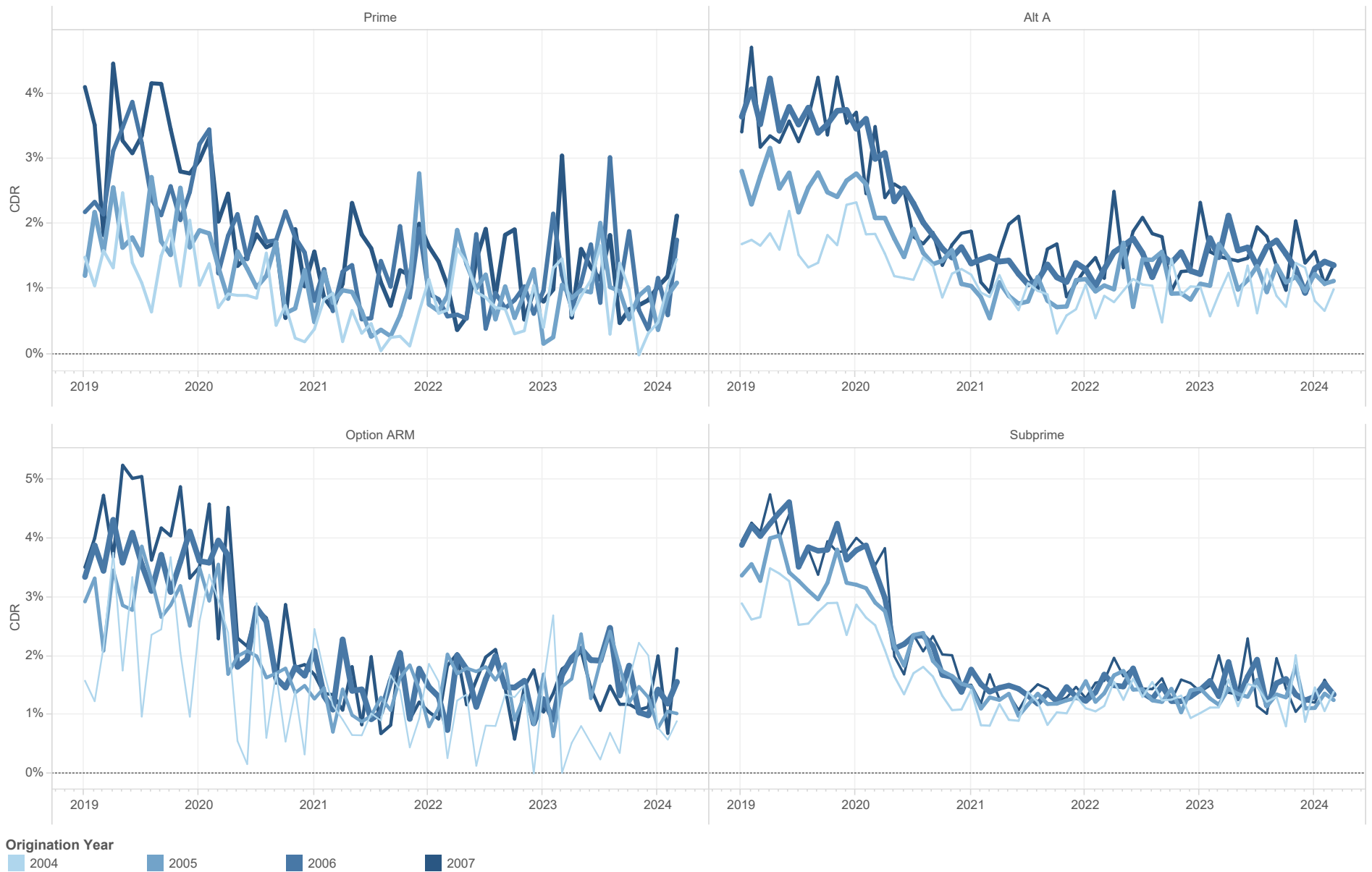


Source: SCIB US, Corelogic
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Annualized Liquidation Rates by Vintage

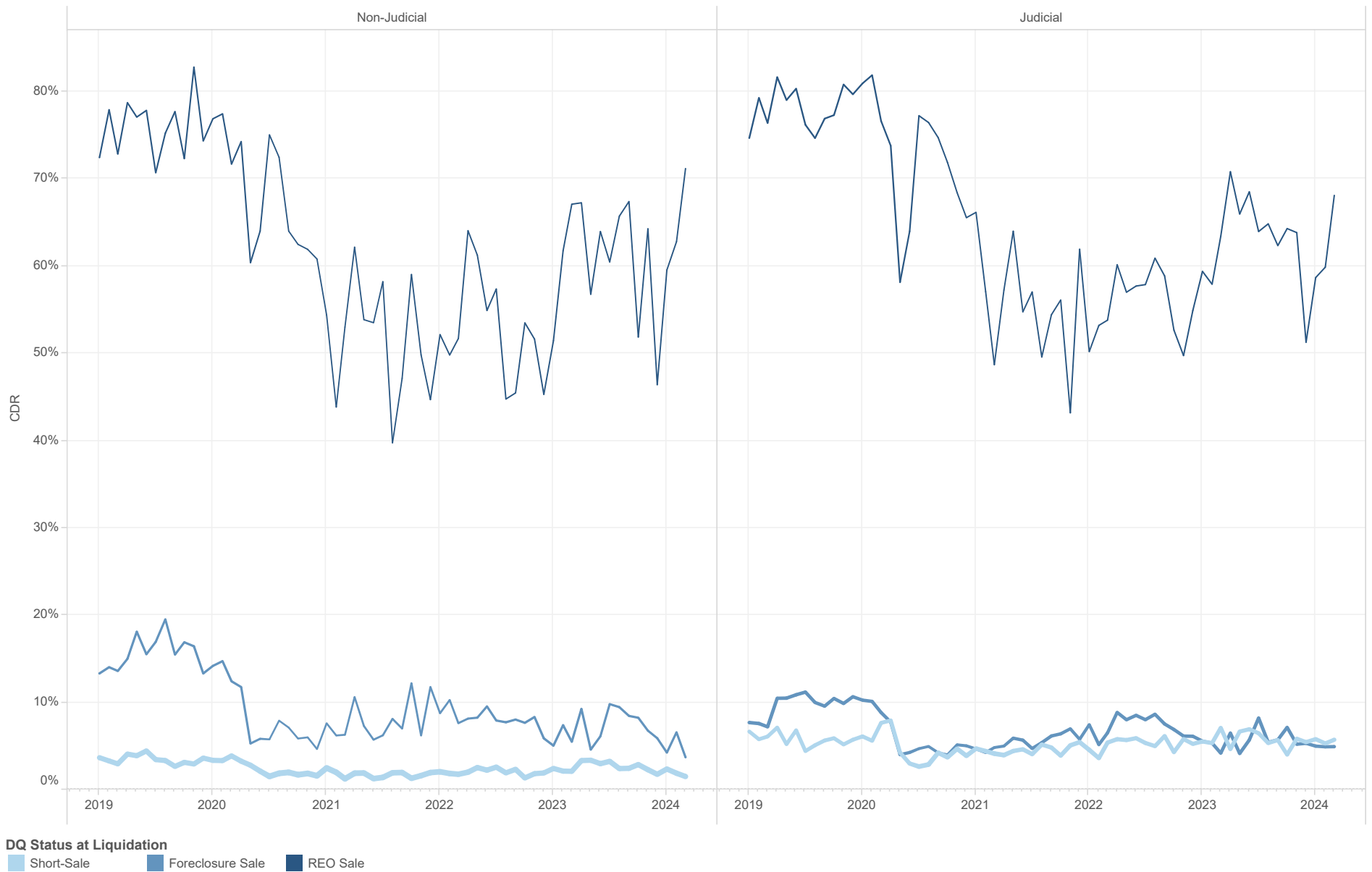


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Annualized Liquidation Rates by DQ Status

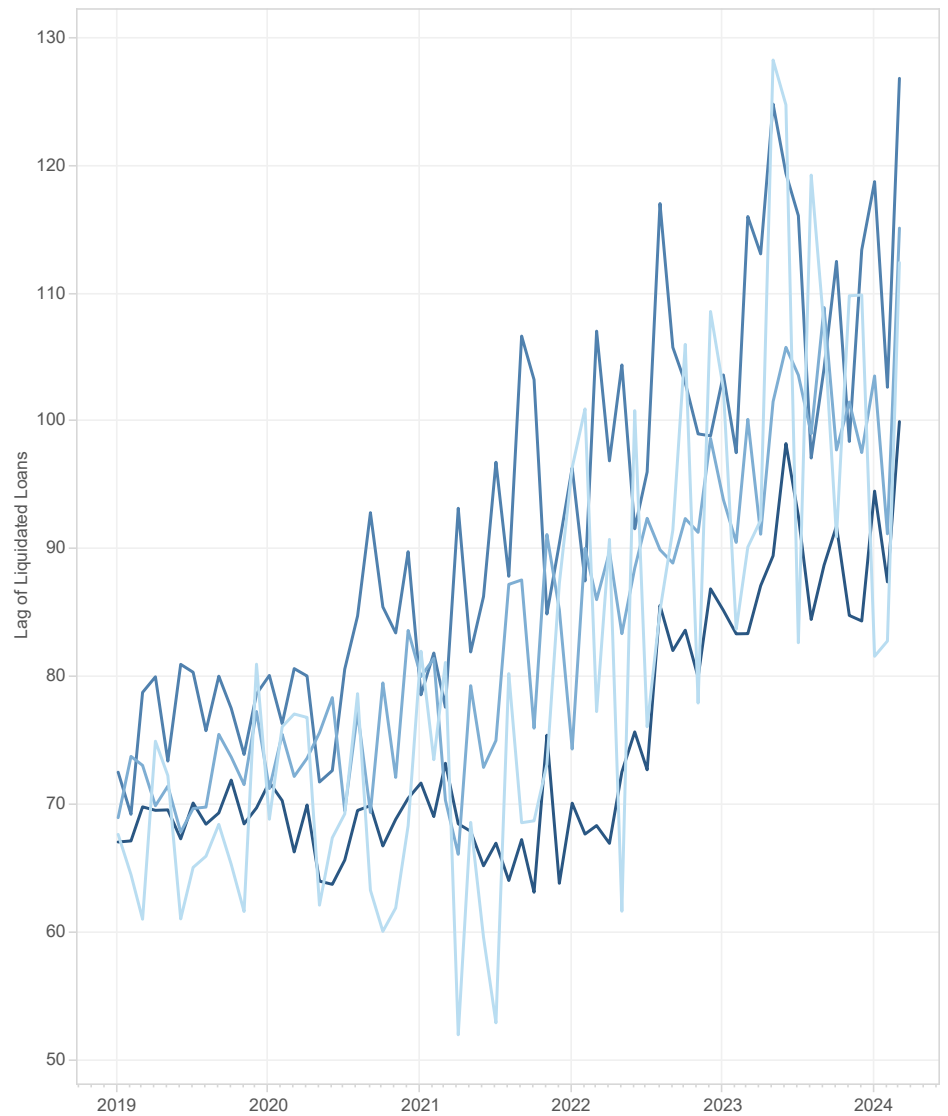
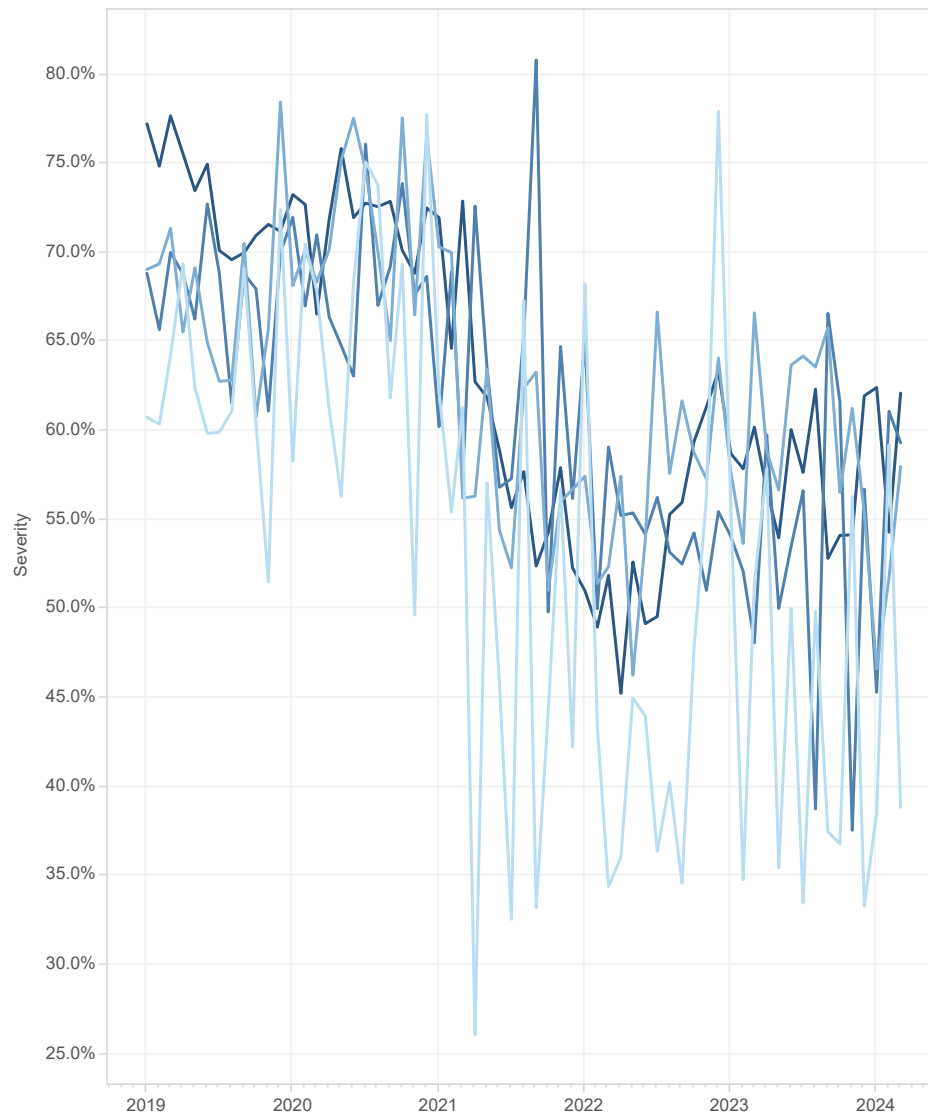


Source: SCIB US, Corelogic
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Liquidated Loan Loss Severities and Lags



Credit Type

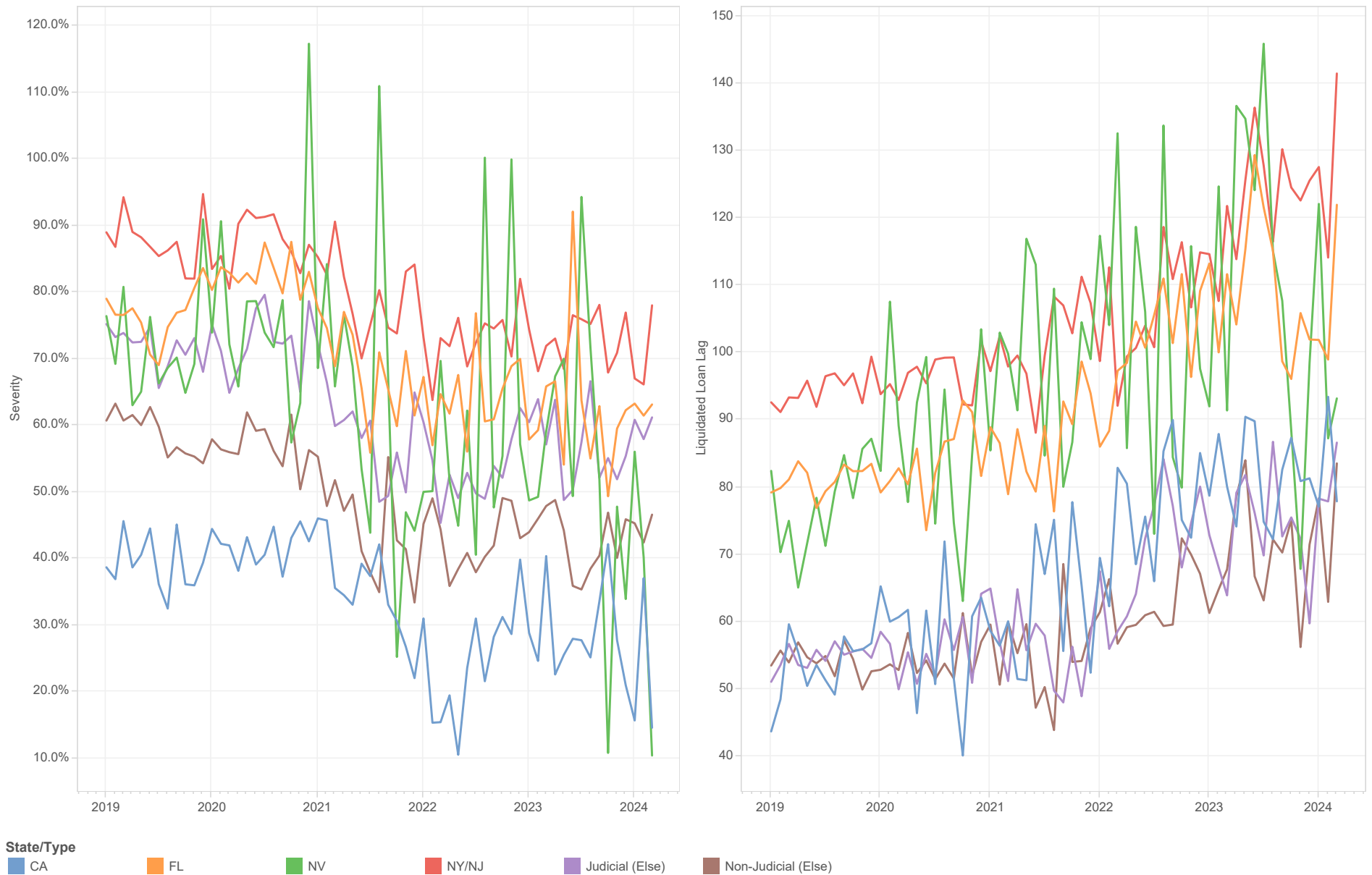
■ Prime
 ■ Alt A
 ■ Option ARM
 ■ Subprime

Source: SCIB US, Corelogic
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Liquidated Loan Loss Severities and Lags

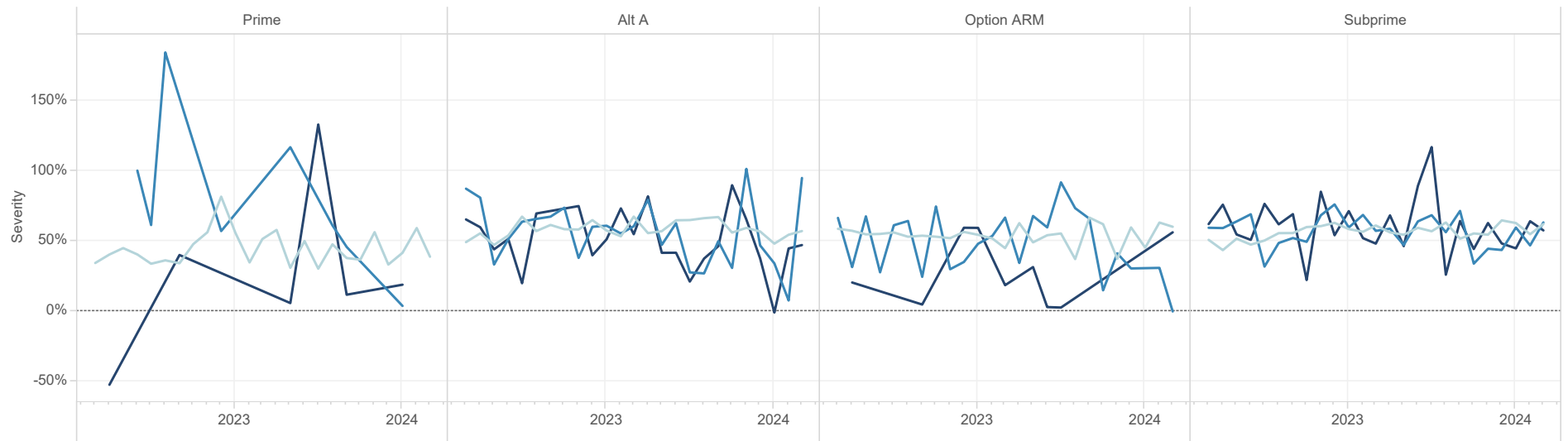


Source: SCIB US, Corelogic
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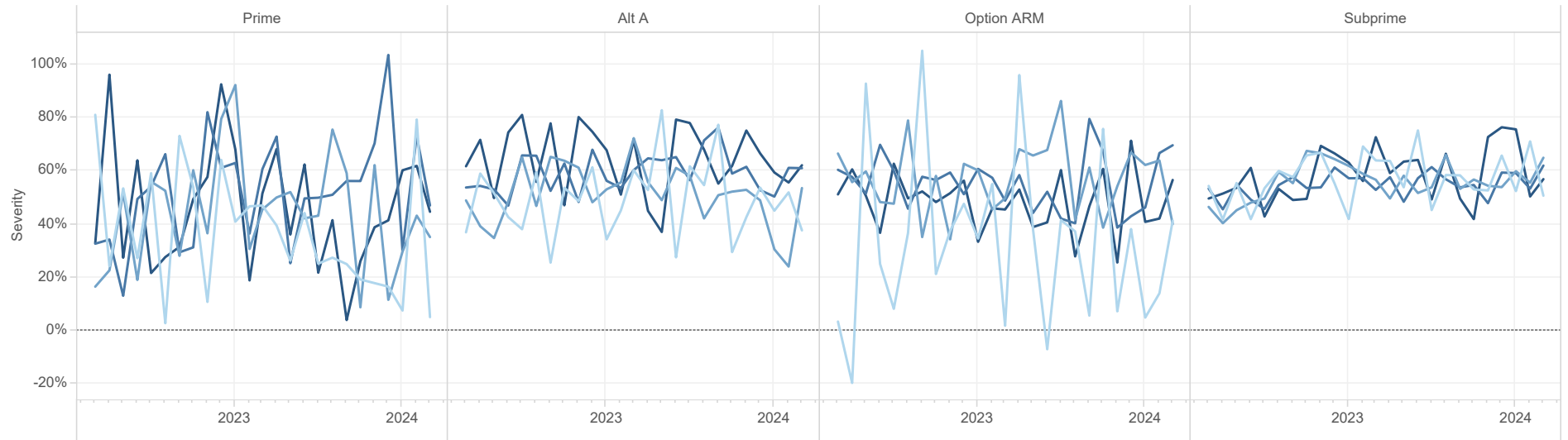
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Liquidated Loan Loss Severities

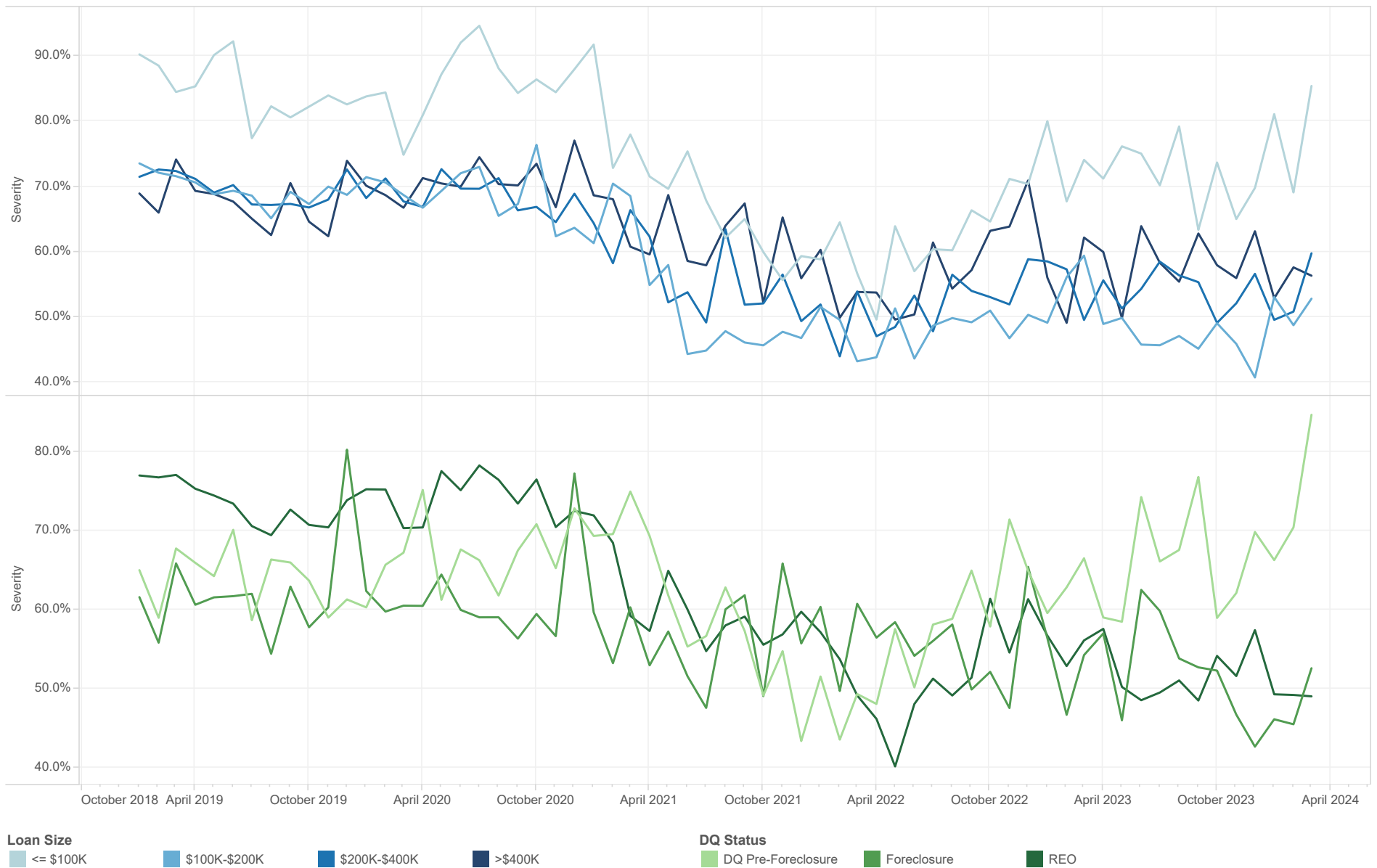


MTM CLTV ■ <80 ■ 80-100 ■ >100



Origination Year
■ 2004 ■ 2005 ■ 2006 ■ 2007

Liquidated Loan Loss Severities

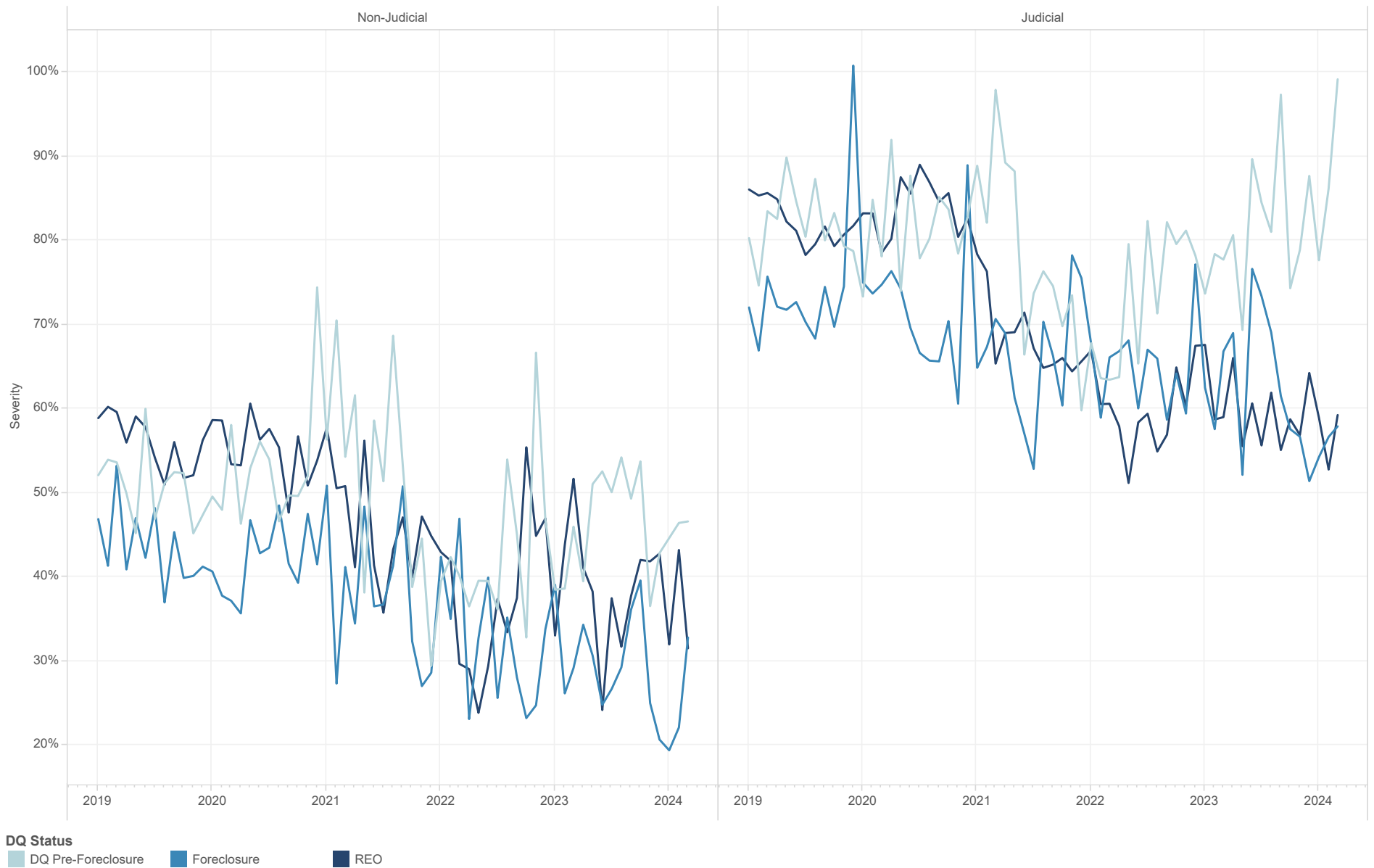


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Liquidated Loan Loss Severities by DQ Status

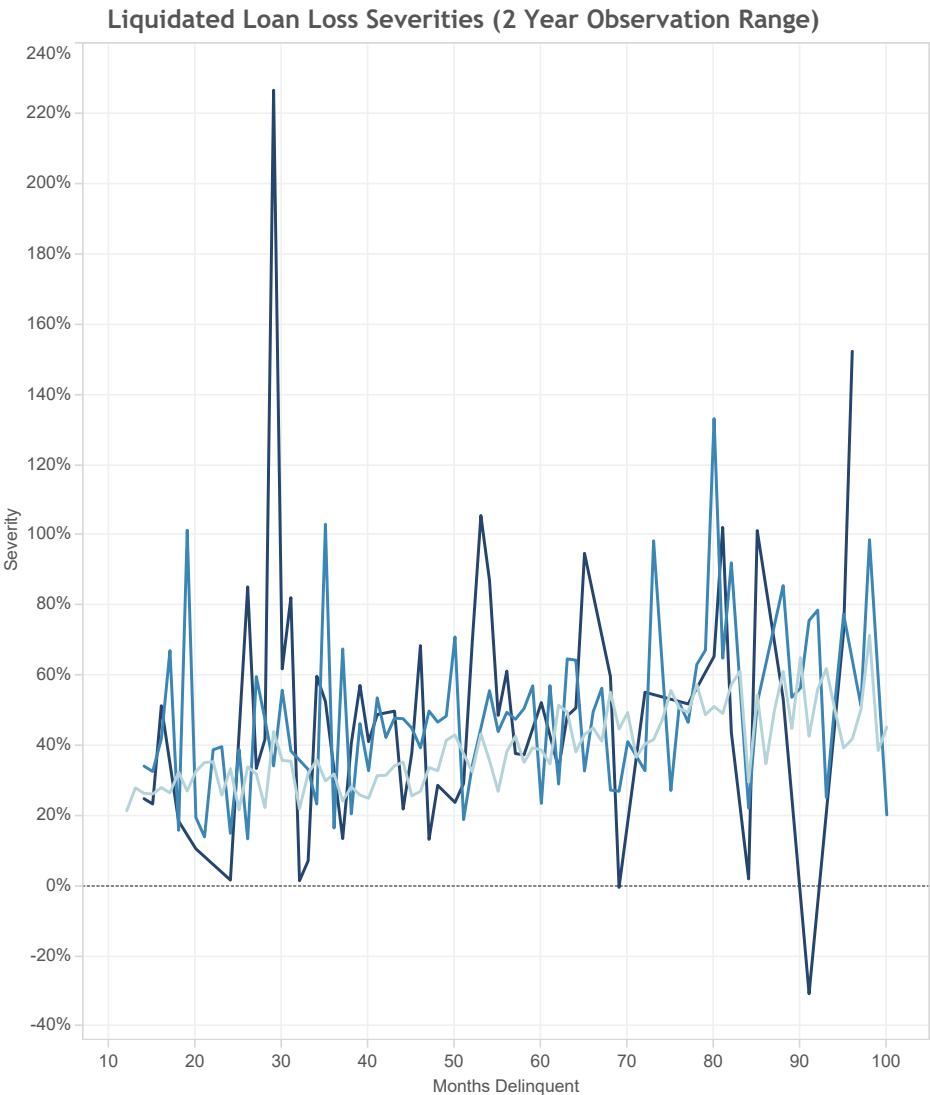
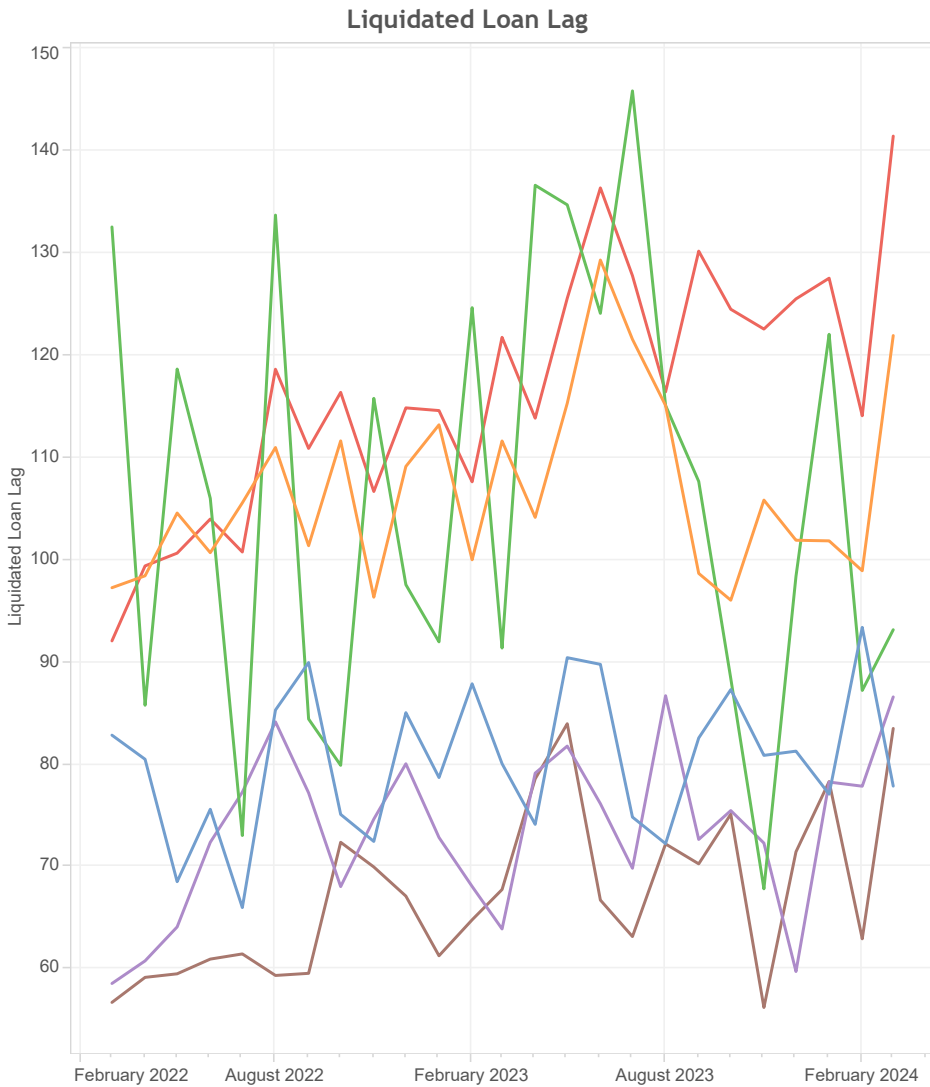


Source: SCIB US, Corelogic
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Liquidated Loan Lag and Severities



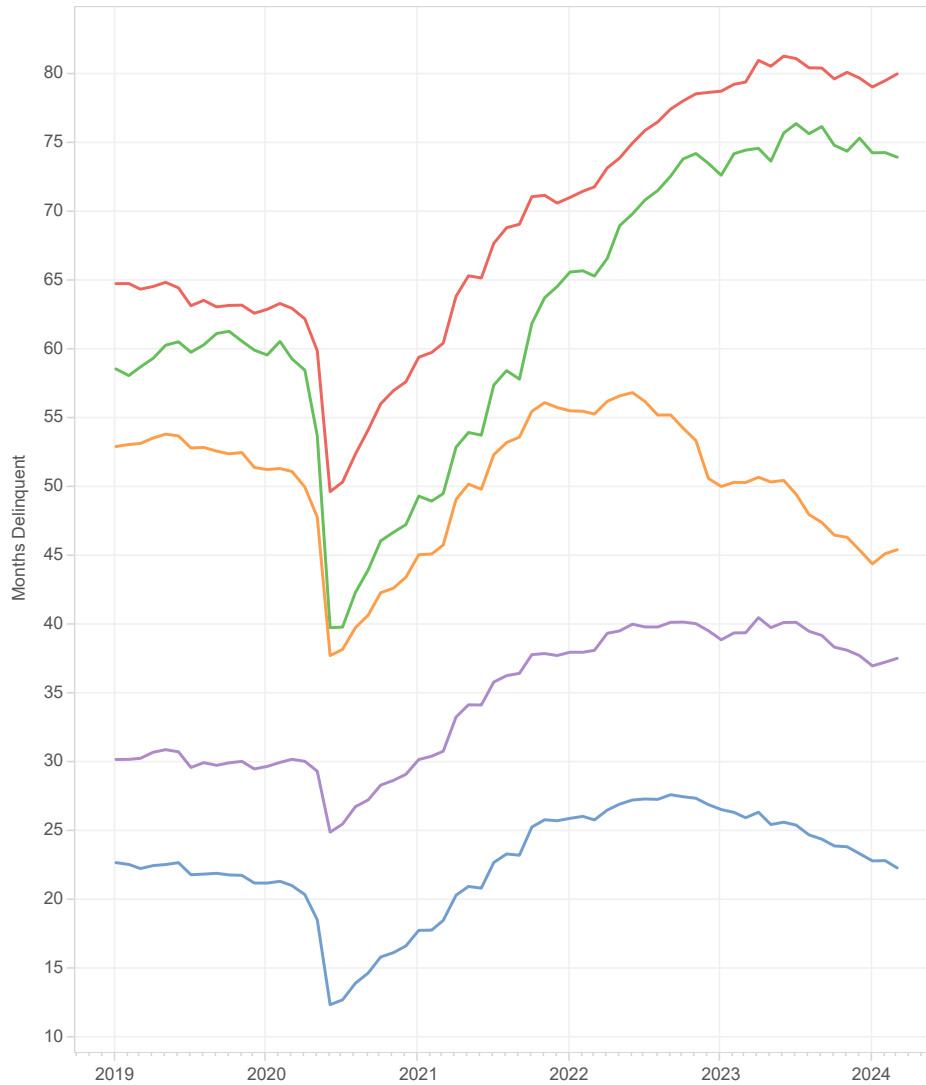
State / Type
CA FL NV NY/NJ Judicial (Else) Non-Judicial (Else)

MTM CLTV
<80 80-100 >100

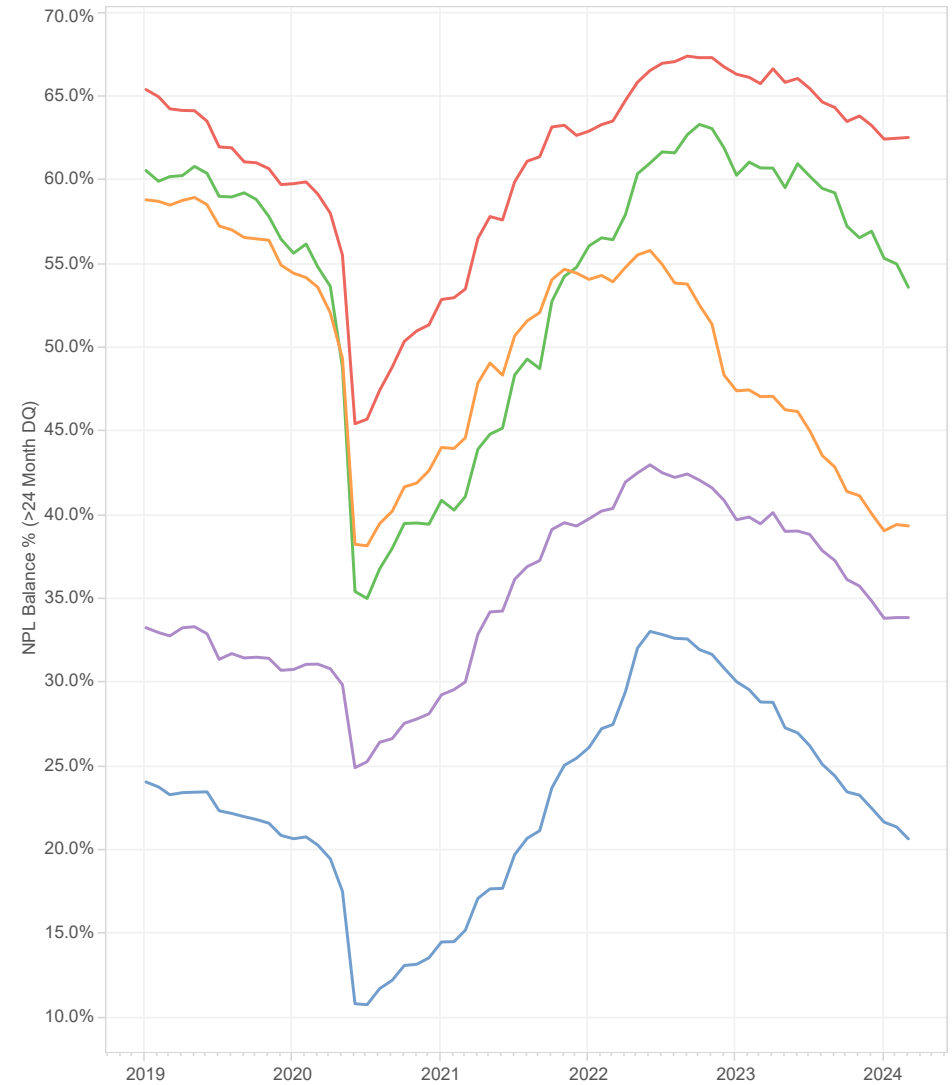
Source: SCIB US, Corelogic
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Months Delinquent of Non-Performing Loans

NPL Months Delinquent



Percent of NPLs > 24 Months DQ



State / Type

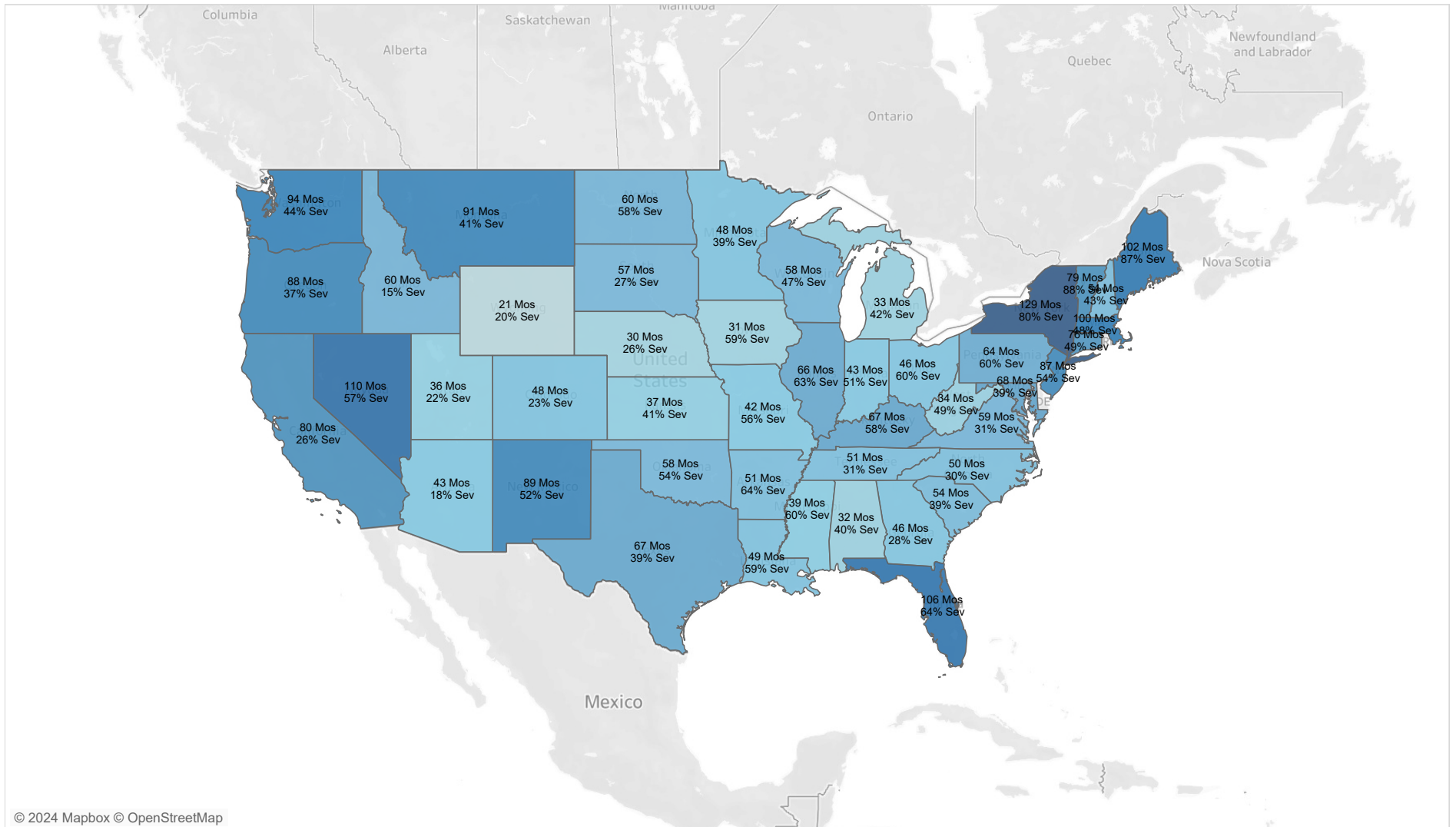
CA FL NV NY/NJ Judicial (Else)

Source: SCIB US, Corelogic
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Liquidated Loan Lag and Loss Severity (24 Month Observation)



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Lag

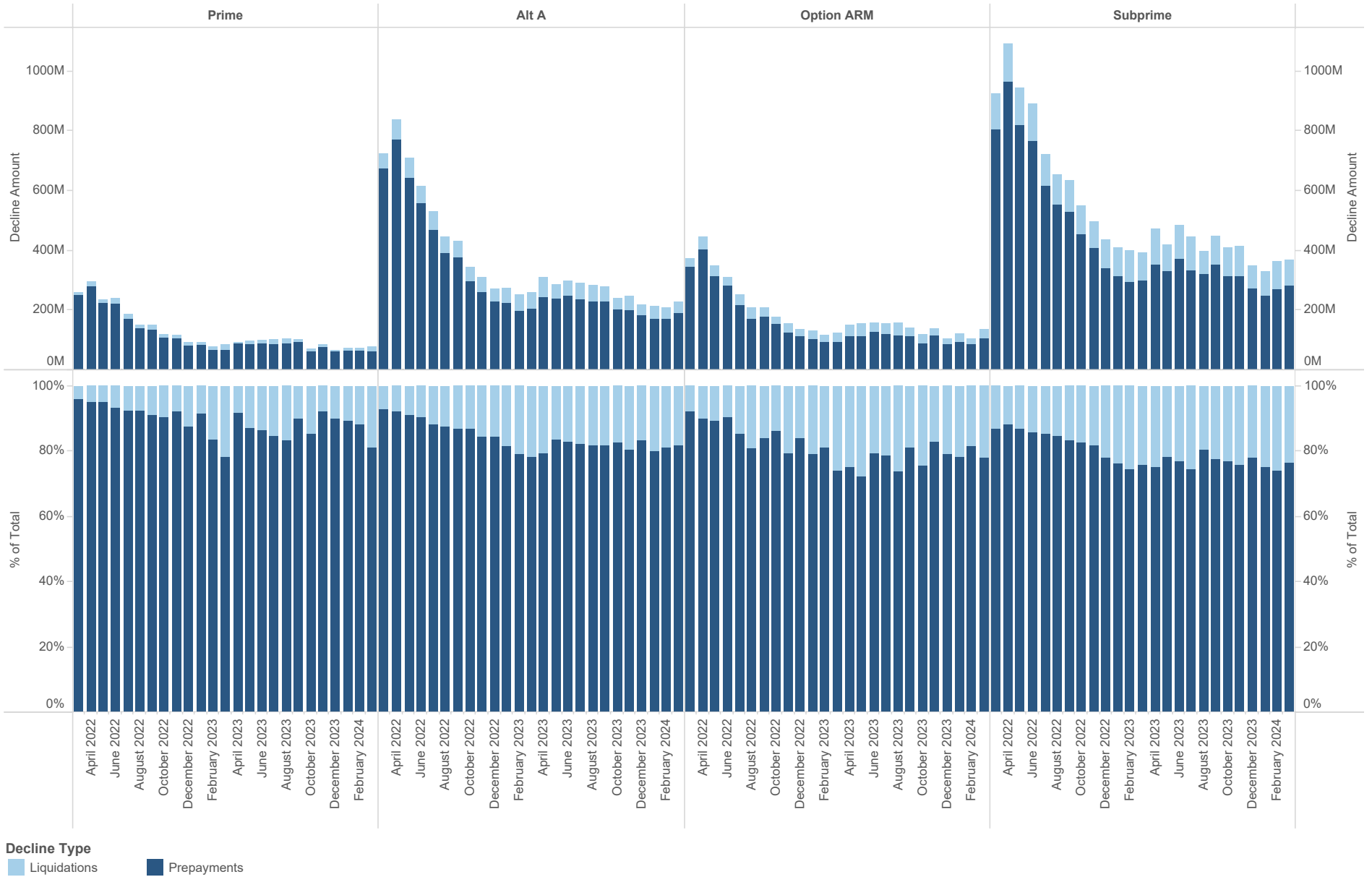


Source: SCIB US, Corelogic
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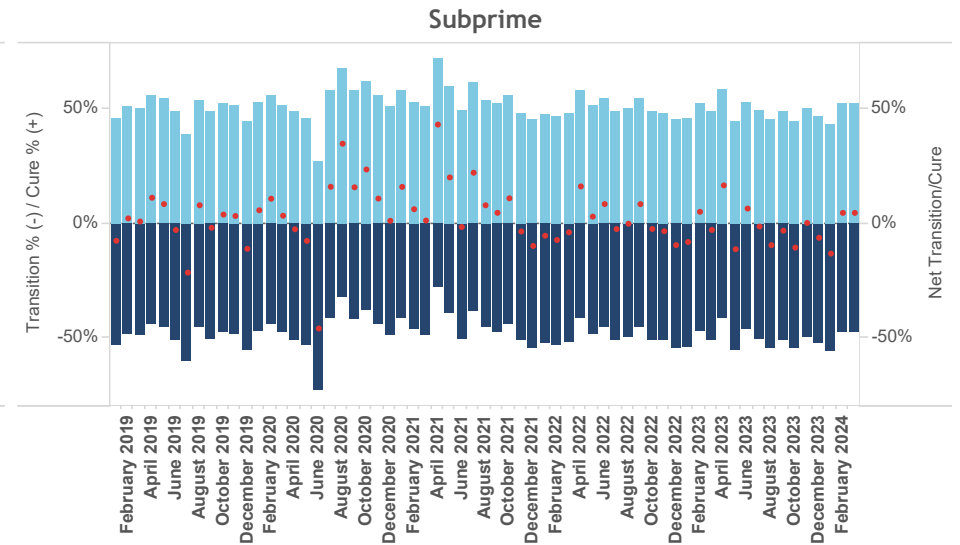
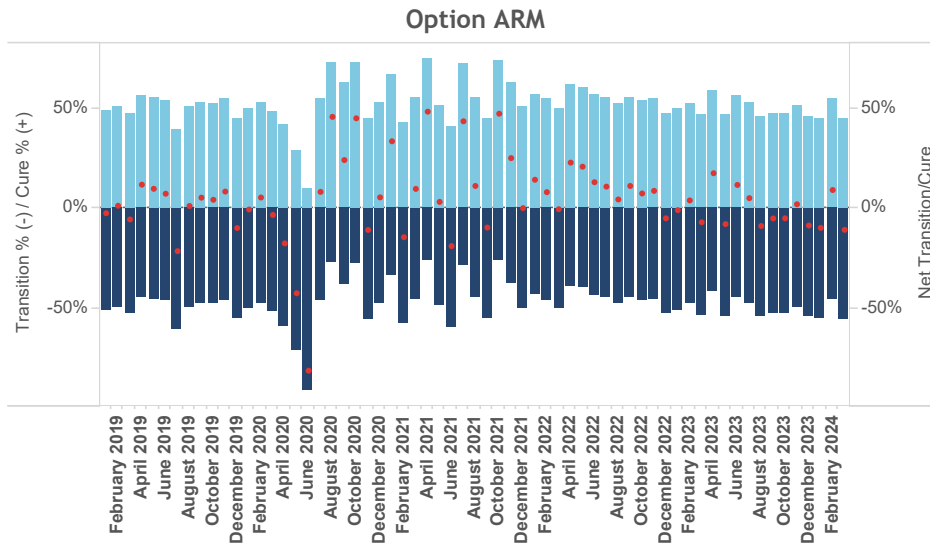
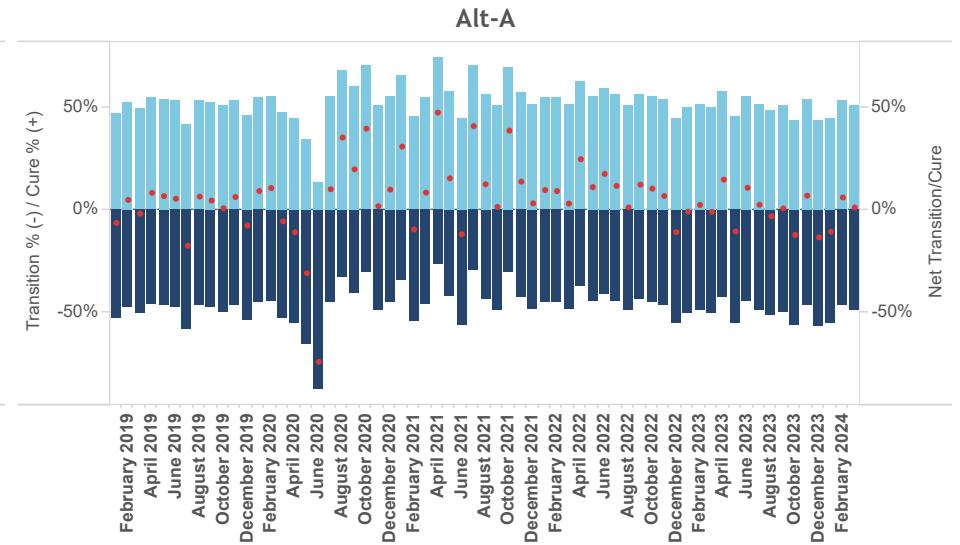
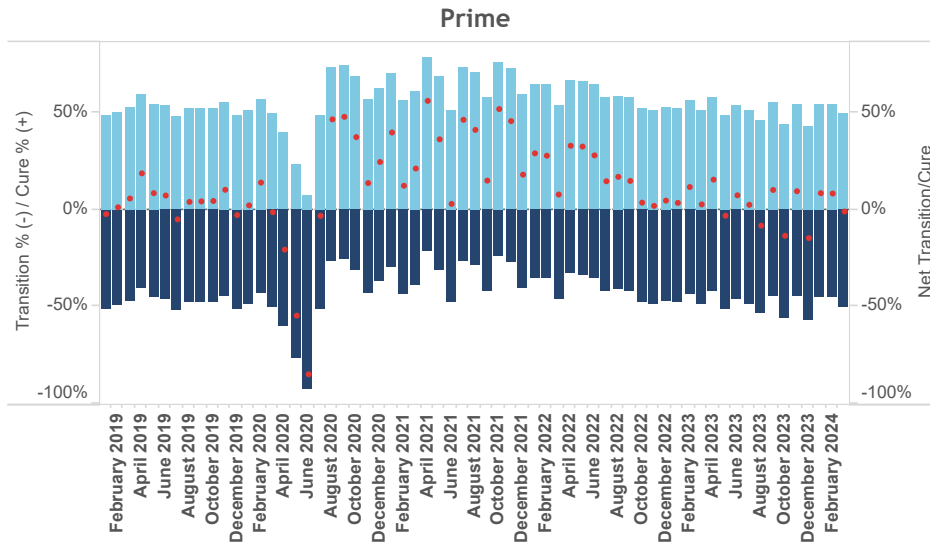
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Balance Decline Composition



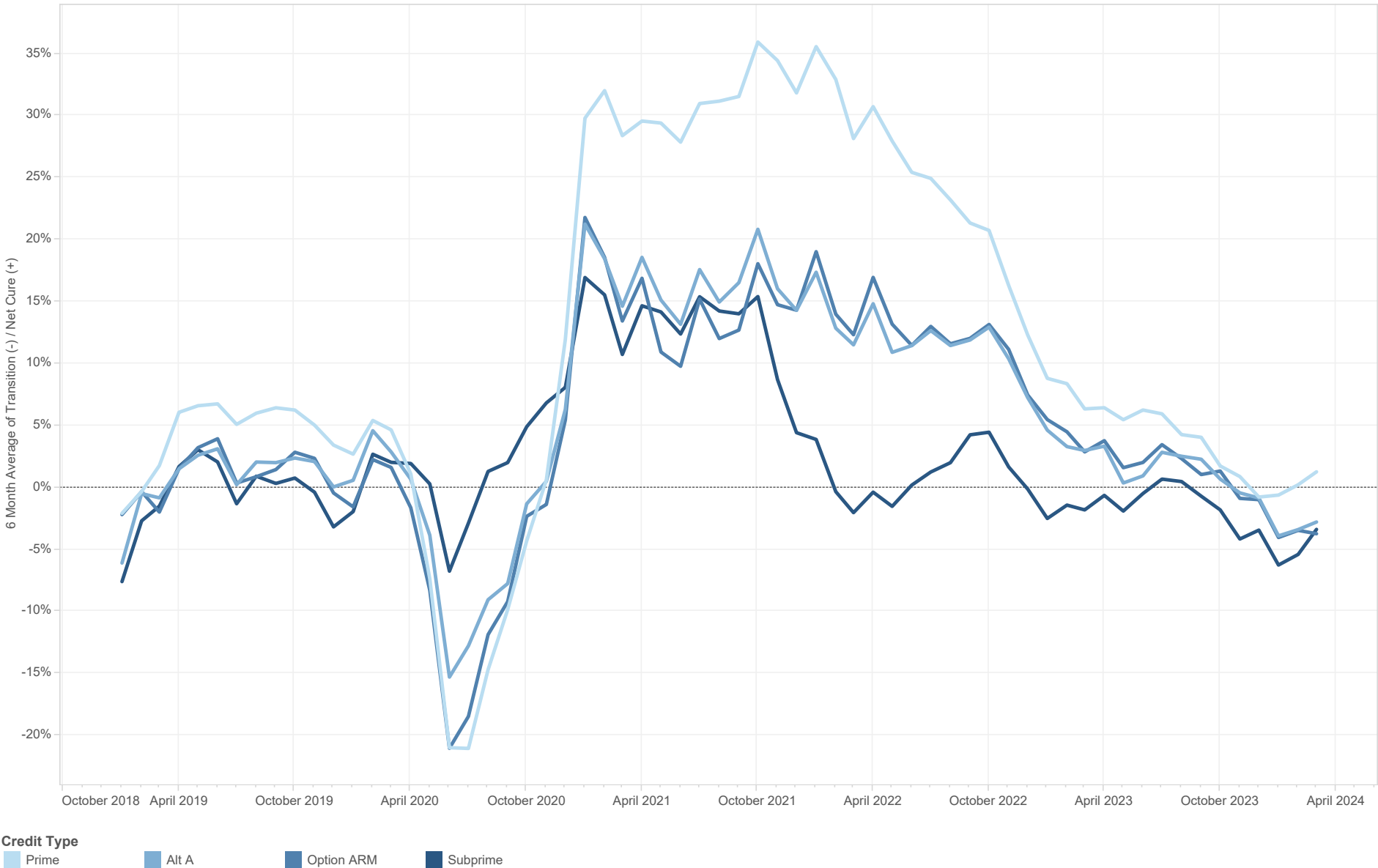
Net Cure/Transition Rates by Credit Type



Type

Cure % Transition % Net Cure/Transition

Relative Net Transition Rates (6 Month Average)

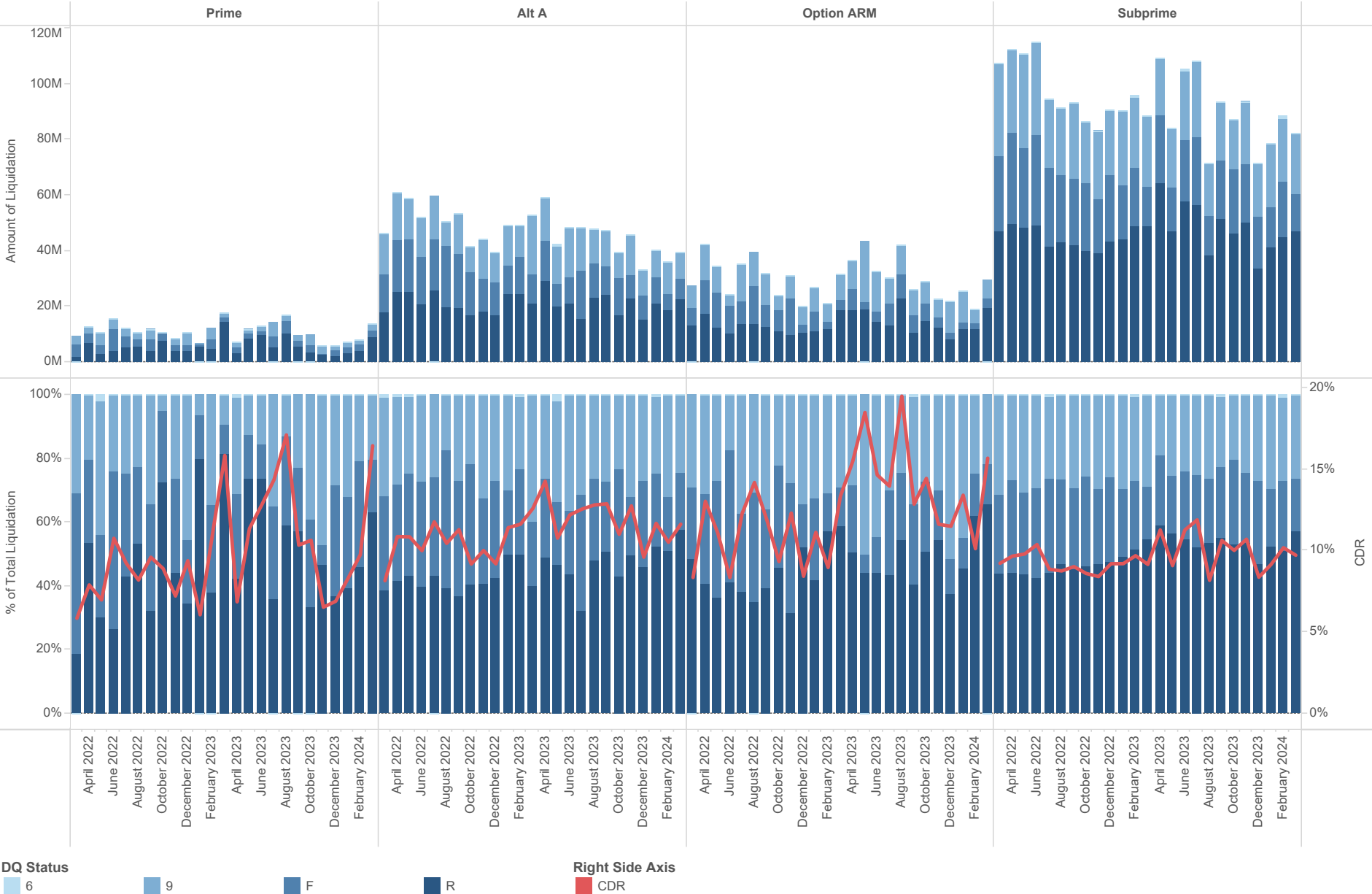


Source: SCIB US, Corelogic
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Non-Performing Loan Liquidation Composition

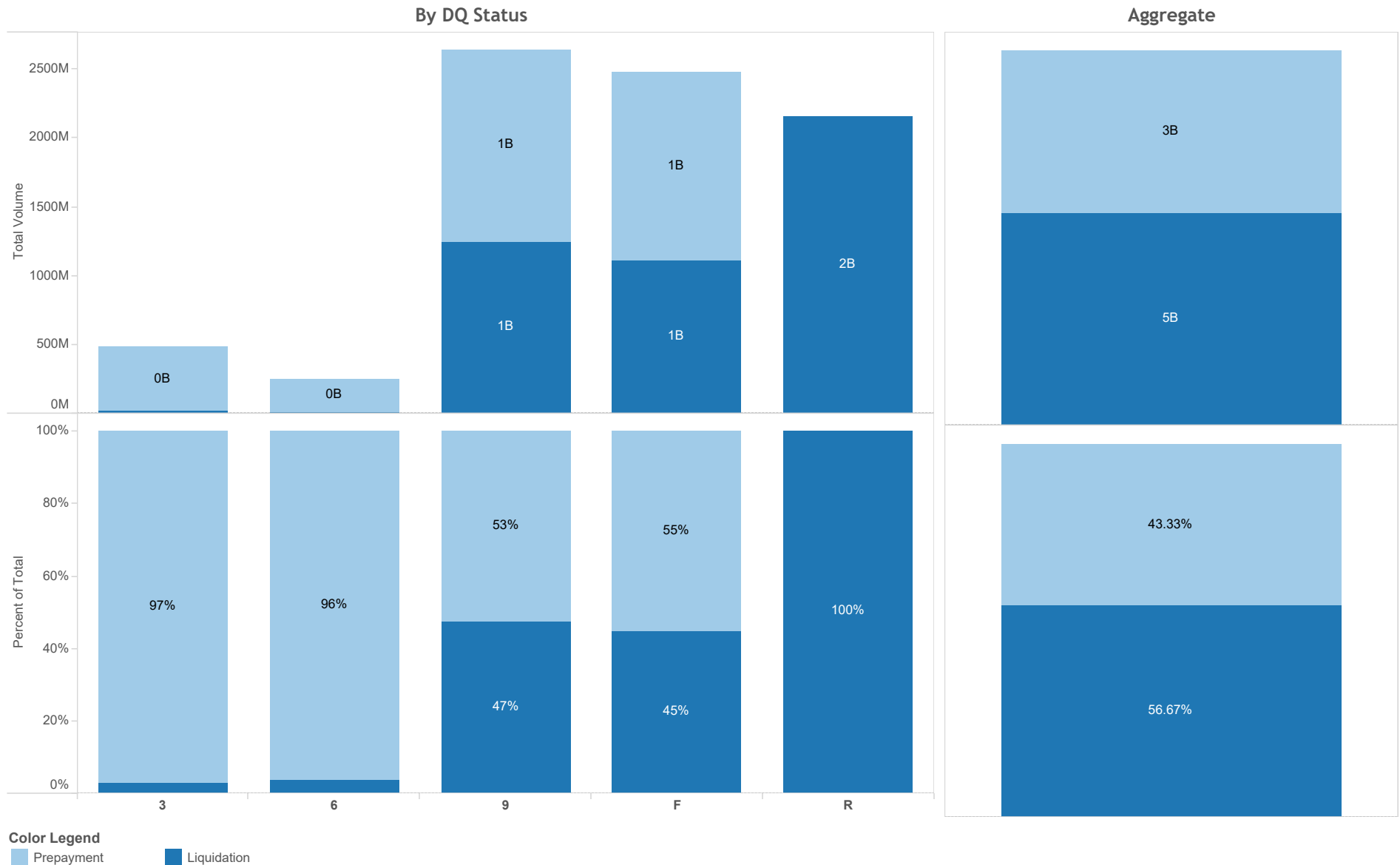


Source: SCIB US, Corelogic
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Delinquent Loan Abatements (24 Month Observation)



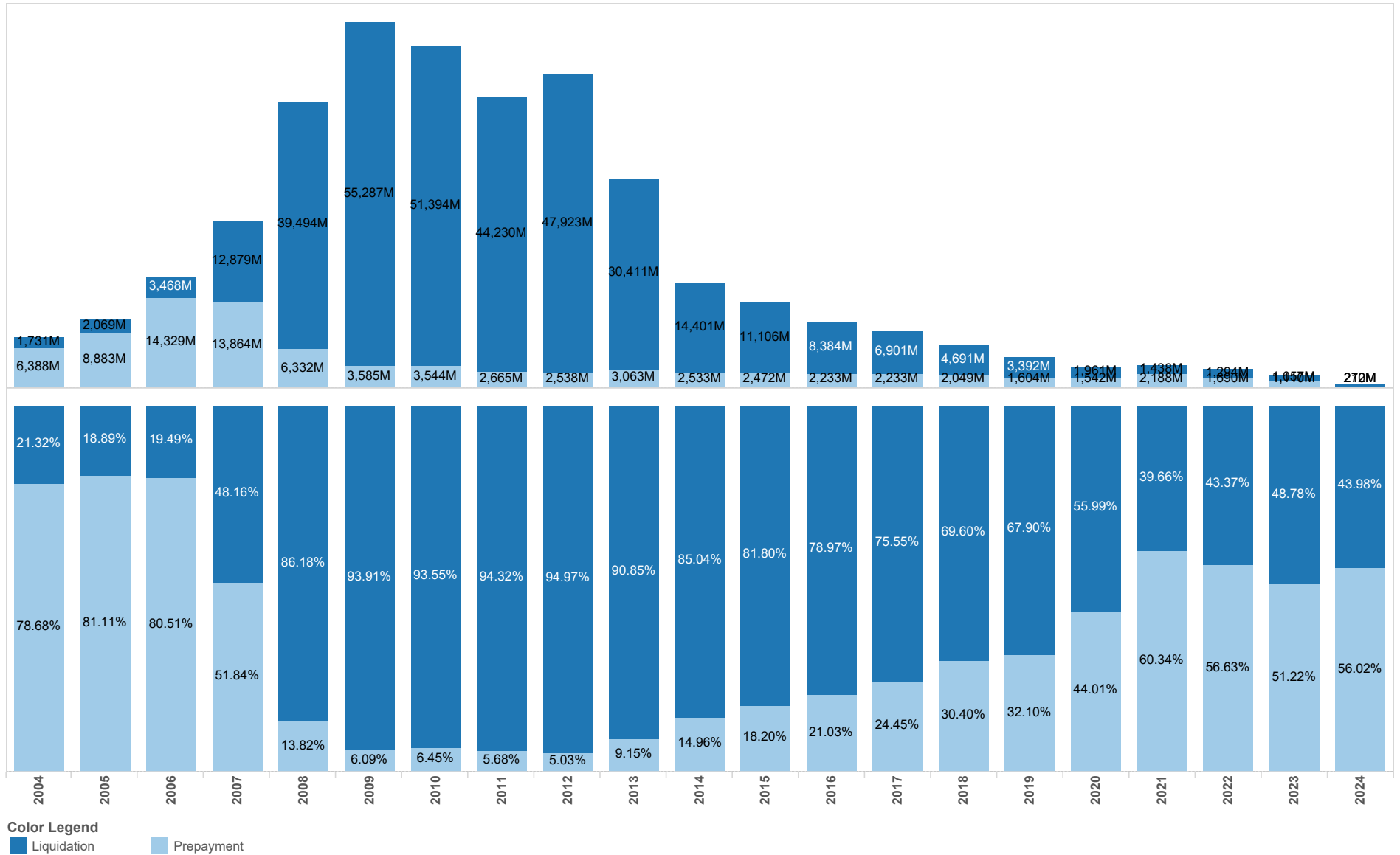
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Delinquent Loan Abatements

90+ and Foreclosure Only

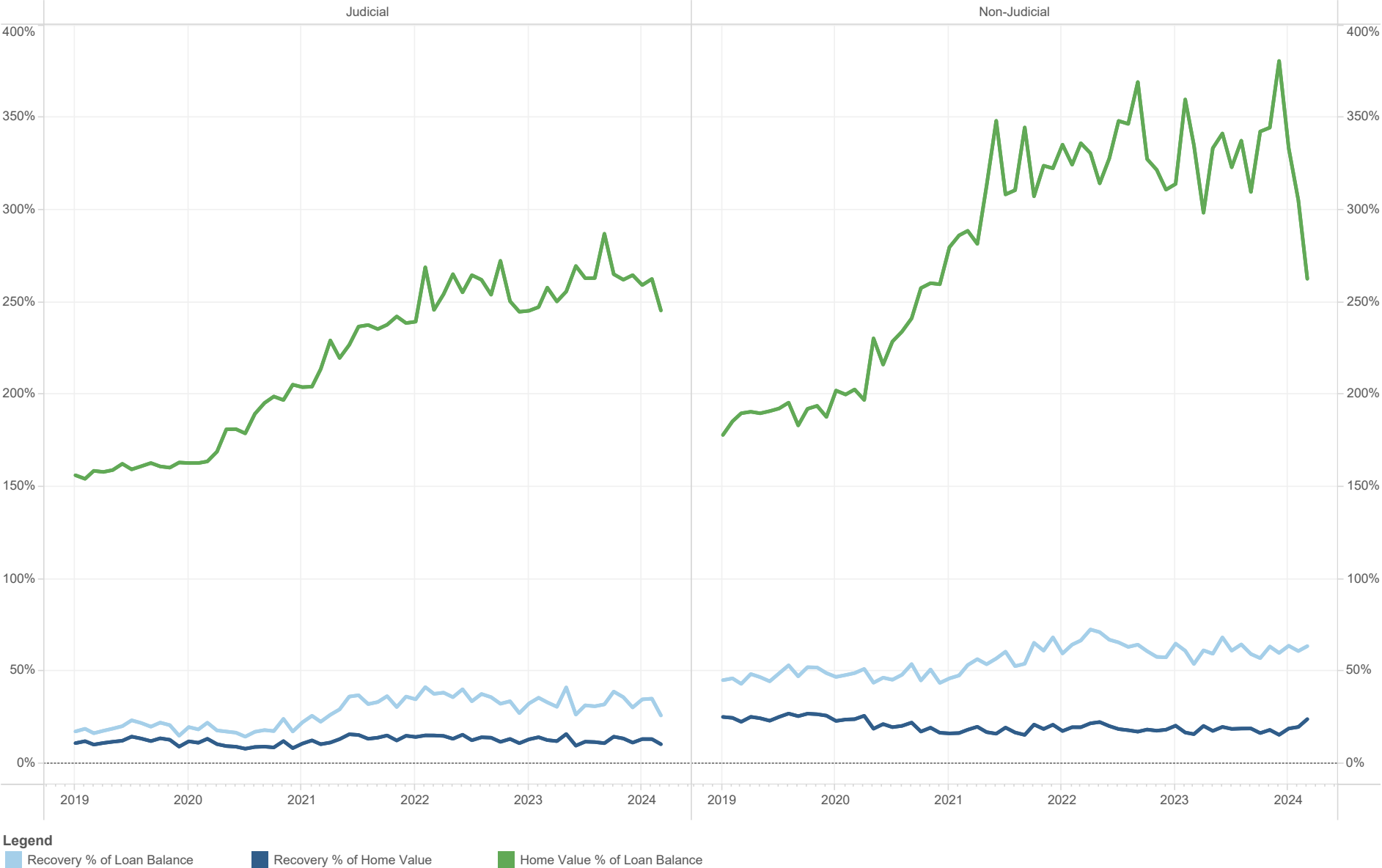


Source: SCIB US, Corelogic
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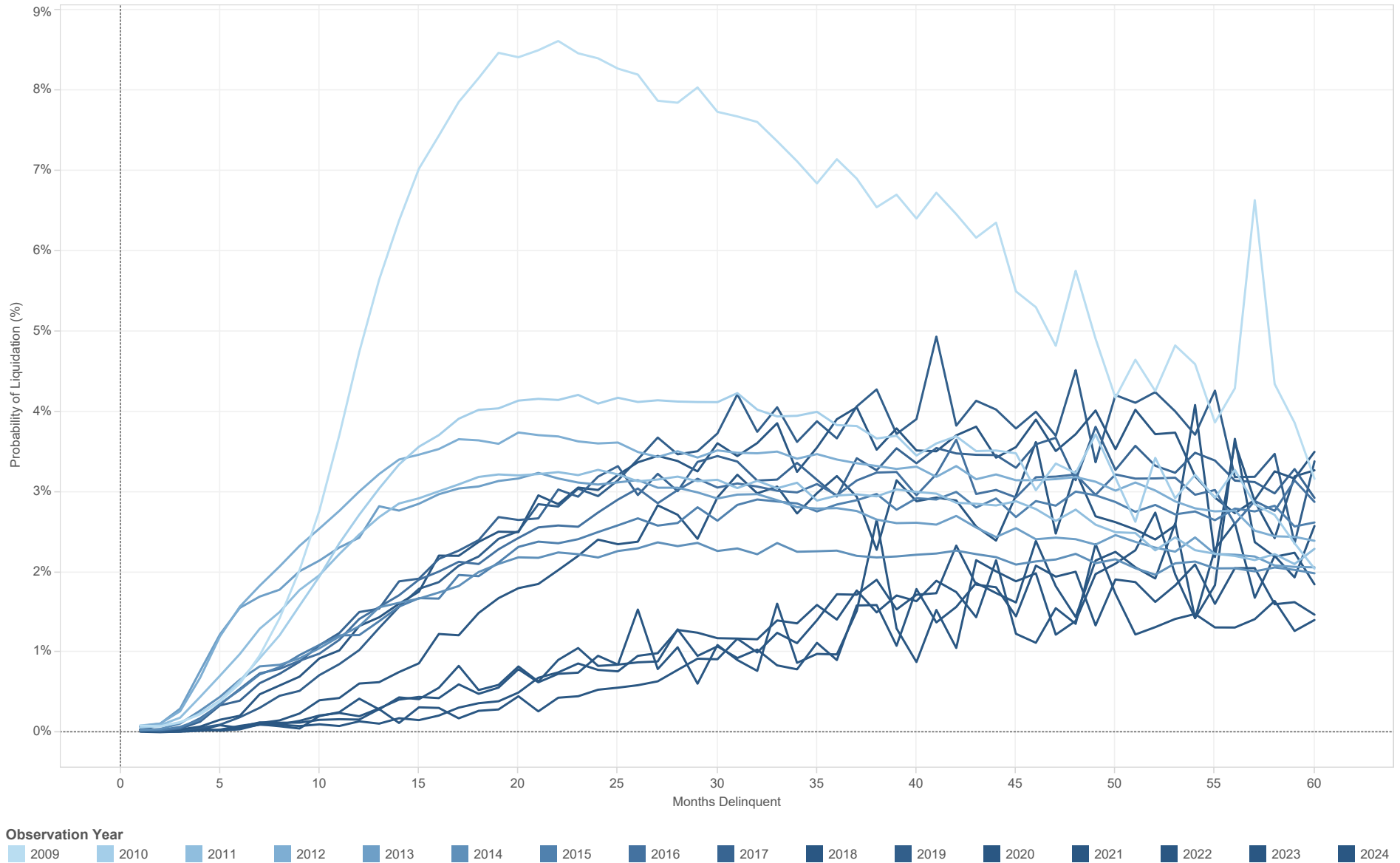
Liquidation Recovery Percents of Loan Balance and Home Values



Source: SCIB US, Corelogic
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Monthly Liquidation Probability of Delinquent Loans

Balance of Liquidated Loans Divided by Total Balance



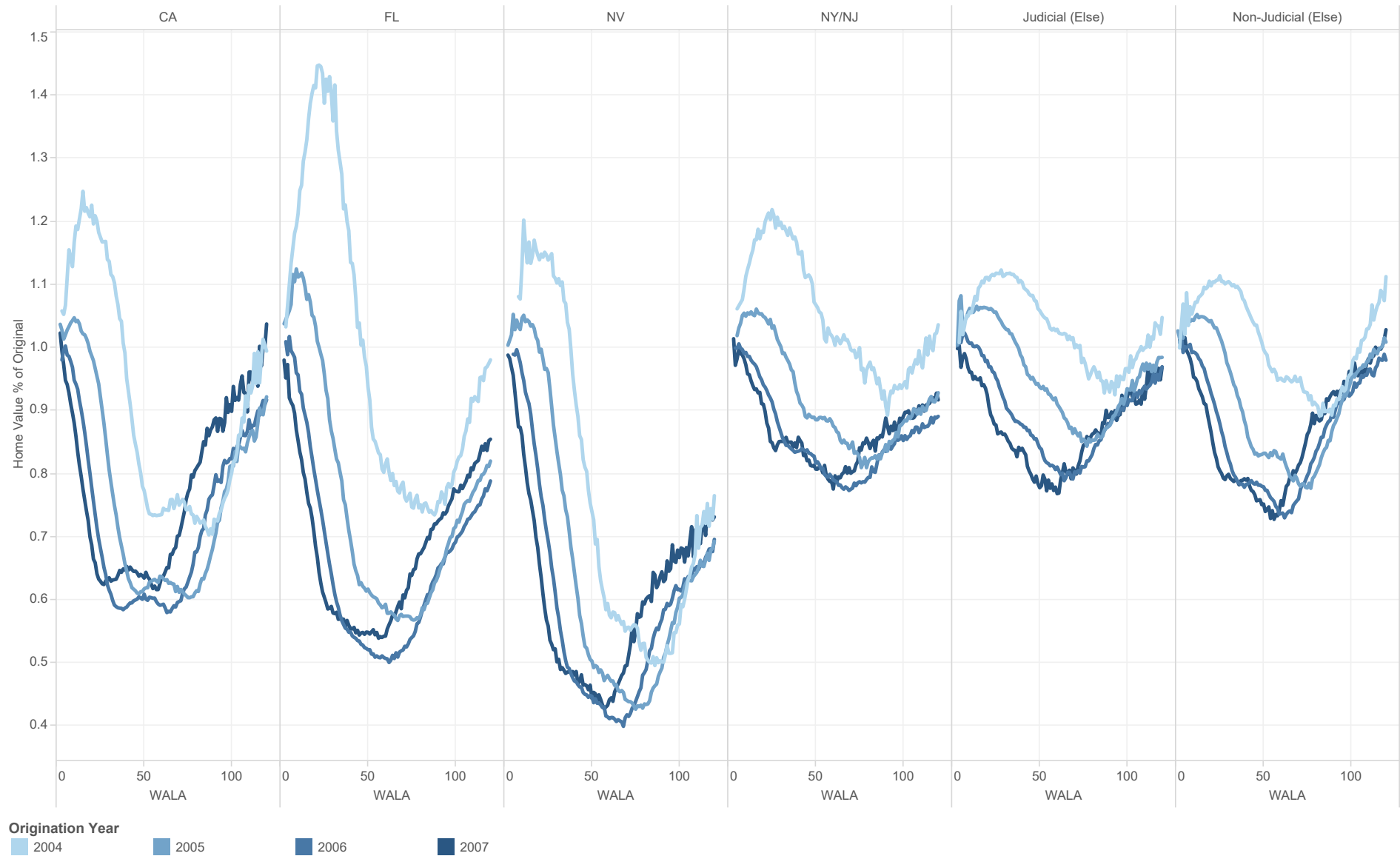
Source: SCIB US, Corelogic
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Home Values for 2004-2007 Loans

Home Value Percents by Vintage and State

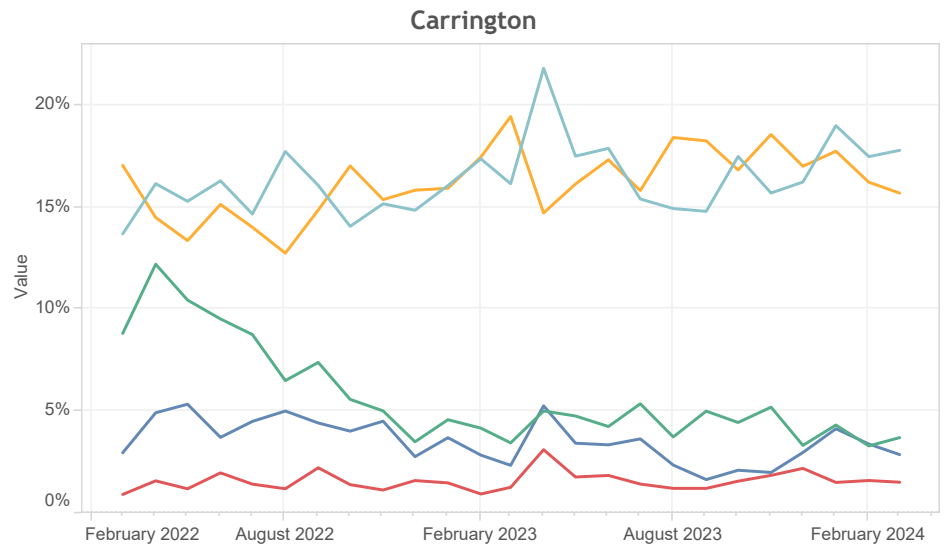
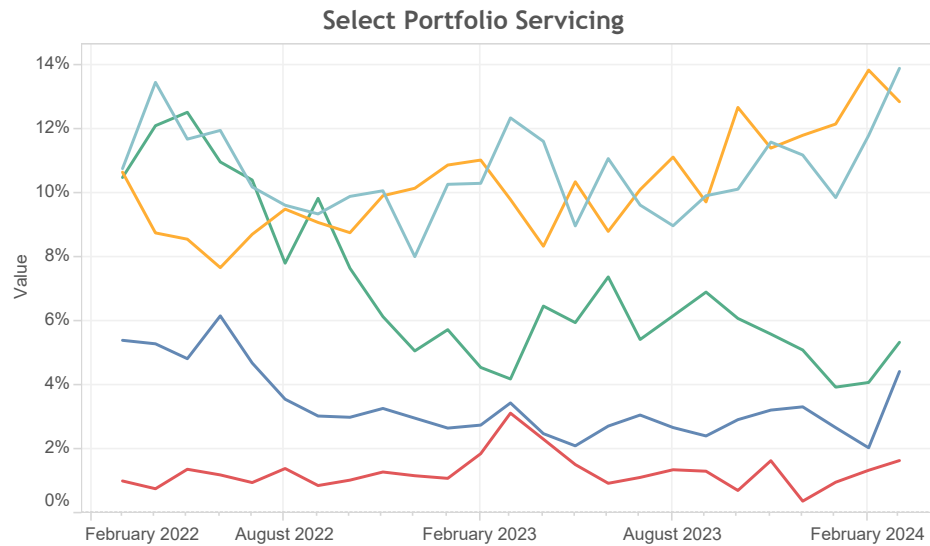
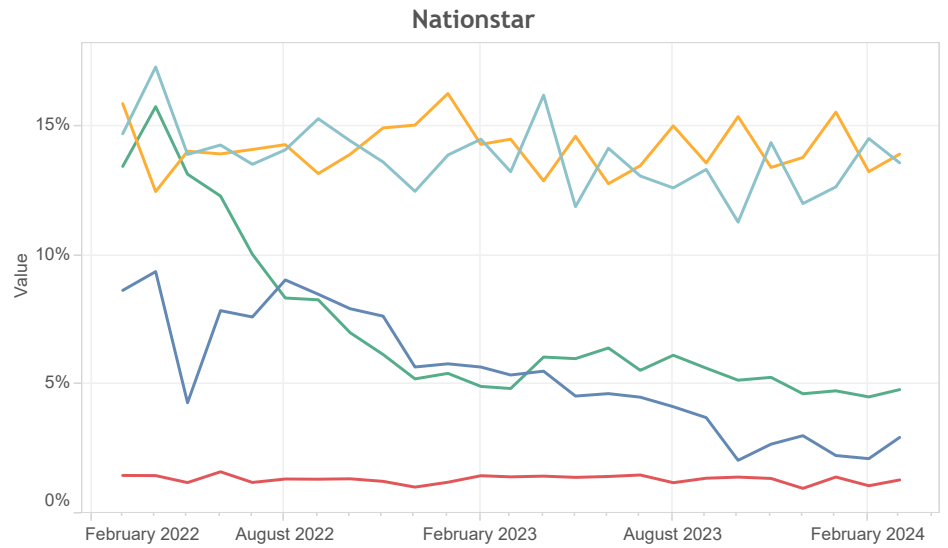
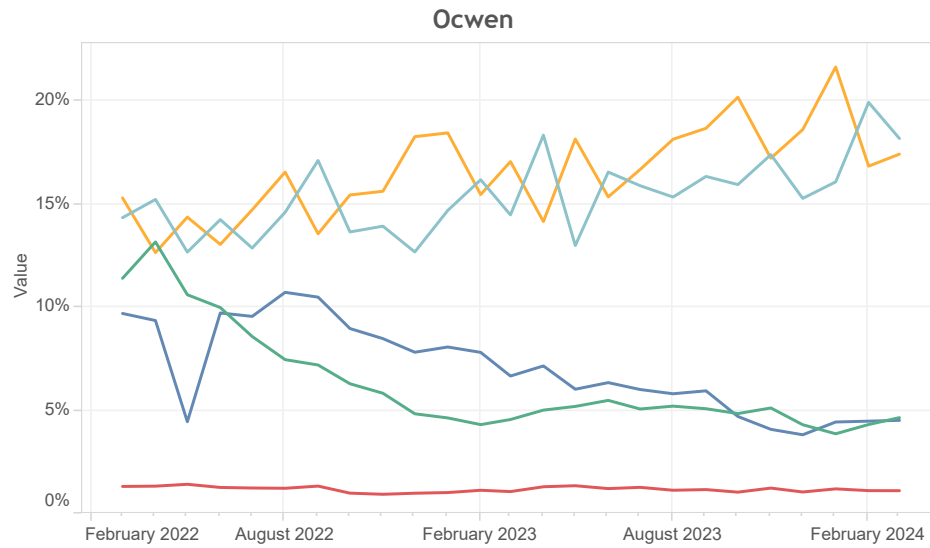


Source: SCIB US, Corelogic
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Servicer Performance



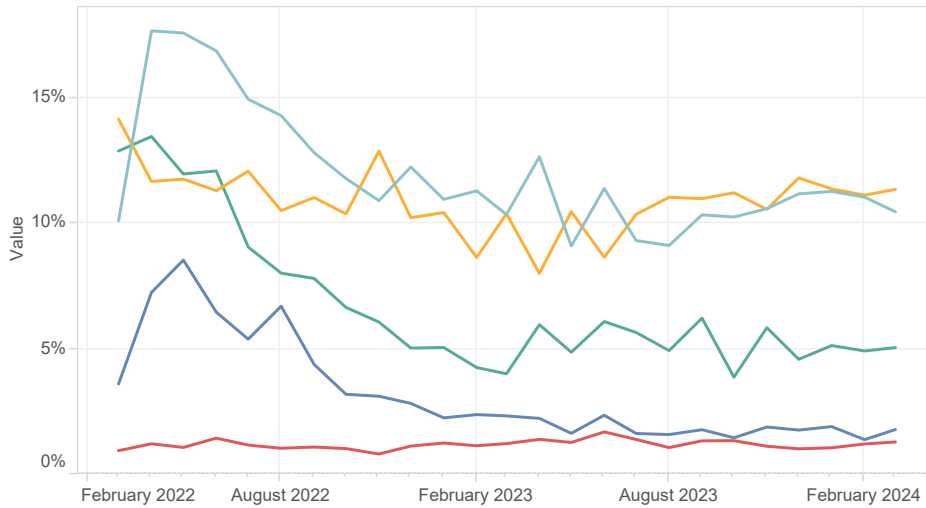
Performance Measure

■ VPR
 ■ CCR
 ■ CMR (Balance Modified)
 ■ CTR

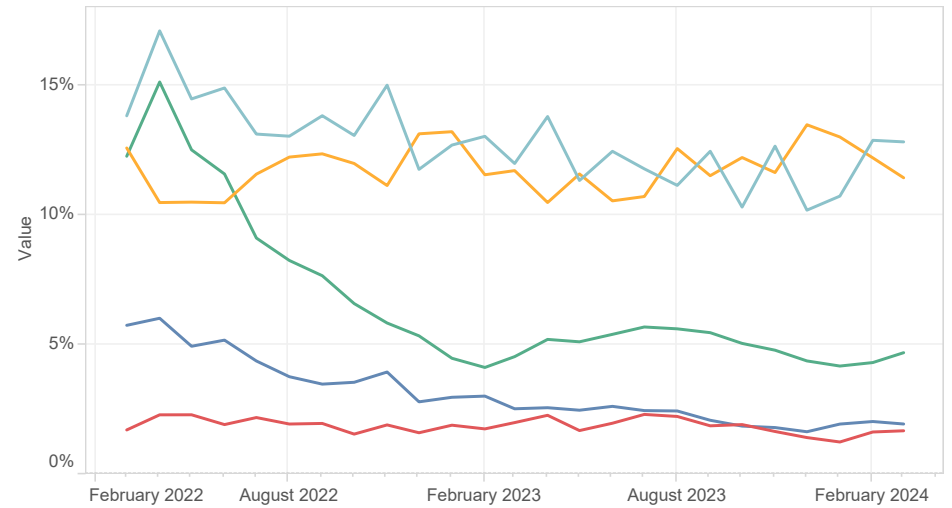
■ CDR

Servicer Performance

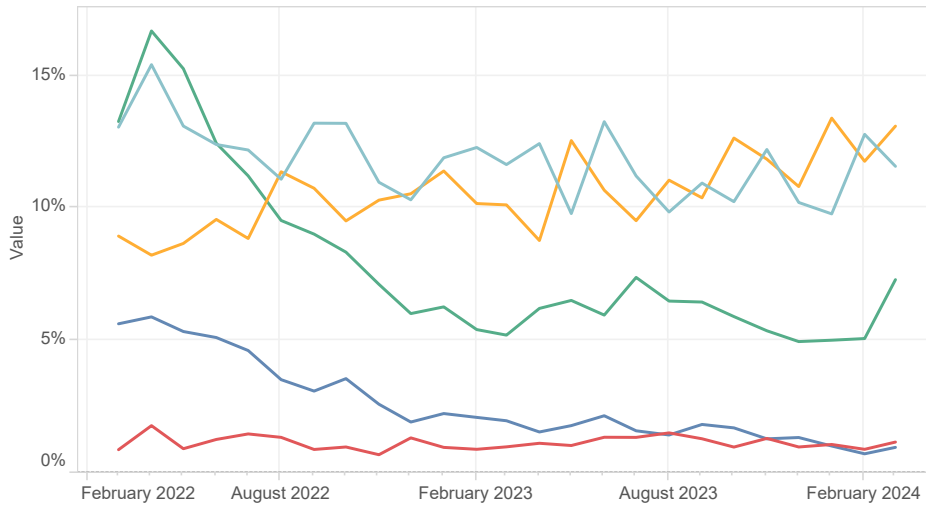
JP Morgan



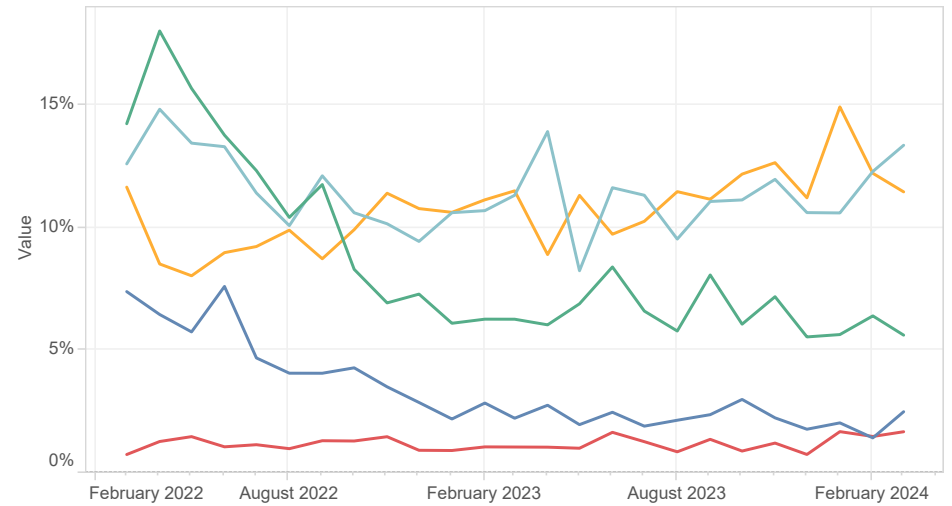
Bank of America



Wells Fargo



All Other Servicers



Performance Measure

VPR

CCR

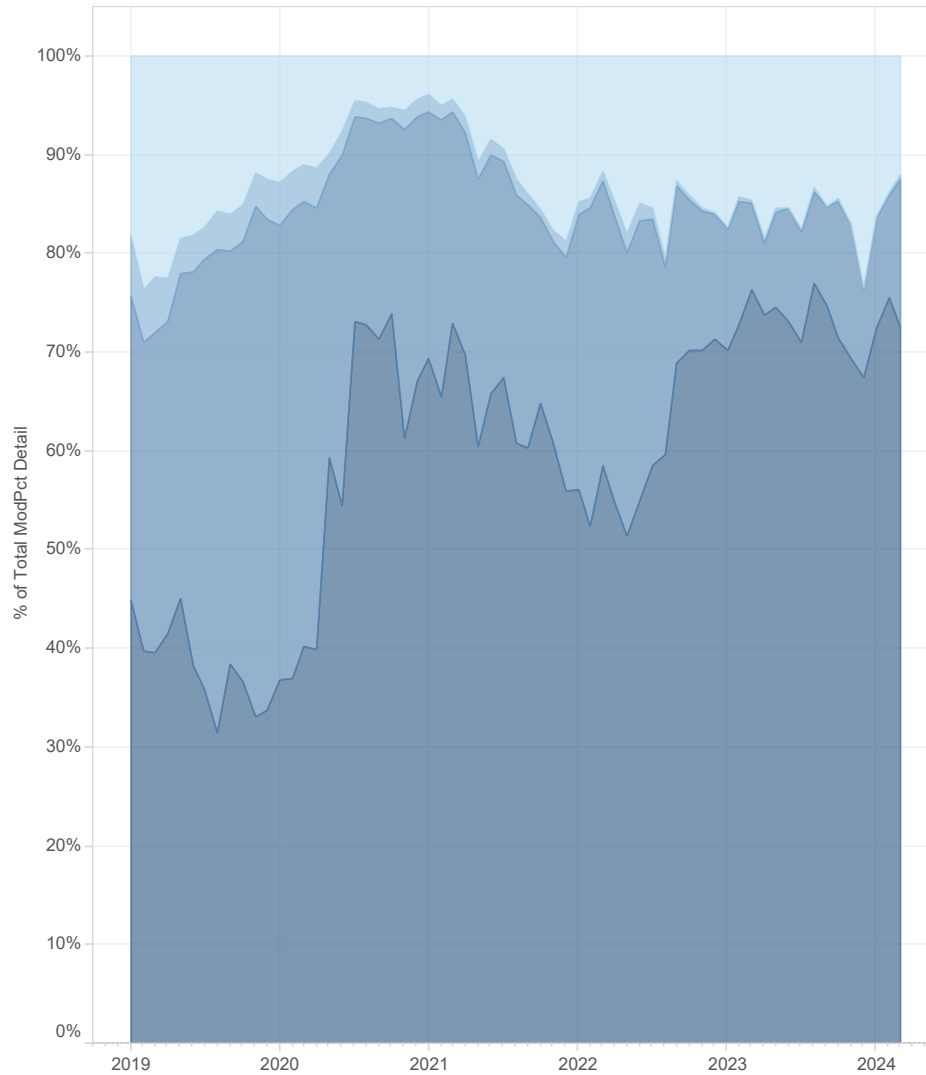
CMR (Balance Modified)

CTR

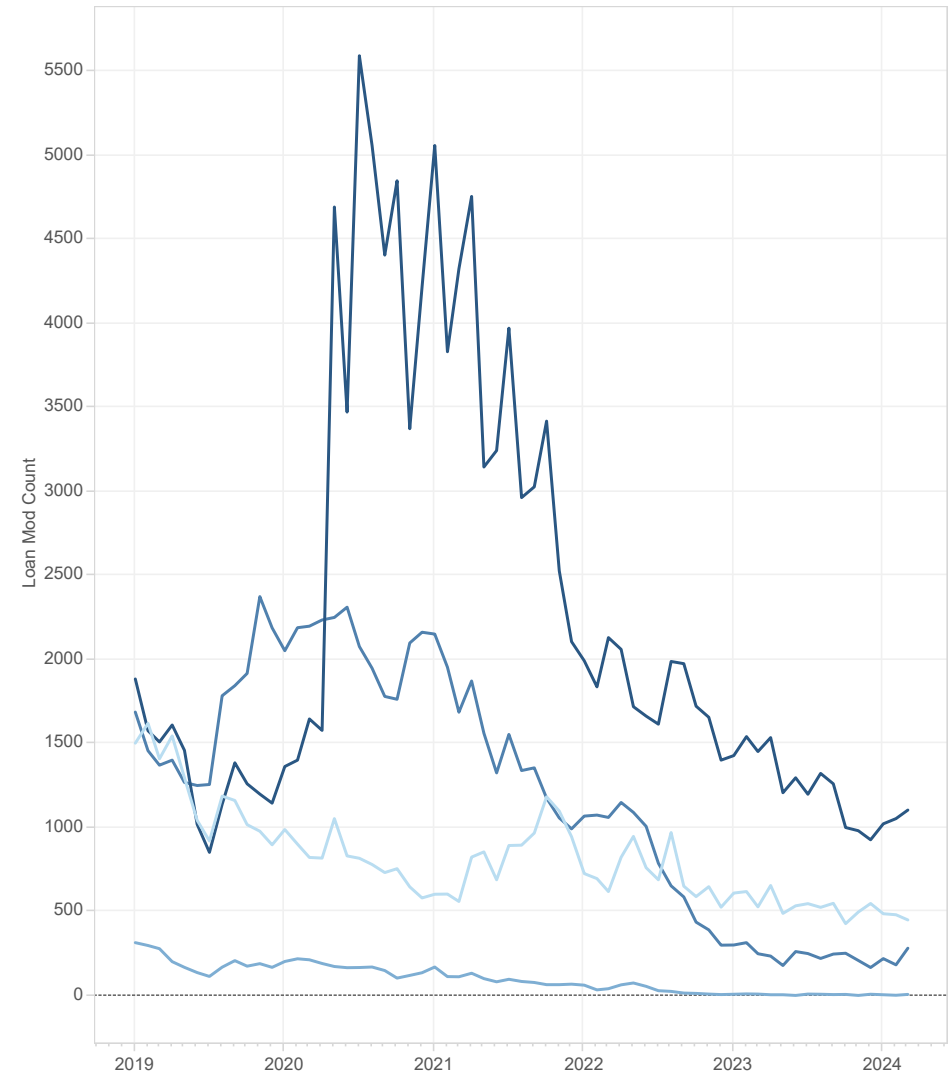
CDR

Loan Modification Detail by Type of Modification

% Mod by Type



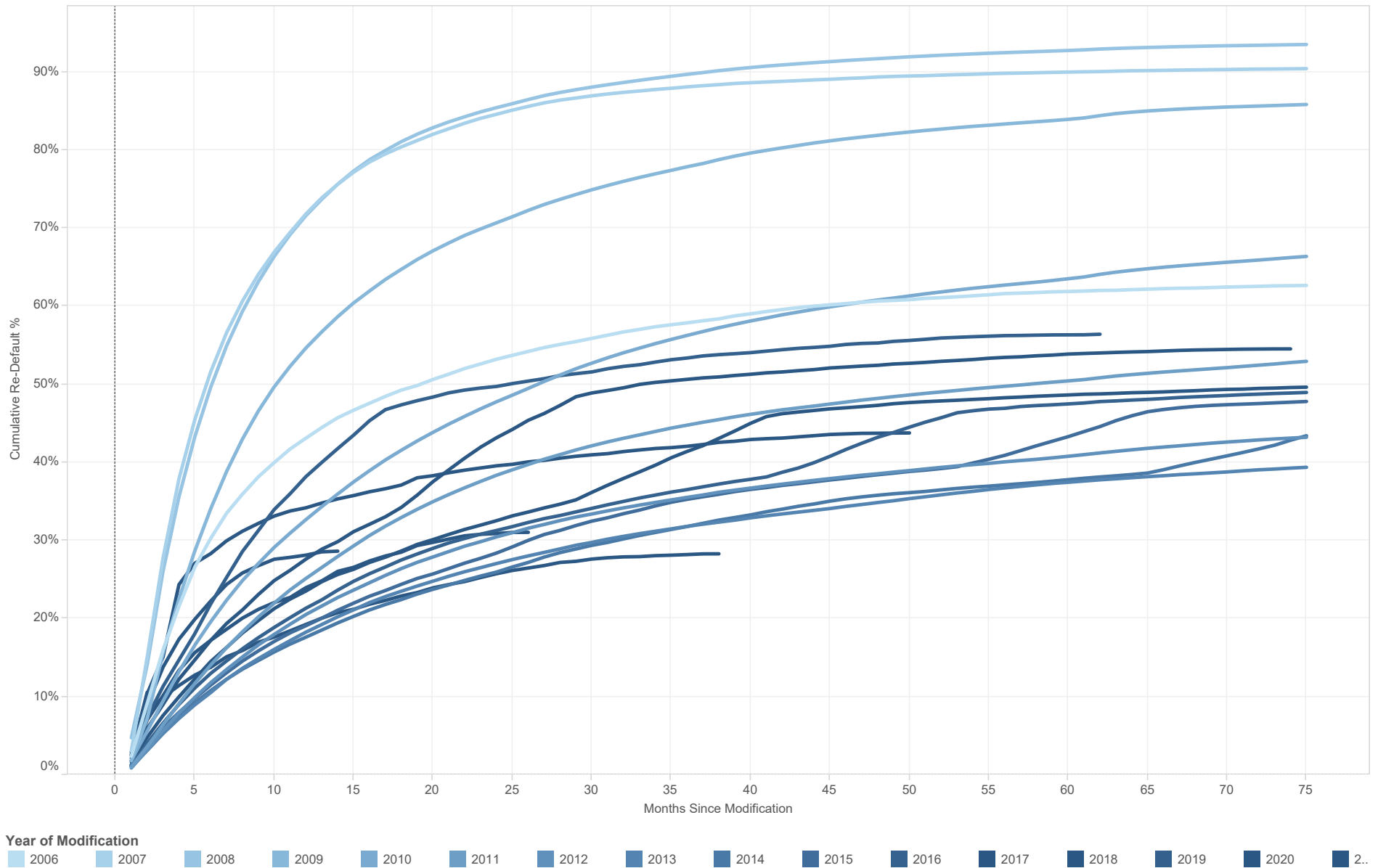
Modified Loan Count



Modification Type

Balance Reduction Mod Balance and Rate Reduction Mod Rate Reduction Mod Capitalization Mod

Loan Modification Recidivism

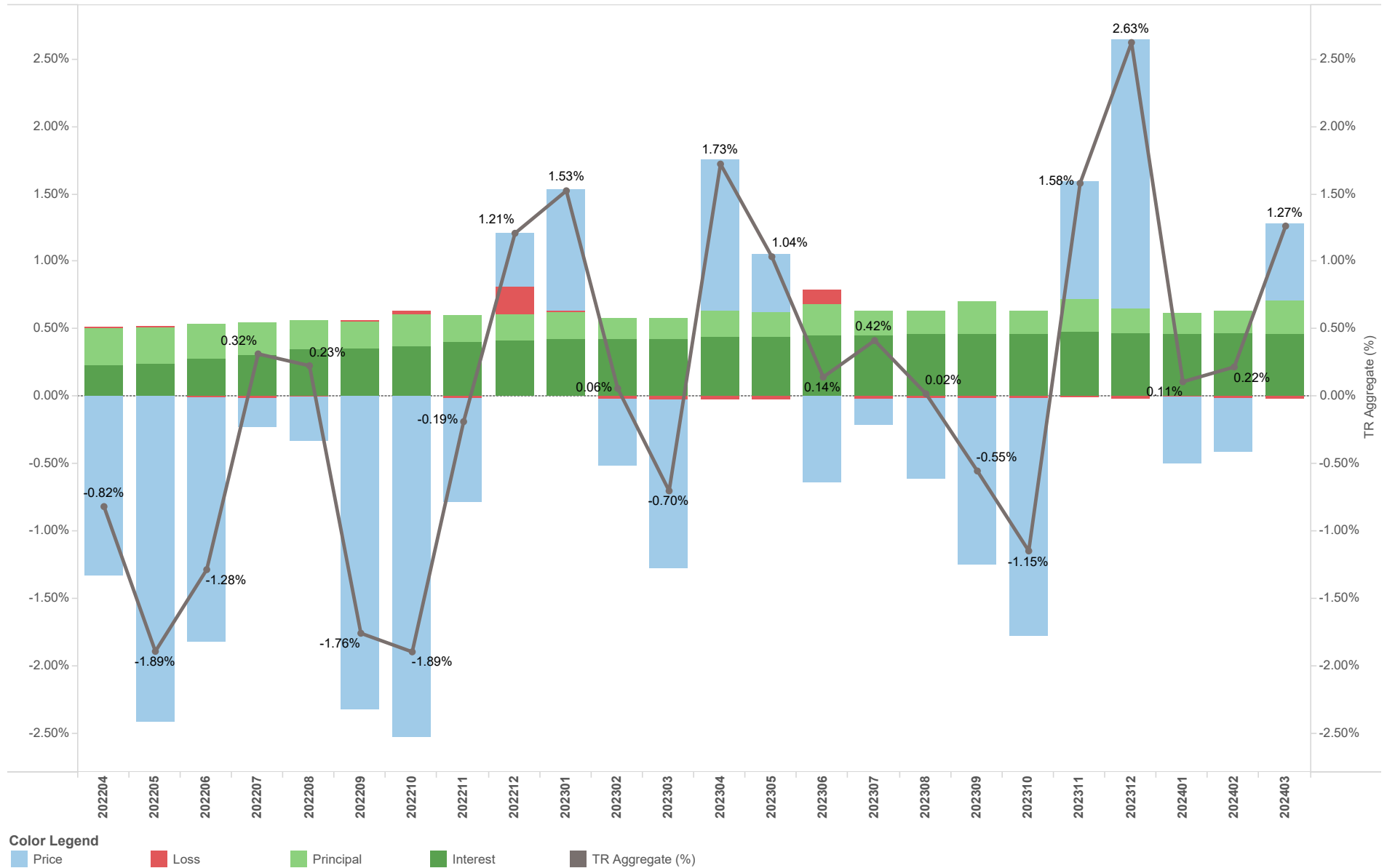


Source: SCIB US, Corelogic
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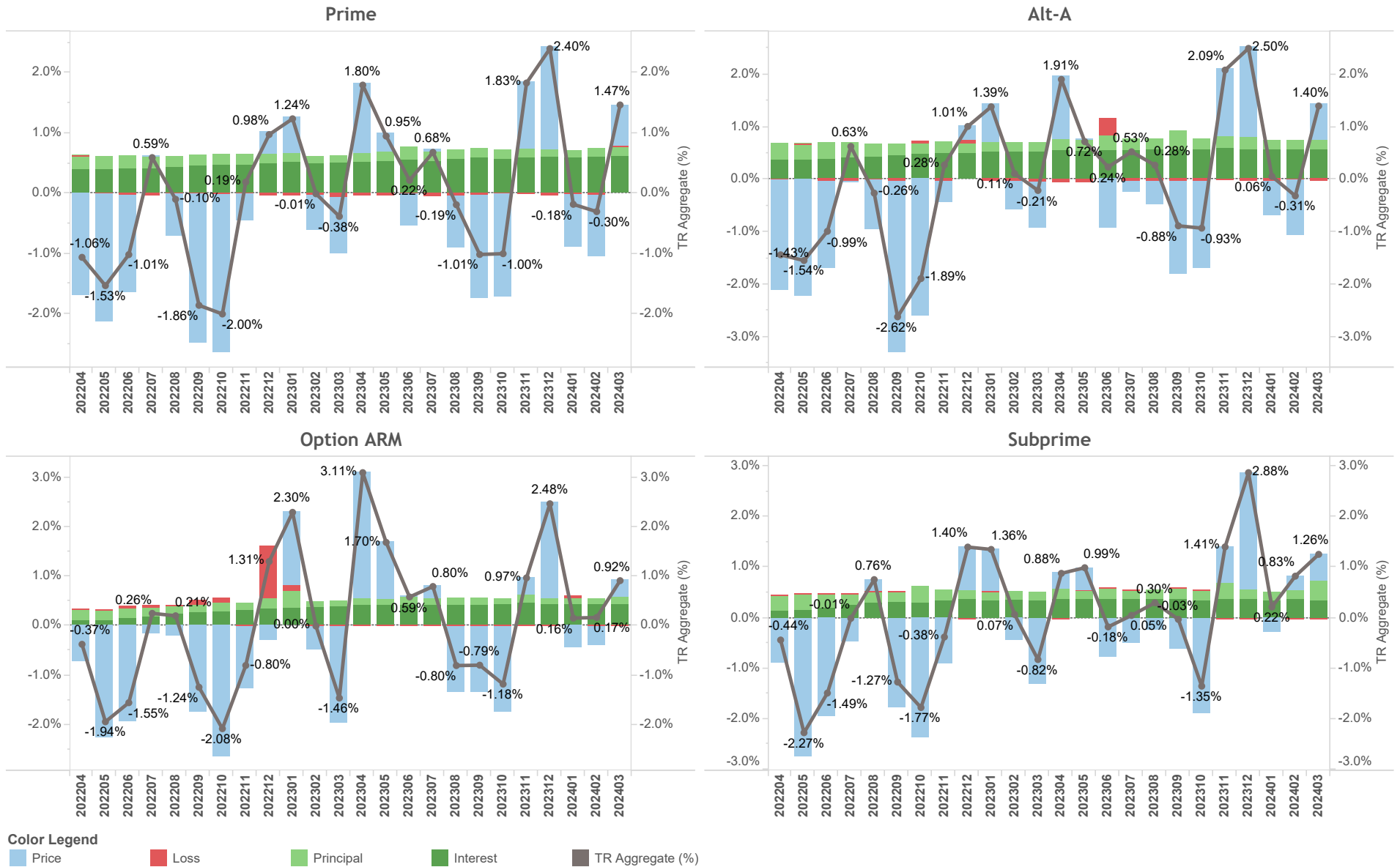
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Non-Agency Market Monthly Return Composition



Non-Agency Monthly Return Composition by Credit Type



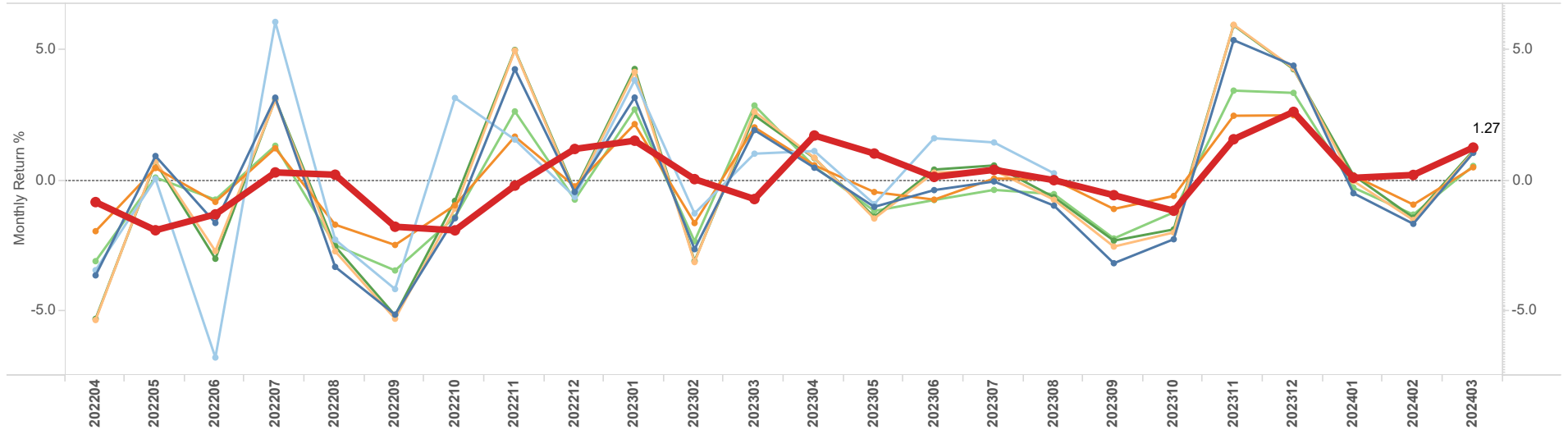
Source: SCIB US, Corelogic, Intex, IDC
March 2024 Remittance

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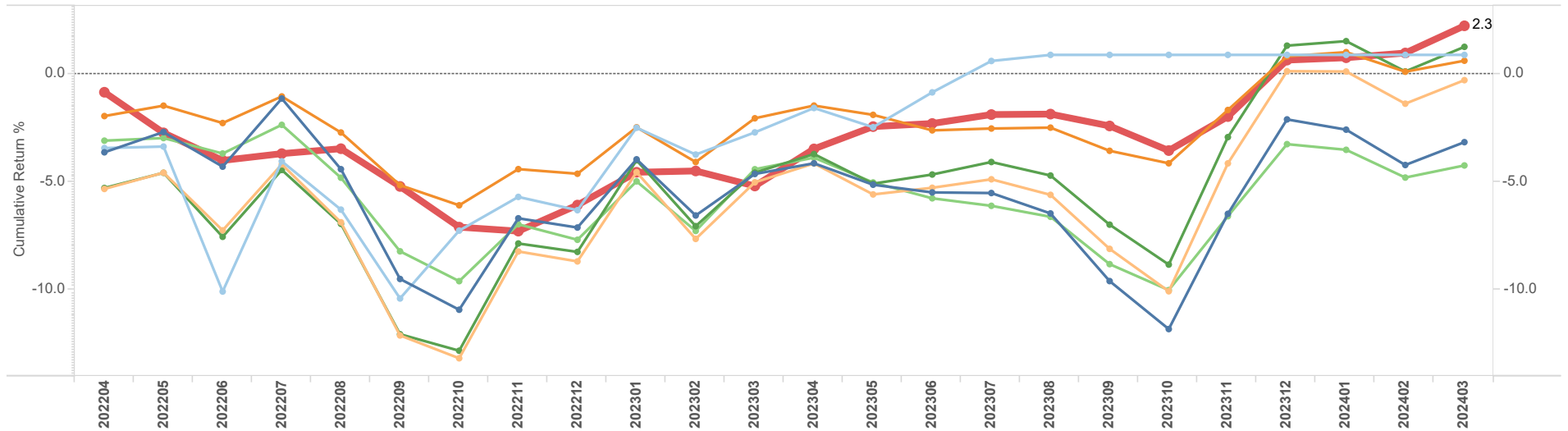
Proprietary and Confidential

Non-Agency Market Performance

Relative Monthly Returns



Relative Cumulative Monthly Returns



Index

Agency Mortgage HYCP Capped USBIG, Agency USBIG, Corp. USBIG, Corp., BBB USBIG, Treasury

NA RMBS

Aggregate

Non Agency Legacy RMBS Pricing Matrix

		Bond Count	Balance	Current Price	Yield % SPM	Yield % Stress	Spread/I	WAL	Spread Duration	Liquidation %	Loss %	Severity %	Tranche Writedown %	CE/DQ %	APL %	RPL %	NPL %	NPL Liq Multiple	Mod %	Mod Terms Unknown %	Forbearance %	Price Chg % 1M	Price Chg % 3M	Price Chg % 6M	Price Chg % 12M
IG Rated	Fixed	107	0B	98	6.54	6.53	204	3.0	3.1	5	2	38	0	8.6	43	50	6	0.8x	41	25	15%	0.7	-0.6	2.1	-0.4
	Floating	350	2B	97	5.98	5.97	136	2.6	2.9	9	5	52	0	6.3	19	70	11	0.9x	68	53	37%	0.2	0.1	1.3	1.9
Split Rated	Fixed	408	1B	96	6.50	6.49	202	3.1	3.4	7	3	42	0	4.6	33	58	8	0.8x	52	37	11%	0.5	-0.6	2.0	0.4
	Floating	1,729	10B	94	5.73	5.71	122	2.9	3.4	10	5	51	0	4.5	13	76	11	0.9x	79	68	28%	0.2	0.0	1.0	1.3
Non IG Senior/Mezz - No Projected Tranche Loss	0-3 Duration	729	3B	97	5.84	5.78	117	2.0	2.2	11	6	52	-1	4.9	11	77	12	0.9x	79	68	41%	0.1	0.0	1.0	1.4
	3-5 Duration	1,685	11B	93	6.05	6.00	166	3.8	4.2	10	5	46	-1	2.3	15	74	12	0.8x	74	59	20%	0.9	0.4	2.2	2.7
	5-7 Duration	699	12B	88	5.89	5.81	151	5.1	5.8	11	5	49	-1	1.4	8	80	12	0.9x	84	69	23%	0.8	1.0	2.5	3.4
	7-10 Duration	589	6B	87	5.85	5.69	146	5.8	8.3	11	6	52	-4	1.1	7	82	12	0.9x	86	77	44%	0.6	0.3	3.0	3.1
	10+ Duration	55	1B	89	6.56	6.01	214	8.0	11.1	11	5	48	-54	0.4	6	82	13	0.9x	87	68	122%	1.3	0.9	2.6	-2.7
Non IG Senior Prime	2005 Fixed	282	1B	62	7.52	7.34	299	5.8	4.5	8	3	32	59	0.1	23	67	10	0.8x	63	48	6%	0.3	-2.0	-0.4	-6.0
	2005 Floater	47	0B	62	7.73	7.60	318	6.0	4.3	8	4	41	50	0.1	29	63	8	1.0x	59	41	11%	0.6	-1.0	-0.4	-2.6
	2005 Hybrid	152	1B	71	7.21	7.04	280	5.8	4.5	8	4	43	36	0.0	30	62	9	1.0x	57	40	7%	0.6	-1.6	-1.9	-3.2
	>=2006 Fixed	1,216	7B	48	7.16	6.92	222	6.7	5.1	11	4	35	84	0.0	15	73	12	0.9x	73	57	5%	0.6	-2.2	-0.4	-9.4
	>=2006 Floater	267	3B	39	7.26	6.96	229	6.5	4.9	14	6	41	78	0.0	17	69	14	1.0x	70	59	9%	0.2	-3.0	-1.0	-3.3
	>=2006 Hybrid	388	2B	78	6.65	6.42	226	5.6	4.8	11	4	38	24	0.0	25	64	11	1.0x	61	46	7%	0.7	-1.4	-1.3	-0.1
	Seasoned	81	0B	86	6.91	6.80	245	3.6	3.4	13	7	51	14	0.5	39	43	18	0.7x	41	25	5%	0.4	-1.1	-0.4	-0.7
Non IG Senior AltA	2005 Fixed	638	3B	62	7.25	7.05	268	5.3	4.3	8	3	38	57	0.0	26	64	9	0.8x	60	40	8%	0.5	-1.9	-0.2	-5.5
	2005 Floater	207	1B	60	7.58	7.37	315	5.0	4.4	8	3	39	45	0.0	24	67	9	0.9x	63	45	12%	0.5	-1.0	-0.2	-2.1
	2005 Hybrid	285	2B	71	6.77	6.57	236	5.4	4.5	9	4	42	36	0.1	25	65	10	0.9x	60	48	8%	0.6	-0.8	-1.3	-1.0
	>=2006 Fixed	1,833	15B	50	7.01	6.74	226	6.1	5.0	11	6	46	73	0.0	14	74	12	0.9x	74	55	8%	0.6	-1.8	0.1	-5.9
	>=2006 Floater	888	16B	42	6.86	6.60	220	5.5	5.0	12	7	50	63	0.0	14	74	12	1.0x	75	62	11%	0.4	-1.7	-1.5	-3.8
	>=2006 Hybrid	408	4B	68	6.31	6.06	191	6.2	5.1	12	6	47	40	0.0	15	73	12	1.0x	73	59	11%	0.4	-1.4	-1.6	-1.3
	Seasoned	104	0B	84	7.22	7.06	283	4.4	4.0	7	4	44	16	0.3	31	59	10	0.7x	52	35	6%	0.5	-1.2	1.3	-1.7
Non IG Senior Option ARM	NC	1	0B	23	7.62	7.27	218	6.6	5.1	13	6	49	100	0.0	4	81	15	0.8x	86	73	6%	0.7	-2.3	2.1	-16.1
	0% CE	196	5B	56	6.22	6.03	150	7.5	5.7	10	5	46	55	0.0	13	76	11	0.9x	77	56	14%	0.3	-1.1	-1.7	-2.4
	0-10% CE	90	2B	81	6.66	6.42	227	6.0	5.6	10	5	45	9	0.2	13	75	12	0.8x	75	48	20%	0.4	-0.4	0.3	2.6
	10-25% CE	23	0B	81	6.54	6.49	216	5.7	5.2	11	5	46	12	1.9	14	73	13	0.8x	73	60	21%	0.1	-0.3	0.9	2.0
Non IG Senior Subprime	>=25% CE	9	0B	81	6.17	6.10	179	6.5	5.2	11	5	48	14	3.8	12	73	14	0.8x	68	60	25%	0.3	-2.5	-1.7	-1.6
	0-5 Duration	59	2B	30	6.37	6.03	172	4.8	4.6	14	8	56	72	0.4	6	77	16	0.8x	85	76	8%	-0.2	-1.3	-1.8	-7.1
	5-7 Duration	778	33B	48	5.54	5.29	116	5.3	5.6	12	6	52	45	0.0	4	83	14	0.9x	91	83	9%	0.1	-0.1	0.1	-2.5
	7-10 Duration	16	1B	56	5.62	5.32	123	6.2	8.2	14	8	56	37	0.2	5	81	14	1.0x	89	82	30%	0.6	-0.1	1.8	-1.2
Non IG Mezz - Deep Credit	Fixed Rate	116	3B	35	6.28	6.00	120	6.4	5.4	13	7	54	84	0.0	6	80	14	0.9x	89	75	6%	-0.2	-2.3	-2.1	-5.2
	Prime/AltA	644	2B	60	7.78	7.09	322	4.9	5.2	10	5	46	39	0.1	27	61	12	0.8x	58	43	30%	0.7	-0.7	0.5	1.7
	POA	93	1B	55	5.62	4.91	80	6.5	5.5	11	5	47	53	0.1	14	74	12	0.9x	75	52	49%	-0.1	-1.2	0.4	1.7
	Subprime < \$..	43	0B	15	5.91	4.31	107	4.9	6.6	11	6	55	88	0.0	8	80	12	0.9x	84	69	27%	1.4	3.0	2.6	-1.7
	Subprime < \$..	27	0B	38	4.92	4.23	45	5.4	8.6	11	6	54	52	0.0	6	83	11	1.0x	86	81	41%	0.6	0.6	1.2	5.7
	Subprime < \$..	123	1B	64	4.72	3.83	32	6.0	8.6	13	8	58	28	0.1	6	81	13	1.0x	87	82	54%	0.7	-0.3	1.6	-1.8
	Subprime < \$..	148	2B	76	5.19	4.74	79	6.0	8.2	13	7	56	13	0.2	5	80	14	0.9x	88	80	43%	0.7	0.1	1.9	-0.6
Grand Total	Subprime >= ..	168	2B	85	4.80	4.24	41	5.7	7.6	12	7	56	10	0.3	6	80	14	0.9x	87	79	50%	0.7	0.1	2.0	-0.4
		15,681	154B	64	6.22	6.00	168	5.3	5.2	11	6	48	38	0.8	12	76	12	0.9x	79	66	11%	0.3	-0.8	0.0	-2.0

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