

**From:** Goodman, Jeffrey <jeffrey.goodman@lehman.com>  
**Sent:** Monday, February 12, 2007 4:42 PM (GMT)  
**To:** Kritikos, Dimitrios <dimitrios.kritikos@lehman.com>  
**Subject:** RE: LXS vs. Countrywide OC Deal Comparison

---

Might be worth it if you can, can't guarantee we will get access to MA though

> \_\_\_\_\_  
> From: Kritikos, Dimitrios  
> Sent: Monday, February 12, 2007 11:40 AM  
> To: Goodman, Jeffrey  
> Subject: RE: LXS vs. Countrywide OC Deal Comparison  
>  
> I am meeting with McKinney at 1:00. Should I try to push it back?

> \_\_\_\_\_  
> From: Goodman, Jeffrey  
> Sent: Monday, February 12, 2007 11:39 AM  
> To: Kritikos, Dimitrios  
> Subject: RE: LXS vs. Countrywide OC Deal Comparison  
>  
> Are you free at 1pm for potential MA meeting?

> \_\_\_\_\_  
> From: Kritikos, Dimitrios  
> Sent: Monday, February 12, 2007 11:39 AM  
> To: Goodman, Jeffrey  
> Subject: FW: LXS vs. Countrywide OC Deal Comparison

> \_\_\_\_\_  
> From: McKinney, Richard  
> Sent: Monday, February 12, 2007 11:30 AM  
> To: Wind, Thomas L  
> Cc: Wildrick, Craig D; Kritikos, Dimitrios; Peterson, Carl E  
> Subject: FW: LXS vs. Countrywide OC Deal Comparison

> \_\_\_\_\_  
> From: McKinney, Richard  
> Sent: Monday, February 12, 2007 11:29 AM  
> To: McKinney, Richard  
> Subject: FW: LXS vs. Countrywide OC Deal Comparison

>  
> Follow up data around LXS performance.  
> Top charts look at Leh vs. CFC deals in the alt-b market. Leh and  
> CFC are the 2 largest originators, so the data set is substantial.  
> Our aggregate LXS(mostly MortgageMaker) performance has worsened vs.  
> largest competitor on '06 production.  
>  
> Bottom chart in the PDF file shows performance of >95 bucket in  
> LimDoc. This bucket is not only worse than CFC, but underperforms the  
> aggregate subprime market. All delqs are measured using MBS style  
> definitions.

- >
- > While this is difficult to convert to expected performance, given the
- > short time period of our analysis, we can use rating agency
- > assumptions as a proxy.
- > For the >95 CLTV Lim Doc buckets, expected subordination levels are
- > 11.7% to AAA loss coverage. This compares with 20-25% for a typical
- > subprime deal. That is, we are creating worse performance than
- > subprime, while the rating agencies assume our performance should be
- > substantially better.
- >
- > In the Excel file, I enclosed our Distribution Mix across exit
- > strategies over the last 7 months. In order of credit quality:
- > 50% GSE
- > 19% SARM / LMT
- > 28% LXS
- >
- > GSE and SARM / LMT will be the distribution for most up-in-credit
- > product. LXS will take the bottom quality MortgageMaker product.
- > This is important to note, in that approximately 1/2 our MortgageMaker
- > product flows thru the GSE / SARM / LMT shelves.
- >
- > << File: LXS vs. Cwide OC Deals Performance Compare.pdf >>
- >
- > << File: Distribution Mix.xls >>