

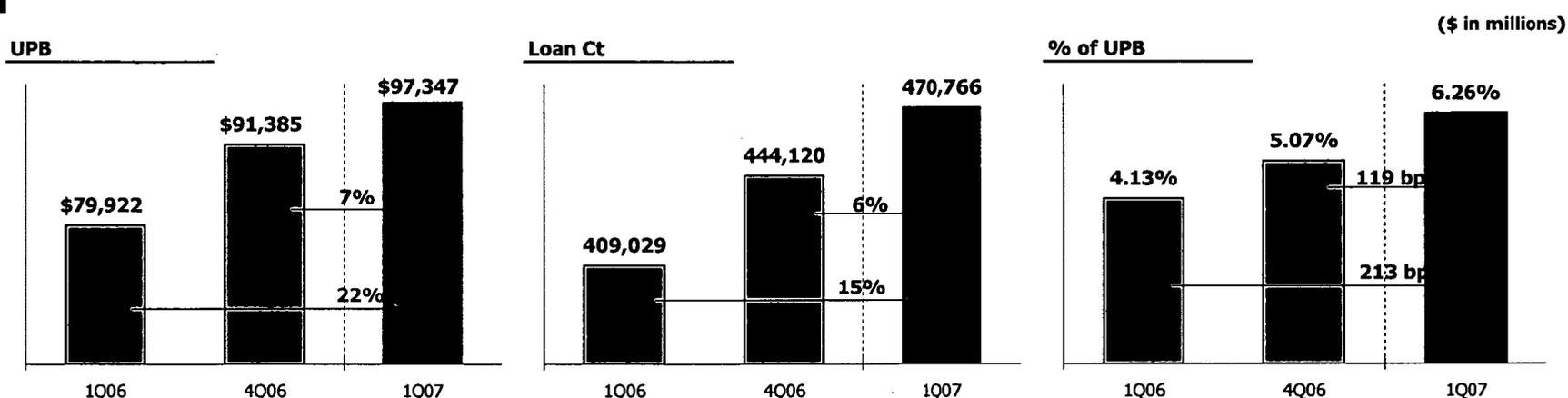
**Mortgage Update - 1Q 07**

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# Aurora Loan Services Delinquency

- Increase delinquencies period over period



## Total Products

	1Q06 Quarter End			4Q06 Quarter End			1Q07 Quarter End		
	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)
Current-30 Days	\$ 76,617	384,512	95.87%	\$ 86,749	417,228	94.93%	\$ 91,250	438,768	93.74%
30-60 Days	1,560	9,379	1.95%	2,068	11,417	2.26%	2,594	13,271	2.66%
60-90 Days	359	2,451	0.45%	598	3,265	0.65%	792	3,977	0.81%
90-120 Days	170	1,215	0.21%	234	1,300	0.26%	394	1,950	0.41%
120+ Days	190	2,997	0.24%	92	1,068	0.10%	95	1,147	0.10%
BK	398	4,138	0.50%	237	2,180	0.26%	263	2,203	0.27%
LMT	-	-	0.00%	277	2,134	0.30%	254	1,869	0.26%
FC	628	4,337	0.79%	871	4,135	0.95%	1,343	5,766	1.38%
REO	-	-	0.00%	260	1,393	0.28%	361	1,815	0.37%
<b>Total</b>	<b>\$ 79,922</b>	<b>409,029</b>	<b>4.13%</b>	<b>\$ 91,385</b>	<b>444,120</b>	<b>5.07%</b>	<b>\$ 97,347</b>	<b>470,766</b>	<b>6.26%</b>

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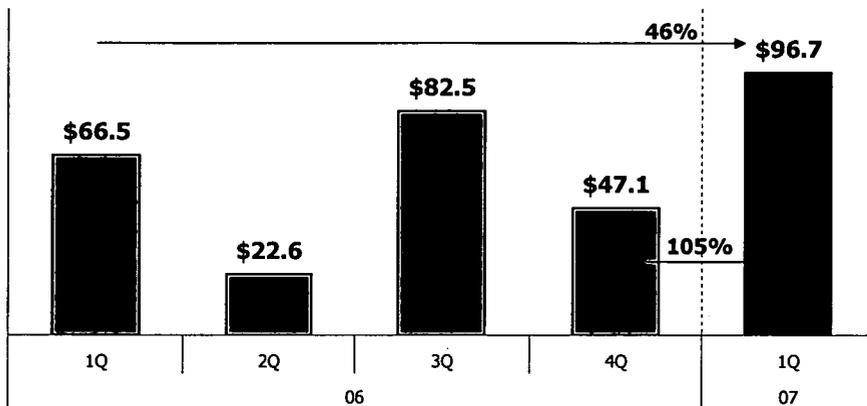
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## Reserves Update

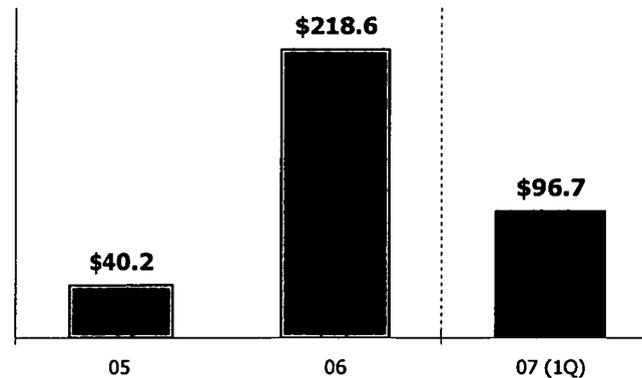
- Write offs continue as we have written off \$96.7mn in Q1 07 as compared with \$218.6mn in FY 06 and \$40.2mn in FY 05
- Reserve balance currently stands \$101.2mn

(\$ in millions)

**Reserves Quarterly Trend**



**Reserves Full Year Trend**



**Write Offs**

	FY 05		FY 06				FY 07	
	Total	1Q	2Q	3Q	4Q	Total	1Q	
FA	\$ 34.7	\$ 51.0	\$ -	\$ 65.0	\$ -	\$ 116.0	\$ -	
FA - mail	-	4.0	4.0	-	-	7.9	-	
BNC	5.5	11.5	18.6	17.5	47.1	94.7	91.2	
ALS	-	-	-	-	-	-	5.5	
<b>Total</b>	<b>\$ 40.2</b>	<b>\$ 66.5</b>	<b>\$ 22.6</b>	<b>\$ 82.5</b>	<b>\$ 47.1</b>	<b>\$ 218.6</b>	<b>\$ 96.7</b>	

**Reserves on Balance Sheet at 2/28**

(Post reserves allocated for claims received to date & est. claims for EPDs)

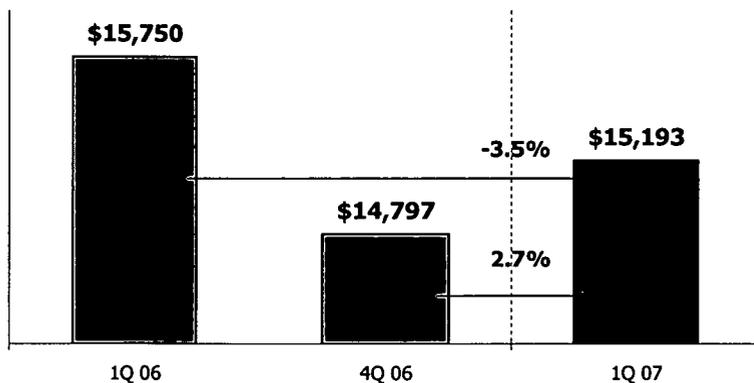
FA	\$ 37.0
FA - mail	-
BNC	38.2
ALS	26.0
<b>Total</b>	<b>\$ 101.2</b>

## MCD Metrics

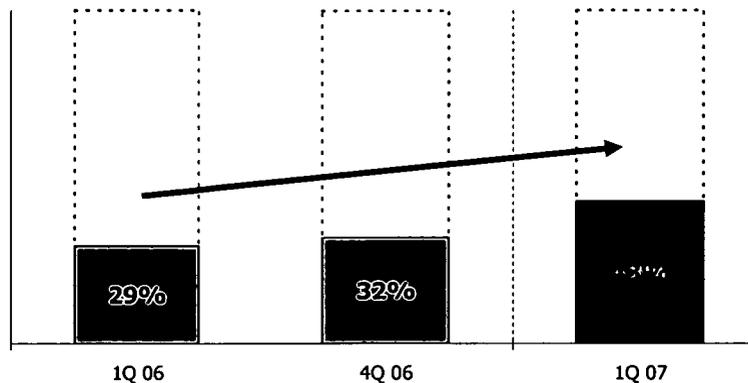
- Origination volumes are up from prior quarter and down from a year ago levels
- Fixed origination as a % is going up

(\$ in millions)

### Origination Volume



### % of Fixed Origination



#### By Loan Type

	1Q 06	4Q 06	1Q 07
Alt A	\$ 10,803	\$ 10,137	\$ 11,014
Subprime	4,753	4,332	3,856
Conv/Govt/other	74	95	103
Small Bal Commercial	120	159	123
Student Loans	-	74	96
<b>Total</b>	<b>\$ 15,750</b>	<b>\$ 14,797</b>	<b>\$ 15,193</b>

#### By Channel

	1Q 06	4Q 06	1Q 07
Broker(incl Student Loans)	\$ 5,992	\$ 6,534	\$ 6,211
Retail	224	382	319
Correspondent	9,534	7,807	8,567
Student Loans	-	74	96
<b>Total</b>	<b>\$ 15,750</b>	<b>\$ 14,797</b>	<b>\$ 15,194</b>

#### Origination Mix by Rate Type (Americas only)

	1Q 06	4Q 06	1Q 07
Fixed	29%	32%	43%
ARM	23%	22%	15%
Hybrid	48%	46%	42%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

#### By LB Subsidiary

	1Q 06	4Q 06	1Q 07
ALS	\$ 10,312	\$ 9,437	\$ 10,191
BNC	3,331	3,105	2,757
SBF	179	300	259
CAMPUS DOOR	-	74	96
UK PLATFORMS	1,819	1,644	1,536
ELQ	92	172	165
JAPAN	17	32	71
KOREA	-	34	119
<b>Total</b>	<b>\$ 15,750</b>	<b>\$ 14,797</b>	<b>\$ 15,193</b>

### ABX Hedging

- Large revenue performance off the back of ABS hedging for both mortgages and ABS secondary
- Continue to maintain bought protection (i.e. short position) in total with concentration in BBB- 06-2 tranche

(\$ in millions)

ABX/CDS Revenue		ABX Spreads Move (Bps)		
	1Q 07	Feb	Jan	Dec
Prime	\$ 156			
Sub Prime	240			
ABS	213			
Macro Hedge	77			
<b>Total</b>	<b>\$ 686</b>			

	02/28/07	11/30/06	Change
AAA 06-1	26	8	18
AA 06-1	45	10	35
A 06-1	196	43	153
BBB 06-1	652	120	532
BBB- 06-1	1134	232	902
AAA 06-2	26	8	18
AA 06-2	65	13	52
A 06-2	300	55	245
BBB 06-2	986	198	788
BBB- 06-2	1452	307	1145
AAA 07-1	25	N/A	N/A
AA 07-1	37	N/A	N/A
A 07-1	302	N/A	N/A
BBB 07-1	1146	N/A	N/A
BBB- 07-1	1532	N/A	N/A

### Securitized Products ABX/CDS Positions

	AAA 06-1	AA 06-1	A 06-1	BBB 06-1	BBB- 06-1	AAA 06-2	AA 06-2	A 06-2	BBB 06-2	BBB- 06-2	AA 07-1	BBB 07-1	BBB- 07-1	Total
<b>Prime</b>														
ABX	\$ -	\$ -	\$ (178)	\$ (75)	\$ (150)	\$ -	\$ -	\$ 75	\$ 225	\$ (506)	\$ -	\$ -	\$ -	\$ (609)
CDS	-	-	-	-	-	-	-	(12)	(69)	(7)	-	-	-	(88)
<b>Sub Total</b>	-	-	(178)	(75)	(150)	-	-	64	156	(513)	-	-	-	(697)
<b>Sub Prime</b>														
ABX	(100)	-	(75)	(120)	(295)	-	-	(15)	(125)	(410)	-	-	(110)	(1,250)
CDS	-	-	-	-	-	-	-	46	259	136	-	-	-	442
<b>Sub Total</b>	(100)	-	(75)	(120)	(295)	-	-	31	134	(274)	-	-	(110)	(809)
<b>ABS</b>														
ABX	300	172	260	77	(2)	-	50	303	306	(33)	25	60	(129)	1,389
CDS	-	-	-	-	-	(265)	10	(1,070)	(1,122)	(1,073)	-	-	-	(3,521)
Calls	-	-	-	-	-	-	-	-	-	(3)	-	-	-	(3)
<b>Sub Total</b>	300	172	260	77	(2)	(265)	60	(767)	(816)	(1,109)	25	60	(129)	(2,135)
<b>Macro Hedge</b>														
ABX	-	-	-	-	-	-	-	-	-	(200)	-	-	-	(200)
CDS	-	-	-	-	-	-	-	-	-	(41)	-	-	-	(146)
<b>Sub Total</b>	-	-	-	-	-	-	-	-	-	(41)	-	-	-	(346)
<b>Total</b>	\$ 200	\$ 172	\$ 7	\$ (118)	\$ (447)	\$ (265)	\$ 60	\$ (672)	\$ (567)	\$ (2,201)	\$ 25	\$ 60	\$ (239)	\$ (3,986)

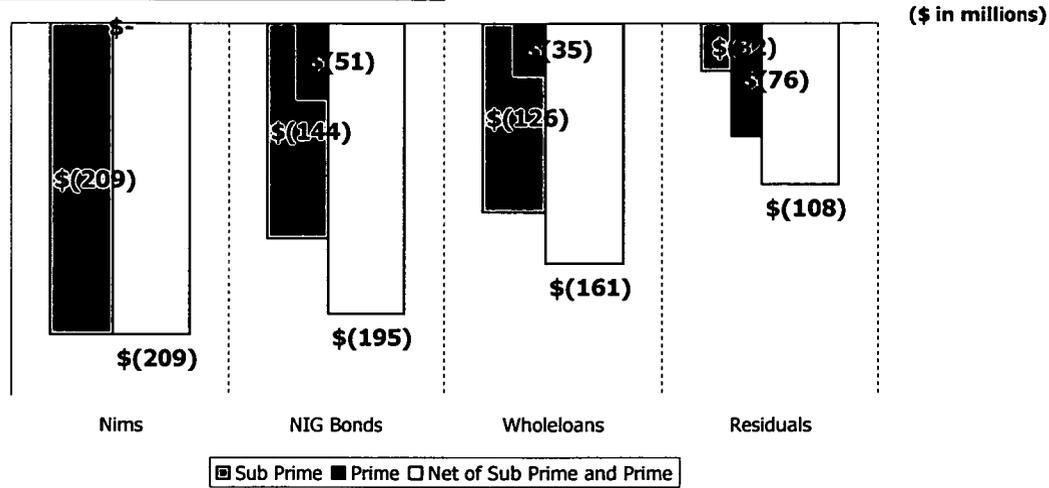
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### ABX Hedging

- Large revenue performance off the back of ABS hedging for both mortgages and ABS secondary
- Continue to maintain bought protection (i.e. short position) in total with concentration in BBB- 06-2 tranche

(Continued)

1Q 07 Cash Position Writedowns



1Q 07 Cash Position Writedowns

	Sub Prime	Prime	Net
Nims	\$ (209)	\$ -	\$ (209)
NIG Bonds	(144)	(51)	(195)
Wholeloans	(126)	(35)	(161)
Residuals	(32)	(76)	(108)
Total	\$ (511)	\$ (161)	\$ (672)

### Warehouse Lines

- PFR continues to do margin calls on lenders. All-in advance rate totals 87.4%, which includes BNC
- Without BNC, advance rate would be 83.6%

(\$ in millions)

#### Residential Mortgage Lending

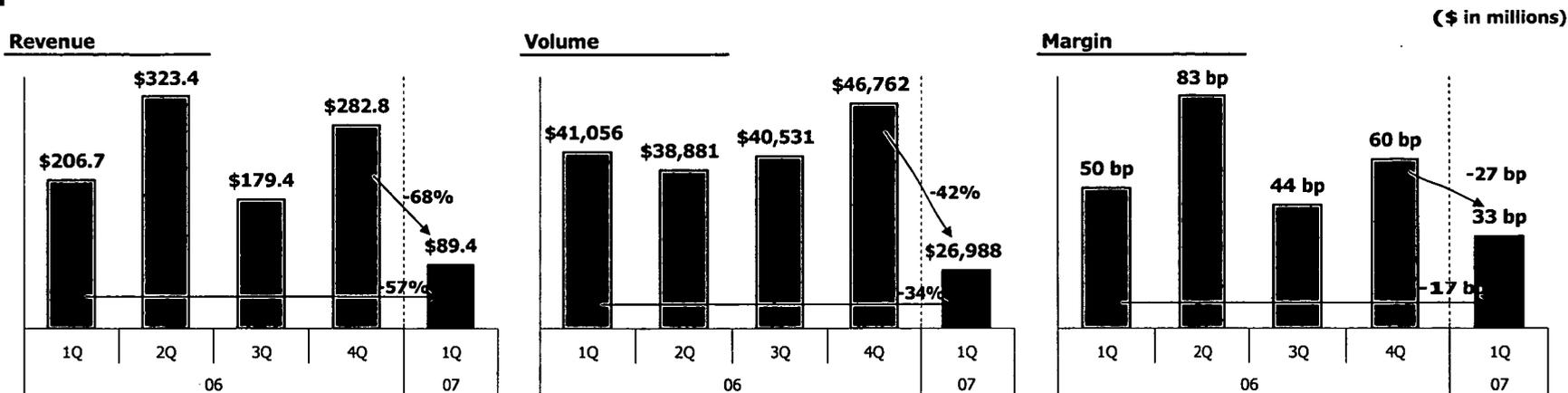
Agreement	Product	Max Advance	Cash Out	Eligible Collateral	Advance Rate
Accredited - Aames	Home Equity	\$ 40.0	\$ 13.1	\$ 21.8	
Accredited ABCP Swap	Home Equity	500.0	74.2	73.7	←
Accredited LBB	Home Equity	500.0	357.7	366.8	
Accredited Workout	Home Equity	100.0	59.9	90.7	
Aegis	Home Equity	500.0	21.0	25.6	
Aegis Servicing Advance Facility	Servicing Advances	10.0	4.2	4.2	
Aegis Advanced Facility 2006-1	Home Equity	6.0	-	-	
BNC LBB	Home Equity	2,000.0	889.2	888.3	←
C-Bass	Esoteric	150.0	100.6	100.6	
C-BASS CDO XI Financing (Class E)	Structured Lending	11.3	11.1	15.0	
C-BASS CDO XI Financing (Pref Shares)	Structured Lending	3.1	3.1	6.2	
C-Bass 2006 MH-1 B2	Structured Lending	16.5	9.3	16.5	
C-Bass 2006 MH-1 B3	Structured Lending	19.3	8.1	19.3	
C-Bass 2006 MH-1 CE	Structured Lending	40.1	7.5	40.1	
C-Bass 2006 MH-1 P	Structured Lending	0.0	0.0	0.0	
Fieldstone Mortgage	Home Equity	400.0	227.3	243.0	
Fremont	Home Equity	500.0	-	-	
GMAC-RFC	Home Equity	400.0	343.0	582.9	
Ion Capital, Inc.	Home Equity	30.0	5.2	5.2	
Lime Financial	Home Equity	300.0	25.4	28.5	
Option One	Home Equity	1,500.0	736.6	784.2	
Resmae	Home Equity	500.0	238.9	240.7	
Sec Nat - Working Capital	Home Equity	10.0	10.0	-	
Sec Nat - Revolver Non-Paying Residential	Home Equity	350.0	290.0	364.5	
Security National Servicing Advance Facility	Home Equity	50.0	21.9	25.8	
Total excl. Accredited ABCP Swap and incl BNC		\$ 7,436.2	\$ 3,383.2	\$ 3,870.0	<b>87.4%</b>
Total excl. Accredited ABCP Swap and excl BNC		\$ 5,436.2	\$ 2,494.1	\$ 2,981.7	<b>83.6%</b>

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### Global Securitization Margin Analysis

- Securitization revenue declined 68% from 4Q 06 and 57% from 1Q 06
- Volumes dropped 42% from prior quarter and 34% from a year ago. Margin slid by 27bps and 17bps, respectively



**Securitization Revenue (a)**

	FY 06				FY 07	
	1Q 06	2Q 06	3Q 06	4Q 06	1Q 07	
Agency CMO	\$ 13.4	\$ 24.2	\$ 13.9	\$ 13.2	\$ 5.5	
Prime Securitization	20.7	53.8	27.6	24.4	15.9	
Prime Agency Deliveries	23.4	27.4	18.2	24.0	17.0	
Prime WL Sales	2.1	5.7	4.3	3.0	0.9	
Option ARMs	17.7	45.7	39.0	24.5	10.2	
NonPrime	108.8	117.1	68.4	105.4	11.0	
Esoteric	-	29.3	7.9	52.9	-	
Europe	20.7	20.3	-	30.0	28.9	
Asia	-	-	-	5.5	-	
<b>Totals</b>	<b>\$ 206.7</b>	<b>\$ 323.4</b>	<b>\$ 179.4</b>	<b>\$ 282.8</b>	<b>\$ 89.4</b>	

**Securitization Volume (b)**

	FY 06				FY 07	
	1Q 06	2Q 06	3Q 06	4Q 06	1Q 07	
Agency CMO	\$ 7,376	\$ 7,196	\$ 5,178	\$ 2,119	\$ 5,834	
Prime Securitization	7,953	7,498	7,230	6,987	6,055	
Prime Agency Deliveries	6,312	4,942	4,348	6,097	5,062	
Prime WL Sales	464	1,089	1,126	449	203	
Option ARMs	5,721	6,043	7,732	11,566	3,499	
NonPrime	11,109	10,224	13,085	12,713	4,959	
Esoteric	-	504	1,832	1,544	-	
Europe	2,121	1,386	-	5,192	1,376	
Asia	-	-	-	96	-	
<b>Totals</b>	<b>\$ 41,056</b>	<b>\$ 38,881</b>	<b>\$ 40,531</b>	<b>\$ 46,762</b>	<b>\$ 26,988</b>	

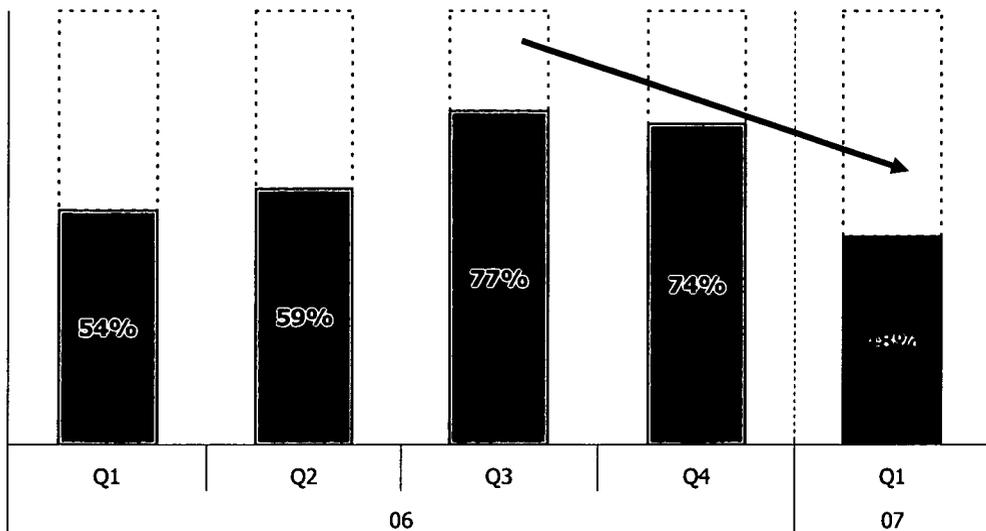
**Securitization Margin (a)/(b)**

	FY 06				FY 07	
	1Q 06	2Q 06	3Q 06	4Q 06	1Q 07	
Agency CMO	18 bp	34 bp	27 bp	62 bp	9 bp	
Prime Securitization	26	72	38	35	26	
Prime Agency Deliveries	37	55	42	39	34	
Prime WL Sales	45	52	39	68	44	
Option ARMs	31	76	50	21	29	
NonPrime	98	115	52	83	22	
Esoteric	0	581	43	343	0	
Europe	97	146	0	58	210	
Asia	0	0	0	573	0	
<b>Totals</b>	<b>50 bp</b>	<b>83 bp</b>	<b>44 bp</b>	<b>60 bp</b>	<b>33 bp</b>	

### 3rd-party Vs. Captive

- Lehman pulls back from 3rd party collateral purchases

Securitized Collateral Composition - % of 3rd-party Collateral



Securitized Collateral Composition

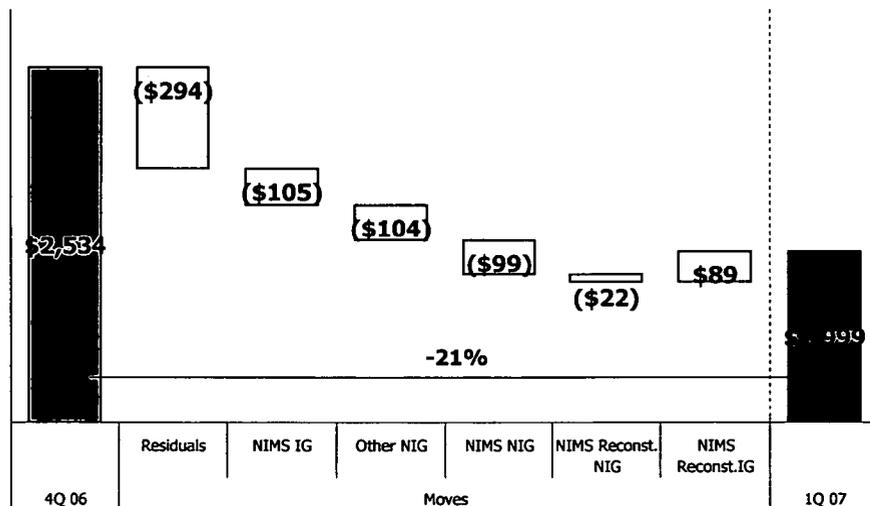
Year	Quarter	3rd-party	Captive
06	Q1	54%	46%
	Q2	59%	41%
	Q3	77%	23%
	Q4	74%	26%
07	Q1	48%	52%



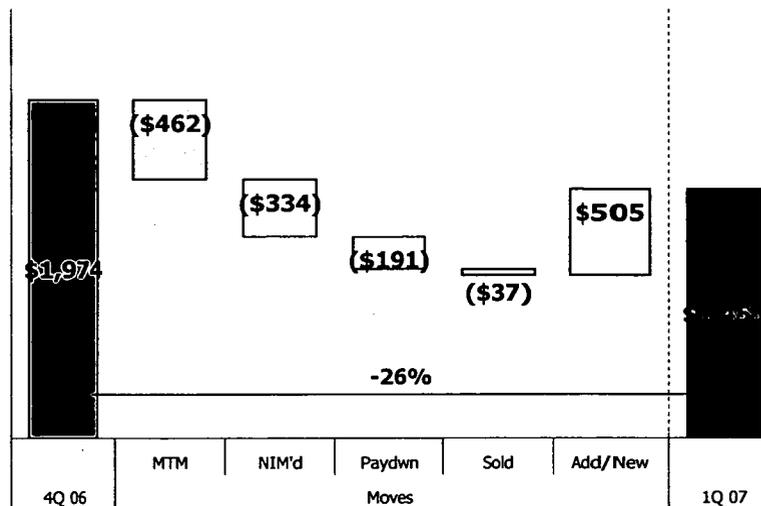
# Retained Interest

- Retained interest down by \$535mn or 21% predominantly driven by NIG

**Retained Interest by Type**



**Retained Interest NIG Roll Forward**



**Retained Interest by Type**

	4Q 06	1Q 07	Delta
Residuals	\$ 946	\$ 652	\$ (294)
NIMS Reconst.IG	365	454	89
NIMS Reconst. NIG	133	110	(22)
NIMS IG	194	89	(105)
NIMS NIG	179	80	(99)
Other NIG	717	613	(104)
<b>Total</b>	<b>\$ 2,534</b>	<b>\$ 1,999</b>	<b>\$ (535)</b>
<b>ALL NIG</b>	<b>\$ 1,974</b>	<b>\$ 1,455</b>	<b>\$ (519)</b>

**NIG Retained Interest Roll Forward**

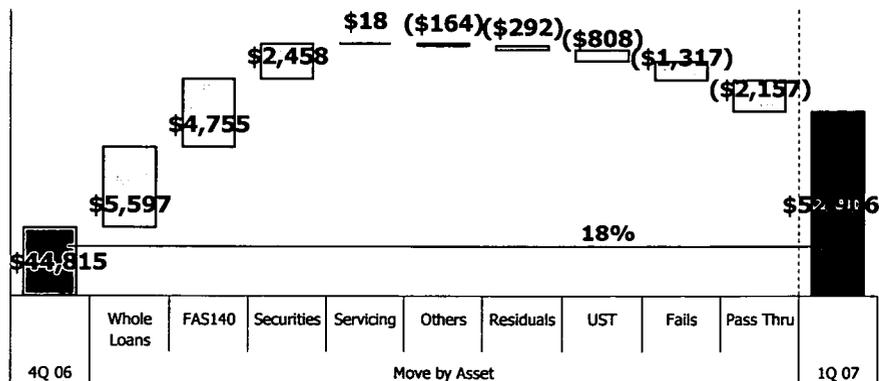
Includes ALL RMBS, SFG, ABS, Europe

	Residual	NIG	Total
4Q 06	\$ 1,154	\$ 820	\$ 1,974
Add/New	375	130	505
NIM'd	(334)	-	(334)
Sold	(13)	(24)	(37)
MTM	(275)	(188)	(462)
Paydwn	(191)	-	(191)
1Q 07	\$ 717	\$ 738	\$ 1,455

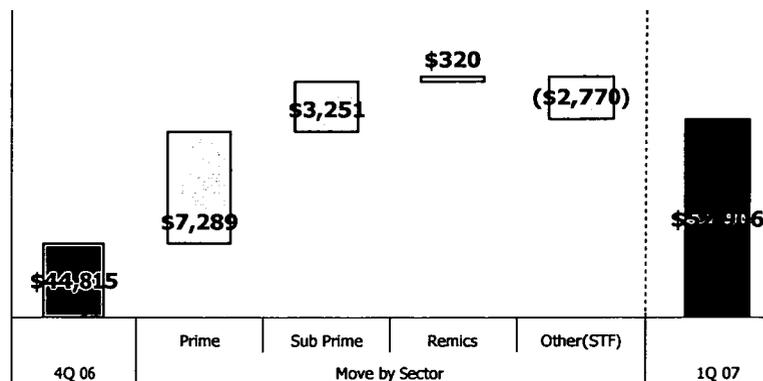
# Detail Balance Sheet for Mortgages

• Asset balance jumped \$8.1bn or 18% driven by whole loans

Balance Sheet Move by Asset



Balance Sheet Move by Sector



**Balance**

	4Q 06				
	Prime	Sub Prime	Remics	Other(STF)	Total
Whole Loans	\$ 7,992	\$ 5,377	\$ -	\$ 1,593	\$ 14,962
Securities	6,265	1,814	5,051	2,102	15,232
FAS140	1,237	3,790	-	-	5,027
Pass Thru	-	-	-	5,760	5,760
Residuals	683	496	-	71	1,250
Servicing	766	79	-	-	845
UST	-	-	911	-	911
Others	-	-	-	668	668
Fails	-	160	-	-	160
<b>Total</b>	<b>\$ 16,942</b>	<b>\$ 11,717</b>	<b>\$ 5,963</b>	<b>\$ 10,194</b>	<b>\$ 44,815</b>

	1Q 07				
	Prime	Sub Prime	Remics	Other(STF)	Total
Whole Loans	\$ 10,323	\$ 8,639	\$ -	\$ 1,597	\$ 20,559
Securities	8,400	1,493	6,093	1,706	17,691
FAS140	4,304	5,478	-	-	9,782
Pass Thru	-	-	-	3,603	3,603
Residuals	655	231	-	71	958
Servicing	792	70	-	-	862
UST	-	-	86	17	103
Others	-	-	64	440	504
Fails	(243)	(943)	39	(10)	(1,157)
<b>Total</b>	<b>\$ 24,231</b>	<b>\$ 14,968</b>	<b>\$ 6,282</b>	<b>\$ 7,424</b>	<b>\$ 52,906</b>

**\$ Move**

	Prime	Sub Prime	Remics	Other(STF)	Total
Whole Loans	\$ 2,331	\$ 3,262	\$ -	\$ 4	\$ 5,597
Securities	2,135	(322)	1,041	(396)	2,458
FAS140	3,067	1,688	-	-	4,755
Pass Thru	-	-	-	(2,157)	(2,157)
Residuals	(27)	(265)	-	(0)	(292)
Servicing	27	(9)	-	-	18
UST	-	-	(825)	17	(808)
Others	-	-	64	(228)	(164)
Fails	(243)	(1,104)	39	(10)	(1,317)
<b>Total</b>	<b>\$ 7,289</b>	<b>\$ 3,251</b>	<b>\$ 320</b>	<b>\$ (2,770)</b>	<b>\$ 8,090</b>

### CDO Warehouse at Risk

- With the dislocation in credit markets, certain warehouse inventory exposure experienced losses with LB losing an estimated \$81mn

#### Inventory Exposure

Type	Deal	Avg Collateral Aging	Asset Manager	Size	Ramped Amount	B/S Exposure	Risk Exposure	Lehman Risk %	Equity Tranche	Comment
Cash ABS	AIG HG ABS	>1yr	AIG	\$ 1,000	\$ 100	\$ 100	\$ 0.5	100%	TBD	Deal is aged. Desk is considering deal termination and inv liquidation
Cash ABS	Summer Street ABS	>1yr	GE	1,000	209	209	2.4	100%	14	Deal is aged. Desk is considering deal termination and inv liquidation
Syn ABS	Pyxis II CDO	4 mths	Putnam	1,500	1,182	1,182	-	15%	80	Deal is priced
Syn ABS	Ballyrock 2007-1 CDO	4 mths	Fidelity	500	237	237	(12.1)	50%	28	
Syn ABS	Corona Borealis CDO	2 mths	NY Life	1,500	1,050	1,050	(71.7)	100%	80	80 mill of equity is committed. Deal to price next week.
CRE	LBREM CDO 2006-1	0	LBREM	516	-	-	-	100%	TBD	Ramp has yet to start
CLO	Race Point CLO IV	N/A	Sankaty	400	234	234	-	0%	28	
Hybrid CLO	Schiller Park CLO	N/A	Deerfield	400	274	234	1.2	100%	28	
CLO	Mt. Wilson CLO II	N/A	WAMCO	400	224	224	1.2	100%	32	
CLO	Lightpoint CLO VIII	N/A	Lightpoint	500	91	91	0.7	100%	34	
CLO	Amherst CLO	N/A	Highland	750	445	445	-	0%	64	
CLO	Eaton Vance IX	N/A	Eaton Vance	500	448	448	2.1	100%	33	
CLO	Peconic Bay	N/A	MSIM	400	97	97	-	50%	26	
CLO	Gulf Stream Sextant CLO 2007-1	N/A	Gulf Stream	500	52	52	-	100%	35	
CLO	Ares XII	N/A	Ares	750	-	-	-	50%	TBD	
FX CLO	ING CLO VI	N/A	ING	450	-	-	-	100%	TBD	
CLO	Four Corners MV CLO	N/A	Four Corners	800	-	-	-	0%	TBD	

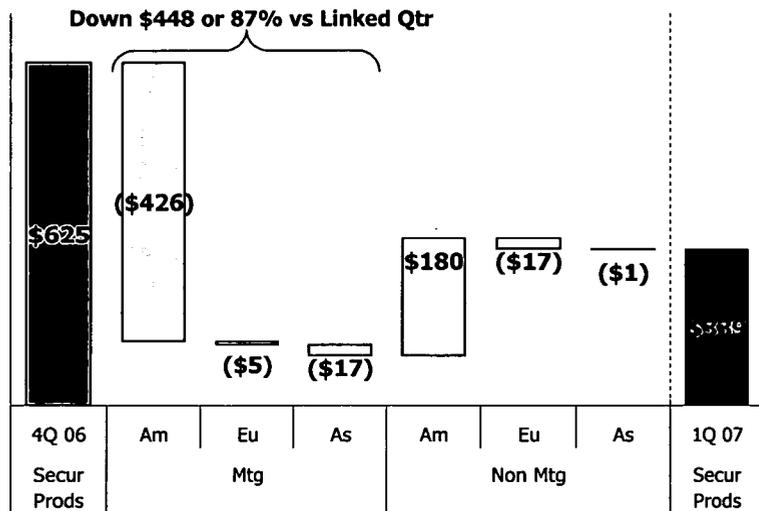
Worst Case Loss

**\$ (80.9)** ←

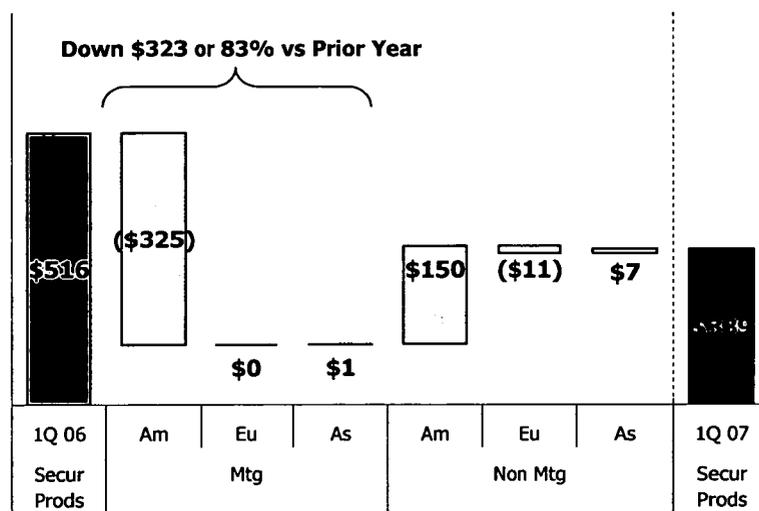
## Revenue Comparison

- Mortgage Revenue down \$448mn(87%) from 4Q 06 and down \$323mn(83%) from 1Q 06

Revenue Comparison: Vs. Linked Qtr



Revenue Comparison: Vs. Prior Year



	Qtrly Revenue			\$ Delta	
	1Q 06	4Q 06	1Q 07	Linked Qtr	Prior Year
Mtg-Am	\$ 313	\$ 415	\$ (12)	\$ (426)	\$ (325)
Mtg-Eu	76	81	76	(5)	0
Mtg-As	2	20	3	(17)	1
Non Mtg-Am	110	80	261	180	150
Non Mtg-Eu	13	19	2	(17)	(11)
Non Mtg-As	2	10	9	(1)	7
<b>Total</b>	<b>\$ 516</b>	<b>\$ 625</b>	<b>\$ 339</b>	<b>\$ (286)</b>	<b>\$ (177)</b>
<b>Mtg</b>	<b>\$ 391</b>	<b>\$ 516</b>	<b>\$ 68</b>	<b>\$ (448)</b>	<b>\$ (323)</b>
<b>Non Mtg</b>	<b>126</b>	<b>109</b>	<b>271</b>	<b>162</b>	<b>146</b>
<b>Total</b>	<b>\$ 516</b>	<b>\$ 625</b>	<b>\$ 339</b>	<b>\$ (286)</b>	<b>\$ (177)</b>

**Aurora Loan Services Delinquency**

(\$ in 000s)

Status	1Q07 Quarter End			4Q06 Quarter End			1Q06 Quarter End		
	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)
<b>Total Products</b>									
Current-30 Days	91,249,802	438,768	93.74%	86,748,624	417,228	94.93%	76,617,277	384,512	95.87%
30-60 Days	2,593,922	13,271	2.66%	2,068,330	11,417	2.26%	1,560,412	9,379	1.95%
60-90 Days	792,068	3,977	0.81%	598,257	3,265	0.65%	358,682	2,451	0.45%
90-120 Days	394,420	1,950	0.41%	233,590	1,300	0.26%	169,618	1,215	0.21%
120+ Days	94,626	1,147	0.10%	91,793	1,068	0.10%	190,092	2,997	0.24%
BK	263,470	2,203	0.27%	236,988	2,180	0.26%	397,897	4,138	0.50%
LMT	254,072	1,869	0.26%	276,969	2,134	0.30%	-	-	0.00%
FC	1,343,433	5,766	1.38%	870,631	4,135	0.95%	627,746	4,337	0.79%
REO	361,429	1,815	0.37%	260,023	1,393	0.28%	-	-	0.00%
<b>Total</b>	<b>97,347,243</b>	<b>470,766</b>	<b>6.26%</b>	<b>91,385,205</b>	<b>444,120</b>	<b>5.07%</b>	<b>79,921,724</b>	<b>409,029</b>	<b>4.13%</b>
<b>Alt-A</b>									
Current-30 Days	72,246,644	302,190	95.47%	70,251,189	292,161	96.52%	56,520,867	227,540	97.72%
30-60 Days	1,625,294	6,518	2.15%	1,278,973	5,255	1.76%	817,023	3,292	1.41%
60-90 Days	428,238	1,598	0.57%	338,310	1,310	0.46%	136,665	512	0.24%
90-120 Days	214,108	784	0.28%	116,297	396	0.16%	58,102	208	0.10%
120+ Days	26,172	121	0.03%	27,011	96	0.04%	38,023	155	0.07%
BK	99,335	426	0.13%	70,757	307	0.10%	100,540	487	0.17%
LMT	116,270	501	0.15%	125,111	565	0.17%	-	-	0.00%
FC	736,464	2,695	0.97%	454,541	1,690	0.62%	165,855	583	0.29%
REO	178,898	725	0.24%	118,437	483	0.16%	-	-	0.00%
<b>Total</b>	<b>75,671,424</b>	<b>315,558</b>	<b>4.53%</b>	<b>72,780,623</b>	<b>302,263</b>	<b>3.48%</b>	<b>57,837,076</b>	<b>232,777</b>	<b>2.28%</b>

**Aurora Loan Services Delinquency**

(\$ in 000s)

Status	1Q07 Quarter End			4Q06 Quarter End			1Q06 Quarter End		
	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)
<b>Conventional</b>									
Current-30 Days	15,672,741	86,185	89.69%	13,374,755	74,752	91.00%	16,943,752	102,203	93.95%
30-60 Days	657,159	3,586	3.76%	500,593	2,880	3.41%	508,701	2,895	2.82%
60-90 Days	239,694	1,218	1.37%	165,198	873	1.12%	122,368	686	0.68%
90-120 Days	130,119	643	0.74%	71,195	378	0.48%	63,339	352	0.35%
120+ Days	43,129	447	0.25%	38,847	386	0.26%	65,551	504	0.36%
BK	75,895	543	0.43%	70,055	512	0.48%	99,607	824	0.55%
LMT	82,428	525	0.47%	83,287	508	0.57%	-	-	0.00%
FC	428,668	1,819	2.45%	287,075	1,348	1.95%	232,062	1,446	1.29%
REO	144,169	779	0.83%	107,329	606	0.73%	-	-	0.00%
<b>Total</b>	<b>17,474,002</b>	<b>95,745</b>	<b>10.31%</b>	<b>14,698,333</b>	<b>82,243</b>	<b>9.00%</b>	<b>18,035,379</b>	<b>108,910</b>	<b>6.05%</b>
<b>Subprime</b>									
Current-30 Days	1,748,687	9,813	79.57%	1,448,078	8,118	82.08%	1,014,060	5,828	85.07%
30-60 Days	189,299	1,010	8.61%	147,481	852	8.36%	71,176	467	5.97%
60-90 Days	80,691	372	3.67%	51,202	252	2.90%	33,117	177	2.78%
90-120 Days	32,208	145	1.47%	23,778	106	1.35%	11,456	75	0.96%
120+ Days	7,191	65	0.33%	8,007	54	0.45%	7,173	64	0.60%
BK	14,903	111	0.68%	11,487	104	0.65%	15,098	175	1.27%
LMT	11,278	83	0.51%	15,224	93	0.86%	-	-	0.00%
FC	96,668	393	4.40%	48,473	227	2.75%	40,003	243	3.36%
REO	16,675	101	0.76%	10,574	76	0.60%	-	-	0.00%
<b>Total</b>	<b>2,197,598</b>	<b>12,093</b>	<b>20.43%</b>	<b>1,764,304</b>	<b>9,882</b>	<b>17.92%</b>	<b>1,192,083</b>	<b>7,029</b>	<b>14.93%</b>

**Aurora Loan Services Delinquency**

(\$ in 000s)

Status	1Q07 Quarter End			4Q06 Quarter End			1Q06 Quarter End		
	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)
<b>Other</b>									
Current-30 Days	1,581,731	40,580	-171.00%	1,674,602	42,197	-174.67%	2,138,598	48,941	-180.87%
30-60 Days	122,171	2,157	-11.86%	141,284	2,430	-11.26%	163,512	2,725	-8.25%
60-90 Days	43,445	789	-4.80%	43,546	830	-3.84%	66,532	1,076	-3.24%
90-120 Days	17,985	378	-2.09%	22,320	420	-1.74%	36,722	580	-1.20%
120+ Days	18,134	514	-0.51%	17,928	532	-0.65%	79,344	2,274	-0.79%
BK	73,337	1,123	-0.97%	84,689	1,257	-0.97%	182,652	2,652	-1.49%
LMT	44,097	760	-0.88%	53,348	968	-1.30%	-	-	0.00%
FC	81,633	859	-6.45%	80,542	870	-4.37%	189,826	2,065	-4.14%
REO	21,688	210	-1.45%	23,684	228	-1.21%	-	-	0.00%
<b>Total</b>	<b>2,004,220</b>	<b>47,370</b>	<b>271.00%</b>	<b>2,141,945</b>	<b>49,732</b>	<b>274.67%</b>	<b>2,857,186</b>	<b>60,313</b>	<b>280.87%</b>

Reserves Update

Reserves taken	2005 total		Q106	Q206	Q306	Q406	2006 total		12/06	1/07	2/07	ytd 07
FA	34.7		51.0	0.0	65.0	0.0	116.0					
FA - mail			4.0	4.0	0.0	0.0	7.9					
BNC	5.5		11.5	18.6	17.5	47.1	94.7		6.5	25.5	59.2	91.2
ALS											5.5	5.5
total	40.2		66.5	22.6	82.5	47.1	218.6		6.5	25.5	64.7	96.7

Reserves on b/s at 2/28 (post reserves allocated for claims received to date & est. claims for EPDs).	
ALS	26.0
FA	37.0
BNC	38.2
total	101.2

**MCD Metrics**

(\$ in millions)

(UK originations at 2007 fx neutral rates)

	Preliminary Q1 '07 <sup>1</sup>	Q1 '06	Q4 '06
<b>Total Mortgage Origination Volume</b>	15,193	15,750	14,797
<b>Origination Volume by Loan Type:</b>			
Alt A <sup>6</sup>	11,014	10,803	10,137
Subprime	3,856	4,753	4,332
Conv/Govt/other <sup>6</sup>	103	74	95
Small Balance Commercial	123	120	159
Student Loans	96	-	74
Total Origination Volume	15,193	15,750	14,797
<b>Origination Volume by LB Subsidiary:</b>			
ALS	10,191	10,312	9,437
BNC	2,757	3,331	3,105
SBF	259	179	300
CAMPUS DOOR <sup>2</sup>	96	-	74
SPML / Capstone	786	1,321	837
PML	654	498	658
LMC <sup>3</sup>	97	-	149
UK PLATFORMS	1,536	1,819	1,644
ELQ	165	92	172
JAPAN	71	17	32
KOREA	119	-	34
Total Origination Volume	15,193	15,750	14,797
<b>Origination Volume by Channel</b>			
Broker (includes Student Loans)	6,211	5,992	6,534
Retail	319	224	382
Correspondent	8,567	9,534	7,807
Student Loans	96	-	74
Total Origination Volume	15,193	15,750	14,797

**MCD Metrics**

*(\$ in millions)*

*(UK originations at 2007 fx neutral rates)*

	Preliminary Q1 '07 <sup>1</sup>	Q1 '06	Q4 '06
<b>Origination Mix by Rate Type (Americas only)</b>			
Fixed	43%	29%	32%
ARM	15%	23%	22%
Hybrid	42%	48%	46%
Total Origination Volume	100%	100%	100%
<b>Refinance %</b>			
ALS	41%	33%	36%
BNC	76%	57%	71%
SBF	32%	47%	41%
Campus Door <sup>2</sup>	-	-	-
<i>SPML / Capstone</i>	58%	67%	71%
<i>PML</i>	59%	41%	55%
<i>LMC<sup>3</sup></i>	-	-	-
UK Platforms	64%	60%	63%
ELQ	44%	53%	46%
Japan	0%	-	-
Korea	9%	-	13%
<b>Avg FICO Score of Loans Originated</b>			
ALS	705	714	709
BNC	622	626	621
SBF	718	718	724

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**MCD Metrics**

(\$ in millions)

(UK originations at 2007 fx neutral rates)

	Preliminary Q1 '07 <sup>1</sup>	Q1 '06	Q4 '06
<b>Weighted Average Coupon (WAC)</b>			
ALS	7.61%	7.11%	7.62%
BNC	8.19%	8.36%	8.23%
SBF	8.74%	8.57%	8.82%
Campus Door <sup>2</sup>	-	-	-
<i>SPML / Capstone</i>	7.32%	6.75%	7.24%
<i>PML</i>	6.78%	6.32%	6.74%
<i>LMC</i> <sup>3</sup>	7.66%	-	8.27%
UK PLATFORMS	7.15%	6.63%	7.26%
ELQ	6.34%	5.65%	6.20%
Japan	3.74%	3.52%	4.15%
Korea	6.66%	-	4.09%

**MCD Metrics**

(\$ in millions)

(UK originations at 2007 fx neutral rates)

	Preliminary Q1 '07 <sup>1</sup>	Q1 '06	Q4 '06
<b>Average LTV Ratio</b>			
ALS	80.0%	70.7%	78.6%
BNC	81.9%	77.9%	80.3%
SBF	67.4%	71.5%	69.0%
Campus Door <sup>2</sup>	-	-	-
SPML / Capstone	76.5%	74.6%	74.3%
PML	75.8%	77.0%	75.7%
LMC <sup>3</sup>	70.7%	-	73.2%
UK PLATFORMS	75.2%	75.2%	75.0%
ELQ	95.5%	84.4%	91.5%
Japan	108.4%	98.1%	101.5%
Korea	61.9%	-	72.9%
<b>Cost of Origination Americas</b>			
ALS [primarily Alt-A]	1.75%	1.57%	1.78%
BNC [Subprime]	2.11%	2.31%	1.81%
SBF [Commercial]	4.63%	5.69%	5.72%
Campus Door <sup>2</sup>	3.98%	-	-
UK PLATFORMS	2.42%	2.23%	2.62%
ELQ	2.05%	3.55%	2.53%
Japan	3.78%	-	-
Korea	3.24%	-	-

**MCD Metrics**

(\$ in millions)

(UK originations at 2007 fx neutral rates)

	Preliminary Q1 '07 <sup>1</sup>	Q1 '06	Q4 '06
<b>Total Headcount (including temps):<sup>4</sup></b>			
ALS	2,526	2,715	2,592
BNC	1,590	1,845	1,498
SBF	329	220	321
CAMPUS DOOR	114	-	108
LBB	40	47	54
MCD ADMIN <sup>5</sup>	288	21	24
<b>TOTAL AMERICAS</b>	<b>4,887</b>	<b>4,848</b>	<b>4,597</b>
UK PLATFORMS	914	957	973
ELQ	99	67	97
MCD ADMIN EUROPE	17	7	15
<b>TOTAL EUROPE</b>	<b>1,030</b>	<b>1,031</b>	<b>1,085</b>
Japan	60	23	60
Korea	48	17	41
MCD ADMIN ASIA	6	-	8
<b>TOTAL ASIA</b>	<b>114</b>	<b>40</b>	<b>109</b>
INDIA	245	57	213
<b>TOTAL INDIA</b>	<b>245</b>	<b>57</b>	<b>213</b>
Total Headcount	<b>6,276</b>	<b>5,976</b>	<b>6,004</b>

<sup>1</sup> Q1 07 and YTD 07 volume data is preliminary and based off of actual January %'s<sup>2</sup> Campus door was acquired in August 2006<sup>3</sup> LMC was acquired in May 2006<sup>4</sup> Headcount includes (lehman regular FT employees and non employees)<sup>5</sup> Effective 1/1/07, the Information Technology staff from Lehman Brothers Bank, Small Business Finance, Aurora and BNC were transferred to MCD Admin<sup>6</sup> Q1 07 and YTD 07 data is preliminary and based off of Q4 06 %'s

ABX Hedging

2007 YTD P&L

				Q1 2007					
Desk	Trader	Ledger Description	Ledger	ABX & CDS P&L	Other P&L	2007 YTD Revenue	LTD Reserve 2/28	MTD Feb 2007	Ttl Revenue
Prime	Garvey/Hargrave	Whole Loan Collateral Ledger	G1JO	-	38,269,603	38,269,603	2,153,990		(7,393,603)
Prime	Garvey/Hargrave	New Issue Residual/NIM Ledger	GA9T	-	(31,148,958)	(31,148,958)	10,883,340		8,640,476
Prime	Garvey/Hargrave	MTA 3RD PARTY WHOLE LOANS	GM3Z	31,035,318	-	31,035,318	-		19,792,438
Prime	Garvey/Hargrave	MTA 3RD PARTY WHOLE LOANS	GMP0	80,562,465	-	80,562,465	-		36,596,303
Prime	Garvey/Hargrave	MTA 3RD PARTY WHOLE LOANS	GMLL	(5,517,060)	-	(5,517,060)	-		(5,517,060)
Prime	Nicklas	Hybrid Subordinate Ledger	GM8N	-	(12,278,200)	(12,278,200)	1,872,016		(10,239,050)
Prime	Nicklas	Fixed Rate Subordinates	GMEK	-	(18,387,233)	(18,387,233)	958,175		(19,390,634)
Prime	Nicklas/Schonfelc	Fixed Rate Sec Subs	GAHV	-	(6,952,266)	(6,952,266)	136,605		(7,037,265)
Prime	Nicklas	Hybrid Subordinate Ledger	GM12	49,727,542	-	49,727,542	-		38,021,464
<b>Total</b>				<b>155,808,265</b>	<b>(30,497,054)</b>	<b>125,311,212</b>	<b>16,004,126</b>		<b>53,473,070</b>
Subprime	Miller	Subprime CDS - macro hedge	GMMN	268,397,593	-	268,397,593	(6,180,813)		198,512,562
Subprime	Miller	Synthetic Subprime/ABS	GMM0	(36,052,043)	(18,837,726)	(54,889,769)	(104,678,009)		(54,889,768)
Subprime	Miller	Subprime CDS - macro hedge	GMZN	7,906,167	-	7,906,167	610,936		7,906,166
<b>Total</b>				<b>240,251,717</b>	<b>(18,837,726)</b>	<b>221,413,991</b>	<b>(110,247,886)</b>		<b>151,528,960</b>
MT House	Sherr	Macro Hedges	G18E	77,145,399	-	77,145,399	1,434,200		57,628,000
<b>Total</b>				<b>77,145,399</b>	<b>-</b>	<b>77,145,399</b>	<b>1,434,200</b>		<b>57,628,000</b>

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ABX Hedging

Structured Finance		ABS Synthetic P&L - Feb 2007 YTD										
Trader	Lead Acct No	Acct No	Sum of YTD Ttl Carry	Sum of YTD MTM PL	Sum of YTD Trading PL (FID)	Sum of YTD Trading JE	Sum of YTD Ttl Revenue	Sum of YTD Reserve	Lead Acct	LTD Reserve (+ is + P/L when released)	MTD Feb Ttl Revenue	Description of Ledger
Jeong Gu Lee	6AAA	Total	4,430	81,362	339,312	46,575	256,412	(215,267)	6AAA	673,900	256,410	TRS/Funding
Jeong Gu Lee	6MHL	Total	-	72,984,181	(1,769,047)	(22,463,020)	(2)	(48,752,116)	6MHL	52,815,414	2	ABX for MT House
Jeong Gu Lee	G1VS	Total	-	(106,772)	(98,518)	-	272,995	478,285	G1VS	(351,735)	1	Old CDS
Jeong Gu Lee	GAVS	Total	197,198	139,979,316	(5,120,424)	100,000	181,134,000	45,977,911	GAVS	(45,176,096)	158,285,002	Single Name CDS/w GAVS
Jeong Gu Lee	GMM8	Total	24,866	308,228	969,115	-	1,449,256	147,047	GMM8	-	164,086	TRS
Jeong Gu Lee	GMVQ	Total	-	(71,711,071)	(3,001,817)	-	(59,116,002)	15,596,886	GMVQ	(19,217,488)	(41,783,001)	ABX/w GAVS
Jeong Gu Lee	GABA	Total	-	3,617,936	(3,943,711)	-	(354,999)	(29,224)	GABA	157,964	39,999	Swaptions
Jeong Gu Lee	GA8B	Total	30	2,139,424	(104,260)	-	(6)	(2,035,200)	GA8B	(1,388,878)	2	Libra CDO
Jeong Gu Lee	GAYQ	Total	-	61,513,008	(36,660,024)	-	2	(24,852,982)	GAYQ	21,497,919	1	
Jeong Gu Lee	GMUC	Total	-	-	-	384,700	-	(384,700)	GMUC	679,300	-	Tranche 1
Jeong Gu Lee	GA8C	Total	-	1,186,656	290,869	-	(4)	(1,477,528)	GA8C	(1,201,124)	(3)	MKP CDO
Jeong Gu Lee	GMUE	Total	-	6,765	-	-	11	(6,754)	GMUE	1,491,060	3	Tranche 2
Jeong Gu Lee	GAUZ	Total	-	(105,117)	(108,208)	-	2	213,327	GAUZ	(213,327)	2	Tranche 3
Jeong Gu Lee	GAH8	Total	-	5,091,327	(523,792)	-	4,109,005	(458,530)	GAH8	458,530	4,109,005	New Single-Name
Jeong Gu Lee	GAH9	Total	-	(5,272,476)	(561,238)	-	(1)	5,833,713	GAH9	(5,833,713)	(1)	TABX (London)
Jeong Gu Lee	GMZR	Total	-	157,513	610,360	(384,700)	4	(383,169)	GMZR	519,836	2	Tranche 1
JOHN MCNIFF	6AVM	Total	10,522	(1,502,153)	42,300	-	28,448	1,477,778	6AVM	(1,477,778)	13,445	TRS/Funding
JOHN MCNIFF	6AVQ	Total	-	(441,450)	377,794	125,000	124,999	63,656	6AVQ	2,375,009	(1)	TRS/Funding
JOHN MCNIFF	G1BV	Total	(90,652)	(4,257,452)	4,598,502	-	250,398	-	G1BV	-	75,428	
JOHN MCNIFF	G1DR	Total	29,969	(5,026,123)	5,516,530	-	520,376	-	G1DR	-	95,377	
JOHN MCNIFF	GAYX	Total	144,323	24,107	(59,935)	0	108,496	-	GAYX	-	68,497	
JOHN MCNIFF	GMCV	Total	(3,185)	(3,022)	102,618	-	96,410	-	GMCV	-	61,412	
JOHN MCNIFF	GMFR	Total	117,203	(44,582)	31,240	(209,625)	(105,764)	-	GMFR	-	(145,765)	
JOHN MCNIFF	GMP2	Total	43,550	(910,877)	1,085,067	-	217,739	-	GMP2	-	565	
JOHN MCNIFF	GMZ7	Total	233,295	(288,377)	48,252	222,130	215,301	-	GMZ7	-	60,334	
JOHN MCNIFF	GALX	Total	-	33,058,029	(35,802,739)	-	21,562,875	24,307,585	GALX	(21,523,684)	15,401,089	ABX
JOHN MCNIFF	GM1W	Total	-	(573,228)	582,464	-	9,236	-	GM1W	#N/A	-	
JOHN MCNIFF	GAH0	Total	-	96,827,766	26,898,067	-	8,482,974	(115,242,859)	GAH0	115,242,859	8,482,974	New ABX
JOHN MCNIFF	GM17	Total	-	-	-	(12,505)	-	12,505	GM17	(12,505)	-	
JOHN MCNIFF	GMUP	Total	-	9,817,550	(5,370,065)	-	(1)	(4,447,485)	GMUP	4,447,485	(1)	ABX Delta Hedge (London)
SPERO	0MR3	Total	10,572	101	(0)	-	10,673	-	0MR3	-	10,671	
SPERO	6MJB	Total	-	17,431,351	(2,665,136)	-	56,500,002	41,733,786	6MJB	(42,894,088)	49,800,001	CDS on CDO
SPERO	G137	Total	669,661	(10,966,446)	12,994,088	(99,370)	2,597,933	-	G137	-	1,573,856	
SPERO	G1FE	Total	472,085	(17,188,105)	18,563,567	-	2,041,495	193,948	G1FE	389,552	1,191,496	
SPERO	G1LH	Total	4,586,856	(762,339)	9,278,977	(12,706,797)	396,696	-	G1LH	-	(223,680)	
SPERO	GMJB	Total	548,377	1,484,396	(44,742)	(2,729)	617,720	(1,530,954)	GMJB	1,375,361	65,330	Secondary CDO
SWEELY	G1RD	Total	41,204	-	-	(96,055)	(8,411,483)	93,368	G1RD	282,668	(8,450,000)	CDO Correlation JV
<b>Total</b>			<b>7,040,303</b>	<b>326,549,425</b>	<b>(13,504,536)</b>	<b>(35,096,397)</b>	<b>213,015,196</b>	<b>(63,686,973)</b>			<b>189,152,538</b>	

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ABX Hedging

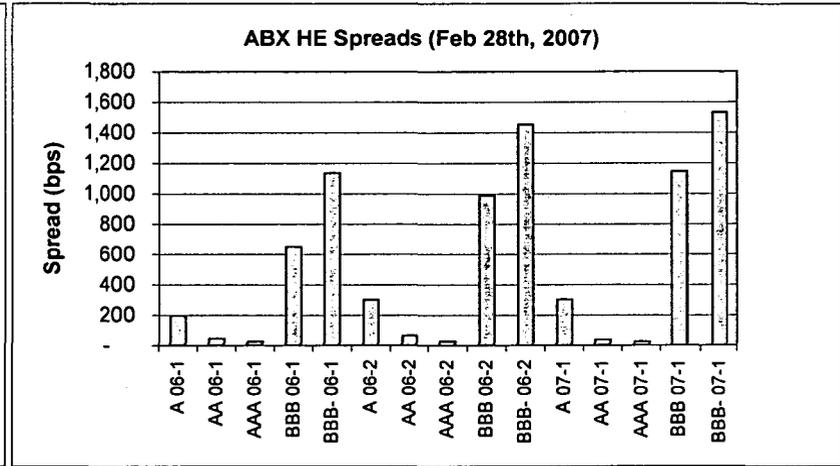
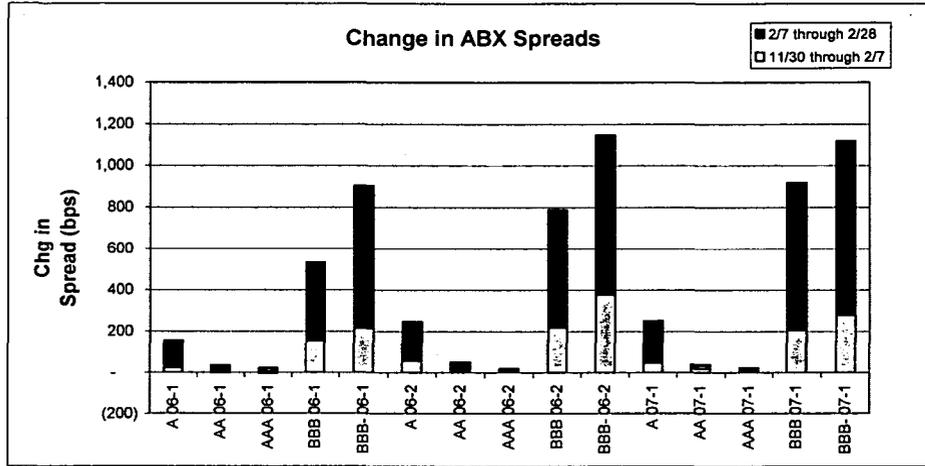
Securitized Products ABX/CDS Positions  
As of 2/28/07

Ledger Description	Trader	Notes on Hedge	Ledger	Product	ABX Series (Single Name Grouped by S&P Rating of Reference Obligation)															Total	Prev Month	Change
					A 06-2	AA 06-2	AAA 06-2	BBB 06-2	BBB- 06-2	A 06-1	AA 06-1	AAA 06-1	BBB 06-1	BBB- 06-1	A 07-1	AA 07-1	AAA 07-1	BBB 07-1	BBB- 07-1			
Dave Sherr's ledger	Dave Sherr	Macro Hedge	6MHL	ABX					(200)											(200)	(200)	0
				CDS				(41)	(105)											(146)	(136)	(10)
ABX Secondary	John McNiff	Flow trading book - not hedged	GALX	ABX																0	115	(115)
				CDS																0	0	0
ABX Secondary	John McNiff	Flow trading book - not hedged	GAH0	ABX	13	50		16	(39)				4	(3)				(10)	(34)	(2)	0	(2)
				CDS																0	0	0
ABX Swaptions	Jeong Gu Lee	Hedged to be delta neutral	GABA	ABX					0											0	(55)	55
				Call					(3)											(3)	(235)	232
				Put					0											0	(50)	50
ABS desk - ABX ledger	Jeong Gu Lee	Offsets with GAVS	GMVQ	ABX	185			225	6	260	172	300	73	1		25		70	(95)	1221	1271	(50)
				CDS																0	0	0
ABS desk - Single Name CDS	Jeong Gu Lee	Offsets with GMVQ	GAVS	ABX																0	0	0
				CDS	(89)			(30)	(787)	(1026)										(1932)	(1704)	(228)
ABS desk - Single Name CDS	Jeong Gu Lee	Offsets with GMVQ	GAH8	ABX																0	0	0
				CDS	(35)			(13)	(33)											(80)	0	(80)
ABS desk - ABX, CDS on CDO	Charles Spero	Hedges secondary CDO positions in GMJB ledger	GMJB	ABX	105			65												170	170	0
				CDS	(946)	10	(235)	(323)	(15)											(1508)	(1117)	(391)
Subprime	Matthew Miller	Macro hedge for desk	GMMN	ABX	(15)			(125)	(485)	(75)		(100)	(120)	(295)						(110)	(1325)	(1255)
				CDS				(21)	(67)											(88)	(88)	0
Subprime	Matthew Miller	Hedges SAIL CMOs	GMM0	ABX																0	493	(493)
				CDS	46			280	203											530	0	530
Subprime	Matthew Miller	Macro hedge for desk	GMZN	ABX					75											75	(45)	120
				CDS																0	0	0
Prime	Garvey/Hargrave	Hedging whole loans	G1J0	ABX	75				(155)	(153)			(50)	(125)						(408)	0	(408)
				CDS																0	0	0
Prime	Garvey/Hargrave	Hedges short ARM-MTA Residuals/NIMs	GA9T	ABX																0	0	0
				CDS																0	0	0
Prime	Nicklas	Hedges hybrid subordinates	GM12	ABX				(50)	(100)				(25)	(25)						(200)	(200)	0
				CDS	(12)			(69)	(7)											(88)	(80)	(7)
Prime	Garvey/Hargrave	MTA 3RD PARTY WHOLE LOANS	GM3Z	ABX						(25)										(25)	(228)	203
				CDS																0	0	0
Prime	Garvey/Hargrave	MTA 3RD PARTY WHOLE LOANS	GMPO	ABX				275	(251)											24	(545)	569
				CDS																0	0	0
					(672)	60	(265)	(567)	(2201)	7	172	200	(118)	(447)	0	25	0	60	(239)	(3986)	(3890)	(96)

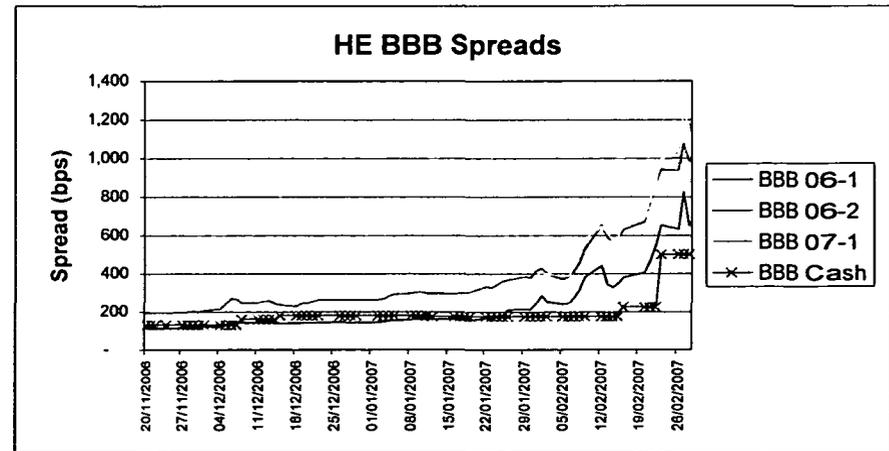
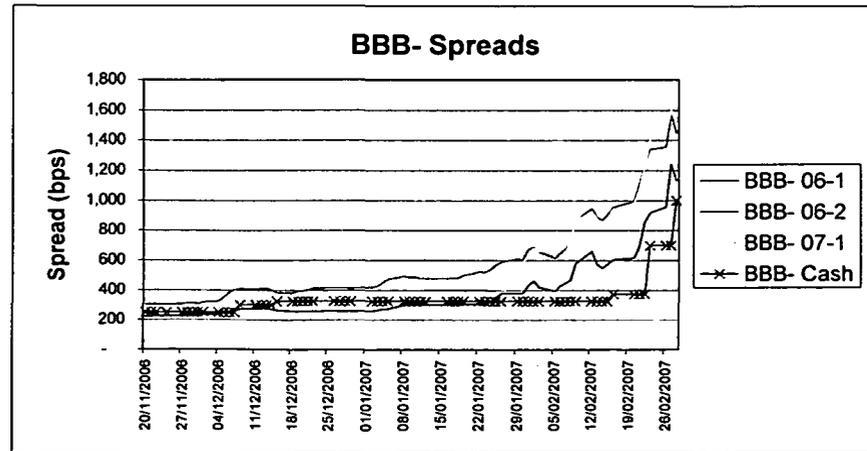
\*Negative position denotes long protection, equivalent to shorting the bond

ABX Hedging

ABX HE Spreads (Q1, 2007)



ABX Spreads	A 06-1	AA 06-1	AAA 06-1	BBB 06-1	BBB- 06-1	A 06-2	AA 06-2	AAA 06-2	BBB 06-2	BBB- 06-2	A 07-1	AA 07-1	AAA 07-1	BBB 07-1	BBB- 07-1
30-Nov	43	10	8	120	232	55	13	8	198	307	53	(3)	1	229	415
07-Feb	64	10	4	273	447	110	15	9	414	683	100	14	8	433	691
28-Feb	196	45	26	652	1,134	300	65	26	986	1,452	302	37	25	1,146	1,532
Chg. in Spreads	A 06-1	AA 06-1	AAA 06-1	BBB 06-1	BBB- 06-1	A 06-2	AA 06-2	AAA 06-2	BBB 06-2	BBB- 06-2	A 07-1	AA 07-1	AAA 07-1	BBB 07-1	BBB- 07-1
11/30 through 2/7	21	(0)	(5)	153	215	56	2	1	216	376	47	17	8	205	276
2/7 through 2/28	132	36	23	379	687	190	50	17	571	770	202	22	17	713	841
Quarter Change	154	35	18	532	903	245	52	18	787	1,146	249	40	24	917	1,116



## ABX Hedging

## ABX Exposures

ABX	Spread			Notional (in \$ million)			
	02/28/07	11/30/06	Change	Mortgage	ABS	Credit	Total
AAA 06-1	26	8	18	-100	300	0	200
AA 06-1	45	10	35	0	172	0	172
A 06-1	196	43	153	-253	260	150	157
BBB 06-1	652	120	532	-195	77	0	-118
BBB- 06-1	1,134	232	902	-445	-2	0	-447
AAA 06-2	26	8	18	0	0	0	0
AA 06-2	65	13	52	0	50	0	50
A 06-2	300	55	245	60	303	615	978
BBB 06-2	986	198	788	100	306	0	406
BBB- 06-2	1,452	307	1,145	-1,116	-33	15	-1,134
AAA 07-1	25	N/A	N/A	0	0	0	0
AA 07-1	37	N/A	N/A	0	25	0	25
A 07-1	302	N/A	N/A	0	0	270	270
BBB 07-1	1,146	N/A	N/A	0	60	50	110
BBB- 07-1	1,532	N/A	N/A	-110	-129	0	-239
				<b>-2,059</b>	<b>1,389</b>	<b>1,100</b>	<b>430</b>
Single Name Mortgage CDS							
AAA				0	-265	N/A	-265
AA				0	10	N/A	10
A				35	-1,070	N/A	-1,035
BBB				149	-1,122	N/A	-973
BBB-				24	-1,076	N/A	-1,052
				<b>208</b>	<b>-3,523</b>	<b>0</b>	<b>-3,315</b>
YTD P/L <sup>1</sup>				<b>509</b>	<b>213</b>	<b>-28</b>	<b>694</b>

<sup>1</sup> YTD P/L for the Mortgage and ABS businesses includes the P/L associated with the single name mortgage CDS.

Warehouse Lines

Residential Mortgage Lending - Daily Risk Report

01 March 2007

Balances as of EOD 02/28/07

Entity	Product	Agreement	Max Advance	Total Cash Out under Facility			Total Collateral under Facility			Margin Maintenance			Conduits/Participated Interests			Comments		Miscellaneous*		
				Previous Cash Out	Today Cash Out	Change	Total Collateral	Ineligible Collateral	Eligible Collateral	Deferrals	Borrowing Base	Availability	3rd Party Participation %	3rd Party Cash Out	Lehman Cash Out	Deficit Due to:	Deferral Due to:	Date	Date	
LBB	Home Equity	Accredited - Aames	40,000,000	13,079,404	13,079,404	0	21,846,237	0	21,846,237	0	20,257,478	7,178,074	0.0%	0	13,079,404			Sep-06	2/15/07	
LBHI	Home Equity	Accredited ABCP Swap	500,000,000	74,264,661	74,202,383	-62,278	73,734,139	0	73,734,139	0	74,202,383	0	0.0%	0	74,202,383			Sep-06	2/28/07	
LBB	Home Equity	Accredited LBB	500,000,000	357,718,933	357,718,933	0	366,789,997	0	366,789,997	4,087,194	362,056,446	4,337,513	30.0%	107,315,680	250,403,253	Wet aged loans			Sep-06	2/28/07
LBB	Home Equity	Accredited Workout	100,000,000	59,853,365	59,853,365	0	91,370,228	664,114	90,706,114	0	65,031,569	5,178,204	30.0%	17,956,009	41,897,355			Sep-06	1/24/07	
LBB	Home Equity	Aegis	500,000,000	47,918,470	21,040,192	-26,878,277	25,637,750	0	25,637,750	1,531,507	25,190,668	4,150,476	32.0%	6,732,862	14,307,331	Aged loans			Oct-06	2/15/07
LBB	Home Equity	Aegis Servicing Advance Facility	10,000,000	4,230,590	4,230,590	0	4,230,590	0	4,230,590	0	4,230,590	0	0.0%	0	4,230,590			Oct-06	2/15/07	
LB	Home Equity	Aegis Advanced Facility 2006-1	6,000,000	0	0	0	0	0	0	0	0	0	0.0%	0	0			Oct-06	2/15/07	
LBB	Home Equity	BNC LBB	2,000,000,000	1,589,383,566	889,165,821	-700,217,745	891,998,762	3,700,571	888,298,191	0	884,277,047	-4,888,774	0.0%	0	889,165,821	Wet aged loans			n/a	n/a
LBB	Esoteric Structured Lending	C-Bass CDO XI Financing (Class E)	150,000,000	92,133,397	100,617,228	8,483,831	100,617,258	0	100,617,258	0	100,617,258	30	0.0%	0	100,617,228			n/a	n/a	
LBI	Structured Lending	C-BASS CDO XI Financing (Pref Shares)	3,110,000	3,102,225	3,102,225	0	6,220,000	0	6,220,000	0	3,102,225	0	0.0%	0	3,102,225			n/a	n/a	
LBI	Structured Lending	C-Bass 2006 MH-1 B2	16,485,000	9,259,293	9,259,293	0	16,485,000	0	16,485,000	0	9,259,293	0	0.0%	0	9,259,293			n/a	n/a	
LBI	Structured Lending	C-Bass 2006 MH-1 B3	19,286,000	8,094,359	8,094,359	0	19,286,000	0	19,286,000	0	8,094,359	0	0.0%	0	8,094,359			n/a	n/a	
LBI	Structured Lending	C-Bass 2006 MH-1 CE	40,057,952	7,500,000	7,500,000	0	40,057,952	0	40,057,952	0	7,500,000	0	0.0%	0	7,500,000			n/a	n/a	
LBI	Structured Lending	C-Bass 2006 MH-1 P	100	19	19	0	100	0	100	0	19	0	0.0%	0	19			n/a	n/a	
LBB	Home Equity	Fieldstone Mortgage	400,000,000	293,562,475	227,340,089	-66,222,386	243,009,056	0	243,009,056	71,221,213	237,521,914	10,181,825	33.3%	75,780,030	151,560,059	Researching aged loans			Dec-06	2/15/07
LBB	Home Equity	Fremont	500,000,000	0	0	0	0	0	0	0	0	0	0.0%	0	0			Jun-06	n/a	
LCPI	Home Equity	GMAC-RFC	400,000,000	342,977,552	342,977,552	0	582,921,393	0	582,921,393	0	403,377,314	57,022,448	0.0%	0	342,977,552			Aug-06	n/a	
LCPI	Home Equity	Ion Capital, Inc.	30,000,000	4,928,750	5,213,801	285,051	5,200,350	0	5,200,350	449,000	5,200,350	-13,451	0.0%	0	5,213,801	Submit break			Dec-06	n/a
LBB	Home Equity	Lime Financial	300,000,000	25,391,603	25,391,603	0	29,531,701	1,024,000	28,507,701	11,424,798	28,380,447	2,988,844	0.0%	0	25,391,603	Researching aged loans			Dec-06	2/15/07
LBB	Home Equity	Option One	1,500,000,000	739,046,724	736,613,075	-2,433,649	784,202,253	0	784,202,253	2,695,478	784,202,253	47,589,179	26.7%	196,430,153	540,182,921	Researching aged loans			Dec-06	2/28/07
LBB	Home Equity	Resmae	500,000,000	238,942,402	238,942,402	0	240,657,356	0	240,657,356	84,709,754	238,274,440	-667,961	0.0%	0	238,942,402	Researching aged loans			Dec-06	2/15/07
LCPI	Home Equity	Sec Nat - Working Capital	10,000,000	10,000,000	10,000,000	0	0	0	0	0	0	0	0.0%	0	10,000,000			n/a	n/a	
LCPI	Home Equity	Sec Nat - Revolver Non-Paying Residential Servicing Advance Facility	350,000,000	269,000,923	290,016,473	21,015,550	364,539,549	0	364,539,549	0	335,452,269	45,435,796	0.0%	0	290,016,473			n/a	n/a	
LCPI	Home Equity	Facility	50,000,000	21,945,722	21,945,722	0	25,819,996	0	25,819,996	0	21,946,996	1,274	0.0%	0	21,945,722			n/a	n/a	
				7,296,189,052	4,149,207,271	3,383,239,645	-765,967,626	3,875,421,529	5,388,686	3,870,032,843	176,118,944	3,555,110,437	178,493,478	404,214,734	1,979,024,912					

FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEHMAN BROTHERS HOLDINGS INC.

LBHI\_SEC07940\_846013

## Warehouse Lines

*Residential Mortgage Lending - Daily Risk Report**01 March 2007*

Balances as of EOD 02/28/07

Position Breakdown:

Subsidiaries	2,000,000,000
Off-Balance Sheet	810,000,000
On-Balance Sheet	4,486,189,052
Maximum Advance	7,296,189,052

Participation / Conduit Summary

RaboBank	660,000,000
HSH NordBank	150,000,000
Total Participatio	810,000,000

Total Off- Balanc: 810,000,000

Notes:

- Accredited Swap: Amounts reflect Lehman's 20% ownership/exposure in Accredited's Carmel Mountain ABCP market value/interest rate \$ 2.5 billion swap
- Security National Revolver: \$250 million maximum advance includes a total commitment of \$200 million
- Accredited Performing Workout Line commitment amount is a sublimit of the \$500 million Accredited facility

\* Column reflects (1) Most recent date that loan level diligence has been performed on counterparty collateral and (2) Most recent date that trading desk re-validated counterparty mark in addition to normal "HEL Loan Pricer" weekly mark process.

Global Securitization Margin Analysis

(\$ in millions)

	Preliminary												
	1Q07	4Q06	3Q06	2Q06	1Q06	4Q05	3Q05	2Q05	1Q05	4Q04	3Q04	2Q04	1Q04
<b>Securitization Revenue - A</b>													
Agency CMO	5.46	13.15	13.92	24.19	13.35	13.25	11.88	8.82	10.46	8.14	14.30	27.29	17.54
Prime Securitization	15.92	24.41	27.62	53.79	20.73	16.21	21.75	33.72	54.32	40.89	24.40	63.50	76.84
Prime Agency Deliveries	16.98	24.00	18.20	27.40	23.40	-	-	-	-	-	-	-	-
Prime WL Sales	0.90	3.04	4.34	5.65	2.10	-	-	-	-	-	-	-	-
Option ARMs	10.19	24.48	39.00	45.70	17.65	16.94	-	(1.13)	-	-	-	-	-
NonPrime	11.02	105.37	68.41	117.13	108.78	116.70	103.35	93.92	122.40	45.16	104.92	109.58	57.55
Esoteric	-	52.89	7.91	29.28	-	22.00	-	60.75	-	-	-	-	-
Europe	28.90	29.98	-	20.26	20.65	21.42	41.13	15.50	30.15	-	24.00	2.11	24.50
Asia	-	5.50	-	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>89.36</b>	<b>283.50</b>	<b>179.40</b>	<b>323.39</b>	<b>206.67</b>	<b>206.53</b>	<b>178.11</b>	<b>211.57</b>	<b>217.32</b>	<b>94.18</b>	<b>167.61</b>	<b>202.49</b>	<b>176.44</b>
<b>Securitization Volume - B</b>													
Agency CMO	5,834	2,119	5,178	7,196	7,376	6,811	10,230	4,608	5,666	6,058	7,505	9,981	6,201
Prime Securitization	6,055	6,987	7,230	7,498	7,953	9,093	11,567	11,228	8,943	7,535	6,778	8,068	9,333
Prime Agency Deliveries	5,062	6,097	4,348	4,942	6,312	-	-	-	-	-	-	-	-
Prime WL Sales	203	449	1,126	1,089	464	-	-	-	-	-	-	-	-
Option ARMs	3,499	11,566	7,732	6,043	5,721	5,191	2,650	735	-	-	-	-	-
NonPrime	4,959	12,713	13,085	10,224	11,109	14,693	12,922	12,384	9,349	6,931	12,946	8,971	5,764
Esoteric	0	1,544	1,832	504	-	336	-	1,228	-	-	-	-	-
Europe	1,376	5,192	-	1,386	2,121	1,215	1,760	752	1,348	-	2,088	612	2,195
Asia	-	96	-	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>26,988</b>	<b>46,762</b>	<b>40,531</b>	<b>38,881</b>	<b>41,056</b>	<b>37,338</b>	<b>39,129</b>	<b>30,936</b>	<b>25,305</b>	<b>20,523</b>	<b>29,318</b>	<b>27,632</b>	<b>23,493</b>
<b>Securitization Margin - A/B</b>													
Agency CMO	0.09%	0.62%	0.27%	0.34%	0.18%	0.19%	0.12%	0.19%	0.18%	0.13%	0.19%	0.27%	0.28%
Prime Securitization	0.26%	0.36%	0.38%	0.72%	0.26%	0.18%	0.19%	0.30%	0.61%	0.54%	0.36%	0.79%	0.82%
Prime Agency Deliveries	0.34%	0.39%	0.42%	0.55%	0.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prime WL Sales	0.44%	0.68%	0.39%	0.52%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Option ARMs	0.29%	0.21%	0.50%	0.76%	0.31%	0.33%	0.00%	-0.15%	0.00%	0.00%	0.00%	0.00%	0.00%
NonPrime	0.22%	0.83%	0.52%	1.15%	0.98%	0.79%	0.80%	0.76%	1.31%	0.65%	0.81%	1.22%	1.00%
Esoteric	0	3.43%	0.43%	5.81%	0.00%	6.55%	0.00%	4.95%	0.00%	0.00%	0.00%	0.00%	0.00%
Europe	2.10%	0.58%	0.00%	1.46%	0.97%	1.76%	2.34%	2.06%	2.24%	0.00%	1.15%	0.34%	1.12%
Asia	0	5.73%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Totals</b>	<b>0.33%</b>	<b>0.61%</b>	<b>0.44%</b>	<b>0.83%</b>	<b>0.50%</b>	<b>0.55%</b>	<b>0.46%</b>	<b>0.68%</b>	<b>0.86%</b>	<b>0.46%</b>	<b>0.57%</b>	<b>0.73%</b>	<b>0.75%</b>

## Global Securitization Margin Analysis

(\$ in millions)

	Preliminary												
	1Q07	4Q06	3Q06	2Q06	1Q06	4Q05	3Q05	2Q05	1Q05	4Q04	3Q04	2Q04	1Q04
<b>Domestic Origination Margin Analysis</b>													
(\$ in millions)													
<b>Origination Revenue - A</b>													
Aurora Loan Services	84.13	81.17	81.64	77.99	84.67	-	-	-	-	-	-	-	-
BNC/FA	(62.30)	3.82	7.11	41.48	(8.47)	-	-	-	-	-	-	-	-
SBF	13.63	15.44	14.36	13.54	9.48	-	-	-	-	-	-	-	-
Campus Door	3.24	1.90	1.76	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>38.70</b>	<b>102.33</b>	<b>104.87</b>	<b>133.00</b>	<b>85.67</b>	-	-	-	-	-	-	-	-
<b>Origination Volume - B</b>													
Aurora Loan Services	10,191	9,449	8,536	9,377	10,316	11,978	15,375	12,270	13,088	11,698	11,839	12,865	7,499
BNC/FA	2,757	3,108	3,869	3,843	3,347	5,543	6,856	7,126	5,411	5,225	5,669	4,462	3,193
SBF	259	301	275	260	179	194	163	148	98	-	-	-	-
Campus Door	96	74	36	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>13,303</b>	<b>12,932</b>	<b>12,716</b>	<b>13,479</b>	<b>13,841</b>	<b>17,716</b>	<b>22,394</b>	<b>19,545</b>	<b>18,597</b>	<b>16,922</b>	<b>17,508</b>	<b>17,327</b>	<b>10,692</b>
<b>Origination Margin - A/B</b>													
Aurora Loan Services	0.83%	0.86%	0.96%	0.83%	0.82%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BNC/FA	-2.26%	0.12%	0.18%	1.08%	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SBF	5.26%	1.27%	2.58%	15.98%	-4.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Campus Door	3.38%	2.56%	4.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Totals</b>	<b>0.29%</b>	<b>0.79%</b>	<b>0.82%</b>	<b>0.99%</b>	<b>0.62%</b>	<b>0.00%</b>							

## Domestic Vertical Revenues

Prime	1.12%	1.24%	1.35%	1.47%	1.13%
Non-Prime	-2.04%	0.95%	0.71%	2.22%	0.73%

## Notes:

- 1) Margins for Europe are reduced by 260bps to account for the cost of origination.
- 2) Analysis covers only those securitizations that have been disclosed
- 3) Prime row comprised of prime fixed, prime hybrid, FHA/VA, mortgage maker, and high LTV
- 4) Non-Prime row comprised of subprime, subprime seconds, scratch & dent and manufactured housing
- 5) Origination operating company revenues are for loan origination only

## Notes on Vertical Revenues

- 1) Represents the total of a given quarters origination and securitization margins.
- 2) Origination and securitization revenues do not match-up perfectly because loans originated in a given quarter may be securitized in the following quarter.
- 3) Addition of prime trading revenue to ALS origination revenues or Non-prime and BNC does not match up perfectly because of ALS originated seconds are securitized by the Non-prime desk, and ALS originated Mortgage Maker may be securitized on either desk.
- 4) Vertical revenues should only be used as a guide to all in profitability and not an absolute number

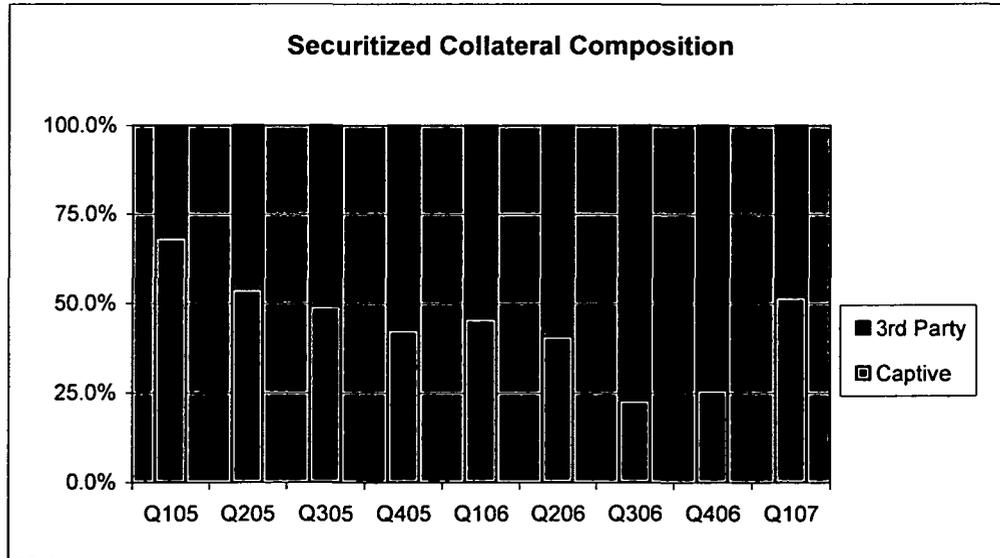
3rd-party Vs. Captive

-----Collateral Distribution -----

Period	ALS	BNC	FA	SBF	SPML/PML	3rd Party	Total	Quarterly		YTD Running	
								Captive	3rd Party	Captive	3rd Party
Q406								25.9%	74.1%		
Q306	3,328,902	3,626,879	8,741	-	-	23,354,688	30,319,211	23.0%	77.0%	35.9%	64.1%
Q206	5,410,701	3,156,684	156,276	351,231	1,386,000	15,193,369	25,654,262	40.8%	59.2%	43.3%	56.7%
Q106	6,045,521	3,930,662	209,320	-	2,121,000	14,597,321	26,903,825	45.7%	54.3%	45.7%	54.3%
Q405	7,343,103	3,817,880	317,348	335,770	1,214,860	17,498,698	30,527,658	42.7%	57.3%	52.1%	47.9%
Q305	7,150,149	4,245,477	1,064,583	-	1,760,058	14,678,607	28,898,873	49.2%	50.8%	55.9%	44.1%
Q205	8,371,804	3,265,791	1,359,191	445,461	752,000	12,133,355	26,327,602	53.9%	46.1%	60.1%	39.9%
Q105	7,887,807	3,223,549	974,351	-	1,347,990	6,205,836	19,639,533	68.4%	31.6%	68.4%	31.6%

Note:

Volumes are from disclosed Non Agency securitizations where Lehman was the lead underwriter and depositor of the underlying collateral.



Period	Captive	3rd Party
Q105	68.4%	31.6%
Q205	53.9%	46.1%
Q305	49.2%	50.8%
Q405	42.7%	57.3%
Q106	45.7%	54.3%
Q206	40.8%	59.2%
Q306	23.0%	77.0%
Q406	25.9%	74.1%
Q107	51.7%	48.3%

3rd-party Vs. Captive

	ALS	BNC	SBF	3rd Party	Total	2006 (Thru July 06)	Fixed	Hybrids	Mort. Maker	Seconds	MTA	Other	PRIME Sub Total	Sub Prime	Esoteric	atch & Dent	NON PRIME Sub Total	
<b>2006</b>																		
UPB	11,456,222	7,452,943	351,231	29,790,690	49,051,087	UPB (Cap)	1,627,137	4,622,301	6,362,569	1,534,170	-	-	14,146,177	11,551,852	351,231	175,659	12,078,742	
%	23%	15%	1%	61%	100%	UPB (3rd)	1,759,470	5,752,586	2,194,110	80,044	19,609,848	455,724	29,851,782	21,312,157	152,574	722,332	22,187,063	
						Total	3,386,608	10,374,887	8,556,679	1,614,214	19,609,848	455,724	43,997,959	32,864,009	503,806	897,991	34,265,806	
Revs	53,573	96,755	19,732	210,993	381,053	% (Cap)	48%	45%	74%	95%	0%	0%	32%	35%	70%	20%	35%	
%	14%	25%	5%	55%	100%	% (3rd)	52%	55%	26%	5%	100%	100%	68%	65%	30%	80%	65%	
<b>2005</b>																		
UPB	30,752,863	18,268,169	781,231	50,516,496	100,318,758	Revs (Cap)	2,280	7,468	44,735	(3,197)	-	-	51,287	96,820	19,732	2,221	118,773	
%	31%	18%	1%	50%	100%	Revs (3rd)	551	8,731	10,369	(1,095)	63,347	388	82,290	112,625	9,545	6,532	128,703	
						Total	2,831	16,199	55,104	(4,292)	63,347	388	133,577	209,446	29,277	8,753	247,476	
Revs	143,394	177,452	44,000	296,089	660,935	% (Cap)	81%	46%	81%	74%	0%	0%	38%	46%	0%	0%	48%	
%	22%	27%	7%	45%	100%	% (3rd)	19%	54%	19%	26%	100%	100%	62%	54%	0%	0%	52%	
						<b>2005 (Full Year)</b>	<b>Fixed</b>	<b>Arm</b>	<b>Mort Maker</b>	<b>Seconds</b>	<b>MTA</b>	<b>Other</b>	<b>PRIME Sub Total</b>	<b>Sub Prime</b>	<b>Esoteric</b>	<b>Esoteric</b>	<b>PRIME Sub Total</b>	
						UPB (Cap)	9,273,611	9,931,974	8,417,643	1,147,829	-	23,409	28,794,466	19,813,072	990,692	204,033	21,007,796	
						UPB (3rd)	3,570,200	5,853,108	1,948,781	1,736,797	8,576,941	2,077,792	23,763,619	25,608,499	573,320	571,057	26,752,877	
						Total	12,843,811	15,785,082	10,366,424	2,884,626	8,576,941	2,101,201	52,558,085	45,421,571	1,564,012	775,090	47,760,673	
						% (Cap)	72%	63%	81%	40%	0%	1%	55%	44%	63%	26%	44%	
						% (3rd)	28%	37%	19%	60%	100%	99%	45%	56%	37%	74%	56%	
						Revs (Cap)	11,375	47,404	44,173	4,454	-	-	107,406	196,128	58,810	2,503	257,440	
						Revs (3rd)	(1,526)	11,658	12,261	6,342	15,815	650	45,201	216,205	23,937	10,747	250,888	
						Total	9,849	59,062	56,434	10,796	15,815	650	152,606	412,333	82,746	13,250	508,329	
						% (Cap)	115%	80%	78%	41%	0%	0%	70%	48%	71%	19%	51%	
						% (3rd)	-15%	20%	22%	59%	100%	100%	30%	52%	29%	81%	49%	

FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEHMAN BROTHERS HOLDINGS INC.

LBHI\_SEC07940\_846018

FAS140 Gross-Up

28 Feb 2007

Leading deal	Sector	Settlement Month	Original Face Remaining @ 28 Feb 2007	Deal Original Face	1% TEST	BS Gross up	Deals expected to be sold prior to 2/28/07	Gross up for 2007	28 Feb Items > 1.0%	Original Face to sell to get to 1%
SASC 06-RF1	FHA / VA	February-06	1,329,878	73,814,000	1.80%	57,733,256			57,733,256	665,552
SASCO 2006-GEL2	Scratch & Dent	April-06	14,158,000	320,369,000	4.42%	242,569,886			242,569,886	11,274,679
SASC 2006-S2	Subprime Seconds	May-06	63,652,000	646,372,000	9.85%	469,222,826			469,222,826	57,834,652
SASC 2006-GEL3	Scratch & Dent	July-06	12,500,000	335,441,000	3.73%	284,678,567			284,678,567	9,481,031
SASC 2006-RF2	FHA / VA	July-06	2,532,119	166,705,000	1.52%	142,736,092			142,736,092	1,031,774
LXS 2006-13	Fixed	August-06	13,109,000	1,014,999,000	1.51%	886,262,992			886,262,992	3,974,009
SASC 2006-S3	Subprime Seconds	August-06	71,642,000	434,139,000	16.50%	321,458,700			321,458,700	67,734,749
FFML 2006-FFA	Subprime	October-06	22,724,000	835,663,000	2.72%	817,446,302			817,446,302	15,203,033
FFML 2006-FFB	Subprime	November-06	100,383,999	675,275,000	14.87%	585,882,966			585,882,966	94,306,524
LXS 2006-19	Fixed	November-06	17,552,000	873,389,000	2.01%	798,316,662			798,316,662	9,691,499
SASC 2006-S4	Subprime Seconds	December-06	48,907,000	527,595,000	9.27%	473,461,612			473,461,612	44,158,645
SASC 2006-Z	Subprime / High LTV	December-06	17,535,000	207,142,000	8.47%	198,409,337			198,409,337	15,670,722
LXS 2007-1	Fixed	January-07	25,822,000	947,710,000	4.25%	917,345,057			917,345,057	17,292,610
SASC 2007-BC1	Subprime	January-07	18,561,000	1,190,562,000	1.56%	1,176,815,127			1,176,815,127	7,845,942
SARM 2007-1	Prime - ARM	January-07	3,622,000	344,035,000	1.05%	470,465,000			470,465,000	525,685
BNCMT 2007-1	Subprime	February-07	44,158,000	962,418,000	4.59%	908,303,155			908,303,155	35,496,238
LXS 2007-3	Fixed	February-07	393,451,000	1,302,501,000	47.70%	705,443,428			705,443,428	381,728,491
SARM 2007-2	Prime - ARM	February-07	208,705,000	553,288,000	58.18%	325,748,184			325,748,184	203,725,408
			<b>1,080,343,995</b>	<b>11,411,417,000</b>		<b>9,782,299,149</b>			<b>9,782,299,149</b>	<b>977,641,242</b>

FAS 140 Journal Entries

Leading Deal	Sector	Ledger	PL2	Amount
SASC 06-RF1	Prime FHA / VA	&DGUBG	Prime	57,733,256
SASCO 2006-GEL2	Subprime - Scratch & Dent	&DGUMZ	Non-Prime	242,569,886
SASC 2006-S2	Subprime Seconds	&DGUMM	Non-Prime	469,222,826
SASC 2006-GEL3	Subprime - Scratch & Dent	&DGUMZ	Non-Prime	284,678,567
SASC 2006-RF2	Prime - FHA / VA	&DGUBG	Prime	142,736,092
LXS 2006-13	Prime - Fixed	&DGUTD	Prime	443,131,496
	Prime - Hybrid	&DGUBH	Prime	443,131,496
SASC 2006-S3	Subprime Seconds	&DGUMM	Non-Prime	321,458,700
FFML 2006-FFA	Subprime	&DGUMM	Non-Prime	817,446,302
FFML 2006-FFB	Subprime	&DGUMM	Non-Prime	585,882,966
LXS 2006-19	Prime - Fixed	&DGUTD	Prime	399,158,331
	Prime - Hybrid	&DGUBH	Prime	399,158,331
SASC 2006-S4	Subprime Seconds	&DGUMM	Non-Prime	473,461,612
SASC 2006-Z	Subprime / High LTV	&DGUMM	Non-Prime	198,409,337
LXS 2007-1	Prime - Fixed	&DGUTD	Prime	458,672,529
	Prime - Hybrid	&DGUBH	Prime	458,672,529
SASC 2007-BC1	Subprime	&DGUMM	Non-Prime	1,176,815,127
SARM 2007-1	Prime - ARM	&DGUBH	Prime	470,465,000
BNCMT 2007-1	Subprime	&DGUMM	Non-Prime	908,303,155
LXS 2007-3	Prime - Fixed	&DGUTD	Prime	352,721,714
	Prime - Hybrid	&DGUBH	Prime	352,721,714
SARM 2007-2	Prime - ARM	&DGUBH	Prime	325,748,184
			<b>Total</b>	<b>9,782,299,149</b>

February Deals not expected to be sold by 02/28/07<sup>(1)</sup>

December Projected Gross-Up	<b>9,782,299,149</b>
Target	<b>-7,500,000,000</b>
Over/(Under) Limit	<b>2,282,299,149</b>

FAS 140 SUMMARY

	2/28/07	11/30/06
Prime	<b>4,304,050,671</b>	<b>2,044,908,886</b>
Non Prime	<b>5,478,248,478</b>	<b>3,790,260,799</b>
<b>TOTAL</b>	<b>9,782,299,149</b>	<b>5,835,169,685</b>

## FAS140 Gross-Up

**Notes**

Under FAS 140 paragraph 40, derivatives in a QSPE can only cover beneficial interests held by third parties.

When we act as underwriter of a QSPE transaction, the Business has the intent to sell all tranches covered by derivatives to third parties.

In most cases, the deals considered in the analysis are ones which Lehman is the underwriter and depositor of the underlying collateral in trust.

We have established a rule that gives the business 30 days from the end of the month in which the deal has settled to sell all tranches covered by a derivative.

If at the end of the 30 day period, the tranches the Business holds are less than 1% of the total deal, we view the transaction as "all sold."

If the business does not sell down to 1% within this 30day period, we deconsolidate the deal in the month where we have sold through the 1% threshold.

Thus, if the Business holds tranches covered by a derivative and what we hold is > 1% of the total deal, the QSPE is not a good Q and a balance sheet gross up is required.

The calculation for the 1% test is Original Face Value of tranches we hold that are covered by a derivative divided by Deal Original Face for tranches covered by a derivative because paragraph 40b requires a Day 1 test of derivative notional to third party BI notionals. Note however, that if there are tranches in the deal that are not covered by a derivative, they are excluded from the 1% calculation.

Because we allow 30 days post month end to sell down to 1% and the gross up calculation is performed prior to the expiration of those 30 days, the calculation includes estimates of what the traders expected to happen.

The calculation for the balance sheet gross up is Deal Current Face of ALL tranches less the Market Value of ALL tranches we hold.

Technically, the gross up is the same as consolidating the QSPE which would mean all assets at fair value and all liabilities at carrying value plus all P&L items.

Because we do not have ready access to fair value of all assets in the QSPE, we assume a calculation of Deal Current Face of all tranches less MVof what we hold is not materially different from consolidation of the QSPE.

We further assume that the P&L items in the QSPE are not material.

There is no need to adjust securitization gain taken to P&L, because we mtn our assets. The gain that is booked is equal to the amount that would be booked for an adjustment to the carrying value of the assets we have securitized.

FAS140 Gross-Up

30 Nov 2006

Leading deal	Sector	Settlement Month	Original Face Remaining @ 30 Nov 2006	Deal Original Face	1% TEST	BS Gross up	Deals expected to be sold prior to 12/29/06	Gross up for 2006 Items > 1.0%	30 Nov	Original Face to sell to get to 1%
SASC 06-RF1	FHA / VA	February-06	1,329,878	73,814,000	1.80%	73,052,506			73,052,506	665,552
SASCO 2006-GEL2	Scratch & Dent	April-06	14,158,000	320,369,000	4.42%	308,424,307			308,424,307	11,274,679
SASC 2006-S2	Subprime Seconds	May-06	63,652,000	646,372,000	9.85%	589,532,975			589,532,975	57,834,652
SASC 2006-GEL3	Scratch & Dent	July-06	20,202,000	335,441,000	6.02%	316,880,419			316,880,419	17,183,031
SASC 2006-RF2	FHA / VA	July-06	2,532,119	166,705,000	1.52%	165,335,724			165,335,724	1,031,774
LXS 2006-13	Fixed	August-06	16,922,000	1,014,999,000	1.67%	998,285,037			998,285,037	7,787,009
SASC 2006-S3	Subprime Seconds	August-06	24,811,000	434,139,000	5.71%	409,815,271			409,815,271	20,903,749
FFML 2006-FFA	Subprime	October-06	60,968,000	835,663,000	7.30%	835,663,000			835,663,000	53,447,033
BNCMT 2006-2	Subprime	October-06	11,615,000	790,406,000	1.47%	790,406,000			790,406,000	4,501,346
FFML 2006-FF17	Subprime	November-06	41,294,000	769,759,000	5.36%	699,939,907	699,939,907			34,366,169
FFML 2006-FFB	Subprime	November-06	212,465,000	675,275,000	31.46%	539,538,827			539,538,827	206,387,525
LXS 2006-19	Fixed	November-06	59,242,000	873,389,000	6.78%	808,235,619			808,235,619	51,381,499
			<b>529,190,997</b>	<b>6,936,331,000</b>		<b>6,535,109,592</b>	<b>699,939,907</b>		<b>5,835,169,685</b>	<b>466,764,018</b>

FAS 140 Journal Entries				
Leading Deal	Sector	Ledger	PL2	Amount
SASC 06-RF1	Prime FHA / VA	GAJB	Prime	73,052,506
SASCO 2006-GEL2	Subprime - Scratch & Dent	GMC2	Non-Prime	308,424,307
SASC 2006-S2	Subprime Seconds	GA84	Non-Prime	589,532,975
SASC 2006-GEL3	Subprime - Scratch & Dent	GMC2	Non-Prime	316,880,419
SASC 2006-RF2	Prime - FHA / VA	GAJJ	Prime	165,335,724
LXS 2006-13	Prime - Fixed	GAEU	Prime	998,285,037
SASC 2006-S3	Subprime Seconds	GA84	Non-Prime	409,815,271
FFML 2006-FFA	Subprime	G1L0	Non-Prime	835,663,000
BNCMT 2006-2	Subprime	GM93	Non-Prime	790,406,000
FFML 2006-FFB	Subprime	GA93	Non-Prime	539,538,827
LXS 2006-19	Prime - Fixed	GAET	Prime	808,235,619
			<b>Total</b>	<b>5,835,169,685</b>

December Projected Gross-Up

**5,835,169,685**  
 Target  
 Over/(Under) Limit **-7,500,000,000**  
**(1,664,830,315)**

**Notes**  
 Under FAS 140 paragraph 40, derivatives in a QSPE can only cover beneficial interests held by third parties.  
 When we act as underwriter of a QSPE transaction, the Business has the intent to sell all tranches covered by derivatives to third parties.  
 In most cases, the deals considered in the analysis are ones which Lehman is the underwriter and depositor of the underlying collateral in trust.  
 We have established a rule that gives the business 30 days from the end of the month in which the deal has settled to sell all tranches covered by a derivative.  
 If at the end of the 30 day period, the tranches the Business holds are less than 1% of the total deal, we view the transaction as "all sold."  
 If the business does not sell down to 1% within this 30day period, we deconsolidate the deal in the month where we have sold through the 1% threshold.  
 Thus, if the Business holds tranches covered by a derivative and what we hold is > 1% of the total deal, the QSPE is not a good Q and a balance sheet gross up is required.  
 The calculation for the 1% test is Original Face Value of tranches we hold that are covered by a derivative divided by Deal Original Face for tranches covered by a derivative because paragraph 40b requires a Day 1 test of derivative notional to third party BI notionals. Note however, that if there are tranches in the deal that are not covered by a derivative, they are excluded from the 1% calculation.  
 Because we allow 30 days post month end to sell down to 1% and the gross up calculation is performed prior to the expiration of those 30 days, the calculation includes estimates of what the traders expected to happen.  
 The calculation for the balance sheet gross up is Deal Current Face of ALL tranches less the Market Value of ALL tranches we hold.  
 Technically, the gross up is the same as consolidating the QSPE which would mean all assets at fair value and all liabilities at carrying value plus all P&L items.  
 Because we do not have ready access to fair value of all assets in the QSPE, we assume a calculation of Deal Current Face of all tranches less MVof what we hold is not materially different from consolidation of the QSPE.  
 We further assume that the P&L items in the QSPE are not material.  
 There is no need to adjust securitization gain taken to P&L, because we mtn our assets. The gain that is booked is equal to the amount that would be booked for an adjustment to the carrying value of the assets we have securitized.

Retained Interest

Lehman Brothers  
 RMBS Retained Interest Summary - Deal Residuals (from NIM holdings)  
 As of 2/28/2007

564,710,980

Total  
 23 Deals

AGE	Deal/Bond	UPB	Feb-07 Inv Price	Desk MV	Combined NIM Desk MV	PC MV (20% IRR) 120 * Base , 100 * Prepay	PC Difference	Combined NIM Desk MV (Jan-07)	MV Change	
Nov-06	LXS NIM 2006-3 A	8,959,486	96.74	8,667,239						IG
Nov-06	LXS NIM 2006-3 B	3,000,000	74.03	2,220,892						NIG
Nov-06	LXS NIM 2006-3 PS	100	0.00	0	10,888,131	17,426,389	6,538,258	10,888,131	-	NIG-Residua
Jun-05	SARM NIM 2005-16XS A	13,700,000	87.01	11,920,173						IG
Jun-05	SARM NIM 2005-16XS PS	902,961,000	0.19	1,731,572	13,651,745	14,210,977	559,232	15,049,069	(1,397,324)	NIG-Residua
Jan-06	SASCO NIM 2005-S6 A	16,697,028	7.05	1,177,140						IG
Jan-06	SASCO NIM 2005-S6 B	510,000	6.30	32,130						IG
Jan-06	SASCO NIM 2005-S6 PS	100	0.00	0	1,209,270	2,850,230	1,640,960	5,755,227	(4,545,957)	NIG-Residua
Sep-05	SASCO NIM 2005-S3 A	15,032,404	6.67	1,002,661						IG
Sep-05	SASCO NIM 2005-S3 B	3,260,000	3.21	104,646	1,107,307	1,267,504	160,197	2,337,309	(1,230,002)	IG
Sep-06	SASCO NIM 2006-WF2 A	22,510,604	99.00	22,285,498						IG
Sep-06	SASCO NIM 2006-WF2 B	8,000,000	90.00	7,200,000						NIG
Sep-06	SASCO NIM 2006-WF2 PS	100	11.84	11,840,000	41,325,498	45,432,224	4,106,726	43,219,297	(1,893,799)	NIG
Dec-06	SASCO NIM 2006-WF3 A	37,710,118	99.00	37,333,017						IG
Dec-06	SASCO NIM 2006-WF3 B	4,840,000	90.00	4,356,000						NIG
Dec-06	SASCO NIM 2006-WF3 PS	100	6.38	6,380,000	48,069,017	56,422,221	8,353,204	59,729,360	(11,660,343)	NIG-Residua

1 NIMs were ran using various stresses.

AGE	Deal/Bond	UPB	Feb-07 Inv Pri	Desk MV	Combined NIM De	PC MV (20% IRR)	PC MV (20% IRF	PC MV (20% IRR) 1	PC MV (20% IRR) 200 * Base, 85	
<b>38961</b>	<b>BNC NIM 2006-1 B</b>	<b>5,580,000</b>	<b>84.24</b>	<b>4,700,592</b>						NIG
<b>38961</b>	<b>BNC NIM 2006-1 PS</b>	<b>100</b>	<b>0.00</b>	<b>1.00</b>	<b>21,240,629</b>	<b>29,338,987</b>	<b>24,601,807</b>	<b>19,411,051</b>	<b>12,669,279</b>	NIG-Residua
Oct-06	BNC NIM 2006-2 A	18,535,924	99.00	18,350,565						IG
Oct-06	BNC NIM 2006-2 B	3,460,000	19.67	680,582						NIG
Oct-06	BNC NIM 2006-2 PS	100	0.00	1	19,031,148	25,887,864	21,560,870	16,657,416	12,861,969	NIG-Residua
Nov-06	FFML NIM 2006-FF10 A	12,890,267	78.00	10,054,408						IG
Nov-06	FFML NIM 2006-FF10 B	2,579,000	16.75	431,983						NIG
Nov-06	FFML NIM 2006-FF10 PS	67	0.10	67,000	10,553,391	25,593,498	21,058,459	17,915,449	11,141,327	NIG-Residua
Oct-06	FFML NIM 2006-FF12 A	24,177,292	99.00	23,935,519						IG
Oct-06	FFML NIM 2006-FF12 B	5,100,000	67.27	3,430,770						NIG
Oct-06	FFML NIM 2006-FF12 PS	100	0.00	1	27,366,290	33,186,299	29,418,865	26,039,624	20,114,570	NIG-Residua
Sep-06	FFML NIM 2006-FF14 A	26,503,203	99.00	26,238,171						IG
Sep-06	FFML NIM 2006-FF14 B	7,330,000	90.00	6,597,000						NIG
Sep-06	FFML NIM 2006-FF14 PS	100	3.44	3,440,000	36,275,171	43,518,890	38,468,636	34,645,729	28,318,495	NIG
Oct-06	FFML NIM 2006-FF15 A	63,180,818	99.00	62,549,010						IG
Oct-06	FFML NIM 2006-FF15 B	12,000,000	90.00	10,800,000						NIG
Oct-06	FFML NIM 2006-FF15 PS	100	6.80	6,800,000	80,149,010	90,446,727	82,242,075	74,608,793.95	62,380,943	NIG-Residua
Dec-06	FFML NIM 2006-FF17 A	22,899,521	99.00	22,670,525						IG
Dec-06	FFML NIM 2006-FF17 B	4,230,000	90.00	3,807,000						NIG
Dec-06	FFML NIM 2006-FF17 PS	100	0.73	730,000	27,207,525	31,076,180	27,985,479	25,389,034	20,464,133	NIG-Residua
Aug-06	FFML NIM 2005-FF10 A	6,248,318	99.60	6,223,032						IG
Aug-06	FFML NIM 2005-FF10 A	-514,067	99.60	-511,987						IG
Aug-06	FFML NIM 2005-FF10 B	8,100,000	79.78	6,461,883						NIG
Oct-06	FFML NIM 2005-FF10 PS	70	4.29	3,003,000	15,175,928	20,676,946	13,518,498	8,931,414	6,382,851	NIG-Residua

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Retained Interest

Lehman Brothers  
 RMBS Retained Interest Summary - Deal Residuals (from NIM holdings)  
 As of 2/28/2007

564,710,980

Total  
 23 Deals

AGE	Deal/Bond	UPB	Feb-07 Inv Price	Desk MV	Combined NIM Desk MV	PC MV (20% IRR) 120 * Base , 100 * Prepay	PC Difference	Combined NIM Desk MV (Jan-07)	MV Change	
Aug-06	SAIL NIM 2006-BC2 A	15,729,843	50.00	7,864,921						IG
Aug-06	SAIL NIM 2006-BC2 B	3,450,000	0.00	0						IG
Aug-06	SAIL NIM 2006-BC2 PS	100	0.00	0	7,864,921	12,757,472	10,036,316	6,895,218	5,812,320	NIG-Residual
Sep-06	SASCO NIM 2006-BC2 A	22,112,804	47.02	10,397,441						IG
Sep-06	SASCO NIM 2006-BC2 B	8,090,000	0.00	0						NIG
Sep-06	SASCO NIM 2006-BC2 PS	100	0	1.00	10,397,442	36,608,006	30,427,827	21,592,419	13,271,140	NIG
Oct-06	SASCO NIM 2006-BC3 A	36,626,478	79.12	28,978,870						IG
Oct-06	SASCO NIM 2006-BC3 B	6,190,000	0.00	0						NIG
Oct-06	SASCO NIM 2006-BC3 PS	100	0.00	1	28,978,871	43,643,648	39,225,100	31,097,174	20,272,563	NIG-Residual
Dec-06	SASCO NIM 2006-BC5 A	19,726,711	99.00	19,529,444						IG
Dec-06	SASCO NIM 2006-BC5 B	3,890,000	90.00	3,501,000						NIG
Dec-06	SASCO NIM 2006-BC5 PS	100	1.75	1,750,000	24,780,444	30,462,968	24,510,498	14,553,203	11,792,077	NIG-Residual
Sep-06	SASCO NIM 2006-NC1 A	-250,108	39.00	-97,542						IG
Sep-06	SASCO NIM 2006-NC1 A	21,224,926	39.00	8,277,721						IG
Sep-06	SASCO NIM 2006-NC1 B	8,000,000	8.09	647,526						NIG
Sep-06	SASCO NIM 2006-NC1 PS	100	0.00	1	8,827,706	25,048,815	20,911,834	13,442,419	8,329,257	NIG
Jan-07	SASCO NIM 2006-BC6 A	28,565,594	99.50	28,422,766						IG
Jan-07	SASCO NIM 2006-BC6 B	10,100,000	96.00	9,696,000						IG
Jan-07	SASCO NIM 2006-BC6 C	5,600,000	60.00	3,360,000						NIG
Jan-07	SASCO NIM 2006-BC6 PS	100	9.25	9,250,000	50,728,766	58,534,097	49,786,789	39,848,547	25,656,145	NIG-Residual
Dec-06	SASCO NIM 2006 BC4 A	42,442,403	99.00	42,017,979						IG
Dec-06	SASCO NIM 2006-BC4 B	7,580,000	55.11	4,177,338						NIG
Dec-06	SASCO NIM 2006-BC4 PS	100	0.00	1	46,195,318	59,162,844	52,101,660	41,016,084	29,529,395	NIG-Residual
Feb-07	SASCO NIM 2007-BC1 A	22,350,000	99.50	22,238,250						IG
Feb-07	SASCO NIM 2007-BC1 B	8,720,000	96.00	8,371,200						IG
Feb-07	SASCO NIM 2007-BC1 C	5,130,000	60.00	3,078,000						NIG
Feb-07	SASCO NIM 2007-BC1 PS	100	2.00	2	33,687,452	32,265,376	26,661,456	19,126,890	12,258,377	NIG-Residual
					564,710,980					

NIG	80,730,568
NIG-Residual	29,711,577
IG	454,268,833
Total	564,710,978

## Retained Interest

## RMBS Retained Interest Summary - RESIDUALS

28/02/2007

AGE	Deal/Bond	UPB	Feb-07 Inv Price	Desk MV
<b>NON-PRIME</b>				
Feb-07	SASCO 2007-BC2 X STRUCTURED AS	641,925,738	2.67	17,153,700
Feb-07	SASC 2005-S7 X STRUCTURED ASSE	364,493,585	1.86	6,779,581
Nov-06	LBSBC 2006-3 R LEHMAN BROTHERS	326,275,000	2.48	8,078,569
Nov-06	SASC 2005-RM1 R STRUCTURED ASS	351,778,602	1.40	4,917,161
Oct-06	SASC 2006-RM1 R-1	164,693,265	3.50	5,758,930
Oct-06	SASC 2006-RM1 R-2	470,552,185	0.43	2,030,979
Sep-06	SASC 2006-EQ1A X1	9,145,000	63.50	5,807,075
Sep-06	SASC 2006-EQ1A X2	11,442,000	125.00	14,302,500
Aug-06	LBSBC 2006-2 R LEHMAN BROTHERS	321,525,240	1.99	6,390,430
Aug-06	SASC 2006-W1A X STRUCTURED ASS	495,478,688	2.65	13,130,185
Jul-06	LBSBC 2005-2 RS LEHMAN BROTHER	269,011,847	0.81	2,167,044
Jan-06	SASC 2006-OW1 X STRUCTURED ASS	395,829,504	0.78	3,087,470
Jan-06	SASC 2006-S1 X STRUCTURED ASSE	298,268,896	0.03	89,481
2005	LBSBC 2005-1A NR LEHMAN BROTHE	275,695,187	2.05	5,647,944
2002	SASCO 02 RM1 O STRUCTURED ASSE	192,021,786	0.77	1,472,037
1999	SASC99-RM1 Y STRUCTURED ASSET	50,000,000	42.40	21,200,000
1999	SASCO 99-BC3 X CMO SER 99-BC3	36,659,296	13.08	4,794,999
Feb-07	BNCMT 2007-1 X BNC MORTGAGE LO	977,074,931	2.81	27,469,485
Dec-06	SASC 2006-S4 X STRUCTURED ASSE	519,741,276	1.27	6,600,714
Oct-06	FFML 2006-FFA X FIRST FRANKLIN	824,206,728	0.64	5,235,361
<b>Total NON-PRIME</b>				<b>122,808,085</b>
<b>PRIME</b>				
Feb-07	LXS GPMF07-AR1 X1 LEHMAN XS TR	809,605,000	2.51	20,355,809
Feb-07	LXS GPMF07-AR1 X2 LEHMAN XS TR	655,146,000	3.25	21,270,003
Jan-07	LXS 2007-2N X LEHMAN XS TRUST	1,342,443,000	3.18	42,630,002
Jan-07	SARM 2006-12 1-X STRUCTURED AD	566,430,000	1.06	5,995,746
Dec-06	LXS 2006-20 X LEHMAN XS TRUST	720,937,177	2.70	19,479,326
Nov-06	LXS 06-18N X LEHMAN XS TRUST	1,021,644,079	3.24	33,067,585
Nov-06	LXS 2006-10N 2X LEHMAN XS TRUS	201,645,335	2.12	4,282,584
Nov-06	LXS 2006-12N X LEHMAN XS TRUST	1,739,284,006	3.88	67,514,709
Nov-06	LXS 2006-2N C LEHMAN XS TRUST	2,143,967,170	0.22	4,747,880
Nov-06	LXS 2006-4N X LEHMAN XS TRUST	1,253,054,167	3.87	48,515,613
Nov-06	SARM 2006-11 1-X STRUCTURED AD	543,164,141	0.89	4,822,673
Dec-06	BSABS 2006-ST1 C	183,905,515	1.09	2,000,000
Feb-07	SARM 2007-2 X STRUCTURED ADJUS	407,734,000	1.82	7,420,469
Jan-07	LXS 2007-1 X LEHMAN XS TRUST	834,641,000	1.51	12,583,590
Jan-07	SARM 2007-1 X STRUCTURED ADJUS	345,075,088	1.90	6,559,446
Nov-06	LXS 2006-19 X LEHMAN XS TRUST	836,435,009	2.83	23,696,538

**Retained Interest**

**RMBS Retained Interest Summary - RESIDUALS**

28/02/2007

AGE	Deal/Bond	UPB	Feb-07 Inv Price	Desk MV
Oct-06	INDX 2006-AR14 X INDYMAC INDEX	1,081,708,117	4.49	48,597,695
Oct-06	LXS 06-11 X LEHMAN XS TRUST	803,883,038	1.69	13,623,269
Oct-06	LXS 06-13 1X LEHMAN XS TRUST	765,745,334	2.22	16,992,762
Oct-06	LXS 06-13 2X LEHMAN XS TRUST	133,142,123	2.49	3,318,551
Oct-06	LXS 06-14N X-2 LEHMAN XS TRUST	198,478,159	2.20	4,362,443
Oct-06	LXS 06-16N X LEHMAN XS TRUST	2,155,931,185	5.05	108,945,843
Oct-06	LXS 06-8 X LEHMAN XS TRUST	872,555,334	0.96	8,370,467
Oct-06	LXS 2006-15 X LEHMAN XS TRUST	799,477,978	2.54	20,337,233
Oct-06	LXS 2006-17 1X LEHMAN XS TRUST	921,988,605	2.52	23,264,612
Oct-06	LXS 2006-17 2X LEHMAN XS TRUST	343,782,429	3.39	11,644,918
Oct-06	SASCO 2003-NP3 R STRUCTURED AS	13,239,288	54.25	7,182,394
Sep-06	LXS 06-14N X LEHMAN XS TRUST	549,229,366	5.27	28,941,581
2004	SASC 2004-NP1 R STRUCTURED ASS	5,430,718	67.74	3,678,693
2004	SASC04-NP2 XS STRUCTURED ASSET	117,038,578	3.85	4,509,640
2003	SASCO 2003-NP1 STRUCTURED ASSE	3,000,370	92.52	2,775,911
2003	SASCO 2003-NP2 R STRUCTURED AS	4,726,034	47.24	2,232,685
2002	SASCO 2002-NP1 C STRUCTURED AS	3,009,548	68.24	2,053,778

<b>Total PRIME</b>	<b>534,916,710</b>
Residuals	657,724,795
< 1 MM	2,432,080
<b>Grand Total</b>	<b>660,156,875</b>

**Retained Interest**

<b>Lehman Brothers</b>	<b>IG</b>	<b>89,045,431</b>
<b>Mortgage Trading Securities Price Verification</b>		
<b>Net Intrest Margin - As of 2/28/2007</b>	<b>NIG</b>	<b>79,594,740</b>

**Total 168,640,171**

<u>Deal/Bond</u>	<u>UPB</u>	<u>Feb-07 Inv Price</u>	<u>Desk MV</u>
FFML NIM 2003 FFM A	32,896	81.28	26,738 IG
FFML NIM 2004-FF7 B FIRST FRAN	36,866	99.11	36,538 IG
LBMLT NIM 2006-WL2 N-1 LONG BEACH MO	341,974	32.99	112,820 IG
LXS NIM 2005-10 A	1,469,716	93.00	1,366,836 IG
LXS NIM 2005-4 A	4,312,713	84.57	3,647,115 IG
SAIL NIM 2003-BC5 A	102,070	5.14	5,246 IG
SAIL NIM 2004-6 B STRUCTURED AS	2,967,519	5.04	149,685 IG
SAIL NIM 2005-10 A SAIL NET INTE	17,584,807	35.00	6,154,682 IG
SAIL NIM 2005-11 A	10,049,743	34.00	3,416,913 IG
SAIL NIM 2005-1 A SAIL NET INTER	8,136	99.58	8,101 IG
SAIL NIM 2005-2 A-REGS SAIL NET	1,925	100.08	1,927 IG
SAIL NIM 2005-2 B SAIL NET INTER	2,922,516	22.00	642,953 IG
SAIL NIM 2005-3 A	4,669,455	63.00	2,941,757 IG
SAIL NIM 2005-3 B SAIL NET INTER	14,409,642	15.00	2,161,446 IG
SAIL NIM 2005-4 B SAIL NET INTER	8,202,001	7.01	574,757 IG
SAIL NIM 2005-5 B SAIL NET INTER	4,000,000	10.49	419,793 IG
SAIL NIM 2005-6 C SAIL NET INTER	4,830,000	8.00	386,400 IG
SAIL NIM 2005-7 B SAIL NET INTER	3,650,000	11.83	431,795 IG
SAIL NIM 2005-8 A SAIL NET INTER	5,129,396	40.00	2,051,758 IG
SAIL NIM 2005-9 B SAIL NET INTERE	3,200,000	10.00	320,000 IG
SAIL NIM 2005-HE1 A SAIL NET INT	68,633	99.59	68,352 IG
SAIL NIM 2005-HE1 B SAIL NET INT	6,163,415	17.69	1,090,087 IG
SAIL NIM 2005-HE1 C SAIL NET INT	2,840,000	8.33	236,603 IG
SAIL NIM 2005-HE3 A SAIL NET INT	4,656,980	50.00	2,328,490 IG
SAIL NIM 2006-1 A SAIL NET INTER	17,318,233	40.00	6,927,293 IG
SAIL NIM 2006-1 B SAIL NET INTER	1,390,000	9.00	125,100 IG
SAIL NIM 2006-2 A SAIL NET INTERE	14,523,895	39.00	5,664,319 IG
SAIL NIM 2006-2 B SAIL NET INTER	2,650,000	9.00	238,500 IG
SAIL NIM 2006-3 A SAIL NET INTERE	38,435,467	44.00	16,911,606 IG
SAIL NIM 2006-4 A	3,643,995	60.00	2,186,397 IG
SAIL NIM 2006-BNC1 A SAIL NET INT	3,239,863	22.00	712,770 IG
SAIL NIM 2006-BNC1 B SAIL NET INT	4,950,000	9.34	462,330 IG
SARM NIM 2005-19XS A-2 STRUCT	2,500,000	85.07	2,126,713 IG
SARM NIM 2005-AXS A STRUCTURED AD	24,374	99.07	24,147 IG
SARM NIM 2005-AXS B	1,211,732	91.12	1,104,130 IG
SASCO NIM 2003-BC1 A STRUCTURE	1,156,856	0.00	1 IG
SASCO NIM 2003-S A SASCO	3,264,114	37.61	1,227,792 IG
SASCO NIM 2004-19XS A REG S SASCO	877,670	91.50	803,068 IG
SASCO NIM 2005-OPT1 A	2,058,380	99.19	2,041,656 IG

**Retained Interest**

<b>Lehman Brothers</b>	<b>IG</b>	<b>89,045,431</b>
<b>Mortgage Trading Securities Price Verification</b>		
<b>Net Intrest Margin - As of 2/28/2007</b>	<b>NIG</b>	<b>79,594,740</b>
	<b>Total</b>	<b>168,640,171</b>

<u>Deal/Bond</u>	<u>UPB</u>	<u>Feb-07 Inv Price</u>	<u>Desk MV</u>	
SASCO NIM 2005-RS1A A	1,748,092	85.54	1,495,318	IG
SASCO NIM 2005-WF3 B SASCO NET IN	4,225,118	68.29	2,885,164	IG
SASCO NIM 2006-BC1 A	2,321,418	80.19	1,861,545	IG
SASCO NIM 2006-BC1 B STRUCTURE	3,500,000	13.00	455,000	IG
SASCO NIM 2006-WF1 A	7,250,166	95.00	6,887,658	IG
SASCO NIM 2006-WF1 A	(364,494)	95.00	-346,270	IG
SASCO NIM 2005-S2 A STRUCTURED AS	3,407,814	2.87	97,804	IG
SASCO NIM 2005-S2 B STRUCTURED AS	1,000,000	1.61	16,100	IG
LBMLT NIM 2004-6 OTC LONG BEAC	100,000,000	0.00		1 NIG
SAIL NIM 2006-BNC3	100	0.00		1 NIG
SAIL NIM 2006-4 PS SAIL NET INTE	100	0.00		1 NIG
SASCO NIM 2002-23 R SASC	11,500,000	0.00		1 NIG
LBSBC NIM 2006-3 R	326,275,000	0.00		3 NIG
LXS NIM 2005-5N PS	275,713,000	0.00		3 NIG
SAIL NIM 2006-3 PS	100	3.92		4 NIG
SASCO NIM 2005-9XS	100	6.05		6 NIG
SAIL NIM 2003-8 A SAIL NIM	2,698	0.75		20 NIG
SAIL NIM 2003-BC10	138,013	0.00		0 NIG
LXS NIM 2006-2N A3	2,750,000	0.01		267 NIG
SAIL NIM 2003-12 B	7,500,000	0.01		776 NIG
SASCO NIM 2003-3XS A STRUCTURE	1,266,339	0.00		0 NIG
SAIL NIM 2003-12 A SAIL NIM	281,265	0.35		984 NIG
SASCO NIM 2006-AM1 C SASCO NET INT	10,000,000	0.00		0 NIG
SAIL NIM 2003-BC10 03-BC10	5,300,000	0.00		0 NIG
SAIL NIM 2003-6 AT5 A SAIL NIM	141,006	2.74		3,870 NIG
SAIL NIM 2003-7 A SAIL NIM 200	692,952	0.51		3,526 NIG
SASCO NIM 2006-AM1 B SASCO NET INT	5,290,000	0.00		0 NIG
SAIL NIM 2003-BC2 B SAIL NIM 2	3,000,000	0.53		16,024 NIG
SASCO NIM 2003-12XS SASCO NIM TR	382,927	15.00		57,439 NIG
LXS NIM 2006-9 C	800,000	8.00		64,000 NIG
SARM NIM 2005-10 B STRUCTURED	1,326,000	5.02		66,572 NIG
SAIL NIM 2003-BC1 B	5,948,642	1.35		80,153 NIG
SAIL NIM 2003-BC3 A	612,564	15.15		92,810 NIG
SAIL NIM 2003-BC2 A	2,612,378	4.04		105,593 NIG
LXS NIM 2005-3 B	400,000	42.00		168,000 NIG
SAIL NIM 2005-7 C SAIL NET INTER	3,980,000	8.21		326,758 NIG
SASCO NIM 2003-BC2 C STRUCTURE	2,755,000	13.24		364,762 NIG
SASCO NIM 2003-AM1 B SASCO	1,180,426	35.48		418,870 NIG
LXS NIM 2005-2 B	1,600,000	50.00		800,000 NIG

**Retained Interest**

<b>Lehman Brothers</b>	<b>IG</b>	89,045,431
<b>Mortgage Trading Securities Price Verification</b>		
<b>Net Intrest Margin - As of 2/28/2007</b>	<b>NIG</b>	79,594,740
	<b>Total</b>	<b>168,640,171</b>

<u>Deal/Bond</u>	<u>UPB</u>	<u>Feb-07 Inv Price</u>	<u>Desk MV</u>
SASCO NIM 2004-9XS B STRUCTURED A	1,424,000	75.00	1,068,000 NIG
SASCO NIM 2005-RS1A B SASCO NET IN	3,020,000	36.44	1,100,379 NIG
SASCO NIM 2005 9XS B REG S SASCO NET	1,300,000	90.00	1,170,000 NIG
SASCO NIM 2006-WF1 B	2,200,000	70.00	1,540,000 NIG
SAIL NIM 2005-1 B SAIL NET INTER	7,658,523	22.44	1,718,573 NIG
LXS NIM 2006-9 B	4,300,000	42.00	1,806,000 NIG
SASCO NIM 2005-OPT1 B SASCO NET IN	2,810,000	74.75	2,100,475 NIG
LBSBC NIM 2005-2 N3	4,355,000	80.94	3,524,828 NIG
LXS NIM 2005-10 B	4,400,000	90.00	3,960,000 NIG
LBSBC NIM 2006-3 N3	5,710,000	94.00	5,367,400 NIG
LBSBC NIM 2006-1 N3	6,509,000	83.13	5,410,606 NIG
LBSBC NIM 2006-2 N3	6,504,000	84.33	5,485,000 NIG
SAIL NIM 2004-11 B SAIL NET INTE	7,247,732	86.65	6,280,359 NIG
LBSBC NIM 2005-1A N3	7,186,000	90.10	6,474,693 NIG
LABS 2004-1XCF S LEHMAN ABS CO	603,100	98.00	591,038 NIG-Residual
LBSBC NIM 2006-3 R (CERT)	100	1.00	81,965 NIG-Residual
LABS 2003-1XCF S LEHMAN ABS	1,177,697	93.75	1,104,091 NIG-Residual
SARM NIM 2005-19XS PS	608,884,503	0.38	2,335,285 NIG-Residual
SASCO NIM 2006-WF1 PS SASCO NET INT	50	6.80	3,400,000 NIG-Residual
LBSBC NIM 2006-1 PS	311,737,033	1.40	4,354,109 NIG-Residual
LXS NIM 2005-5N PS	2,740,586,000	0.45	12,384,489 NIG-Residual
LXS NIM 2006-2N PS	2,131,095,000	0.58	12,323,504 NIG-Residual
FINA NIM 2004-1 A FINANCE AMER	226,124	0.17	395 IG
FINA NIM 2004-1 B FINANCE AMER	1,875,000	0.00	0 IG
LBAHC 2005-3 N2 LONG BEACH ASS	687,930	90.00	619,137 IG
SASCO NIM 2005-WF4 A	6,362,851	95.00	6,044,709 IG
SASCO NIM 2005-WF4 A	(113,414)	95.00	-107,743 IG
JPNIM 2006-FRE1 PS JP MORGAN M	51	0.00	1 NIG
SASCO NIM 2005-WF4 B	2,122,000	47.13	1,000,187 NIG
SAIL NIM 2006-4 PS 2 SAIL NET IN	100	0.30	300,000 NIG-Residual
			<b>168,640,171</b>

## Retained Interest

## Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
<i>Deal/Bond</i>	<i>Desk MV</i>	<i>Feb-07</i>	<i>Inv Price</i>
LABS 01-B M1	LEHMAN ABS MH TR 01-B M1	22,671,514	0.942408
SASCO NIM 2006-WF2	PREFERRED	11,840,000	0.118400
SAIL 2005-HE3 B2	STRUCTURED ASSET INVESTMENT LO	5,931,643	0.333670
SAIL 2005-9 B2	STRUCTURED ASSET INVESTMENT LO	8,330,906	0.496893
SAIL NIM 2006-BNC3	PREFERRED	1	0.000000
SASC 2006-BC4 B	STRUCTURED ASSET SECURITIES CO	9,076,895	0.682781
SAILN 2004-11A B	SAIL NET INTEREST MARGIN NOTES	6,286,398	0.867361
SAIL 2005-8 B	STRUCTURED ASSET INVESTMENT LO	7,407,926	0.601000
FFMLN 2006-FF15 B	FIRST FRANKLIN MORTGAGE LOAN A	10,812,000	0.901000
LXS 2006-18N M10	LEHMAN XS TRUST	7,032,330	0.760581
LABS 01-B M2	LEHMAN ABS MH TR 01-B M2	8,848,360	0.722297
LXS 06-12N M9	LEHMAN XS TRUST	8,684,023	0.718103
LABS 01-B B1	LEHMAN ABS MH TR 01-B B1	7,779,424	0.171495
SASC 2006-BC2 B2	STRUCTURED ASSET SECURITIES CO	6,675,695	0.596683
SASC 2005-S5 B1	STRUCTURED ASSET SECURITIES CO	4,680,027	0.471967
FFML NIM 2006-FF14	PREFERRED	3,440,000	0.034400
FFMLN 05-FF10 B	FIRST FRANKLIN MORTGAGE LOAN A	6,461,883	0.797763
SASCN 2006-BC2 B	STRUCTURED ASSET SECURITIES CO	8,090	0.001000
LBSBC N 05-1A N3	LEHMAN BROTHERS SMALL BALANCE	6,478,685	0.901570
SASCN 2006-WF2 B	STRUCTURED ASSET SECURITIES CO	7,208,000	0.901000
SASC 2005-S3 B1	STRUCTURED ASSET SECURITIES CO	5,374,134	0.715121
SASC 2005-S5 B3	STRUCTURED ASSET SECURITIES CO	621,757	0.051449
SASC 2003-S1 B	STRUCTURED ASSET SECURITIES CO	5,895,930	0.985777
FFMLN 2006-FF14 B	FIRST FRANKLIN MORTGAGE LOAN A	6,604,330	0.901000
SASC 2005-S7 B	STRUCTURED ASSET SECURITIES CO	5,004,285	0.748920
LBSBC 2006-2 N3 NIM	LEHMAN BROTHERS SMALL BALANCE	5,651,936	0.868994
SAIL 2005-HE2 B1	STRUCTURED ASSET INVESTMENT LO	3,729,978	0.590654
SASC 2006-BC3 B2	STRUCTURED ASSET SECURITIES CO	4,059,022	0.589888
SARM04-12 B7	STRUCTURED ADJUSTABLE RATE MOR	4,662,937	0.637649
SASCO 2003-AL1 B4	STRUC ASST SEC CORP 144A	4,855,462	0.566901
SASCN 2006-NC1 B	STRUCTURED ASSET SECURITIES CO	655,526	0.081941
SASCO NIM 2006-BC2	PREFERRED	1	0.000000
SASC 2005-S5 B2	STRUCTURED ASSET SECURITIES CO	784,783	0.126639
SAILN 2005-1A B	SAIL NET INTEREST MARGIN NOTES	1,724,955	0.225233
SAIL 2005-HE2 B2	STRUCTURED ASSET INVESTMENT LO	2,323,510	0.394216
SASC 2006-GEL1 B	STRUCTURED ASSET SECURITIES CO	4,396,971	0.729667
BNCNIMN 2006-1 B	BNC NET INTEREST MARGIN NOTES	4,706,172	0.843400
SARM 2004-1 B4	STRUC ADJUSTABLE RATE MTG	3,693,624	0.648032
SASN M 2006-AM1 B	SASCO NET INTEREST MARGIN TRUS	4,408	0.000833
SARM05-7 B8-I	STRUCTURED ADJUSTABLE RATE MOR	3,744,327	0.706371
SARM04-12 B8	STRUCTURED ADJUSTABLE RATE MOR	3,786,815	0.424211
SAIL 2006-3 B1	STRUCTURED ASSET INVESTMENT LO	2,512,983	0.500993
SARM 2004-5 B4	STRUCTURED ADJUSTABLE RATE MOR	3,840,715	0.641691
SASC 2005-S3 B2	STRUCTURED ASSET SECURITIES CO	1,335,177	0.191891
FFMLN 2006-FF12 B	FIRST FRANKLIN MORTGAGE LOAN A	3,435,870	0.673700
LXSN 2005-10 B	LEHMAN XS NET INTEREST MARGIN	3,962,017	0.900458
SARM 2004-4 B4	STRUC ADJUSTABLE RATE MTGE	3,489,831	0.639819
SASCN 2006-BC3 B	STRUCTURED ASSET SECURITIES CO	6,190	0.001000

## Retained Interest

## Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
<i>Deal/Bond</i>	<i>Desk MV</i>	<i>Feb-07</i>	<i>Inv Price</i>
SASC 2005-S1 B2	STRUCTURED ASSET SECURITIES CO	2,374,950	0.875835
SARM05-7 B9-I	STRUCTURED ADJUSTABLE RATE MOR	3,089,256	0.534184
FFML 2006-FF2 B1	FIRST FRANKLIN MORTGAGE LOAN A	3,808,279	0.830414
SAIL 2005-11 B2	STRUCTURED ASSET INVESTMENT LO	3,542,327	0.811902
LBSBC NIM 2005-2 N3	LEHMAN BROTHERS SMALL BALANCE	3,527,490	0.809986
SARM04-14 B8	STRUCTURED ADJUSTABLE RATE MOR	3,143,733	0.435402
SASC 2004-S4 B1	STRUCTURED ASSET SECURITIES CO	3,586,612	0.851927
SASCO 2003 AL2 B4	STRUCTURED ASSET SEC CORP	3,422,039	0.423109
INDX 2006-AR14 M10	INDYMAC INDEX MORTGAGE LOAN TR	3,383,101	0.760589
INDX04-AR4 B4	INDYMAC INDEX MORTGAGE LOAN TR	2,937,025	0.622303
LXS 2006-10N M10	LEHMAN XS TRUST	3,295,743	0.800132
SARM04-10 B5	STRUCTURED ADJUSTABLE RATE MOR	2,899,236	0.424257
SASC 2005-S2 B1	STRUCTURED ASSET SECURITIES CO	3,494,571	0.624477
SASC 2006-GEL4 B1	STRUCTURED ASSET SECURITIES CO	3,192,945	0.705000
SASC 2006-GEL4 B2	STRUCTURED ASSET SECURITIES CO	3,192,945	0.705000
SARM04-10 B4	STRUCTURED ADJUSTABLE RATE MOR	2,894,502	0.641445
SARM 2004-3AC B4	STRUC ADJUSTABLE RATE MTG	2,809,560	0.641241
SASC 2006-S1 B1	STRUCTURED ASSET SECURITIES CO	2,520,115	0.690443
SARM 2004-8 B4	STRUCTURED ADJUSTABLE RATE MOR	2,579,597	0.645646
BNCMTN 2006-2 B	BNC MORTGAGE LOAN TRUST	685,772	0.198200
SARM 2004-2 B4	STRUC ASST SEC CORP	2,416,777	0.639342
SASCO 02-AL1 B-5 CMO SER 02	STRUC ASST SEC CRP	2,634,365	0.441354
SASCO 2003-AL1 B5	STRUC ASST SEC CORP 144A	2,456,740	0.325964
SASC 2006-ARS1 B1	STRUCTURED ASSET SECURITIES CO	563,430	0.145664
SASCO 2003-34A B4	STRUCTURED ASSET SEC CORP	2,287,353	0.709876
SASC 2005-GEL4 B	STRUCTURED ASSET SECURITIES CO	1,852,175	0.555208
SASCO 2003-40A B4	STRUC ASST SEC CORP	2,183,691	0.713489
SASCO 2004-2AC B4	STRUC ASST SEC CORP	2,264,866	0.713815
SARM 2005-21 B8I	STRUCTURED ADJUSTABLE RATE MOR	2,192,593	0.698130
SARM 2006-4 B7-II	STRUCTURED ADJUSTABLE RATE MOR	1,805,337	0.572642
LXSN 2006-3 B	LEHMAN XS NET INTEREST MARGIN	2,222,267	0.740756
FFMLN 2006-FF10 B	FIRST FRANKLIN MORTGAGE LOAN A	434,562	0.168500
LMT 2006-8 B5	LEHMAN MORTGAGE TRUST	1,394,617	0.655638
LMT 2006-8 B6	LEHMAN MORTGAGE TRUST	838,684	0.394283
SASC 2006-W1A B2	STRUCTURED ASSET SECURITIES CO	1,888,090	0.674318
SASNM 2005-OPT1 B	SASCO NET INTEREST MARGIN TRUS	2,103,285	0.748500
SASC05-10 B6	STRUCTURED ASSET SECURITIES CO	1,764,046	0.422763
SARM 2005-21 B9I	STRUCTURED ADJUSTABLE RATE MOR	1,808,745	0.487310
SARM 2004-1 B5	STRUC ADJUSTABLE RATE MTG	1,731,183	0.472538
LMT05-3 B7	LEHMAN MORTGAGE TRUST	1,404,053	0.492708
SARM 2005-22 B6-I	STRUCTURED ADJUSTABLE RATE MOR	1,624,592	0.632771
SASC 2005-GEL3 B	STRUCTURED ASSET SECURITIES CO	389,941	0.135208
SASCO 2003-GEL 1 B	STRUCTURED ASSET SECS	1,912,928	0.725693
SASC 2005-OPT1 B1	STRUCTURED ASSET SECURITIES CO	2,078,638	0.703193
LMT 2006-7 B6	LEHMAN MORTGAGE TRUST	1,785,241	0.678314
SARM 2004-2 B5	STRUC ASST SEC CORP	1,527,288	0.449029
SASCO 2003-37A B5	STRUCTURED ASSET SEC CORP	1,619,623	0.453254
LXS 06-9 NIM B	LEHMAN XS TRUST	1,807,971	0.420458

## Retained Interest

## Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
<i>Deal/Bond</i>	<i>Desk MV</i>	<i>Feb-07</i>	<i>Inv Price</i>
SARM 2006-2 B5-I	STRUCTURED ADJUSTABLE RATE MOR	1,401,613	0.602752
SAIL 2005-HE1 B1	STRUCTURED ASSET INVESTMENT LO	289,635	0.144817
SARM 2005-22 B7-I	STRUCTURED ADJUSTABLE RATE MOR	1,365,040	0.443064
SARM 2006-2 B5-II	STRUCTURED ADJUSTABLE RATE MOR	1,421,383	0.612821
SARM04-17 B6	STRUCTURED ADJUSTABLE RATE MOR	1,525,490	0.801566
SASCO 2000-3 B3 CMO SER 00-3	STRUCTURED ASSET SECS CORP	1,500,353	0.801900
SARM04-19 B7-II	STRUCTURED ADJUSTABLE RATE MOR	1,527,059	0.805163
LMT 2006-8 B7	LEHMAN MORTGAGE TRUST	282,188	0.177017
BNCMT 2006-2 B2	BNC MORTGAGE LOAN TRUST	886,560	0.443280
SARM 2004-3AC B5	STRUC ADJUSTABLE RATE MTG	1,382,336	0.433741
SARM 2006-4 B5-I	STRUCTURED ADJUSTABLE RATE MOR	1,249,912	0.623102
SARM 2006-2 B6-I	STRUCTURED ADJUSTABLE RATE MOR	1,070,615	0.402858
SASCO NET INTEREST MARGIN TRUST 0.000% 20360227 SERIES# WF1A 144A		1,540,000	0.700000
SASCO 2004-3 B4	STRUC ASST SEC CORP	1,515,333	0.721908
LMT 06-6 1B4	LEHMAN MORTGAGE TRUST	1,342,435	0.681891
SARM 2006-8 B7-II	STRUCTURED ADJUSTABLE RATE MOR	1,511,765	0.545885
SARM 2006-8 B6-II	STRUCTURED ADJUSTABLE RATE MOR	1,477,972	0.747263
SARM 2006-9 B7-II	STRUCTURED ADJUSTABLE RATE MOR	1,416,549	0.741154
SARM 2006-5 B8-II	STRUCTURED ADJUSTABLE RATE MOR	787,483	0.322736
LMT 2006-7 B7	LEHMAN MORTGAGE TRUST	1,173,485	0.390157
SARM04-13 B4	STRUCTURED ADJUSTABLE RATE MOR	1,282,934	0.795609
SASC05-14 B5	STRUCTURED ASSET SECURITIES CO	1,229,023	0.642722
SARM05-11 B7	STRUCTURED ADJUSTABLE RATE MOR	1,067,164	0.481873
SASNM 2005-RS1A B	SASCO NET INTEREST MARGIN TRUS	1,102,895	0.365197
SASCO 2003-32 B4	STRUC ASST SEC CORP	1,135,756	0.691649
SASCO 2003-17A B4	STRUC ASST SEC CRP	1,082,730	0.711833
SASCO 2003 AL2 B5	STRUCTURED ASSET SEC CORP	916,086	0.110804
SASNM05 9XS B REG S	SASCO NET INTEREST MARGIN TRUS	1,170,596	0.900458
LMT 2006-3 B5	LEHMAN MORTGAGE TRUST	1,037,924	0.568309
SARM 2006-7 B4-I	STRUCTURED ADJUSTABLE RATE MOR	893,826	0.623032
LMT06-5 B4	LEHMAN MORTGAGE TRUST	953,139	0.583812
LSSC 2004-2 B1	LEHMAN STRUCTURED SECURITIES C	969,706	0.239539
SASCO 2003-24A B4	STRUCTURED ASSET SECS CORP	1,033,401	0.718204
SASCO 2004-2AC B5	STRUC ASST SEC CORP	1,037,207	0.467143
SASC 04-9XS NIM B	STRUCTURED ASSET SECURITIES CO	1,003,557	0.750311
SASCO 2003-36XS M3	STRUCTURED ASSET SEC CORP	738,261	0.355602
SARM 2005-17 B6 II	STRUCTURED ADJUSTABLE RATE MOR	831,938	0.602002
LMT 06-6 2B4	LEHMAN MORTGAGE TRUST	930,403	0.773553
SASCO 2003-22A B4	STRUC ASST SEC CORP 144A	942,631	0.718283
SARM 2006-3 B5-I	STRUCTURED ADJUSTABLE RATE MOR	802,972	0.632215
SARM 2006-9 B8-II	STRUCTURED ADJUSTABLE RATE MOR	880,146	0.526288
SARM 2006-8 B5-I	STRUCTURED ADJUSTABLE RATE MOR	954,104	0.787731
SASCO 2003-35 B4	STRUCTURED ASSET SEC CORP	923,508	0.673677
SASCO 2003-40A B5	STRUC ASST SEC CORP	851,904	0.397747
SARM04-12 B9	STRUCTURED ADJUSTABLE RATE MOR	860,901	0.142977
SASCO 2005-SC1 B5	STRUCTURED ASSET SECURITIES CO	496,196	0.066881
SASC 2005-WF4 B1	STRUCTURED ASSET SECURITIES CO	800,652	0.800652
SARM 2006-3 B6-I	STRUCTURED ADJUSTABLE RATE MOR	604,342	0.422955

Retained Interest

Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
Deal/Bond	Desk	MV	Feb-07 Inv Price
LMT 2006-1 B5(1-2)	LEHMAN MORTGAGE TRUST	791,892	0.623621
SASCO 01-9 B3 CMO SER 01-9	STRUC ASST SEC CRP	783,166	0.295991
SASCO 2004-SC1 B4	STRUCTURED ASSET SECURITIES CO	638,358	0.280584
SASCO05-14 B6	STRUCTURED ASSET SECURITIES CO	675,301	0.353151
SARM 2006-10 B4-I	STRUCTURED ADJUSTABLE RATE MOR	822,322	0.765177
LMT 06-6 1B5	LEHMAN MORTGAGE TRUST	655,843	0.416473
LXSN 2005-2 B	LEHMAN XS NET INTEREST MARGIN	800,933	0.500583
SASCO 2003-29 B4(2-5)	STRUC ASST SEC CORP	760,282	0.671461
SARM 2006-7 B5-I	STRUCTURED ADJUSTABLE RATE MOR	533,541	0.413350
SASC04-20 B5	STRUCTURED ASSET SECURITIES CO	736,644	0.466341
SARM05-7 B10-I	STRUCTURED ADJUSTABLE RATE MOR	709,275	0.174535
SARM 2006-11 B4-II	STRUCTURED ADJUSTABLE RATE MOR	728,265	0.798709
SARM 2006-8 B6-I	STRUCTURED ADJUSTABLE RATE MOR	714,053	0.589539
SARM 2006-6 B4-I	STRUCTURED ADJUSTABLE RATE MOR	385,359	0.433699
SASC 2005-S5 B4	STRUCTURED ASSET SECURITIES CO	12,108	0.005833
LMT06-4 1B4	LEHMAN MORTGAGE TRUST	598,699	0.576195
SASCO 2004-3 B5	STRUC ASST SEC CORP	660,963	0.419784
SARM 2006-5 B5-I	STRUCTURED ADJUSTABLE RATE MOR	493,564	0.583220
LMT 2006-3 B6	LEHMAN MORTGAGE TRUST	610,118	0.334067
SASC 2005-S2 B2	STRUCTURED ASSET SECURITIES CO	724,191	0.144925
SASCO 02-15 B5	STRUC ASST SEC CRP	657,242	0.561850
LMT 2006-1 B6(1-2)	LEHMAN MORTGAGE TRUST	607,995	0.391746
SASCO 2005-SC1 B4	STRUCTURED ASSET SECURITIES CO	309,229	0.158257
SASC05-RF4 B4	STRUCTURED ASSET SECURITIES CO	679,658	0.829776
LMT 06-6 2B5	LEHMAN MORTGAGE TRUST	627,363	0.596186
SARM 2006-5 B6-I	STRUCTURED ADJUSTABLE RATE MOR	270,168	0.255335
SARM 2006-9 B4-I	STRUCTURED ADJUSTABLE RATE MOR	668,298	0.744644
SASCO 98-11 1B3 SER 98-11	STRUCTURED ASSET SEC-144A	271,529	0.322113
SARM04-10 B6	STRUCTURED ADJUSTABLE RATE MOR	636,845	0.138023
SASCO 99-RF1 BIO CMO SER 99RF1	STRUCTURED ASSET SECS CRP-144A	555,415	0.020651
SASC05-RF3 B4	STRUCTURED ASSET SECURITIES CO	630,391	0.700120
SARM 2006-5 B9-II	STRUCTURED ADJUSTABLE RATE MOR	378,755	0.154851
SARM04-11 B-4	STRUCTURED ADJUSTABLE RATE MOR	546,416	0.803652
SARM05-2 B8	STRUCTURED ADJUSTABLE RATE MOR	497,014	0.745250
SASC05-10 B7	STRUCTURED ASSET SECURITIES CO	433,170	0.174692
SASCO 2003-32 B5	STRUC ASST SEC CRP	552,645	0.421229
SASCO 01-19 B4 CMO SER 01-19	STRUC ASST SEC CRP	523,918	0.758581
SASC06-RF3 B4-I	STRUCTURED ASSET SECURITIES CO	538,978	0.733309
SARM 2006-10 B5-I	STRUCTURED ADJUSTABLE RATE MOR	547,628	0.582136
LMT06-5 B5	LEHMAN MORTGAGE TRUST	397,033	0.347383
SASCO 2003-9A B4	STRUC ASST SEC CORP	471,103	0.727811
SARM04-13 B5	STRUCTURED ADJUSTABLE RATE MOR	445,787	0.553109
SASCO 2003-AL1 B6	STRUC ASST SEC CORP 144A	432,017	0.082797
SARM04-17 B7	STRUCTURED ADJUSTABLE RATE MOR	457,460	0.584066
SASCO 97-2 B3 CMO SERIES 97-2	STRUCTURED ASSET SECS CORP	461,139	0.938659
SASCO 2003-4 B4	STRUCTURED ASSET SEC CORP	473,635	0.661432
LMT 2006-7 B8	LEHMAN MORTGAGE TRUST	466,474	0.177193
SARM 2006-2 B7-1	STRUCTURED ADJUSTABLE RATE MOR	407,362	0.174762

FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEHMAN BROTHERS HOLDINGS INC.

LBHL\_SEC07940\_846032

## Retained Interest

## Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
<u>Deal/Bond</u>	<u>Desk MV</u>	<u>Feb-07</u>	<u>Inv Price</u>
ARC 2002 BC8 M4	ARC 2002 BC8 M4	91,554	0.197273
SARM 2006-8 B8-II	STRUCTURED ADJUSTABLE RATE MOR	440,991	0.185256
SARM 2006-9 B5-I	STRUCTURED ADJUSTABLE RATE MOR	456,726	0.564888
SASCO 2003-31A B5	STRUC ASST SEC CORP	425,464	0.397088
SASCO NIM 2003-AM1 B	SASCO	418,870	0.354847
SARM 2005-21 B10I	STRUCTURED ADJUSTABLE RATE MOR	351,750	0.154771
SARM04-15 B4	STRUCTURED ADJUSTABLE RATE MOR	412,997	0.755727
SARM 2006-6 B5-I	STRUCTURED ADJUSTABLE RATE MOR	211,398	0.297480
SARM 2004-1 B6	STRUC ADJUSTABLE RATE MTG	340,458	0.138403
SASCO 01-SB1-B5 CMO SER 01-SB1	STRUCTURED ASSET SECS CO	412,185	0.336688
SASC06-3H B4	STRUCTURED ASSET SECURITIES CO	411,396	0.804797
SASCO 2005-RF1 B4	STRUCTURED ASSET SECURITIES CO	406,271	0.880240
LMT06-4 2B4	LEHMAN MORTGAGE TRUST	337,430	0.693216
SASC 2004-12 B4	STRUCTURED ASSET SECURITIES CO	344,038	0.705567
SASCO 2005-RF2 B4	STRUCTURED ASSET SECURITIES CO	371,279	0.892854
SASC05-RF5 B4	STRUCTURED ASSET SECURITIES CO	366,014	0.834990
SASC05-RF4 B5	STRUCTURED ASSET SECURITIES CO	363,220	0.591026
SASC05-RF3 B5	STRUCTURED ASSET SECURITIES CO	361,523	0.561995
SASCO 97-2 B4 CMO SERIES 97-2	STRUCT ASSET SEC-144A PRV PLMT	328,599	0.842849
SAILN 2005-7A C	SAIL NET INTEREST MARGIN NOTES	330,075	0.082933
SARM 2006-9 B9-II	STRUCTURED ADJUSTABLE RATE MOR	316,937	0.220172
SASC05-RF5 B5	STRUCTURED ASSET SECURITIES CO	330,315	0.627958
LMT06-4 1B5	LEHMAN MORTGAGE TRUST	259,270	0.342891
SAIL NIM 2003 BC1 B	SAIL NIM 2003 BC1 B	80,121	0.013474
SARM04-17 B8	STRUCTURED ADJUSTABLE RATE MOR	286,180	0.187816
LMT 06-6 1B6	LEHMAN MORTGAGE TRUST	244,342	0.177332
SASC04-18H B4	STRUCTURED ASSET SECURITIES CO	230,264	0.475225
SASC 2005-11H B4	STRUCTURED ASSET SECURITIES CO	306,009	0.757152
LBSBC 2006-SBA B	LEHMAN BROTHERS SMALL BALANCE	294,784	0.499186
SARM 2004-3AC B6	STRUC ADJUSTABLE RATE MTG	261,742	0.137862
SASC05-RF6 B4	STRUCTURED ASSET SECURITIES CO	290,769	0.829501
SASCO 01-2 B3 CMO SER 01-2	STRUCTURED ASSET SECS CO	256,171	0.389934
SARM 2006-3 B7-I	STRUCTURED ADJUSTABLE RATE MOR	159,537	0.125070
SARM 2004-2 B6	STRUC ASST SEC CORP	262,152	0.137525
SASC05-14 B7	STRUCTURED ASSET SECURITIES CO	196,927	0.154792
LMT 2006-3 B7	LEHMAN MORTGAGE TRUST	247,443	0.135551
SASC06-RF3 B5-I	STRUCTURED ASSET SECURITIES CO	249,157	0.524090
SASCO 2005-RF1 B5	STRUCTURED ASSET SECURITIES CO	243,056	0.659303
SASC04-20 B6	STRUCTURED ASSET SECURITIES CO	240,804	0.202239
SARM 2006-8 B7-I	STRUCTURED ADJUSTABLE RATE MOR	214,046	0.205292
SARM05-11 B8	STRUCTURED ADJUSTABLE RATE MOR	153,774	0.124513
LMT06-4 2B5	LEHMAN MORTGAGE TRUST	166,938	0.456362
SASC06-3H B5	STRUCTURED ASSET SECURITIES CO	221,921	0.651203
SARM 2006-5 B7-I	STRUCTURED ADJUSTABLE RATE MOR	100,865	0.105335
SASCO 2004-2AC B6	STRUC ASST SEC CORP	204,708	0.137972
SASC05-RF3 B6	STRUCTURED ASSET SECURITIES CO	212,261	0.185218
LMT 2006-2 B4(2-6)	LEHMAN MORTGAGE TRUST	184,720	0.707073
SAIL NIM 2003 BC2 A	SAIL NIM 2003 BC2 A	107,842	0.041281

Retained Interest

Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
<u>Deal/Bond</u>	<u>Desk MV</u>	<u>Feb-07</u>	<u>Inv Price</u>
SASNM 2006-AM1 C	SASCO NET INTEREST MARGIN TRUS	2,667	0.000267
LMT 06-6 2B6	LEHMAN MORTGAGE TRUST	153,677	0.255452
SASCO 2003-8 1B4	STRUCTURED ASSET SEC CORP	193,891	0.807682
LMT 2006-1 B7(1-2)	LEHMAN MORTGAGE TRUST	161,373	0.149715
LMT06-5 B6	LEHMAN MORTGAGE TRUST	160,894	0.140742
SARM 2006-7 B6-I	STRUCTURED ADJUSTABLE RATE MOR	112,296	0.111398
SASC 2000-3 B4	STRUCTURED ASSET SECURITIES CO	179,325	0.307474
SASC06-RF3 B4-II	STRUCTURED ASSET SECURITIES CO	186,472	0.719286
SASC 2005-11H B5	STRUCTURED ASSET SECURITIES CO	178,120	0.587152
SASC05-RF6 B5	STRUCTURED ASSET SECURITIES CO	176,991	0.588525
LSSC 2004-2 B2	LEHMAN STRUCTURED SECURITIES C	146,660	0.061494
SASC05-RF5 B6	STRUCTURED ASSET SECURITIES CO	166,982	0.202718
SASC05-RF7 B3	STRUCTURED ASSET SECURITIES CO	166,639	0.825551
LXSN 2005-3 B	LEHMAN XS NET INTEREST MARGIN	168,250	0.420625
LMT 2006-2 B5(2-6)	LEHMAN MORTGAGE TRUST	136,389	0.522073
SASCO 2005-RF2 B5	STRUCTURED ASSET SECURITIES CO	157,457	0.632073
SASCO 2003-31A B6	STRUC ASST SEC CORP	146,235	0.144089
SASCO 01-19 B6 CMO SER 01-19	STRUC ASST SEC CRP	120,068	0.255417
SASC06-RF3 B6-I	STRUCTURED ASSET SECURITIES CO	143,069	0.175028
SASC 2004-12 B5	STRUCTURED ASSET SECURITIES CO	125,697	0.515567
SASCO 2003-27 A2	SASCO	211,155	0.009708
SASC05-RF4 B6	STRUCTURED ASSET SECURITIES CO	110,511	0.185297
SASC 2005-11H B6	STRUCTURED ASSET SECURITIES CO	119,202	0.204583
SASCO 98-RF3 B-IO CMO SER 98	STRUCTURED ASSET SEC-144A	97,103	0.002164
SARM 2006-9 B6-I	STRUCTURED ADJUSTABLE RATE MOR	123,029	0.194783
SASCO 98-11 2B6 SERIES 98-11	STRUCT ASSET SEC-144A PRV PLMT	29,930	0.050319
SARM 2006-6 B6-I	STRUCTURED ADJUSTABLE RATE MOR	69,276	0.105645
SASC05-RF6 B6	STRUCTURED ASSET SECURITIES CO	121,162	0.185347
SASCO 2003-8 1B5	STRUCTURED ASSET SEC CORP	114,752	0.718229
SASCO 2003-8 1B6	STRUCTURED ASSET SEC CORP	113,564	0.504298
SASCO 2002-3 B5 144A	STRUCTURED ASSET SEC CORP	108,704	0.097917
LMT 2006-2 1B5	LEHMAN MORTGAGE TRUST	91,658	0.422156
SASCO 2003-20 2B4	STRUCTURED ASSET SEC CORP	101,085	0.728789
ARC 2002 BC7 B2	ARC 2002 BC7 B2	66,183	0.433524
SASCO 2003-40A B6	STRUC ASST SEC CORP	88,309	0.105697
SASCO 2005-RF1 B6	STRUCTURED ASSET SECURITIES CO	81,765	0.185631
SASC06-RF3 B5-II	STRUCTURED ASSET SECURITIES CO	88,498	0.513036
ARC 2002 BC6 B	ARC 2002 BC6 B	49,302	0.514121
SASC04-18H B5	STRUCTURED ASSET SECURITIES CO	49,224	0.253975
SASC06-RF3 B6-II	STRUCTURED ASSET SECURITIES CO	76,425	0.174911
SASC 2004-12 B6	STRUCTURED ASSET SECURITIES CO	49,016	0.104938
SARM04-15 B5	STRUCTURED ADJUSTABLE RATE MOR	60,601	0.354932
SASC05-RF7 B4	STRUCTURED ASSET SECURITIES CO	73,319	0.584574
SASCO 98-11 2B5 SERIES 98-11	STRUCT ASSET SEC-144A PRV PLMT	28,172	0.116257
SAIL NIM 2003 BC2 B	SAIL NIM 2003 BC2 B	19,899	0.006633
SARM 2005-10 NIM B	STRUCTURED ADJUSTABLE RATE MOR	67,152	0.050643
SASCO 2005-RF2 B6	STRUCTURED ASSET SECURITIES CO	53,253	0.185569
LXS 06-9 NIM C	LEHMAN XS TRUST	64,367	0.080458

Retained Interest

Lehman Brothers

<i>Other NIG Holdings</i>		530,911,209	
<u>Deal/Bond</u>	<u>Desk MV</u>	<u>Feb-07</u>	<u>Inv Price</u>
SASCO 2003-20 2B6	STRUCTURED ASSET SEC CORP	59,977	0.423855
SASCO 03-12XS NIM	SASCO NIM TRUST	57,678	0.150625
SASCO 98-6 B3 CMO SER 98-6	STRUCTURED ASSET SECS CORP	59,209	0.067917
SASCO 2003 AL2 B6	STRUCTURED ASSET SEC CORP	13,150	0.014360
SASC 1995-2B 2B3	STRUCTURED ASSET SECURITIES CO	46,726	0.305329
SASC05-RF7 B5	STRUCTURED ASSET SECURITIES CO	37,790	0.185258
SASCO 98-RF2 BIO SER 98-RF2	STRUCTURED ASSET SECS CORP	35,703	0.001282
SASCO 2003-20 2B5	STRUCTURED ASSET SEC CORP	41,570	0.599414
SASCO 01-1B5 CMO SER 01-1	STRUC ASST SEC CRP	29,845	0.075945
SASCO 98-RF3 A-PO CMO SER 98	STRUCTURED ASSET SEC CORP-144A	38,391	0.756371
LMT 2006-2 1B6	LEHMAN MORTGAGE TRUST	29,786	0.205477
SASC 2000-3 B5	STRUCTURED ASSET SECURITIES CO	27,291	0.126875
SASCO 2002-13 B5	STRUC ASST SEC CRP	13,760	0.036352
ARC 2002 BC9 B	ARC 2002 BC9 B	10,366	0.107298
SASC04-18H B6	STRUCTURED ASSET SECURITIES CO	7,464	0.073975
SASCO 00-5 B6 CMO SER 00-5	STRUCTURED ASSET SECS CORP	15,137	0.077306
SASCO 98-RF4 B-IO CMO SER 98	STRUCTURED ASSET SECS CORP	12,999	0.000534
SASCO 98-RF1 B IO CMO SER 98	STRUCTURED ASSET SECS CORP	10,102	0.000450
SAIL NIM 2003-BC10	SAIL NIM	115	0.000833
SASCO 2003-27 A1	SASCO	9,097	0.056955
SARM05-7 BX-II	STRUCTURED ADJUSTABLE RATE MOR	9,856	0.000845
SAIL NIM 2003-BC10	03-BC10	3,533	0.000667
SASCO 16 H B6	STRUCTURED ASSET SECS CO	3,324	0.055833
SAIL NIM 2003-12 A	SAIL NIM	1,214	0.004317
SAIL NIM 2003-12 B	SAIL NIM	776	0.000103
SARM05-1 B11X	STRUCTURED ADJUSTABLE RATE MOR	662	0.000093
SASCO 2000-3 B6 CMO SER 00-3	STRUCT ASSET SEC-144A PRV PLMT	406	0.026417
LXS 2006-2N NIM A-3	LEHMAN XS TRUST	267	0.000097
LXS NIM 2005-1 PREF SHARES		6	0.060511
SASCO NIM 2005-9XS		6	0.060511
SASCO 02-AL1 B-6 CMO SER 02	STRUC ASST SEC CRP	1,083,436	0.149438
SAIL 2006-3 PS	STRUCTURED ASSET INVESTMENT LO	4	0.039189
LXS 2005-05N NIM	LEHMAN XS TRUST	3	0.000000
LABS 2004-4 L	LEHMAN ABS CORP	2	0.015740
SASCO NIM 2006-NC1	PREFERRED	1	0.000000
LBMLT NIM 2004-6 OTC	LONG BEACH MORTGAGE LOAN TRUST	1	0.000000
SAILN 2006-4A PS	SAIL NET INTEREST MARGIN NOTES	1	0.000000
SASCO NIM TRUST 2002-23 R	SASCO NIM TRUST	1	0.000000
SARM 2004-9XS M3	STRUCTURED ADJUSTABLE RATE MOR	1	0.957992
SAIL NIM 2003-8 A	SAIL NIM	22	0.008262
SASCO 2003-3XS NIM A	STRUCTURED ASSET SECS CRP-REGS	791	0.000625
SASCO 95-2 IIB4 CMO SER 95-2	STRUCTURED ASSET SECS CORP	1,327	0.005329
SASCO NIM 2003 BC2 C	STRUCTURED ASSET SECS CORP	367,309	0.133324
SAIL NIM 2003-6 AT5 A	SAIL NIM 2003-6 AT5 A	3,980	0.028225
SAIL NIM 2003 BC3 A	SAIL NIM 2003 BC3 A	92,810	0.151511
SAIL NIM 2003 7 A	SAIL NIM 2003 7 A	4,065	0.005867
SASCO 95-2 IIB1 CMO SER 95-2	STRUCTURED ASSET SECS CORP	242,744	0.755329
FFML NIM 2006-FF17 B	FIRST FRANKLIN MORTGAGE LOAN A	3,811,230	0.901000

Retained Interest

Lehman Brothers

<i>Other NTG Holdings</i>		530,911,209	
<u>Deal/Bond</u>	<u>Desk</u>	<u>MV</u>	<u>Feb-07 Inv Price</u>
LBSBC 2006-3 NIM N3	LEHMAN BROTHERS SMALL BALANCE	5,373,459	0.941061
LMT 2007-2 B5	LEHMAN MORTGAGE TRUST	734,111	0.663753
LMT 2007-2 B6	LEHMAN MORTGAGE TRUST	533,056	0.421722
LMT 2007-2 B7	LEHMAN MORTGAGE TRUST	181,034	0.163753
LMT 2007-1 B7	LEHMAN MORTGAGE TRUST	1,091,663	0.567378
LMT 2007-1 B8	LEHMAN MORTGAGE TRUST	831,506	0.336128
LMT 2007-1 B9	LEHMAN MORTGAGE TRUST	263,435	0.136792
LMT 2006-9 B5	LEHMAN MORTGAGE TRUST	1,444,750	0.654681
LMT 2006-9 B6	LEHMAN MORTGAGE TRUST	980,599	0.388743
LXS 2007-2N M10	LEHMAN XS TRUST	5,340,949	0.796206
LXS 2007-2N M11	LEHMAN XS TRUST	5,792,698	0.784175
LXS 2007-2N M12	LEHMAN XS TRUST	6,799,270	0.779643
LBMLT 2006-WL3 B1	LONG BEACH MORTGAGE LOAN TRUST	7,408,532	0.727825
SASNM 2007-BC1A C	SASCO NET INTEREST MARGIN TRUS	3,078,000	0.600000
SASCN 2006-BC5 B	STRUCTURED ASSET SECURITIES CO	3,504,890	0.901000
SASCN 2006-BC4 B	STRUCTURED ASSET SECURITIES CO	4,184,918	0.552100
SASCN 2006-WF3 B	STRUCTURED ASSET SECURITIES CO	4,360,840	0.901000
SASCN 2006-BC6 C	STRUCTURED ASSET SECURITIES CO	3,360,000	0.600000
SAIL 2006-3 B2	STRUCTURED ASSET INVESTMENT LO	7,203,561	0.351805
SAIL 2006-BNC2 B1	STRUCTURED ASSET INVESTMENT LO	2,072,194	0.327827
SASCO 2002-3 AX	STRUCTURED ASSET SECS CORP	26,164	0.191607
SASCO 2003-4 B5	STRUCTURED ASSET SEC CORP	580,945	0.811292
SASCO 2003-4 B6	STRUCTURED ASSET SEC CORP	347,859	0.384167
SASC 2006-BC3 B1	STRUCTURED ASSET SECURITIES CO	3,671,663	0.734333
SASC 2007-BC2 B1	STRUCTURED ASSET SECURITIES CO	4,820,469	0.625791
SASC 2007-BC2 B2	STRUCTURED ASSET SECURITIES CO	2,992,844	0.490791
SASCO 2006-RF4 B4	SASCO LLC	564,709	0.758024
SASCO 2006-RF4 B5	SASCO LLC	356,247	0.558024
SASCO 2006-RF4 B6	SASCO LLC	140,869	0.164977
LBSBC 2006-3 NIM R	LEHMAN BROTHERS SMALL BALANCE	3	0.000000

530,911,209

Detail Balance Sheet for Mortgages

Category	Q1 2007					Q4 2006				
	Prime	NonPrime	Remics	Other (STF)	Total	Prime	NonPrime	Remics	Other (STF)	Total
Whole Loans	10,323	8,639		1,597	20,559	7,992	5,377		1,593	14,962
Securities	8,400	1,493	6,093	1,706	17,691	6,265	1,814	5,051	2,102	15,232
Residuals	655	231		71	958	683	496		71	1,250
Servicing	792	70			862	766	79			845
UST			86	17	103			911		911
FAS140	4,304	5,478			9,782	1,237	3,790			5,027
Fails	(243)	(943)	39	(10)	(1,157)		160			160
Others			64	440	504				668	668
Pass Thru				3,603	3,603				5,760	5,760
<b>Total</b>	<b>24,231</b>	<b>14,968</b>	<b>6,282</b>	<b>7,424</b>	<b>52,906</b>	<b>16,942</b>	<b>11,717</b>	<b>5,963</b>	<b>10,194</b>	<b>44,815</b>

Details for Securities Components

MBS Pools	3,210	0	4,145	2	7,357	2,410	0	1,888	56	4,354
CMO	904	0	4,487	17	5,408	532	0	2,936	18	3,486
Securities - IG	4,397	1,097	81	1,167	6,743	2,996	1,404	353	1,618	6,370
Securities - NR	279	395		519	1,193	358	410		409	1,177
Future Settlement	(390)		(2,621)		(3,011)	(30)		(125)		(155)
<b>Total Securities</b>	<b>8,400</b>	<b>1,493</b>	<b>6,093</b>	<b>1,706</b>	<b>17,691</b>	<b>6,265</b>	<b>1,814</b>	<b>5,051</b>	<b>2,102</b>	<b>15,232</b>

CDO Warehouse at Risk

CDO Warehouse Inventory Exposure  
27/02/2007  
(in millions)

Type	Deal	Avg Collateral Aging	Region	Asset Manager	Size	Ramped Amount	PNL Timed Out	Feb Price Variance	B/S Exposure	Risk Exposure	Lehman Risk %	Equity Tranche	Unsubscribed Equity	% Subscribed	Avg Collateral Rating	Deal Breakage Fees	Comment
Cash ABS	AIG HG ABS	>1yr	US	AIG	1,000	100	0.4	0.1	100	0.5	100%	TBD	TBD	N/A	A	TBD	Deal is aged. Desk is considering deal termination and inv liquidation
Cash ABS	Summer Street ABS	>1yr	US	GE	1,000	209	1.5	0.9	209	2.4	100%	14.0	14.0	0%	A	TBD	Deal is aged. Desk is considering deal termination and inv liquidation
Syn ABS	Pyxis II CDO	4 mths	US	Putnam	1,500	1,182			1,182	-	15%	79.5	-	100%	BBB	TBD	Deal is priced
Syn ABS	Ballyrock 2007-1 CDO	4 mths	US	Fidelity	500	237	(24.2)	Untested CDS on ABS	237	(12.1)	50%	27.5	23.4	15%	BBB	TBD	
Syn ABS	Corona Borealis CDO	2 mths	US	NY Life	1,500	1,050	(71.7)	Untested CDS on ABS	1,050	(71.7)	100%	79.5	-	100%	BBB	TBD	80 mill of equity is committed. Deal to price next week.
CRE	LBREM CDO 2006-1	0	US	LBREM	516	-	-	TBD	-	-	100%	TBD	TBD	N/A	TBD	TBD	Ramp has vet to start
CLO	Race Point CLO IV	N/A	US	Sankaty	400	234	1.5	TBD	234	-	0%	28.0	-	100%	TBD	TBD	
Hybrid CLO	Schiller Park CLO	N/A	US	Deerfield	400	274	1.2	TBD	234	1.2	100%	28.0	-	100%	TBD	TBD	
CLO	Mt. Wilson CLO II	N/A	US	WAMCO	400	224	1.2	TBD	224	1.2	100%	32.0	32.0	0%	TBD	TBD	
CLO	Lightpoint CLO VIII	N/A	US	Lightpoint	500	91	0.7	TBD	91	0.7	100%	33.8	33.8	0%	TBD	TBD	
CLO	Amherst CLO	N/A	US	Highland	750	445	3.2	TBD	445	-	0%	63.8	31.9	50%	TBD	TBD	
CLO	Eaton Vance IX	N/A	US	Eaton Vance	500	448	2.1	TBD	448	2.1	100%	32.5	1.0	97%	TBD	TBD	
CLO	Peconic Bay	N/A	US	MSIM	400	97	-	TBD	97	-	50%	26.0	13.0	50%	TBD	TBD	
CLO	Gulf Stream Sextant CL	N/A	US	Gulf Stream	500	52	-	TBD	52	-	100%	35.0	35.0	0%	TBD	TBD	
CLO	Ares XII	N/A	US	Ares	750	-	-	TBD	-	-	50%	TBD	TBD	N/A	TBD	TBD	
FX CLO	ING CLO VI	N/A	US	ING	450	-	-	TBD	-	-	100%	TBD	TBD	N/A	TBD	TBD	
CLO	Four Corners MV CLO	N/A	US	Four Corners	800	-	-	TBD	-	-	0%	TBD	TBD	N/A	TBD	TBD	
<b>Totals</b>					<b>14,516</b>	<b>5,512</b>	<b>(84.1)</b>		<b>(80.9) Worst Case</b>								

## Revenue Comparison

## SECURITIZED PRODUCTS GLOBAL - NET REVENUE SUMMARY

As Of 2/28/2007Q1

\$'000's

	Q1 FY07 v. Q4 FY06				Q1 FY07 v. Q1 FY06			
	2007actual		2006actual		2007actual		2006actual	
	Qtr1	Qtr4	\$ CHANGE	% CHANGE	Qtr1	Qtr1	\$ CHANGE	% CHANGE
<b>Securitized Products -Americas</b>								
Agency PT & Options	6,287	16,777	(10,490)	-63%	6,287	4,637	1,650	36%
Agency Remics / Strips	18,179	16,944	1,235	7%	18,179	13,319	4,860	36%
Mortgage Finance	8,380	6,132	2,247	37%	8,380	8,207	173	2%
Non-Prime	(238,400)	168,073	(406,473)	-242%	(238,400)	136,953	(375,353)	-274%
Prime	106,909	81,472	25,437	31%	106,909	41,705	65,204	156%
Principle Finance Residential	(21,634)	5,415	(27,050)	-500%	(21,634)	6,730	(28,364)	-421%
ABS New Issue	34,709	18,924	15,785	83%	34,709	72,252	(37,543)	-52%
ABS Secondary	213,836	27,519	186,317	677%	213,836	12,728	201,108	1580%
House Acct.	78,405	15,687	62,718	400%	78,405	6,949	71,456	1028%
Other	2,454	35,133	(32,680)	-93%	2,454	29,633	(27,179)	-92%
<b>Subtotal Trading Americas</b>	<b>209,124</b>	<b>392,076</b>	<b>(182,952)</b>	<b>-47%</b>	<b>209,124</b>	<b>333,112</b>	<b>(123,987)</b>	<b>-37%</b>
Aurora	84,125	81,671	2,454	3%	84,125	89,399	(5,274)	-6%
Campus Door	3,242	1,895	1,347	71%	3,242	-	3,242	n/a
Capital Crossing	(235)	-	(235)	n/a	(235)	-	(235)	n/a
BNC	(61,103)	3,600	(64,703)	-1797%	(61,103)	(8,595)	(52,508)	611%
SBF	13,629	15,439	(1,810)	-12%	13,629	9,479	4,149	44%
<b>Subtotal Origination Americas</b>	<b>39,657</b>	<b>102,605</b>	<b>(62,947)</b>	<b>-61%</b>	<b>39,657</b>	<b>90,284</b>	<b>(50,626)</b>	<b>-56%</b>
LTD								
<b>TOTAL AMERICAS</b>	<b>248,782</b>	<b>494,681</b>	<b>(245,899)</b>	<b>-50%</b>	<b>248,782</b>	<b>423,395</b>	<b>(174,614)</b>	<b>-41%</b>
<b>Securitized Products - Europe</b>								
Trading	29,848	77,104	(47,256)	-61%	29,848	17,426	12,423	71%
Origination	48,533	23,243	25,289	109%	48,533	71,978	(23,446)	-33%
<b>TOTAL EUROPE</b>	<b>78,381</b>	<b>100,347</b>	<b>(21,966)</b>	<b>-22%</b>	<b>78,381</b>	<b>89,404</b>	<b>(11,023)</b>	<b>-12%</b>
<b>Securitized Products - Asia</b>								
Trading	11,565	24,634	(13,068)	-53%	11,565	3,570	7,995	224%
Origination	282	5,272	(4,990)	-95%	282	-	282	n/a
<b>TOTAL ASIA</b>	<b>11,847</b>	<b>29,905</b>	<b>(18,058)</b>	<b>-60%</b>	<b>11,847</b>	<b>3,570</b>	<b>8,277</b>	<b>232%</b>
<b>Total Securitized Products</b>	<b>339,010</b>	<b>624,933</b>	<b>(285,923)</b>	<b>-46%</b>	<b>339,010</b>	<b>516,369</b>	<b>(177,359)</b>	<b>-34%</b>

Revenue Comparison

\$000's	Q1 FY07 v. Q4 FY06				Q1 FY07 v. Q1 FY06			
	2007actual		2006actual		2007actual		2006actual	
	Qtr1	Qtr4	\$ CHANGE	% CHANGE	Qtr1	Qtr1	\$ CHANGE	% CHANGE
<b>Mortgages</b>								
Americas	(11,726)	414,612	(426,338)	-103%	(11,726)	313,015	(324,741)	-104%
Europe	76,454	81,445	(4,991)	-6%	76,454	76,088	367	0%
Asia	2,832	19,686	(16,853)	-86%	2,832	1,676	1,156	69%
<b>TOTAL MORTGAGES</b>	<b>67,560</b>	<b>515,743</b>	<b>(448,183)</b>	<b>-87%</b>	<b>67,560</b>	<b>390,778</b>	<b>(323,218)</b>	<b>-83%</b>
<b>Non Mortgages</b>								
Americas	260,508	80,069	180,439	225%	260,508	110,380	150,127	136%
Europe	1,927	18,902	(16,975)	-90%	1,927	13,316	(11,389)	-86%
Asia	9,015	10,220	(1,205)	-12%	9,015	1,894	7,121	376%
<b>TOTAL NON MORTGAGES</b>	<b>271,450</b>	<b>109,190</b>	<b>162,259</b>	<b>149%</b>	<b>271,450</b>	<b>125,591</b>	<b>145,859</b>	<b>116%</b>
<b>Total Securitized Products</b>	<b>339,010</b>	<b>624,933</b>	<b>(285,923)</b>	<b>-46%</b>	<b>339,010</b>	<b>516,369</b>	<b>(177,359)</b>	<b>-34%</b>

Q1 FY07 vs. Q4 FY06

\* Net revenues were \$340mm for Q1 2007. That is an decrease of \$286mm or -46% Q1 2007 vs. Q4 2006.

\* Net revenues in America decreased -246mm or -50%. This variance was driven by:

Non-Prime - Revenues for the nonprime business was a loss of (\$238mm) for the quarter driven by minimal margins on securitizations and MTM losses on subprime collateral, non-investment grade first and second lien bonds, Residual positions, and NIMs due to deterioration in the market compared to Q406 P/L of \$168mm. Securitization revenues totaling \$11mm for Q1 on notional amounts of \$5.1b (Margin of 22 bps) were all down compared to Q406 which had Securitization revenues totaling \$164mm on notional amounts of \$14.8b (Margin of 107 bps). ABX P/L \$276mm for Q1 vs. \$6mm for Q406 due to severe spread widening. Residual/NIM/Non-investment grade MTMs losses due to deterioration in collateral and market -\$549mm vs. losses in Q406 of -\$37mm. Servicing P/L at \$16mm for Q1 based on monthly cash flows and servicing transfer to counterparties vs. servicing revenues of \$10.5mm in Q406.

Prime - Net Revenues for Prime were up Q107 v Q406 primarily due to ABX spread widening which contributed 155mm to revenues.

These gains were offset by markdowns in Option Arm residuals and whole loans and NIG subs totaling 116mm.

Securitization volumes and margins were down vs. Q406. Volumes were 11B compared to 18B and margins were 25 compared to 27.

Whole Loan Delivery and Sale volume and margins for the Q107 were 5B and 34 respectively. Q406 were 4B and 35.

PFR - The Residential Warehouse Lending business recognized a loss of \$22mm during Q1 2007 due to a counterparty risk reserve that were setup related to Resmae for -\$20mm and a write-down of -9.2mm related to People's Choice. Both losses were due to the deteriorating subprime mortgage market. Absent of the losses the business was up \$2mm vs Q4 2006 due to increased net economics (i.e. interest, fees) related to the warehouse lines.

ABS Secondary -

Revenue in ABS Secondary was \$214mm in Q1 07 versus \$27.5mm in Q4 06, driven by trading, carry and MTM P&L on ABS positions, with the Q1 2007 revenue specifically driven by:

-\$30mm in net MTM gains on ABX index positions as spreads widened significantly during the quarter. ABX HE 06-2 BBB- widened 1146bps to 1452bps and the 07-1 BBB- widened 1116bps to 1532bps from its inception in mid-January. The 06-2 BBB widened 787bps to 986bps and the 07-1 BBB widened 917bps to 1146bps. The desk did approximately 29B in transacted notional.

## Revenue Comparison

-\$56.5mm in net P&L against CDS on CDO trades as increases in new protection and transaction notional were accompanied by spreads widening. Net long protection increased from 210mm to 1.34B and spreads widened substantially (spreads widened 108bps to 268bps on +698mm in net long protection in A2 rated positions and spreads widened 322bps to 655bps on +159mm in net long protection in Baa2 rated positions).

-\$126.1 mm in net Trading gains from ABS Secondary single name CDS and ABX positions. The desk did approximately 8.6B in transacted notional in single-name as spreads widened dramatically along with ABX spreads.

ABS New Issue - ABS New Issue P&L was \$35mm in Q12007 up \$16m compared to Q4 2006. Q1 2007 P&L was driven by \$18mm in Advisory and Commitment fees related to the TravelersCenter of America deal and \$8mm in fees related to the Sonic whole business securitization. However during Q4 2006 the largest P&L event was \$6mm related to the Crown Castle Tower securitization.

PF - Principal Finance Group revenues were down \$18mm from Q4 2006 to Q1 2007 as there were no significant deal fees recognized in Q1 2007. While Q4 2006 was highlighted by \$6mm related to US Shipping, \$5mm related to AERCAP and \$5mm related to Pitney Bowes.

### MT House:

Positions are held in ABS Secondary, but the entire P&L is transferred to MT House monthly. Revenue of \$78.9mm mainly from long 200mm protection ABX 06-2 BBB-, as spreads widened 1146bps to 1452bps.

\* Net revenue in Europe decreased by -22mm or -22%.

The decrease in P&L was driven by the \$11mm decrease in Principal Finance Europe P&L due to the fact that \$14mm was recognized during Q4 2006 related to a Palio MTM event while there was no significant P&L items recognized during Q1 2007. In addition, there was also significant decreases in revenue in ABS New Issue and MBS Captive revenue from Q4 2006 to Q1 2007. Those decreases were partially offset by increases in revenue related to the Europe Mortgage Origination businesses driven by the Eurosail 07-1 securitization.

\*Net revenue in Asia was down \$18mm or -60% Q on Q. This is predominantly due to the following:

Japan Principal & Brokerage Revenues - In Q1 2007, fee and interest income run rate increased from average of \$2.3 million in Q4 to \$3.3 in February with contributions from new transactions such as Solid Acoustics (\$1.6 million since Jan) and the SFCG WM-1 facility (300K in Feb). In Q4 2006, in addition to \$6.7 million of fees from Japan Principal Deals, STF received structuring fees from Real Estate for CMBS transactions (DTC 7, LJAC3) and revenues from other deals such as advisory fees on Credit Card Factoring project with total amounting to \$3.5 million over revenues from fees from Principal financing deals.

Principal Finance - No new PL was recognized in Ex Japan Principal Finance in Q1 2007. Revenue from Principal Finance in Q4 2006 was primarily driven by MTM of Thai Residential Portfolio (\$8 million) and fees and MTM on ABCP transaction (6.2 million).

MCD Allocation - In Q1 2007 there were no securitization of MCD loans and revenue represents monthly PL allocation from MCD Korea and Japan. PL allocation includes extraordinary loss of 910K Loan Loss provisioning in both Japan (-580K Feb) and Korea (-330 Dec). In Q4 2006, STF earned revenues from the first MCD Securitization (L-STARS-1 5.5 million) and other PL allocation from MCD desk.

## Revenue Comparison

### Q1 FY07 vs. Q1 FY06

\* Net revenues were \$340mm for Q1 2007. That is a decrease of -\$178mm or -34% Q1 2007 vs. Q1 2006.

\* Net revenues in America decreased +175mm or -41%. This variance was driven by:

Non-Prime - Revenues for the nonprime business was a loss of (\$238mm) compared to Q1 06 P&L of \$137mm. Securitization revenues totaling \$11mm for Q1 07 on notional amounts of \$5.1b (Margin of 22 bps) were all down compared to Q1 06 which had Securitization revenues totaling \$117mm on notional amounts of \$12b (Margin of 98 bps). ABX P/L \$276mm for Q1 07 vs. losses in ABX P/L of -\$2mm in Q1 06. Residual/NIM/Non-investment grade MTMs losses due to deterioration in collateral and market -\$549mm in Q1 07 vs. losses in Q1 06 of -\$17mm. Servicing P/L at \$16mm for Q1 07 based on monthly cash flows and servicing transfer to counterparties vs. servicing revenues of \$12.7mm in Q1 06.

Prime - Net Revenues for Prime were up Q107 v Q406 primarily due to ABX spread widening which contributed 155mm to revenues.

These gains were offset by markdowns in Option Arm residuals and whole loans and NIG subs totaling 116mm.

Securitization volumes and margins were down vs. Q106. Volumes were 13B and margins 29 for Q106 as compared 11B and 25 in Q107.

Whole Loan Delivery and Sale volume and margins for the Q107 were 5B and 34 respectively. Volumes and margins in Q106 were 5B and 39 respectively.

PFR - The Residential Warehouse Lending business recognized a loss of \$22mm during Q1 2007 compared to a gain of \$7mm in Q1 2006. The Q1 2007 loss is due to a counterparty risk reserve that were setup related to Resmae for -\$20mm and a write-down of -9.2mm related to People's Choice. Absent of the losses the business was up \$.8mm vs Q1 2006 due to increased net economics (i.e. interest, fees) related to the warehouse lines.

ABS Secondary -

Revenue increased from \$12.6mm in Q1 06 to \$214mm Q1 07. There was virtually no ABS synthetic trading in Q1 2006, but the business has grown dramatically in the past year.

ABS New Issue - ABS New Issue P&L was \$35mm in Q1 2007 a decrease of \$38m compared to Q1 2006. Q1 2007 P&L was driven by \$18mm in Advisory and Commitment fees related to the TravelersCenter of America deal and \$8mm in fees related to the Sonic whole business securitization. However during Q1 2006 ABS NI recognized \$63mm in fees related to the Hertz Securitization.

MT House:

There were virtually no synthetic ABX positions in Q1 2006.

\* Net revenue in Europe decreased by \$11mm or -12%.

The decrease was caused by the fact that there were multiple large securitizations during Q1 2006 including SPS 06-1 (\$18mm), PRS 06-1 (\$24mm) and SPF 06-A (\$25mm) while during Q1 2007 there was only the Eurosail 07-1 deal that recognized \$29mm in P&L. The lack of deals during Q1 2007 was partially offset by MTM gains on hedges against the mortgage warehouses.

\*Net revenue in Asia was up +9mm or +232% Q on Q. This is predominantly due to the following:

Japan Principal and Brokerage Revenues - In Q1 2006 most of the revenues were driven by income from one SFCG MM Loan securitization advisory deal (\$1.95 million)

Principal Finance - In Q1 2006 there was a small recognition of income from GTFS transaction.

MCD Allocation - No MCD revenues in Q1 2006

1Q Deals List

**Agency CMO**

	Notional	Flash
FNR 07-1	\$ 1,343	\$ 2.1
FNR 07-15	984	0.5
FNR 06-123	961	0.7
GNR 07-7	642	1.2
SASCO 07-3	619	-
FHR 3259	617	1.0
FHR 3281	347	-
FHR 3248	225	-
SASCO 07-2	96	-
<b>Sub Total</b>	<b>\$ 5,834</b>	<b>\$ 5.5</b>

**Prime Securitization**

LXS 2007-3	\$ 1,303	\$ -
LXS 2007-1	948	-
LXS 2006-20	721	1.5
LMT 2006-9	625	4.2
SARM 2006-12	563	1.3
SARM 2007-2	552	1.4
LMT 2007-1	544	4.9
SARM 2007-1	488	1.8
LMT 2007-2	312	1.0
<b>Sub Total</b>	<b>\$ 6,055</b>	<b>\$ 15.9</b>

**Option ARMS**

GPMF 2007 AR1	\$ 1,454	\$ 6.6
LXS 2007-2N	1,320	1.6
GPMF 2006 AR8	725	2.0
<b>Sub Total</b>	<b>\$ 3,499</b>	<b>\$ 10.2</b>

**NonPrime Securitization**

	Notional	Flash
SASCO 2006-BC6	\$ 1,242	\$ 6.0
SASCO 2007-BC1	1,162	-
BNCMT 2007-1	939	-
SASCO 2007-BC2	619	-
SASCO 2006-S4	493	0.0
SASCO 2007-GEL1	296	5.0
SASCO 2006-Z	207	-
<b>Sub Total</b>	<b>\$ 4,959</b>	<b>\$ 11.0</b>

**Europe**

EuroSail 07-1	\$ 1,376	\$ 28.9
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**Prime Agency Deliveries**

FNMA Hybrid WL Delivery	\$ 1,274	\$ 3.3
Freddie Hybrid WL Delivery	1,185	1.4
Hybrid WL Delivery	931	2.3
Fixed WL Delivery	497	2.1
FNMA Fixed WL Delivery	396	4.3
FNW 2007-W2 (Fixed WL Delivery Remic)	389	1.0
FNMA Fixed WL Delivery	379	2.8
FHLMC Arm WL Delivery	10	-
<b>Sub Total</b>	<b>\$ 5,062</b>	<b>\$ 17.0</b>

**Prime WL Sales**

CitiMortgage 2006-33	\$ 142	\$ 0.7
CitiMortgage 2007-1	61	0.2
<b>Sub Total</b>	<b>\$ 203</b>	<b>\$ 0.9</b>

**Grand Total**

<b>\$ 26,988</b>	<b>\$ 89.4</b>
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