

From: Kritikos, Dimitrios <dimitrios.kritikos@lehman.com>
Sent: Monday, March 12, 2007 3:28 PM (GMT)
To: Goodman, Jeffrey <jeffrey.goodman@lehman.com>
Subject: RE: Countrywide stops 100% CLTV lending

They both believe that there is a real and strong market for this product in the Alt-A space and it can perform. Although I agree with that statement generally, I have pointed out in the past that Aurora's product is far from Alt-A anymore. The traditional Alt-A program is only 40% of Aurora's production, with half of it in 100% financing. This product generally performs well. My concern is the rest 60% of production, that has 100% financing in lower FICOs with non-full documentation and/or investment properties. I am currently working on analyzing this segment and I told Tom that I will be coming back with guideline recommendations at the credit risk review meeting in Aurora (later this month). He is totally on board with this. If anything, Aurora is now been picked by brokers on the stuff we stopped originating (see my comment on locks on the document I sent you last week).

DK

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> From: Goodman, Jeffrey
> Sent: Monday, March 12, 2007 8:20 AM
> To: Kritikos, Dimitrios
> Subject: RE: Countrywide stops 100% CLTV lending
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> Are Aurora's competitor in Alt-A space also doing similar % or are we
> still high compared to rest? Does Mckinny know and want to still do
> that biz? What about tom?

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> From: Kritikos, Dimitrios
> Sent: Monday, March 12, 2007 11:15 AM
> To: Goodman, Jeffrey
> Subject: RE: Countrywide stops 100% CLTV lending

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> 52% in Aurora and 20% in BNC.

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> DK

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> From: Goodman, Jeffrey
> Sent: Monday, March 12, 2007 6:57 AM
> To: Kritikos, Dimitrios
> Subject: Countrywide stops 100% CLTV lending

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> What % do we still originate?

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>
> Jeffrey Goodman
> Managing Director
> Lehman Brothers
> Risk Management
> 745 Seventh Avenue, 29th Floor
> New York, NY 10019
> Ph: 212-526-7742
> Fax: (212) 519-1950
> Email: jeffrey.goodman@lehman.com
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