

*Confidential:*

*Selected trends from Aurora Risk Review*

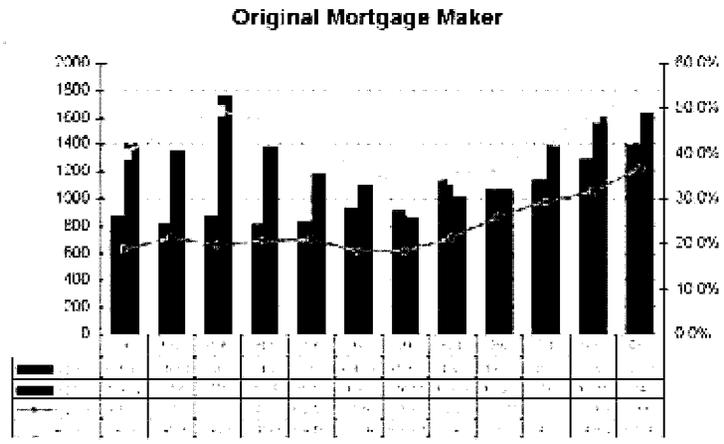
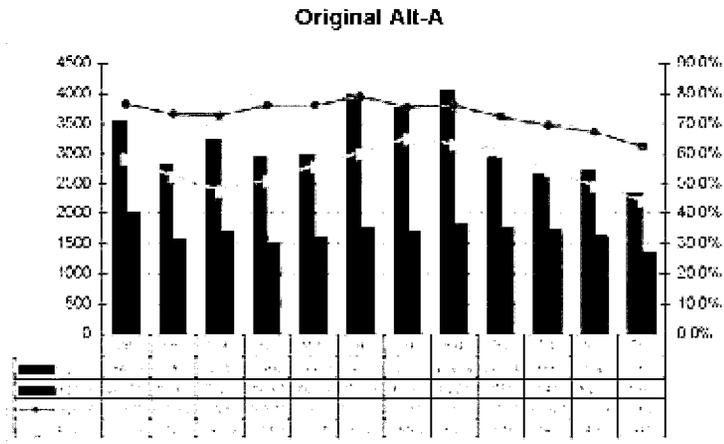
*February 2007*

**LEHMAN BROTHERS**

The product mix of Aurora production has shifted substantially in the last 6 months from Alt-A to MortgageMaker (Alt-B)

Aurora Originations - All

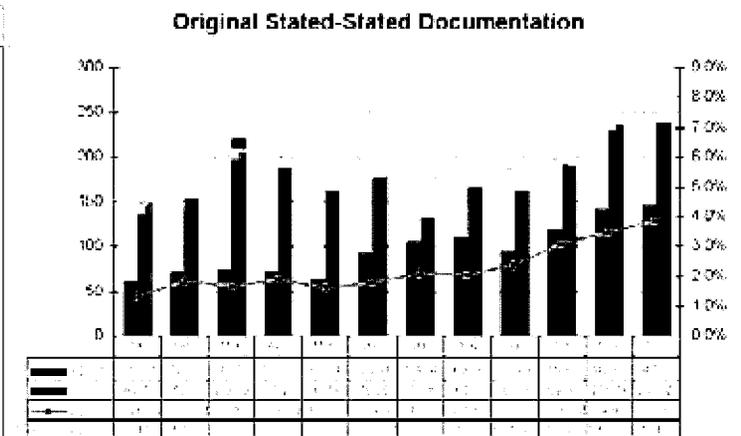
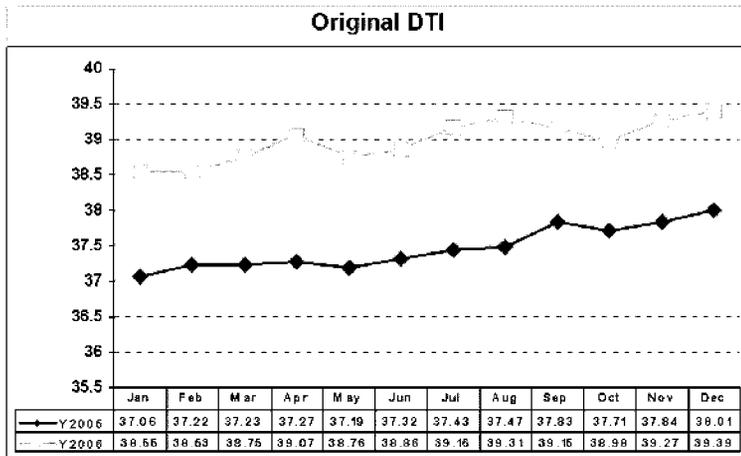
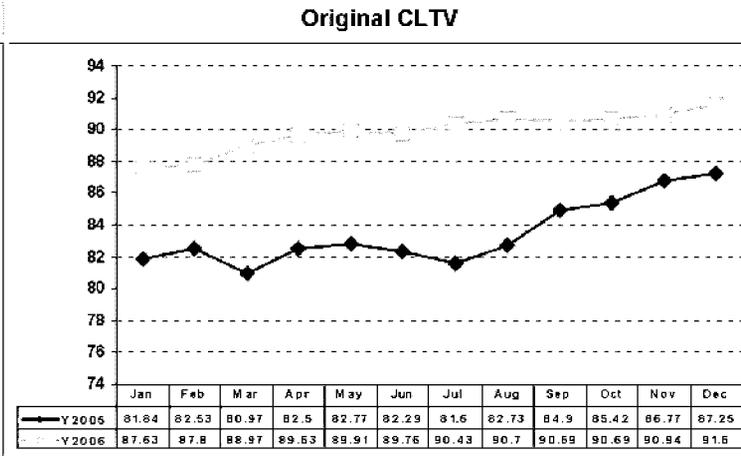
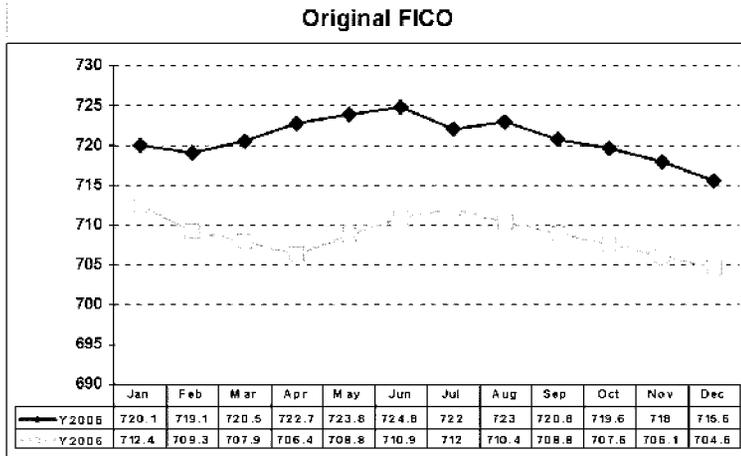
Aurora Risk Review



# FICOs , LTVs, DTIs, and Documentation levels have deteriorated as the rest of the industry

## Aurora Originations - All

Aurora Risk Review



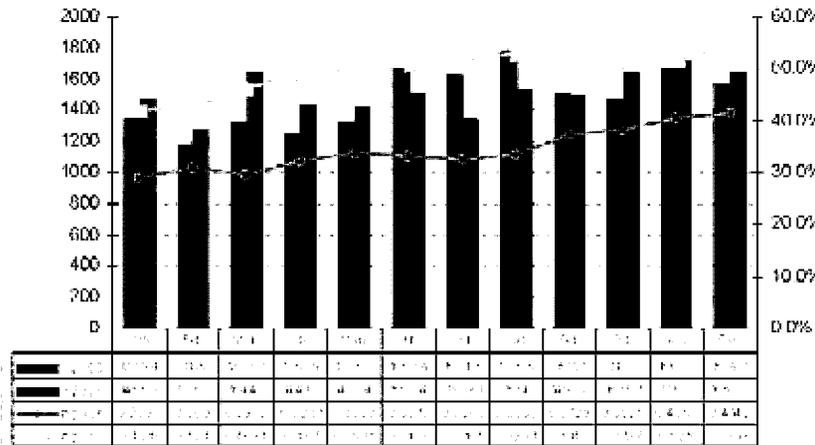
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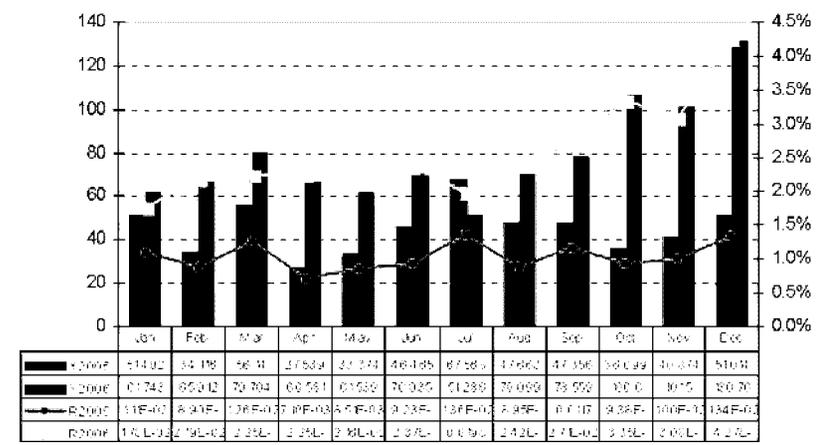
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While the industry is moving away from high CLTVs and non-owner occupied properties, Aurora is gaining considerable share, especially during the last 3 months. On the non-owner occupied segment, there is a significant shift to the 100% CLTV product.

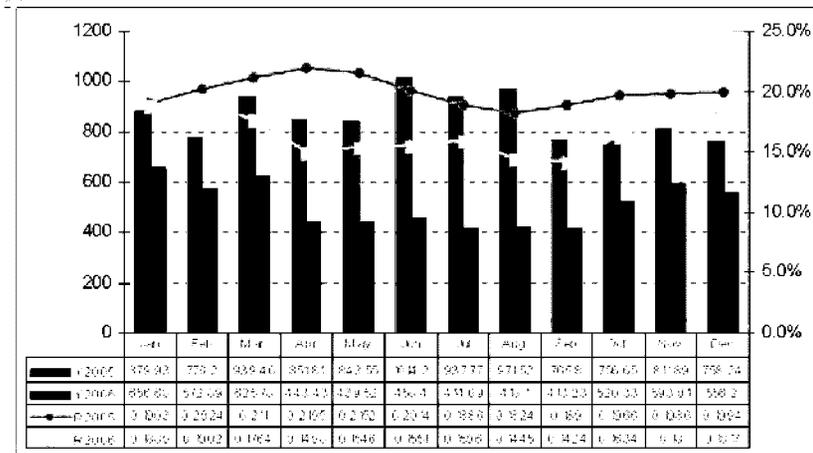
Original CLTV > 95



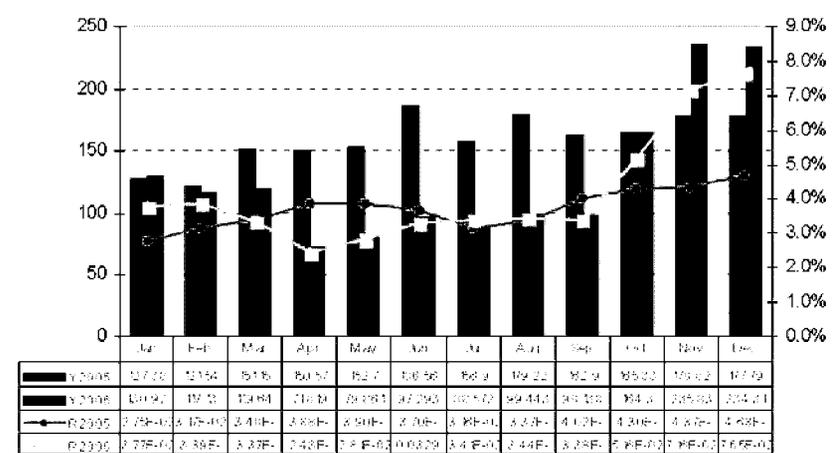
Original Stated Doc and FICO < 640



Original Non Owner Occupied



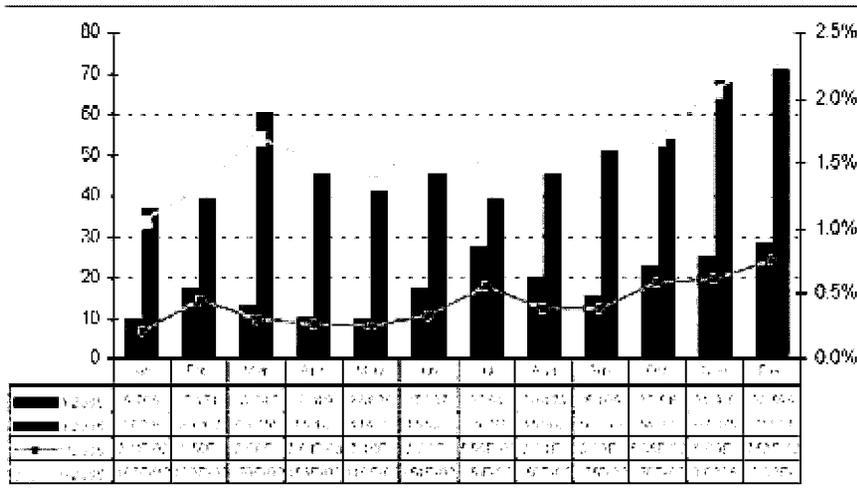
Original Non-Owner and CLTV > 95



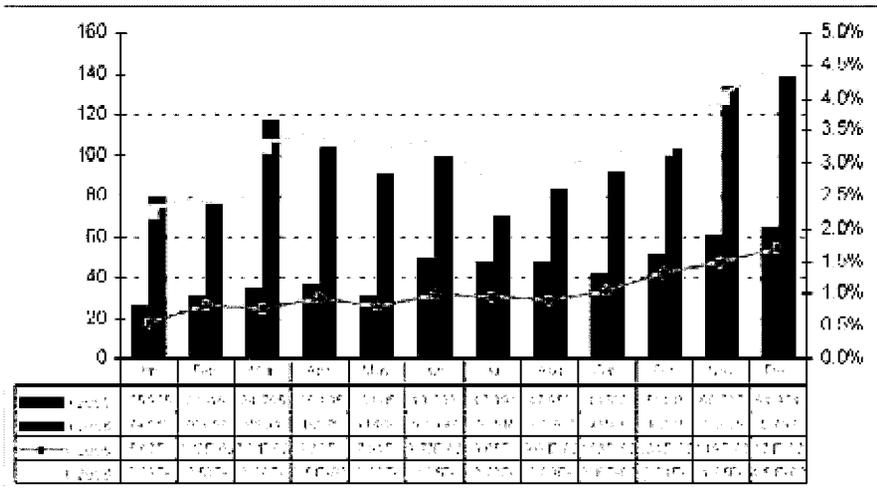
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The last 3 months have seen a big increase in Stated-Stated doc loans, combined with 100 CLTV financing and non-owner occupied properties. This segment performs very poorly, with first payment default rates and longer term default rates double or triple of the other groups.

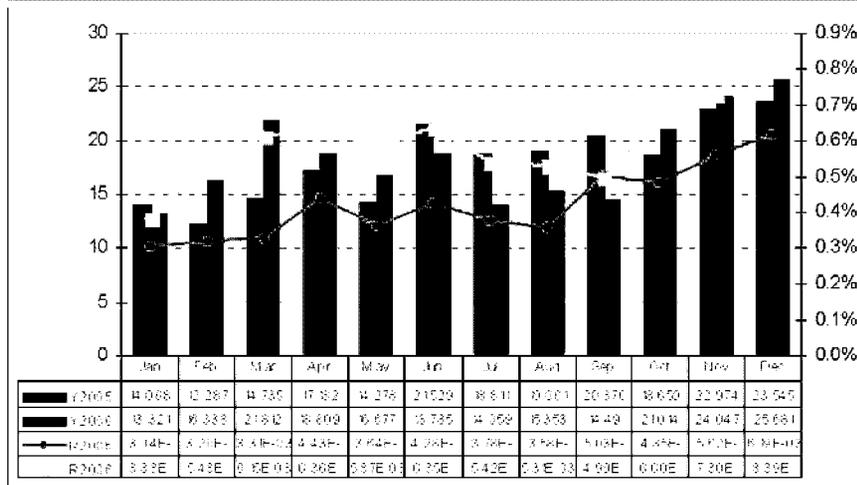
Original Stated-Stated Doc and FICO < 660



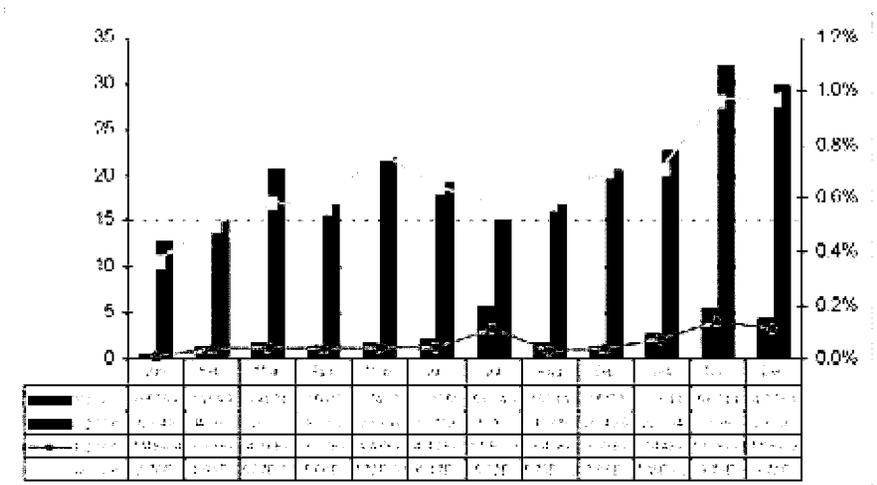
Original Stated-Stated Doc and CLTV > 95



Original Stated-Stated Doc and Non-Owner



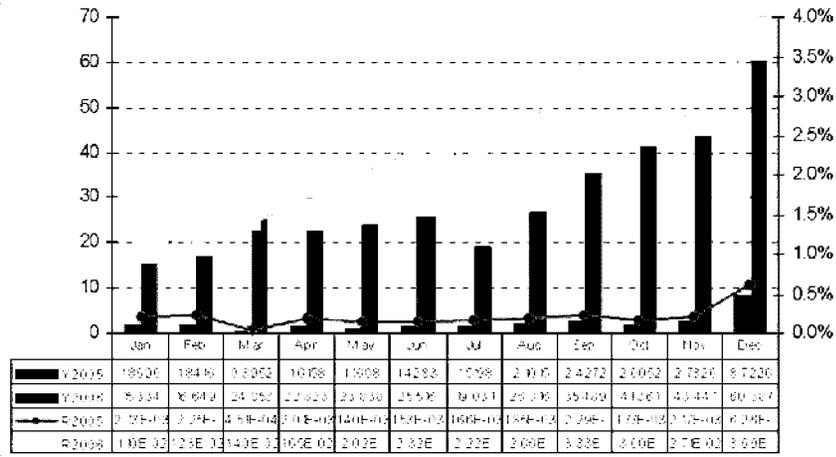
Original Stated-Stated, FICO < 660 and CLTV > 95



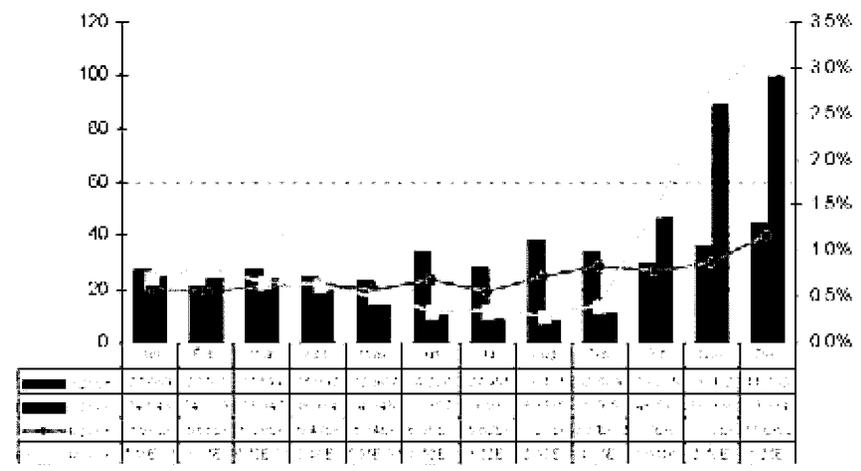
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Even the other non-full doc types have seen a big increase in the last 3 months. There has been a much faster deterioration in credit quality on 2nds as well – more rapid than the rest of the portfolio.

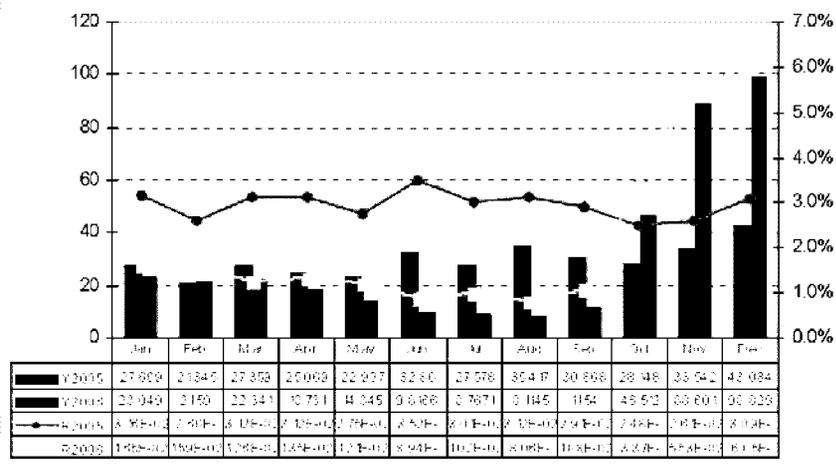
Original Stated, FICO <640 and CLTV > 95 - Mortgage Maker



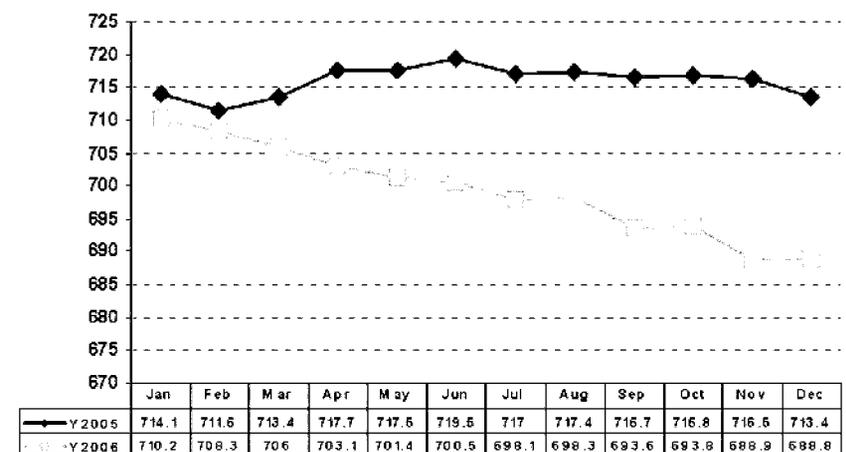
Original Stated, Non Owner and CLTV > 95



Original Stated, Non Owner and CLTV > 95 - Mortgage Maker



Original FICO - 2nds



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