To: jeffrey epstein (jeevacation@gmail.com)[jeffrey epstein (jeevacation@gmail.com)]; jeevacation@gmail.com[jeevacation@gmail.com]
Cc: Barrett Pod[redacted] Barrett, Paul S[redacted]
From: Ens, Amanda
Sent: Wed 7/10/2013 5:13:55 PM
Subject: RE: To Do - ALT-A HY RMBS OFFERING - $10mm of IMM 05-2 1M2 @ $69-00 (7.428% yield/4.53 durn)

Jeffrey,

We think we can source more of this bond and at 69 instead of 70.25. Paul thinks we should buy $2mm now, more than the $1mm originally discussed – could we work an order on $2mm?

Thanks,

Amanda

******ALL OFFERS ARE SUBJECT******

THE BONDS:
The IMM 2005-2 1M2 is an Alt-A Mezz Floater (1mL + 73.5bps) backed by *101months seasoned Alt-A Fix and Hybrid ARM mortgages*. The bond has 6.01% credit enhancement vs 17.22% 60+ delinquencies, giving the bond a 0.35x coverage ratio.

THE COLLATERAL:
The pool consists of 734 Alt-A Hybrid ARMs that are 100 months seasoned with an updated LTV of 84%. The average balance of the loans is $246k.

THE STORY:
For clients looking for housing exposure via cleaner, seasoned Alt-A collateral, this bond offers a very compelling yield pickup vs corp HY and provides a positive convexity story for investors. The bond is recommended for buy and hold clients who want yield pickup in this dislocated market.

HIGHLIGHTS

- **HPI Updated LTV = 84%**
- **101 months seasoned**
- **704 Original FICO**
- **$246k average balance**

- 66% 24-month perfect payers

**Source: Intex/Bloomberg: July 10, 2013

IMM 2005-2 1M2 Offered @ 69-00

BOND DESCRIPTION	
Cusip:	45254NNC7
Original Face:	10,000,000
Current Face:	1,566,775
Bond Type:	Alt-A Mezz Floater (1ML + 73.5bps)
Ratings (S&P/Moodys/Fitch):	CC/Ca/-
Current Coupon:	0.928%
Yield @ Base Case	7.428%
WAL @ Base Case	7.11
Principal Window @ Base Case	Jul13 to Nov28
Writedown %	23.20%
Current Credit Enhancement:	6.01%
60+ Delinquencies	17.22
60+ Delinquency Coverage	0.35x

UNDERLYING COLLATERAL DESCRIPTION	
Average Loan Balance ($,000s)	246
Loan Count	731
Mortgage Type	Alt-A Fix and ARM
Wtd Avg Mortgage Coupon	3.986%
Wtd Avg FICO Score	704
Wtd Avg Orig Loan-to-Value	70.56%
HPI Adj LTV	83.94%
Weighted Avg Loan Age	101
Owner Occupied	68.21

Prepay Rate

Default Rate

Default Severity

Delinq Rate

Delinq Advance (% of P&I)

Call

Price @ 69-00

Yield

DM

Duration

WAL

Principal Window

Principal Writedown

Total Collat Loss

Total Liquidation

HISTORICAL PERFORMANCE

CPR

CDR

SEV

Top 1 Geo Concentration	CA 52%
Top 2 Geo Concentration	FL 10%
Top 3 Geo Concentration	VA 4%
Always Current (24 mos)	66.40%

IMPORTANT DISCLAIMER:
Non-agency RMBS is a complex fixed income product and is not suitable for all investors. Please note that while desk assumptions are driven by a number of collateral and macro factors, the **historical performance of a deal is not indicative of its future performance**. Additionally, this message is a product of sales and trading and is not a research report. Other key risks to consider are outlined below:

- All investments are subject to possible loss of principal

- Non-Agency bonds may have limited liquidity and clients should be aware that the secondary market for mortgage-backed securities has experienced periods of illiquidity and may do so in the future. Illiquidity means that there may not be any purchasers for your class of certificates. Although any class of certificates may experience illiquidity, it is more likely that classes that are lower in the capital structure and non-investment grade related may experience greater illiquidity than more senior, investment-grade rated classes.

- High Yield Non-Agency bonds are speculative non-investment grade bonds that have higher risk of default or other adverse credit events which are appropriate for high risk investors only

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Thanks,

Amanda

Amanda Ens | Vice President | Global Investment Opportunities | J.P.Morgan | NMLS ID: [redacted]

320 Park Ave, 14th Floor, New York, NY 10022

T: [redacted] | F: [redacted] | M: [redacted] | [redacted]

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From: Barrett, Paul S
Sent: Tuesday, July 09, 2013 10:00 AM
To: Jeffrey Epstein (jeevacation@gmail.com)
Cc: Barrett Pod
Subject: To Do - ALT-A HY RMBS OFFERING - $10mm of IMM 05-2 1M2 @ $70-08 (7.005% yield/4.56 durn)

Jeffrey

I think we should sell our Chase 2007-A1 mortgage bond. We are up $123K. And then buy the below bond. We will be raising around $1MM in cash if we do this switch and pick up around 225bps on our base case yield assumption.

Let me know.

Paul

US Onshore Clients – Blue Sky (U.S. State Securities Law): Please confirm Blue Sky eligibility before soliciting to a US Onshore client by entering the CUSIP into the web tool located at: http://pscppv1.amer.jpmchase.net:8080/BlueSkyPage.html and review to see if your client's state of residence is listed. If you receive 'NO SECURITY FOUND', 'NO STATES FOUND' or the security DOES NOT HAVE A CUSIP or is not USD-denominated, then please contact your SM or local compliance officer and provide the requested security and client information. Please note that a suitability review and other pre-trade procedures must still be followed.

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Please call the desk with all bids/inquiries related to this bond. [redacted]

HIGHLIGHTS

- **HPI Updated LTV = 84%**
- **101 months seasoned**
- **704 Original FICO**
- **$246k average balance**
- **66% 24-month perfect payers**

****Source: Intex/Bloomberg: July 8, 2013**

IMM 2005-2 1M2 Offered @ 70-08

BOND DESCRIPTION	
Cusip:	c
Original Face:	10,000,000
Current Face:	1,566,775
Bond Type:	Alt-A Mezz Floater (1ML + 73.5bps)
Ratings (S&P/Moodys/Fitch):	CC/Ca/-
Current Coupon:	0.928%
Yield @ Base Case	7.005%
WAL @ Base Case	7.07
Principal Window @ Base Case	Jul13 to Sep28
Writedown %	23.66%
Current Credit Enhancement:	6.01%
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HPI Adj LTV	83.94%
Weighted Avg Loan Age	101
Owner Occupied	68.21

Prepay Rate
Default Rate
Default Severity
Delinq Rate
Delinq Advance (% of P&I)
Call

Price @ 70-08
Yield
DM
Duration
WAL

Principal Window
Principal Writedown
Total Collat Loss
Total Liquidation

HISTORICAL PERFORMANCE

CPR
CDR
SEV

Top 1 Geo Concentration	CA 52%
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