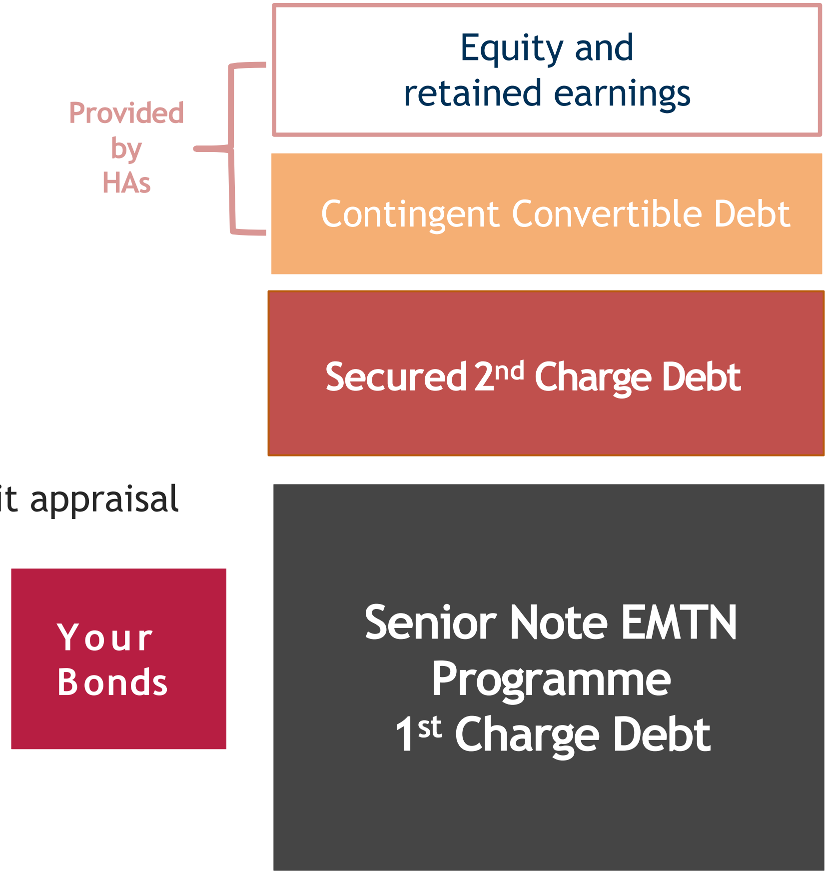
MORhomes Credit Strucutre

Unique among aggregators, it offers credit diversification supported by a robust capital structure and credit remediation:

- **Capital sufficient to address everything except systemic risk.**
  - survives an average default rate of 15% on the portfolio
  - survives a shortfall on ultimate recovery of 70%
- **Substantial internal and external risk bearing liquidity**
  - covers over 12 months of non payment on the whole portfolio
  - covers 5% of continuous non payment for the whole life of the debt
- **Continuous surveillance and monitoring**
  - access to “non public information”
  - quarterly management performance reviews, minimum of annual credit appraisal
- **A legally enforceable process for credit remediation**
  - collateral deposits rise if the credit declines
  - requires additional deposits to address merger concentration risk
- **Rising levels of cash collateral to address any failing credit**
  - reinforces the impact of stress tests on the business



Liquidity facilities