

A Look at the Alt A Wholesale Market After the Subprime Mortgage Meltdown

New Study To Examine Shifts in Underwriting Standards, Broker Management & Loan Programs

*A National Survey by Campbell Communications
Sponsored by Inside Mortgage Finance*



As fears grow that subprime early payment defaults and foreclosures may bleed into the high-flying Alt A sector, how is the environment changing for mortgage brokers? As wholesale lenders adapt to sagging home prices, potential increases in government regulation, and fallout from lax underwriting, what is likely to happen in this vital lending area?

Find out what this year's dramatic market changes will mean for wholesale lenders and their brokers--this must-have report from Campbell Communications and Inside Mortgage Finance will provide hard data and a strategic roadmap for wholesalers seeking to maintain or even boost their Alt A business in the months ahead.

This is our second survey tracking brokers' attitudes toward Alt A lending issues and wholesale lender relationships. The survey will be conducted in June 2007, with the final report to be published in late July 2007.

Learn the Answers to Key Strategic Issues

- ? • How have over 30 specific underwriting guidelines – for both Alt A and subprime loans – changed in 2007?
- ? • Which Alt A lenders have been most aggressive in tightening guidelines?
- ? • How have lenders' broker management policies changed to minimize default risk and reward responsible brokers?
- ? • Which lenders have been most aggressive in dropping approved status for high-risk brokers?
- ? • What steps are brokers taking to prevent the possibility of loan buybacks?
- ? • Which products are in greatest demand by brokers and borrowers?
- ? • What factors are now most important in broker choice of lenders in Alt A?
- ? • Which Alt A lenders are most highly rated by mortgage brokers?



How Mortgage Brokers View Alt A Changes After Subprime Meltdown

Detailed Rankings and Ratings of Major Subprime Lenders

Mortgage brokers rank and rate specific lenders on:

Pricing

- Competitive rates
- Low closing costs
- Rate discounts for preferred brokers

Service

- Lender has local AE
- AE responds promptly to phone calls/emails
- AE is knowledgeable
- Overall AE service
- Centralized call center service
- Electronic services (lock online, automatic underwriting, online docs, etc.)

Underwriting

- Reliable pre-approvals, without rate/cost increases
- Underwriter is accessible/solves problems
- Grants underwriting exceptions when needed
- Fast underwriting turn times
- Timely closing documents

Loan programs

- Broad range of Alt A programs
- Also offers prime programs
- Also offers subprime programs

Actionable Intelligence for Senior Management

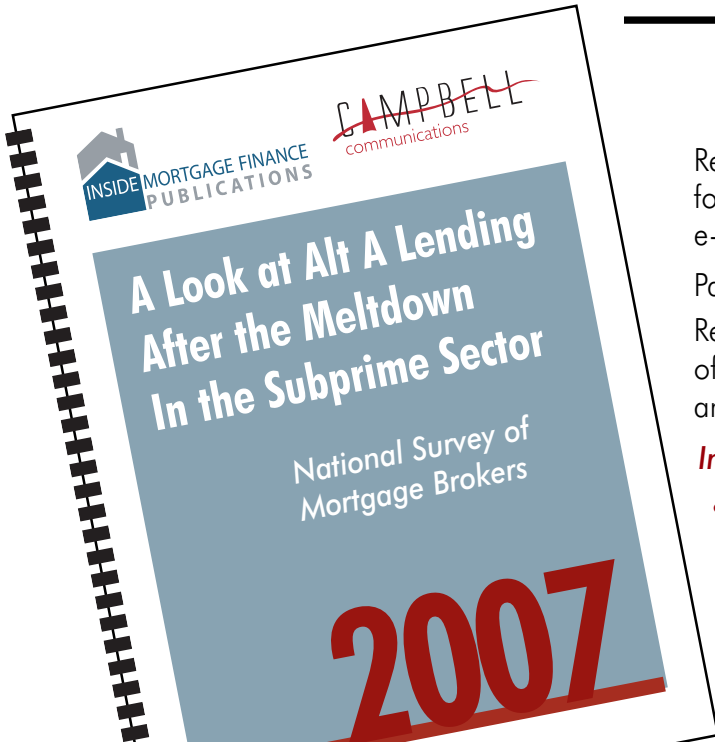
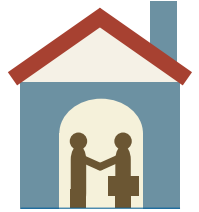
The survey report will provide lenders' executives specific, actionable intelligence about how brokers and lenders are reacting to the changed lending environment—from the best information source available: individual mortgage brokers and loan officers. Survey topics include:

- Enforcement of upfront quality control—credit checks, income verification, and appraisals
- Broker management programs— incentives and sanctions
- Broker perception of products with increasing consumer demand
- Broker perception of which products have continued supply
- Key reasons for choosing lenders for Alt A borrowers
- Changes in use of mortgage insurance

Leveraging Previous Major Research Studies

This comprehensive new project builds on our 2003-2006 surveys of mortgage brokers in prime and nonprime lending, our 2005-2006 surveys of correspondent lenders, and our 2003-2007 surveys of real estate agents and brokers – each exploring attitudes toward key lending relationships and specific lenders and investors. Every year, a majority of the nation's largest wholesale and retail lenders count on our survey findings to improve their competitive position in a fast-changing marketplace. For more information about previous research, see www.campbellsurveys.com.

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Methodology

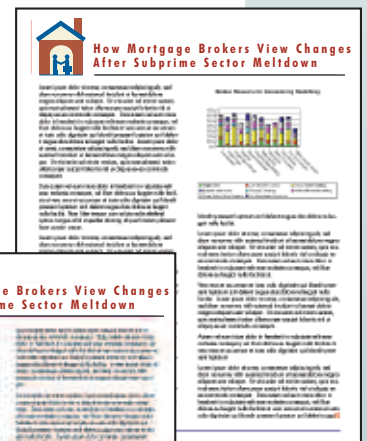
Respondents are invited to complete the survey form on a secure web site after promotion through e-mail messages.

Participants complete the survey online.

Respondents are assured anonymity, ensuring validity of responses and higher response rate; their names and firms are kept confidential.

Incentive for respondents to participate:

- **Complimentary summary report.** Following analysis and tabulation, all respondents will receive an electronic copy of generic findings — not strategic, proprietary information — on the attitudes of their peers toward loan programs and process.
- **Ease of participation.** Simple online function, web-based, can be accomplished at convenience of respondent at home or office, day or night.
- **Length and simplicity.** Relatively brief instrument requires little time, no need to refer to documents. Virtually all information needed is present in mind of respondent.



Targeted Respondents

Targeted respondents are recruited in two ways:

- A substantial sample of the nation's mortgage brokers, recruited via a proprietary database of 55,000 e-mail addresses.
- Additional respondents recruited through notification by lenders.

For more information, call 202.363.2069



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Review the Survey Online

The survey instrument may be reviewed at www.campbellsurveys.com/AltA07. Designed by Geosegment Systems and Campbell Communications, with input from Inside Mortgage Finance Publications, as well as lenders and brokers. Pre-tested regarding content and online compatibility.

Survey Timing

Survey conducted in June 2007. Full report published in late July 2007.

Full Report Contents

A complete set of survey findings will be provided, consisting of data analysis, summary tables, color graphs, and interpretative narrative. Analysis and preparation of report by Campbell Communications and Geosegment Systems. Documents in PDF format with permission to print out and duplicate copies for companies' internal use. Purchasers may obtain PowerPoint versions of graphs and tables at no extra charge.

Pricing and Delivery

Price of the full report is \$12,500. Customers will receive expedited electronic delivery of findings in order of purchase.

Questions and Further Information

Call John Campbell **202.363.2069**, or e-mail john@campbellsurveys.com.

To Order Survey Report

- E-mail info@campbellsurveys.com, providing name and company name and contact information
- Call **202.363.2069**



Inside Mortgage Finance Publications, Inc. is a leading publisher of strategic newsletters in the mortgage industry. Campbell Communications, Inc. is a marketing and research firm which conducts syndicated surveys in vertical markets. The survey instruments in this and other projects undertaken by the two firms are designed by Geosegment Systems Corporation, a market research firm specializing in the mortgage industry.

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