

ANNALY®

## Onslow Bay Financial (“OBX”) Platform Update

October 2020

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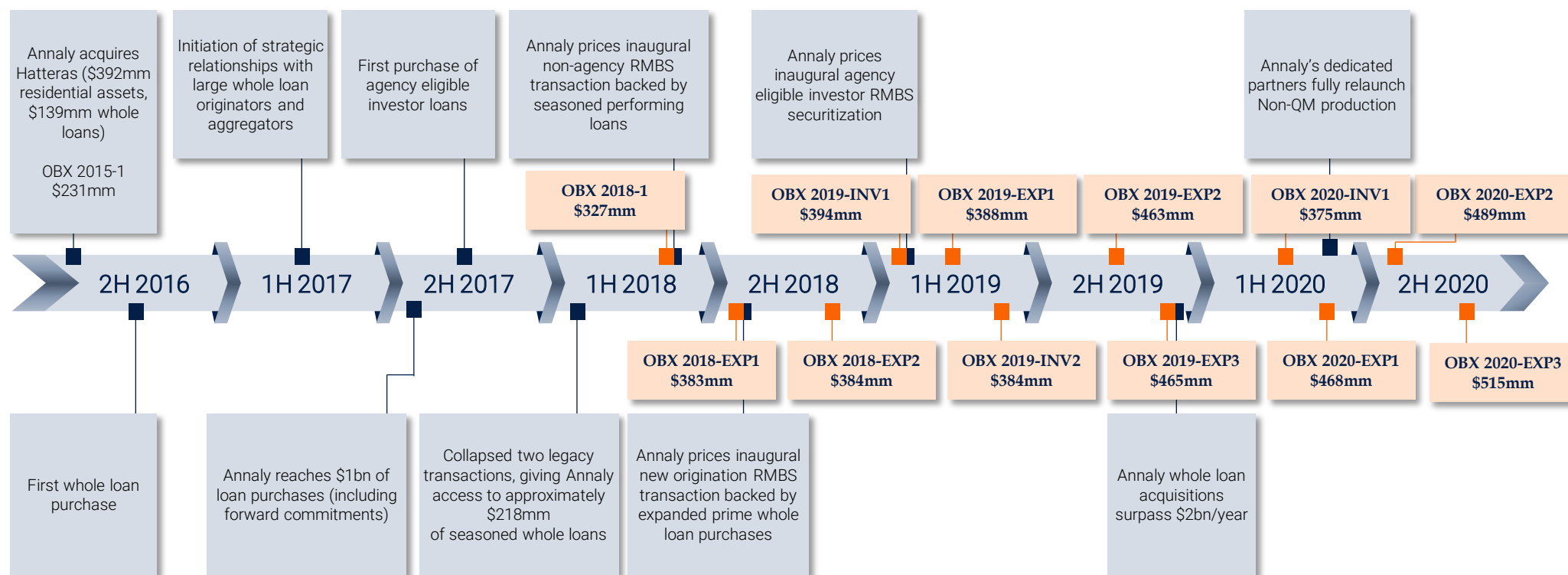
Onslow Bay Financial LLC

# Onslow Bay Whole Loan Platform

## Annaly purchases residential whole loans through Onslow Bay Financial LLC

- Onslow Bay Financial LLC (“Onslow Bay”) is a wholly owned subsidiary of Annaly Capital Management Inc (“Annaly”). Annaly, through Onslow Bay, has been active in acquiring residential whole loans since 2016
- In addition to being a HUD approved Investing Mortgagee, Onslow Bay currently holds the requisite state mortgage finance licenses, registrations, or exemptions (collectively, the “mortgage finance approvals”) to purchase and own servicing across residential whole loans in all 50 states and the District of Columbia
- Annaly utilizes securitization through Onslow Bay as an asset generation strategy and as a mechanism to diversify financing for the whole loan business
- Since 2018, Onslow Bay has been a market leader by issuing >\$5.0 bn of performing, non-agency securitizations across twelve transactions

### Evolution of the whole loan and securitization strategy



# Onslow Bay Whole Loan Platform

Onslow Bay utilizes an experienced and talented asset management platform to improve performance

- Onslow Bay's whole loan acquisition strategy and proactive portfolio management is guided by strong internal governance processes and credit discipline through meticulous asset selection, surveillance, oversight and risk management

## Expansive Whole Loan Management Platform

### Asset Selection

- Onslow Bay purchases closed, funded, performing residential loans made to mortgagors with stable incomes and employment histories with a focus on limiting borrower layered risk
- Onslow Bay performs full securitization diligence<sup>(1)</sup> across Credit, Compliance (RMBS 3.0 TRID Compliance Review) and Valuation prior to securitization

### Surveillance and Analysis

- Real time loan performance is monitored and analyzed through a proprietary loan management system based on daily sub-servicer data feeds
- Onslow Bay utilizes both internal and externally developed models / infrastructure to project loan level pre-payments and defaults based on the esoteric collateral of non-agency loans

### Servicing & Oversight

- Onslow Bay utilizes best in class specialized sub-servicers that are rated as "strong" or "above average" for loans purchased with MSR (Select Portfolio Servicing, Specialized Loan Servicing, Shellpoint Mortgage)
- Onslow Bay engages in continuous dialogue with our sub-servicers regarding loss mitigation, borrower contact strategies, servicing transfers, servicing oversight and monitors disposition timelines

### Risk Management

- New counterparties and underwriting guidelines are approved by various committees of senior management
- Portfolio Key Risk Indicators ("KRIs") are monitored daily by an independent Risk team
- Counterparty risk is continuously monitored based on both contractual exposure to Onslow and counterparty financial condition

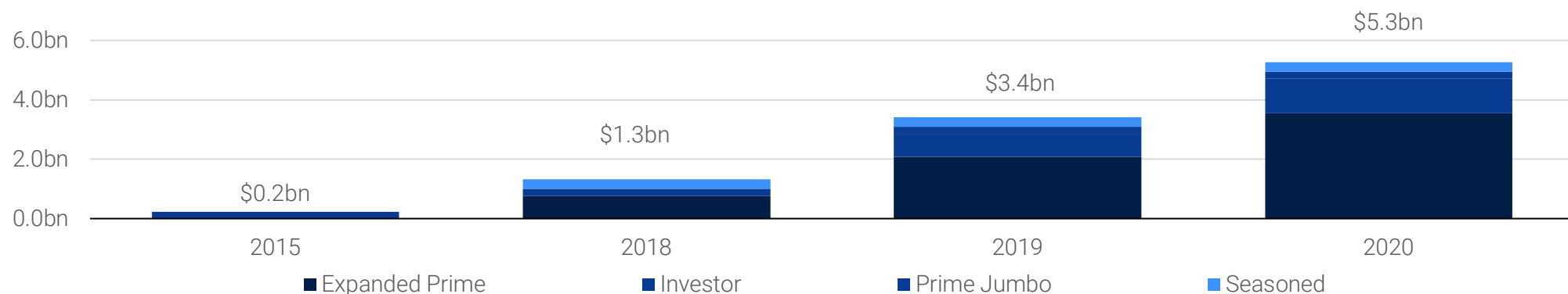
1. Onslow Bay utilizes full securitization diligence (Credit, Compliance, Valuation) for new origination whole loan purchases. For seasoned whole loan purchases, Onslow Bay may diligence Title / Tax / Lien, servicing comments, pay history and updated FICOs / valuations.

# Onslow Bay Securitizations | “OBX”

## Programmatic issuer; Access to permanent capital

- Annaly, through Onslow Bay, is a differentiated issuer in the resi securitization market due to access to permanent capital and a long-term commitment to the organic creation of residential credit assets
- Onslow Bay has continued to be a programmatic issuer post-COVID; over \$1.0bn securitized since March 2020 across multiple securitizations
  - During the market volatility caused by the COVID-19 pandemic, Onslow Bay honored all outstanding whole loan commitments and supported our origination partners by continuing to provide liquidity
  - Onslow Bay’s “Expanded Prime” securitization program has outperformed during the pandemic with only 2.7% D60+ as of the September remittance period

Cumulative OBX Issuance by Year



OBX Expanded Prime Performance

Shelf	Count	Orig Bal	Curr Bal	Accum Loss	Loss% Orig bal	Loss% Curr bal	Delinq 30+	Delinq 60+
OBX <sup>(1)</sup> EXP	7	\$3,041,393,867	\$2,113,980,140	\$601,240	0.0198%	0.0284%	5.20%	2.70%

1. Losses on the OBX shelf are driven by post forbearance deferrals on COVID impacted borrowers.

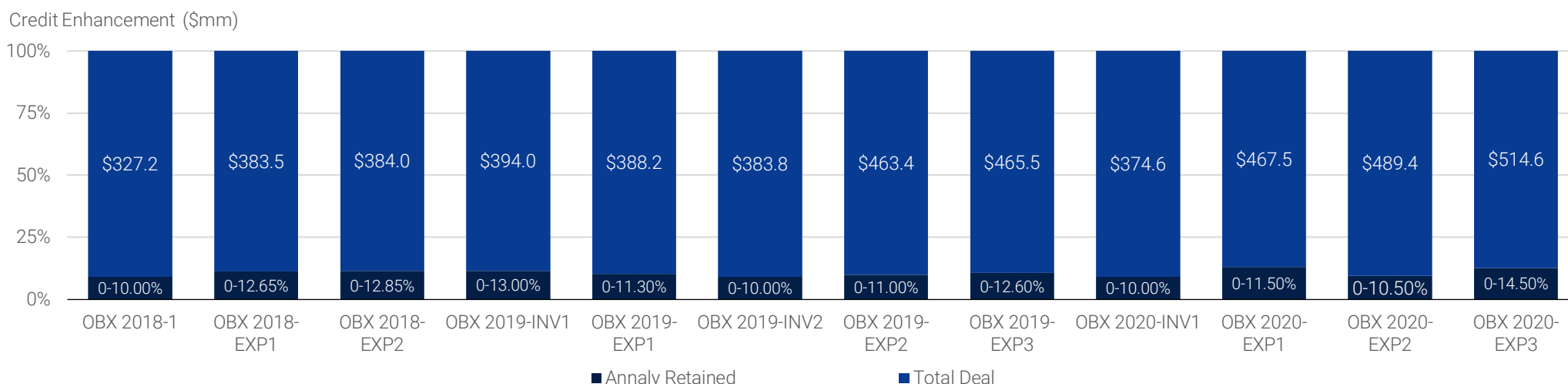
# Retained Interest in OBX Shelf

Annaly has retained significantly more assets than mandated by risk retention<sup>(1)</sup> at issuance

- Annaly has retained a significant interest, well beyond the mandated 5% risk retention in all OBX securitizations at time of issuance
- Empirical retention of both the majority of the subordinate stack in addition to derivatives
- Issuer and investor incentives are aligned as Annaly holds a larger percentage of the capital structure than peer issuers and is retaining horizontal risk retention

	Deal Size	Percentage of Subordinate Bonds Retained at Issuance
OBX 2018-1	\$327.2mm	100%
OBX 2018-EXP1	\$383.5mm	100%
OBX 2018-EXP2	\$384.0mm	100%
OBX 2019-INV1	\$394.0mm	100%
OBX 2019-EXP1	\$388.2mm	100%
OBX 2019-INV2	\$383.8mm	100%
OBX 2019-EXP2	\$463.4mm	100%
OBX 2019-EXP3	\$465.5mm	100%
OBX 2020-INV1	\$374.6mm	100%
OBX 2020-EXP1	\$467.5mm	100%
OBX 2020-EXP2 <sup>(2)</sup>	\$489.4mm	82%
OBX 2020-EXP3 <sup>(3)</sup>	\$514.6mm	88%
<b>Total</b>	<b>\$5,035.7mm</b>	<b>97%</b>

Annaly has held some of the subordinate bonds in addition to the IO / AIOs off previous securitizations at issuance



1. The Securitization Risk Retention Rule implemented under the Dodd-Frank Act requires the securitizer of asset-backed securities to retain at least 5% of the credit risk related to that securitization in either an Eligible Horizontal Residual Interest equal to 5% of the fair value of the ABS interests or an Eligible Vertical Interest equal to 5% of the securities issued (or a combination thereof).

2. Sold the B1 (10.50% CE) on OBX 2020-EXP2 in addition to the seniors. Retained B2-B6 and IO / AIOs.

3. Sold the B1 (14.50% CE) on OBX 2020-EXP3 in addition to the seniors. Retained B2-B6 and IO / AIOs.

# Performance Update



# OBX Expanded Prime Program | Credit Performance

## OBX Expanded Prime has outperformed market comparables

- Onslow Bay's Pre-COVID expanded prime securitization platform (transactions issued before 3/31/2020) currently has D60+ delinquencies of 3.4%
  - Onslow Bay "EXP" delinquencies are significantly lower than the largest comparable Expanded Prime issuer (6.7%) and the Non-QM sector (13.9%) for Pre-COVID transactions
  - Onslow Bay's "EXP" D60+ delinquencies (3.4%) are even lower than the Prime Jumbo sector (3.7%) and the STACR Low LTV deals--despite a significant concentration of alternative documentation and investor loans
- Onslow Bay's entire expanded prime securitization platform (including transactions issued post 3/31) has D60+ delinquencies of 2.7% as of the September remittance period

### D60+ Across Sectors For Pre-COVID Issuance (Issued Before 3/31/2020)

Loan Vintage	OBX-Exp Prime	STACR Low LTV Deals	Expanded Prime Issuer (1)	Prime Jumbo	Non-QM
2016	5.90%	4.82%	3.16%	3.86%	12.68%
2017	2.82%	4.92%	7.22%	4.03%	13.78%
2018	4.60%	5.91%	7.84%	4.48%	14.83%
2019	2.27%	6.19%	4.66%	3.35%	13.68%
<b>Total</b>	<b>3.43%</b>	<b>N/A</b>	<b>6.67%</b>	<b>3.68%</b>	<b>13.92%</b>

Source: Proprietary Database as of 9/1/2020, Totals include vintages not shown.

Non-QM includes: AOMT, ARRW, BHL, BRAVO NQM, CMLTI IMC, COLT, CSMC AFC, CSMC NQM, DRMT, EFMT, FRMT, FSMT RR, GCAT NQM, GFMT H, HOF, JPMMT HYB, NRZT NQM, OVMLT, RCO NQM, RMLT, SGR, SHMLT SH, STAR, STAR IMC, VERUS, VSTA issued before 3/31/2020.

Jumbo Includes: ABMT, CHASE, CHASE SH, CIM J, CSMC HL, CSMLT, EVER, FSMT, FWLS SC, GSMBS PJ, JPMMT, JPMMT FRB, MELLO MTG, OAKS, OBX, PFMT, PSMC, RCKT, SCOT, SEMT, SFPMT, TBMLT, WFMBS, WIN issued before 3/31/2020.

STACR Low LTV Deals reference vintage issuance.

# OBX Expanded Prime Program | Credit Performance

## OBX Expanded Prime (EXP) serious delinquencies (D60+) exhibit significant equity compared to peer issuers

- Due to proactive asset selection and a strategy that emphasizes equity, approximately 54% of the delinquent loans in the Onslow Bay "EXP" shelf have an Original LTV below 65 with only 5%  $\geq 80\%$ 
  - Comparable expanded prime issuers have  $\sim 20\%$  of serious delinquencies  $\leq 65\%$  Original LTV, Non-QM issuers with  $\sim 14\text{-}30\%$  and a comparable prime jumbo issuer of  $\sim 27\%$

OBX EXP D60+										
Deal	$\leq 60$	60 to 65	65 to 70	70 to 75	75 to 80	80 to 85	85 to 90	$> 90$	$\leq 65\% \text{ LTV}$	$\geq 80\% \text{ LTV}$
OBX 2018-EXP1	23%	0%	15%	13%	44%	5%	0%	0%	23%	5%
OBX 2018-EXP2	49%	7%	0%	25%	19%	0%	0%	0%	56%	0%
OBX 2019-EXP1	33%	27%	17%	11%	6%	6%	0%	0%	60%	6%
OBX 2019-EXP2	55%	27%	0%	0%	18%	0%	0%	0%	82%	0%
OBX 2019-EXP3	40%	14%	9%	20%	17%	0%	0%	0%	54%	0%
OBX 2020-EXP1	8%	21%	22%	7%	17%	14%	11%	0%	29%	25%
OBX 2020-EXP2	100%	0%	0%	0%	0%	0%	0%	0%	100%	0%
Total	37%	17%	10%	12%	19%	3%	1%	0%	54%	5%

Competitor D60+										
Shelf	$\leq 60$	60 to 65	65 to 70	70 to 75	75 to 80	80 to 85	85 to 90	$> 90$	$\leq 65\% \text{ LTV}$	$\geq 80\% \text{ LTV}$
Expanded Prime Issuer (1)	17%	2%	9%	20%	32%	1%	19%	0%	19%	20%
Expanded Prime Issuer (2)	20%	0%	26%	0%	17%	11%	26%	0%	20%	37%
Non-QM Issuer (1)	10%	4%	8%	12%	27%	18%	22%	0%	14%	40%
Non-QM Issuer (2)	17%	13%	19%	15%	22%	9%	6%	0%	30%	15%
Prime Jumbo Issuer (1)	19%	8%	14%	17%	36%	1%	5%	0%	27%	6%
Average	17%	5%	15%	13%	27%	8%	16%	0%	23%	22%

# OBX Expanded Prime Program | Investor Protection

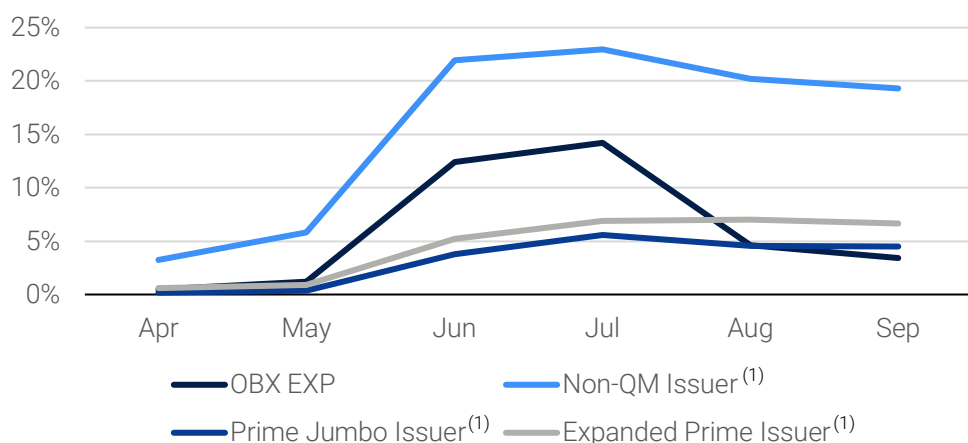
OBX EXP Securitizations offer superior credit protection to Investors relative to other Non-QM and Jumbo programs

OBX EXP coverage ratio (Senior CE/D60+) is higher than peers

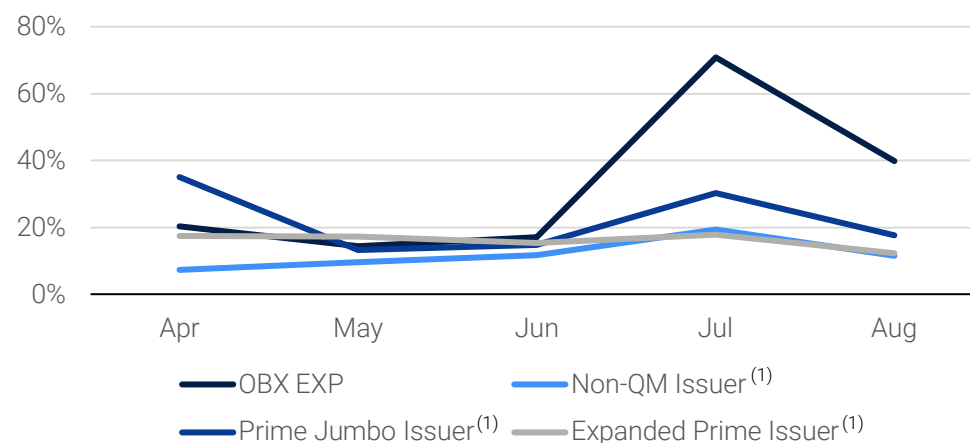
Deal Vintage	Non-QM Issuer <sup>(1)</sup>			Prime Jumbo Issuer <sup>(1)</sup>			OBX EXP Program		
	Senior CE	DQ 60+	Coverage	Senior CE	DQ 60+	Coverage	Senior CE	DQ 60+	Coverage
2018	50.7	22.2	2.28	20.0	4.6	4.32	24.9	4.0	6.18
2019	45.2	18.7	2.42	17.1	5.1	3.36	25.3	3.9	6.43
2020	37.6	15.9	2.36	13.1	3.5	3.72	22.3	1.6	13.63

Onslow's EXP securitizations have minimal delinquencies and an above market cure rate

D60+ Since April



Monthly Cure Rate



Source: Proprietary Database as of 9/1/2020, deals issued before 3/31/2020.

Excludes recent transactions of OBX 2020-EXP2 and OBX 2020-EXP3.

Senior CE is the Credit enhancement of the most senior bond issued.

Coverage is the CE of the most senior bond divided by the D60+ balance.

Monthly Delinquency Cure Rate represents the percent of loans that were deemed delinquent as of last month and are now deemed current because they reperfomed in the current reporting cycle.

1. Represents public market issuers excluding Annaly.

# OBX Program | Prepayment Performance

OBX Expanded Prime (“EXP”) and Agency Investor (“INV”) have demonstrated superior convexity

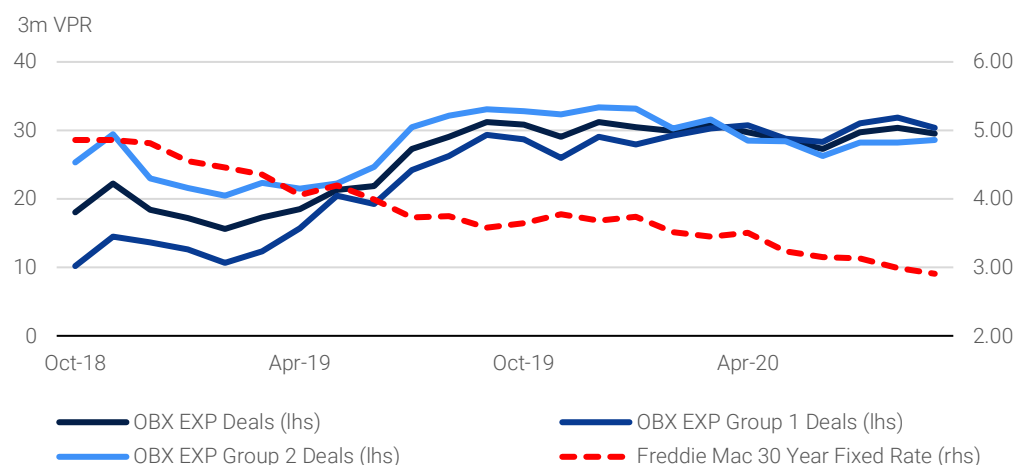
## Both OBX Shelves have demonstrated Superior Convexity

- OBX Expanded Prime (“EXP”) and Agency Investor (“INV”) securitization have shown stability in prepayment speeds despite decreasing primary mortgage rates
- The high percentage of self-employed borrowers, alternative documentation, investor concentration and manual underwrites relative to other shelves/programs limits the refinance channels available, contributing to stable speeds
- OBX Agency Investor (“INV”) speeds remained rangebound in low 30s CPR as primary rate declined while Prime Jumbo speeds continue to accelerate

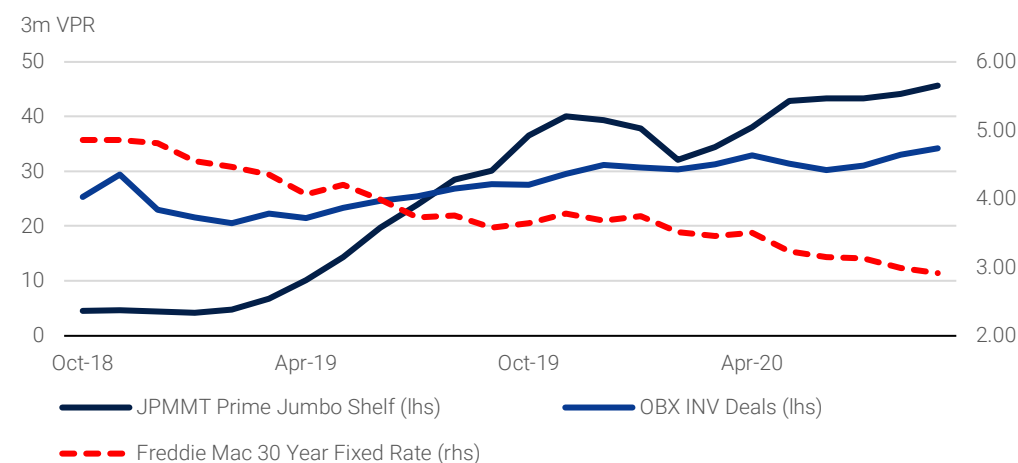
## Stable Prepayments Across Deals

Deal	Curr GWAC	3m CPR	6m CPR	12m CPR
OBX 2018-EXP1	4.73	33.60	30.50	31.00
OBX 2018-EXP2	4.95	31.60	28.60	26.20
OBX 2019-EXP1	5.35	27.70	31.40	31.40
OBX 2019-EXP2	5.24	27.00	33.50	29.80
OBX 2019-EXP3	5.17	27.50	23.80	NA
OBX 2020-EXP1	4.86	28.80	29.60	NA

## OBX Expanded Prime<sup>(1)</sup>



## OBX Agency Investor<sup>(2)(3)</sup>



CPRs and Freddie Mac Commitment Rates sourced from Bloomberg. Charts display simple average of 3-month CPRs across deals.

1. OBX EXP reflects data from the following deals: OBX 2020-EXP1, OBX 2019-EXP3, OBX 2019-EXP2, OBX 2019-EXP1, OBX 2018-EXP2 and OBX 2018-EXP3.

2. OBX Agency Investor reflects data from the following deals: OBX 2020-INV1, OBX 2019-INV2, and OBX 2019-INV1.

3. JPMMT Prime Jumbo Shelf reflects data from the following deals: JPMMT 2020-6, JPMMT 2020-5, JPMMT 2020-4, JPMMT 2020-3, JPMMT 2020-2, JPMMT 2020-1, JPMMT 2019-9, JPMMT 2019-8, JPMMT 2019-7, JPMMT 2019-6, JPMMT 2019-5, JPMMT 2019-4, JPMMT 2019-3, JPMMT 2019-2, JPMMT 2019-1, JPMMT 2018-9, JPMMT 2018-8, JPMMT 2018-7, JPMMT 2018-6, JPMMT 2018-5, JPMMT 2018-4, JPMMT 2018-3, JPMMT 2018-2, and JPMMT 2018-1.

# OBX Expanded Prime Program | Convexity

Onslow Bay's Expanded Prime (EXP) program has demonstrated beneficial convexity

Expanded Prime, Prime Jumbo and FNMA S-Curve Comparison



Rate Incentive	OBX EXP	Expanded Prime Issuer	Prime Jumbo	FNMA Majors	FNMA CK
25	30.0	14.0	21.0	29.1	37.8
50	36.8	29.4	35.0	44.7	72.5
75	19.8	32.5	45.1	53.6	73.1
100	18.7	37.3	50.4	54.1	67.3
125	28.8	43.6	51.8	48.9	64.6
150	34.9	47.3	53.6	57	61.8
175	31.1	41.3	49.9	53.5	58.7
200	31.9	38.6	52.9	53.5	55.2
>225	34.0	42.7	51.5	49.9	39.2

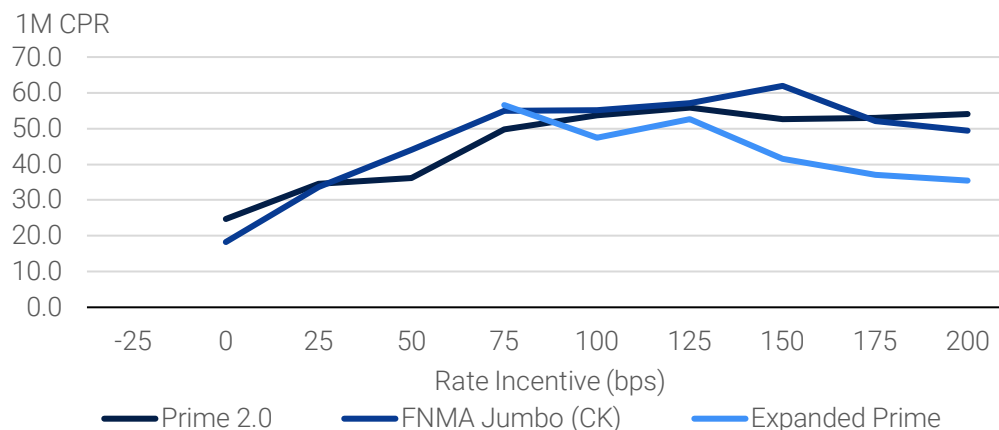
Source: Annaly, Intex, CPRCDR.  
Curves restricted to 6-24 loan age. October 2019-September 2020 reporting periods.  
Expanded Prime Issuer defined as Galton and Sequoia Choice Shelves.

# OBX Expanded Prime Program | Convexity

Wells Fargo research team makes similar observations about Expanded Prime convexity

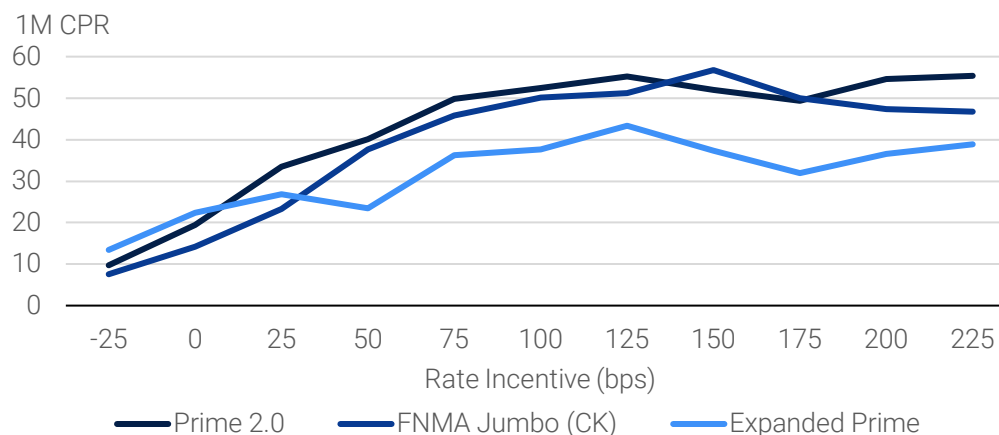
Loan Age 7-24 Months

Rate Incentive	Prime 2.0	FNMA Jumbo (CK)	Expanded Prime
-25			
0	24.8	18.2	
25	34.6	33.6	
50	36.2	44.0	
75	49.8	54.9	56.6
100	53.8	55.2	47.5
125	55.9	57.1	52.6
150	52.6	62.0	41.5
175	53.0	52.1	37.0
200	54.0	49.5	35.5
225	57.2	47.2	38.4



All Loan Ages

Rate Incentive	Prime 2.0	FNMA Jumbo (CK)	Expanded Prime
-25	9.7	7.5	13.4
0	19.5	14.2	22.4
25	33.5	23.3	26.9
50	40.1	37.6	23.4
75	49.9	45.8	36.2
100	52.5	50.2	37.7
125	55.2	51.2	43.3
150	52.0	56.8	37.4
175	49.4	50.0	32.0
200	54.7	47.4	36.6
225	55.4	46.8	38.9

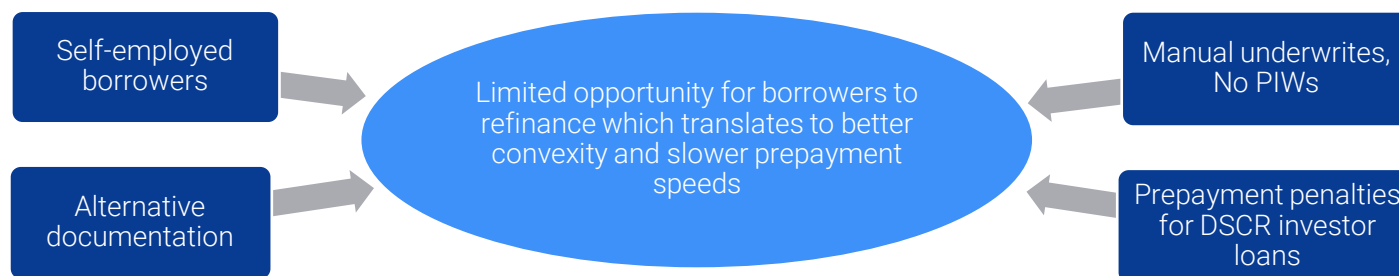


Source: Wells Fargo Research. CPR & CDR Technologies.

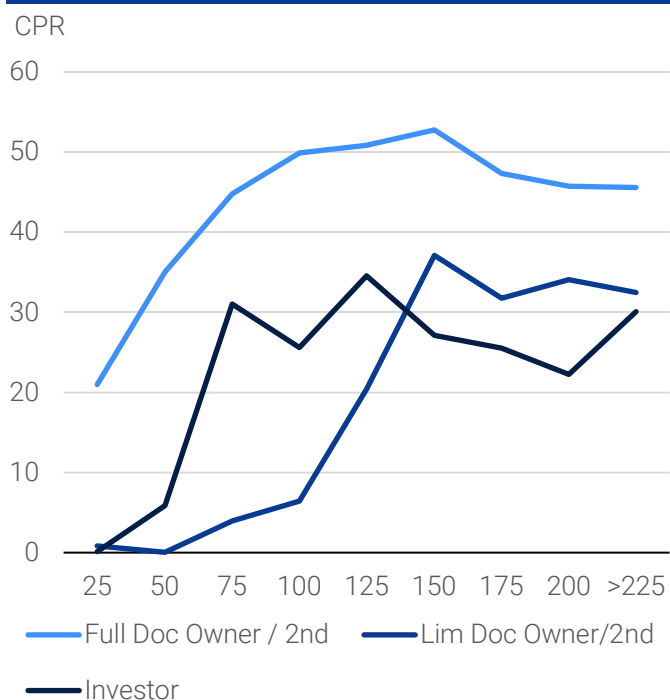
Note: 2012-2019 Vintage, No Prepayment Penalty, 30 Yr. Fixed, using observations from the April 2020 prepayment period and later. Includes only observations with greater than 200 data points. Base rate is Freddie Mac PMMS 30y fixed rate.

# OBX Expanded Prime Program | Impediments to Refinance

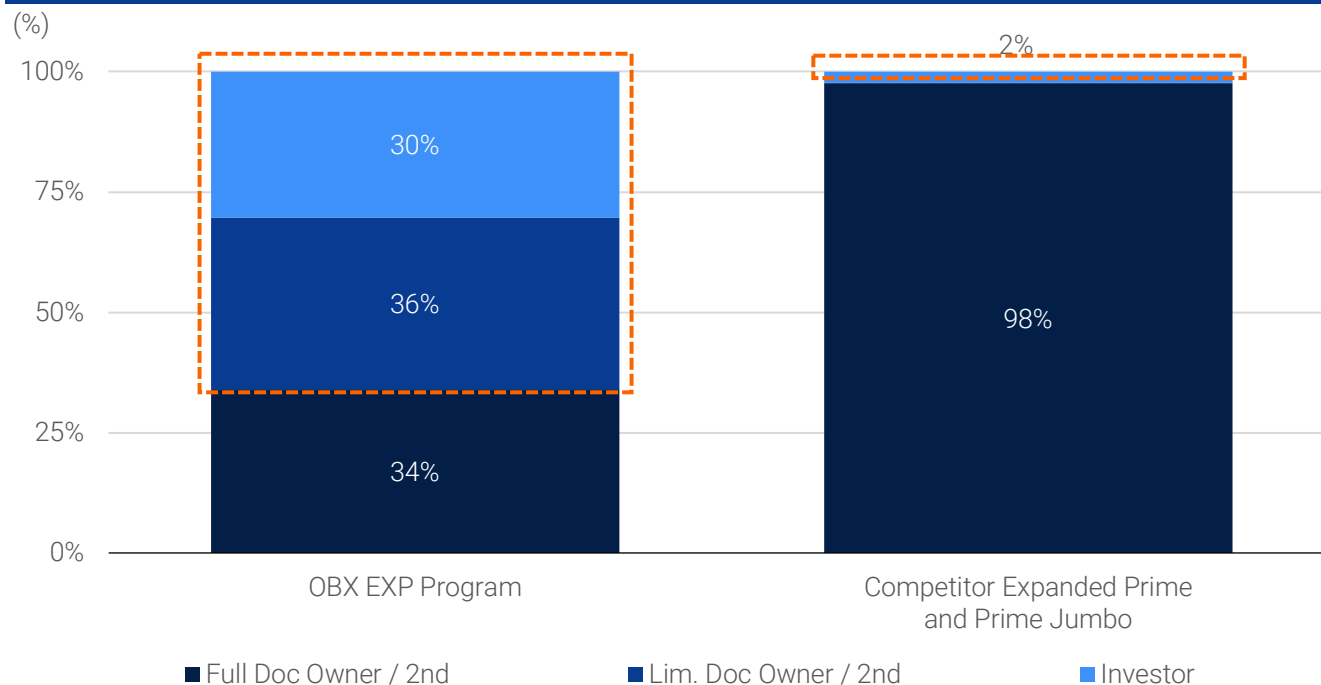
The convexity benefit of Onslow Bay's Expanded Prime (EXP) program is driven by observable loan characteristics



Documentation Type and Occupancy S-Curve Comparison



Significant Concentration of Limited Documentation and Investor Loans in the OBX Expanded Prime Program Versus Peers



Source: Annaly, Intex, CPRCDR.  
Curves restricted to 6-24 WALA. October 2019-September 2020 reporting periods.  
Competitor Expanded Prime defined as Galton and Sequoia Choice Shelves.

# OBX Expanded Prime Program | Market Pricing Snapshot

OBX 2020-EXP3 priced wider than recent prime jumbo deals, despite better investor protection and superior convexity

Deal Name	OBX 2020-EXP3	Prime Jumbo Deal 1	Prime Jumbo Deal 2	Prime Jumbo Deal 3
Priced	Sep-20	Sep-20	Sep-20	Aug-20
GWAC	4.65%	3.77%	3.77%	3.57%
AAA Pricing Spread bk of TBA	1-26bk FN 3.0	1-22bk FN 3.0	1-22bk FN 3.0	1-24bk FN 3.0
AAA Approx. N Spread to Historical 6M Shelf CPR	114	94	42	-36
% Investor	38.39%	0%	0%	0%
% Alternative Documentation	49.29%	0%	0%	0%
% Self Employed	44.81%	21.45%	19.45%	5.85%
Shelf 3M Speed	29.50%	36.80%	42.67%	45.42%
Shelf 6M Speed	28.53%	38.60%	44.74%	44.42%
Shelf 12M Speed	28.90%	40.10%	37.26%	41.92%



# Appendix

# Onslow Bay Securitizations | Expanded Prime

	OBX 2020-EXP3	OBX 2020-EXP2	OBX 2020-EXP1	OBX 2019-EXP3	OBX 2019-EXP2	OBX 2019-EXP1	OBX 2018-EXP2	OBX 2018-EXP1
Issue Date	Sep-20	Jul-20	Feb-20	Oct-19	Jul-19	Apr-19	Oct-18	Aug-18
Collateral Type	Expanded Prime	Expanded Prime	Expanded Prime	Expanded Prime	Expanded Prime	Expanded Prime	Expanded Prime	Expanded Prime
Sponsor	Onslow Bay Financial LLC							
Source of Collateral	Whole Loan Purchase	Whole Loan Purchase	Whole Loan Purchase	Whole Loan Purchases	Whole Loan Purchases	Whole Loan Purchases	Whole Loan Purchases	Whole Loan Purchases
Rating Agencies	Fitch/DBRS	Fitch	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch / DBRS	Fitch / KBRA
R&W Framework	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse
R&W Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review
Risk Retention	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal
Original Attachment to "AAA"	16.50%	12.70%	11.50%	12.60%	11.00%	11.30%	12.85%	12.65%
Deal Balance	\$514,609,143	\$489,351,663	\$467,510,916	\$465,491,918	\$463,404,935	\$388,155,948	\$384,027,255	\$383,451,233
Pool Factor (9/25 Remit)	N/A	0.94	0.81	0.73	0.64	0.55	0.55	0.52
Average Loan Size	\$490,104	\$509,211	\$649,522	\$633,322	\$628,772	\$648,007	\$636,861	\$664,560
Number of Loans	1,050	961	722	735	737	599	603	577
WA Gross Coupon	4.74%	4.74%	4.86%	5.18%	5.30%	5.40%	5.07%	4.87%
WA Orig CLTV	68%	67%	68%	66%	65%	66%	67%	67%
WA Original FICO	749	760	756	758	752	753	753	751
WA DTI	37%	38%	38%	37%	35%	36%	36%	35%
ARM	45%	0%	48%	61%	51%	50%	48%	50%
IO	17%	12%	12%	12%	12%	14%	12%	6%
Investor	38%	42%	20%	31%	23%	12%	31%	26%
WA Margin	3.17%	N/A	3.15%	3.44%	3.35%	3.05%	3.19%	3.12%
WALA	27	7	7	13	20	13	12	17
Top State	CA 52%	CA 52%	CA 55%	CA 49%	CA 53%	CA 60%	CA 62%	CA 64%
QM	8%	0%	9%	7%	7%	7%	15%	29%
Non-QM/ATR Exempt	92%	100%	91%	93%	93%	93%	85%	71%
Full Doc <sup>(3)</sup>	51%	69%	44%	41%	47%	40%	29%	68%
Alt-Doc	49%	31%	56%	59%	53%	60%	71%	32%
3M VPR	N/A	26% <sup>(4)</sup>	29%	26%	28%	28%	32%	34%
6M VPR	N/A	N/A	39%	27%	28%	28%	29%	29%
12M VPR	N/A	N/A	N/A	N/A	30%	32%	27%	31%
60+ Delinquencies	N/A	0.08%	1.64%	3.08%	3.74%	5.56%	3.71%	4.40%
Cumulative Losses	N/A	0.00%	0.00%	0.00%	0.02%	0.03%	0.02%	0.02%

Note: Voluntary Prepayment Rates (VPRs), 60+ delinquencies and cumulative losses as of the September 25, 2020 remittance period.

1. Collateral and structure not finalized and subject to change.

2. Represents updated CLTV.

3. Full documentation includes all GSE eligible loans.

4. Represents 1M VPR.

# Onslow Bay Securitizations | Agency Investor & Other

	OBX 2020-INV1	OBX 2019-INV2	OBX 2019-INV1	OBX 2018-1	OBX 2015-1
Issue Date	Jan-20	Jun-19	Jan-19	Mar-18	Dec-15
Collateral Type	Agency Investor	Agency Investor	Agency Investor	Seasoned Prime ARMs	Prime Jumbo
Sponsor	Onslow Bay Financial LLC				
Source of Collateral	Whole Loan Purchases	Whole Loan Purchases	Whole Loan Purchases	Collapse of 2 Legacy Deals + Seasoned Whole Loan Purchases	Prime Jumbo
Rating Agencies	Moody's / KBRA	Moody's / DBRS	Moody's / KBRA	Fitch / DBRS	S&P / DBRS
R&W Framework	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse
R&W Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency Trigger
Risk Retention	Horizontal	Horizontal	Horizontal	Vertical	N/A
Original Attachment to "AAA"	10.00%	10.00%	13.00%	8.80%	8.55%
Deal Balance	\$374,608,743	\$383,759,828	\$393,961,409	\$327,161,759	\$231,181,631
Pool Factor (9/25 Remit)	0.76	0.55	0.56	0.39	0.22
Average Loan Size	\$355,079	\$353,045	\$336,145	\$354,949	\$767,014
Number of Loans	1,055	1,087	1,172	920	307
WA Gross Coupon	4.76%	5.15%	5.09%	4.00%	3.39%
WA Orig CLTV	67%	65%	67%	42% <sup>(2)</sup>	69%
WA Original FICO	764	765	758	749	768
WA DTI	36%	37%	38%	N/A	33%
ARM	0%	0%	0%	98%	100%
IO	0%	0%	0%	4%	0%
Investor	100%	100%	100%	13%	4%
WA Margin	N/A	N/A	N/A	2.88%	2.25%
WALA	5	6	7	124	8
Top State	CA 52%	CA 59%	CA 56%	CA 43%	CA 49%
QM	0%	0%	0%	4%	97%
Non-QM/ATR Exempt	100%	100%	100%	96%	3%
Full Doc <sup>(3)</sup>	100%	100%	100%	N/A	100%
Alt-Doc	0%	0%	0%	N/A	0%
3M VPR	35%	43%	42%	24%	53%
6M VPR	32%	41%	39%	25%	44%
12M VPR	N/A	39%	33%	29%	39%
60+ Delinquencies	2.37%	5.08%	4.50%	4.63%	6.59%
Cumulative Losses	0.01%	0.01%	0.01%	0.03%	0.00%

Note: Voluntary Prepayment Rates (VPRs), 60+ delinquencies and cumulative losses as of the September 25, 2020 remittance period.

1. Collateral and structure not finalized and subject to change.

2. Represents updated CLTV.

3. Full documentation includes all GSE eligible loans.

4. Represents 1M VPR.