

Glossary of Terms

MDX Indices are financial benchmarks that utilize loan performance information and definitions as sourced from the agencies in connection with their securitization (“MBS”) and credit risk transfer (“CRT”) programs. They are intended to provide a reliable representation of borrowers experiencing credit events in the U.S. residential mortgage market.

Each MDX Series is composed of loans that meet *MDX Inclusion Rules* and have origination dates more fully described below. Credit Events and Additional Terms, as defined in *MDX Calculation Rules*, refer to the following data elements that are used to measure credit-related loan performance and aggregated loan detail.

Series Definitions for MDX

Series 01 consists of loans having pool inclusion dates of $\geq 7/1/2021$ and $< 1/1/2022$ with loan ages of ≤ 12 months $1/1/2022$.

Series 02 consists of loans having pool inclusion dates of $\geq 1/1/2022$ and $< 7/1/2022$ with loan ages of ≤ 12 months $7/1/2022$.

Series 03 consists of loans having pool inclusion dates of $\geq 7/1/2022$ and $< 1/1/2023$ with loan ages of ≤ 12 months $1/1/2023$.

Data Elements

Index Name is the MDX Index Series number.

Reporting Month is the month when the MDX Index values are reported.

MDX Denominator is the total number of loans in each MDX Series.

Data Elements Representing Credit Events in Each Index

120-day Delinquency is the number of loans reported as being four (4) months or more delinquent regardless of forbearance status.

Modification is the number of loans that have been removed from an MBS pool after 90 days of delinquency.

Data Elements Used to Calculate MDX Values and MDX Swap Values

MDX Numerator is the cumulative number Credit Events as of the latest Reporting Month based on the MDX Credit Event definitions.

MDX Index Value is defined in the MDX Calculations Rules.

MDX Factor is defined in the MDX Calculations Rules and is the inverse of the MDX Index Value.

Data Elements Used for Information Purposes

Average Coupon is the simple average of coupons on all loans in the MDX Denominator at the time of origination.

Average Loan Age is the simple average of the loan age of all loans in the MDX Denominator on the date each MDX Series is initially released.

Prepaid Loans is the total number of loans that have experienced a voluntary prepayment in the MDX Denominator.

30-day Delinquency is the number of loans reported as one (1) month delinquent.

60-day Delinquency is the number of loans reported as two (2) months delinquent.

90-day Delinquency is the number of loans reported as three (3) months delinquent.

General Rules and Descriptions Used in MDX

Numerators never decline except through a restatement resulting from a computational error.

Credit Events are defined as loans experiencing either a 120-day delinquency or modification and never cure regardless of updated reporting status.

Severity on credit events is 100%

For more detailed information on Index definitions and calculations see *Index Definitions* on www.vistaindex.com/resources

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