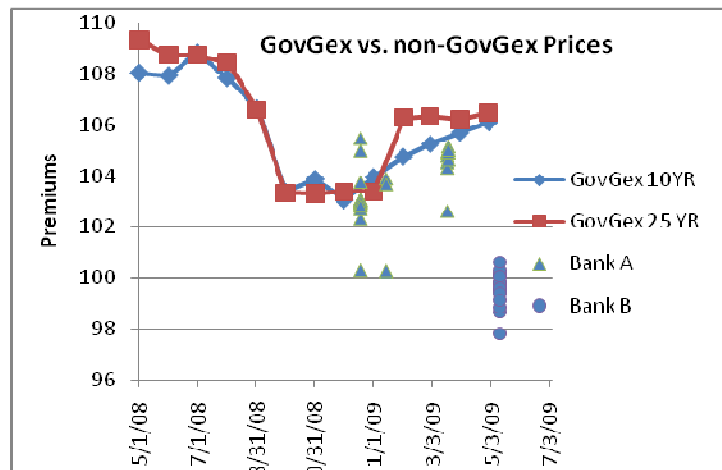


GovGex.com, exchange for selling SBA, USDA, and other government guaranteed loans, proven to capture higher premiums

A May 2009 analysis by Edgware Analytics, providers of GovGex.com, compared SBA guaranteed loan sales by two of the nation's largest SBA originators to the results seen on GovGex.com, the fair and open exchange for selling SBA and USDA loans. The analysis found that substantially higher premiums were obtained by GovGex sellers than non-GovGex sellers for financially equivalent loans.

Average premium for a newly originated template loan paying Prime + 2.75%

During the analysis period, December 2008 through April 2009, the two lenders sold 48 SBA 7(a) loans with a guarantee balance of \$26.8M. At the time, neither lender used GovGex for their loan sales. In the same period, loans totaling \$95M were offered for sale through GovGex by more than 48 different SBA originators.



After statistically adjusting for the individual interest rate, time to maturity, seasoning and sale date of each loan, a valid comparison of the premiums obtained through and outside of GovGex could be made. In 37 of the 48 non-GovGex sales, equivalent loans were selling at the same time on GovGex for a higher premium. On average, a financially equivalent loan sold for 101bps more on GovGex than outside GovGex. These sellers left \$271,337 in premium profit on the table by not selling through GovGex.

These results, while striking, are not surprising. Auction sales, with the maximum number of qualified bidders, have long been recognized as the optimal method for selling well-defined assets such as government guaranteed loans.