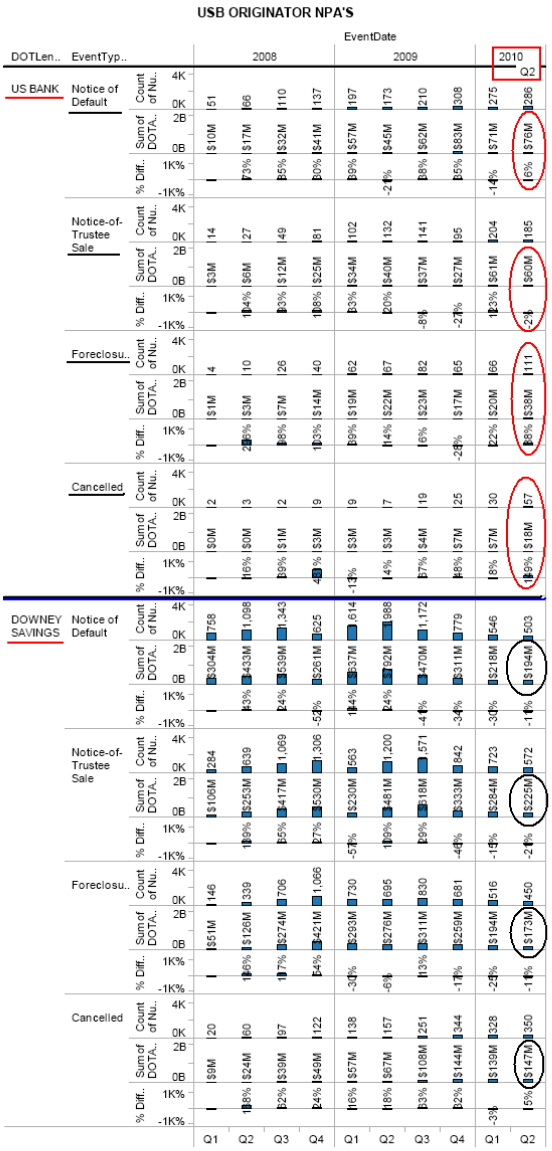
Shown directly below are the quarterly NOD, NTS, Foreclosure and Cancelled Foreclosure results for USB and DSL. The states I included as a proxy for their resi credit performance are CA, NV and OR - captures their prime to subprime lending in states I know the data are solid and in which they offered retail and wholesale portfolio lending.

Compared to other lenders, USB is late to the NOD and Foreclosure credit party but are catching up quickly. They don't have huge absolute volumes but the rate of change qoq and yoy is large. With respect to DSL, of which I can track at least 95% of their origination volume, it looks like they have done a great job working through the mess compared to WFC who is just beginning to dig into the WB Pay Option dumpster.

It is important to remember that USB was a niche' SUBPRIME lender during the bubble years. They had a portfolio product line that offered 100% second mortgages with credit scores as low at 580 and their own brand of first mortgages that rivaled New Century's with 40-year term loans that allowed credit scores as low as 550. They are also masters of loan mods and were working out their own portfolio loans years before HAMP even existed.

1) USB & DSL quarterly official Notice-of-Default, Notice-of-Trustee Sale, Foreclosure and Cancelled Foreclosure results. Because I do not capture all of USB's lending footprint, the states included in this report are intended as a credit proxy meaning the rate of change for each stage is more important than the dollar volume. For DSL, the numbers shown capture 95% of the NPA's.



2) The following are legacy wholesale broker advertisements for USB Subprime portfolio loan programs. They originated these well into 2008, long after there were no buyers for such paper meaning they still have it. They were not a huge originator but were a special go-to source for niche' Subprime lending for mortgage brokers across the West.

usbank
Five Star Service Guaranteed

Non-Prime Products

- 100% to 580 credit score for full doc borrowers
- 100% Stated with 680+ score for Self Employed borrowers
- 100% Stand Alone 2nds available down to 580 credit score
- Up to 90% on 2-4 family dwellings
- Up to 80% 1st Manufactured Home Program – cash out OK
- Rural Properties up to 90%

We make it easy…

- 24 hour Pre-approvals with U.S. Bank Submission and Fannie Mae
- Broker Compensation available up to 2 points (40 BPS:1 pt)
- Low Closing Costs - $565 1st & $415 2nds

usbank
Five Star Service Guaranteed

Effective: May 7, 2008

Account Executive Name + Phone
Account Executive Pager + Email

CONSUMER FINANCE
usbank.com/brokerloans

Non Prime Rates

Full Doc - 1st Position Only

See state-specific rate sheet for Alabama, Arizona, California, Florida, Georgia, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Rhode Island, South Carolina, Texas

1st Position — 30, 20 or 15 Year — Subtract .10% for 3/1 ARM. Add .20% for 40/40.

Mtg. Hist. (last 12-rolling 30s OK)	Time since BK[2]/ Fore close	Mid Score[1]	Under writing Tier	75	80	85	90	95
0 x 30	36/48	700+	Tier 1	7.90	8.15	8.45	8.50	9.55
		680 - 699	Tier 2	7.95	8.20	8.50	8.55	9.60
		650 - 679		8.50	8.60	8.75	8.85	10.00
		620 - 649	Tier 3	9.35	9.50	9.60	9.70	11.60
	24/36	680+	Tier 4	9.70	9.75	9.85	9.95	11.75
		660 - 679		9.80	9.85	9.95	10.10	11.95
		640 - 659		9.85	10.00	10.10	10.20	12.10
		620 - 639		9.90	10.05	10.15	10.25	12.15
		600 - 619		9.95	10.10	10.30	10.40	12.20
		580-599	Tier 5	10.25	10.40	10.65	10.75	--
	12/24	560+	Tier 6	10.30	10.45	10.70	--	--
	12/12	525+	Tier 7	10.35	--	--	--	--
1 x 30	24/36	680+	Tier 4	10.35	10.40	10.50	10.65	12.50
		660 - 679		10.40	10.55	10.65	10.75	12.65
		640 - 659		10.45	10.60	10.70	10.80	12.70
		620 - 639		10.50	10.65	10.85	10.95	12.75
		600 - 619		10.55	10.70	10.90	11.00	12.80
		580 - 599	Tier 5	10.80	10.95	11.20	11.30	--
	12/24	560 +	Tier 6	10.85	11.00	11.25	--	--
	12/12	525 +	Tier 7	10.90	--	--	--	--
2 x 30	24/36	680+	Tier 5	10.45	10.50	10.60	10.75	--
		660 - 679		10.50	10.65	10.75	10.85	--
		640 - 659		10.55	10.70	10.80	10.90	--
		620 - 639		10.60	10.75	10.95	11.05	--
		600 - 619		10.65	10.80	11.00	11.10	--
		580 - 599		10.90	11.05	11.30	11.40	--
	12/24	560 +	Tier 6	10.95	11.10	11.35		
	12/12	525 +	Tier 7	11.00	--	--		
1 x 60	12/24	660+	Tier 6	10.85	10.90	10.95		
		640 - 659		10.90	10.95	11.00		
		620 - 639		10.95	11.00	11.05		
		600 - 619		11.00	11.05	11.10		
		580 - 599		11.05	11.15	11.40		
		560 - 579		11.10	11.20	11.45		
	12/12	525 +	Tier 7	11.15	--	--		
1x90	12/12	600+	Tier 7	11.70	--	--		
		580 - 599		11.85	--	--		
		550 - 579		12.00	--	--		
		525 - 549		12.10	--	--		

RATE ADJUSTMENTS

LOAN AMOUNTS			+/- to Rate
Loan Amounts	$25,000- $49,999		+.30
Loan Amounts	$450-$750K	LTV < 80%	+.40
Loan Amounts	$450-$750K	LTV 80.01% - 90%	+.50
Loan Amounts	$450-$750K	LTV > 90.01%	+1.00
PROPERTY TYPES			
Condos / Rowhomes			+.25
3-4 Unit Properties (incl 2-flats)			+.25
Manufactured Homes			+.50
Vacation/2nd Homes			+.50
PRE-PAY PENALTY BUYOUT			
Pre-payment Penalty Buyout (loans)			+.25

40/40 Term 1st Mortgage Scores as low as 550

Call your U.S. Bank Account Executive

Best Regards,

Mark Hanson
925-787-6137

www.MHanson.com