Green Street News

Asset-Backed Alert

AUGUST 15, 2025 | LATEST NEWS

Agency Recap Plans Leave Heads Spinning

Mortgage professionals are expressing deepening frustration over a lack of communication about the **Trump Administration's** plans to recapitalize **Fannie Mae** and **Freddie Mac,** at a time when the White House appears to be barreling ahead with the effort.

The exasperation reflects a series of moves in which administration officials initially indicated they were keen to remove the agencies from government conservatorship, and then effectively halted further talks with industry participants about how the project might proceed.

At the same time, what details have emerged have only added to the bewilderment.

President **Donald Trump** said in a May 22 post on **Truth Social** that he was giving "very serious consideration" to bringing Fannie and Freddie out of conservatorship via an initial public offering. Beyond that, little new information on the undertaking

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Another AI Company Queries Securitization

Another company is thinking about securitizing cashflows tied to **Nvidia's** artificial-intelligence chips.

San Jose-based **Lambda** has engaged bankers about financing major growth it is planning over the next several years, and securitization is among the tactics being discussed, sources said. The bonds would be backed by payments made by companies that rent graphic-processing units, or GPUs, from Lambda via its cloud-based AI data-center system, a source said.

The company's head of capital markets, **Jake Hansen,** said on **LinkedIn** that Lambda "will be deploying billions of dollars over the next several years to service our superintelligence customers as an emerging hyperscaler."

To that end, the company wants to expand its capital-markets team. Lambda is looking for a director of structured finance and credit strategies. The San Francisco-based hire would spearhead financing efforts, including creating a potential

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Second-Lien Dealflow Outpaces Wider Market

Issuance of bonds backed by home-equity loans and lines of credit is growing faster than that of other types of nonagency mortgage offerings amid falling securitization costs and strong investor demand.

Second-lien mortgage product dealflow is up 62.3% so far this year, while overall nonagency issuance has grown 27.6%, according to **Asset-Backed Alert's** ABS Database. Demand for such paper has driven in spreads on new, top-rated securities by 10 bp to 30 bp over the past month.

It's quite a turnaround, considering that financing costs jumped significantly following President **Donald Trump's** April tariff announcement, and remained elevated for the next several months.

"The drop in funding costs over the short term has been a welcome relief,"

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Due to the annual break in our summer production schedule, the next issue of **Asset-Backed Alert** will be dated Sept. 5.

THE GRAPEVINE

Another senior official has left the **SEC. Tejal Shah,** associate regional director for the regulator's enforcement unit in New York, departed this month after a run of almost 12 years during which her roles included serving as a counsel to former Chair **Gary Gensler.** Shah also has worked at law firm **Cooley.** Shah's exit follows those of several other SEC officials, some in response to cuts by the **Trump Administration.**

Managing director **Ed Power** has parted ways with **Santander** to take the same title at **Triumph Capital Markets,** a Chicago-based broker-dealer specializing in placement of asset-backed bonds, asset-backed loans and equity. Power spent about seven years on Santander's structured-product sales desk, following

See GRAPEVINE on Page 12

EU Throws Curveball at CLO Issuers

Fresh guidance on **European Union** risk-retention rules is causing a new round of headaches for collateralized loan obligation issuers.

The most recent setback took the form of an Aug. 8 declaration from the **European Commission** that effectively removes the compliance benefits of contracts known as conditional sale agreements that are in widespread use among managers of CLOs backed by broadly syndicated loans. For many of those firms, changes to their strategies for assembling collateral pools will be necessary.

The shops will have to proceed carefully, however, so as not to lose an exemption from risk-retention rules in the U.S.

At issue is an updated interpretation of E.U. regulations that aim to align the interests of structured-product issuers with those of investors by compelling sponsors to retain 5% of the economic risk in their deals.

Under E.U. rules, a party holding risk-retention stakes must qualify as an originator and cannot operate with the sole purpose of absorbing such exposures. To qualify as an originator, an entity must be involved in the original agreements creating collateral loans or must have purchased collateral loans on its own account.

Managers of CLOs backed by middle-market loans typically originate most of their own receivables and as such meet the first condition in most cases.

But for deals backed by broadly syndicated loans, issuers more often buy receivables originated by others. Those firms have been complying with the E.U. rules by entering conditional sale agreements while accumulating collateral for planned offerings.

Such arrangements typically state that the manager will purchase any assets in a CLO's warehouse facility that become ineligible for inclusion in the securitization pool. Typically, they are in place for specified periods prior to the securitization's closing and apply only to the minimum amount of assets necessary for compliance.

The structure aims to expose the retention holder to the assets' credit risk during the warehousing period without having to transfer loans to the issuing vehicle multiple times.

Last week's statement from the European Commission, however, specifies that the use of conditional sale agreements does not qualify an entity as an originator for the purposes of complying with risk-retention rules. The statement, published by the **European Banking Authority,** came in the form of a response to a question posed in 2021.

While the Commission didn't spell out its exact reasoning, law firm **Dechert** said it appears a key concern with conditional sale agreements is that they position the retention holder to take on assets only if a default occurs during the specified period.

Because the Commission describes its response as a clarification of existing law and not new regulatory guidance, industry participants are interpreting it as applying not only to future CLOs but to existing ones as well.

So what other options exist? Some CLO issuers already comply through the use of contracts known as forward purchase arrangements, although doing so entails additional time and administrative costs.

A forward purchase arrangement provides for the future sale of assets from the manager or originator to the issuing vehicle as long as the receivables have not defaulted during the specified period. And the originator must retain any assets that do default during that window.

At the same time, the originator typically is entitled to any interest paid before the sale to the issuing entity, with that transfer generally taking place at the same price the originator paid. Because the construct involves the actual purchase and sale of assets, as opposed to a contingent arrangement, it is consistent with the Commission's interpretation of the originator definition, according to Dechert.

U.S. compliance gets a little tricker. Under the Dodd-Frank Act, CLOs backed by broadly syndicated, or open-market, loans are exempt from risk-retention requirements.

In Dechert's view, managers of those deals who also want to comply with the updated E.U. guidance probably won't trigger compliance requirements in the States when using forward purchase arrangements for a small minority of assets.

That opinion is not free of doubt, however.

The latest guidance follows the March publication of an E.U. interpretation that forced some U.S. CLO issuers into difficult decisions about the vehicles they set up to hold exposures to their deals. The interpretation concerned the proportion of income that entities holding risk-retention stakes could derive from such holdings. ❖

Optimum To Dial Up Buy-Siders

Optimum's debut securitization of fiber-optic receivables continues to take shape.

The Queens-based internet, television and telephone carrier plans to share details of the planned offering with investors at this year's ABS East conference, which **FT Live** and the **Fixed Income Investor Network** are hosting on Oct. 20 to 22 at the Fontainebleau Miami Beach hotel.

Market participants have been awaiting word on Optimum's plans since early 2024, when **Goldman Sachs** arranged investor meetings with parent **Altice USA** at the **Structured Finance Association's** SFVegas conference in Las Vegas. While the timing of an offering remains unclear, sources said a deal could hit the market by yearend.

The plans come amid growth in Optimum's network. The company was providing fiber-optic connections to 663,000 customers as of Aug. 7, a 53% increase from this time last year.

The flow of fiber-optic cashflow securitizations has escalated in recent years. In 2024, seven such securitizations totaling $4.3 billion priced, according to **Asset-Backed Alert's** ABS Database. So far this year, 11 deals totaling $7.8 billion have crossed the finish line. ❖

NAIC Rethinks Methodology Timing

The **National Association of Insurance Commissioners** is proposing a delay in implementing a new methodology for assessing the credit risk associated with insurers' investments in collateralized loan obligations.

The organization's Valuation of Securities Task Force suggested at an Aug. 12 meeting that the measure's effective date move to yearend 2026, from yearend 2025, as it takes in more information related to the project. A request for comments, meanwhile, will end on Sept. 12, 2025.

The methodology has been in the works since 2022 and is intended to replace credit ratings as the starting point for determining how much capital insurers must hold against their CLO exposures.

The NAIC already has disclosed details that allow market participants to estimate the total expected lifetime losses that the methodology would produce, and thus the resulting risk designations and capital-reserve requirements. The upshot would be a boost in demand among insurers for CLO bonds rated single-A or higher, but a more mixed picture for those rated triple-B.

However, NAIC staff explained during oral comments that the VOSTF still is waiting for a presentation that includes more modeling details from an ad-hoc group of NAIC staff, state regulators and industry professionals, according to **Bridgeway Analytics.** The task force also is waiting to hear from the **American Academy of Actuaries,** which is developing a related risk-based capital framework.

The VOSTF at its meeting separately adopted two proposals related to the use of private ratings in setting risk weights. The first requires that any unpublished ratings used by insurers possess "analytical substance." The second requires that reports explaining the rationale for private ratings be filed with the NAIC within 90 days of an annual update or rating change.

The use of private ratings has been increasing, and insurance regulators have flagged their confidentiality as a possible concern. ❖

Market Entering Summer Cooldown

The summer doldrums are setting in.

Asset- and mortgage-backed bond issuers in the U.S. were on track to have priced 18 fresh offerings totaling $9.8 billion this week, down from 35 deals for $17.2 billion last week.

While the projected tally would be far from the lowest recorded in recent months, industry participants are pointing to it as a sign of more sluggishness to come as they head off for their summer vacations — an annual ritual for the market. "It's getting sluggish. We're looking forward to a break after a hectic few weeks," one banker said.

Beyond that, however, a pickup could be in store. The Aug. 12 release of the latest consumer price index showed that inflation rose 2.7% in July from a year earlier, beating a consensus forecast of 2.8% and raising hopes that the **Federal Reserve** will cut interest rates up to three times beginning in September.

And the same day, President **Donald Trump** announced that the U.S. and China had agreed to a 90-day pause in the implementation of new reciprocal tariffs, until Nov. 10. The agreement leaves in place a 30% blanket tariff on goods coming into the States from China, and a 10% charge on U.S. goods flowing into China.

Together, the headlines ignited a financial-market rally, with all three major U.S. stock indexes reaching new highs on Aug. 12. And while structured-product issuers pulled back on deal volume, those that came to market enjoyed lower funding costs across a mix of asset classes.

Domino's Pizza completed a $1 billion securitization of its whole-business cashflows on Aug. 12, for example, with **Landmark Infrastructure Partners** pricing a $274.5 million issue backed by billboard leases the next day. And **Kiavi Funding** was on track to wrap up a $400 million offering underpinned by residential transition loans late this week.

Investors, meanwhile, were rushing to deploy capital ahead of the projected slowdown in supply — extending a recent drop in securitization costs. Take a $319.5 million personal-loan offering that **Pagaya** priced on Aug. 12 with **Atlas SP Partners** and **Cantor Fitzgerald** running the books. The deal, backed by accounts that the company had securitized previously, was topped by a class of triple-A-rated notes with one-year lives that priced at 100 bp over the I-curve, for a yield of 4.9% (see Initial Pricings on Page 7).

The last time Pagaya came to market, on July 21, the company priced a similar tranche at 120 bp over the I-curve for a yield approaching 5.2%.

Year to date, dealflow remains ahead of last year's pace, having rebounded from a lag that followed Trump's initial tariff announcement on April 2. Overall, 667 asset- and mortgage-backed bond offerings totaling $331.6 billion have priced this year. That compares with 578 deals for $311.4 billion at the same time a year ago, according to **Asset-Backed Alert's** ABS Database.

The two-year Treasury yield — a key benchmark for issuers of asset- and mortgage-backed bonds — closed at 3.67% on Aug. 13, down from 3.72% the previous day and 3.94% on July 31. It has remained below 4% since June 10, when it hit 4.01%. The 10-year Treasury yield, meanwhile, was at 4.24%, down from 4.37% on July 31. ❖

SEC Halts NJ Activity Amid Tumult

The **SEC** has paused securities litigation in New Jersey amid an ongoing legal battle over the appointment of a new U.S. attorney there.

Alina Habba has served as interim U.S. Attorney in New Jersey since March, and was formally nominated by President **Donald Trump** on July 1 to serve a four-year term. With her nomination awaiting confirmation by the **U.S. Senate,** Habba's interim status allowed her to serve in the post for only 120 days unless it was extended by the state's federal district court judges, which they typically do.

But the judges in late July declined to extend Habba's term and instead selected first assistant prosecutor **Desiree Grace** to the interim post. U.S. Attorney General **Pam Bondi** responded by firing Grace and appointing Habba as acting U.S. attorney, which set off lawsuits challenging Habba's legal authority. A federal judge has set a hearing on the matter for Aug. 15.

Amid the turmoil, sources said the SEC has decided to wait out the legal drama and not bring new cases in New Jersey amid fears they could be tainted.

"This backs into some of the work being done in New Jersey in securities matters," a source said. "There are going to be questions about legitimacy." ❖

Firm Plans Improvement-Loan Deal

The U.S. securitization market is about to welcome another first-time issuer.

LuminArx, a New York-based investment shop, is preparing to pull the trigger on an offering of bonds underpinned by home-improvement loans. Weighing in around $200 million, the deal is expected to start making the rounds with investors by the end of this week and will likely price next week via bookrunner **Citigroup.**

LuminArx will join 29 other companies that, since the start of the year, have priced their debut offerings of asset- or mortgage-backed bonds, which add up to $11.2 billion, according to **Asset-Backed Alert's** ABS Database.

LuminArx was co-founded in 2023 by former **Blackstone** senior managing directors **Gideon Berger** and **Min Htoo.** During their stints at the private equity behemoth, the executives served as co-chief investment officers of its alternative asset-management unit.

So far this year, U.S. issuers have priced seven home-improvement loan securitizations totaling $3.0 billion. In comparison, at this point 2024 issuers had printed six such deals adding up to $2.2 billion. **GreenSky** completed the sector's most recent offering, pricing $681 million of bonds on July 15 via bookrunners **Goldman Sachs, RBC** and **Mizuho.** ❖

Fiber Firm FirstLight Mulls Issuance

Fiber-optic network operator **FirstLight** is considering securitizing its receivables.

While the timing and size of any offering has yet to be determined, the Albany, N.Y.-based company is talking to banks about its plans, sources said.

FirstLight controls 25,000 fiber-network route miles and serves 15,000 locations in the Northeast. The company's network gives it the potential to serve as many as 125,000 locations. FirstLight also controls over a dozen colocation facilities and cloud services.

In addition to securitization, FirstLight and parent **Antin Infrastructure Partners** have been considering selling the company. But their interest in issuing asset-backed bonds has grown amid a downturn in the mergers-and-acquisitions market for fiber providers. In recent years, auctions of such companies have sometimes failed or come at less-than-stellar terms for sellers.

Still, depending on conditions, FirstLight and Antin could put the company up for sale later this year or in 2026.

In May 2024, the company raised five-year senior secured debt to refinance older borrowings and to fund capital expenditures. In October, it raised $120 million of debt from **Sixth Street** and **Palistar Capital.**

Antin acquired FirstLight in July 2018 from **Oak Hill Capital, Novacap** and **Riverside Partners.** ❖

C-PACE Loan Inked on Vegas Hotel

Peachtree Group has provided **Dreamscape Cos.** with $176.5 million of commercial Property Assessed Clean Energy financing on the Rio Hotel & Casino in Las Vegas.

New York-based Dreamscape, which focuses on building and redeveloping hotels, used the proceeds to pay off part of a balance-sheet mortgage of unknown size that was extended for an undisclosed term.

That senior loan from, a syndicate of banks led by **Wells Fargo,** was originated in February 2023 as part of a roughly $740 million loan package that also included mezzanine debt.

The fixed-rate loan from Peachtree, which closed on Aug. 12 with a 22-year term, was underpinned by part of a massive, ongoing renovation project at the 2,520-room Rio.

C-PACE loans, which are repaid through assessments collected alongside property taxes, can be used retroactively to finance retrofits of existing commercial buildings so they meet certain standards for energy efficiency, water conservation or sustainability.

The Peachtree loan was tied to improvements completed last year in the Rio's Ipanema Tower, which encompasses about 1,500 rooms. That work included upgrading the lighting, heating and air-conditioning equipment, and installing management systems to monitor and control energy use in the building.

Dreamscape initially sought to refinance the entire property, tapping **Newmark** last year to pitch lenders on an approximately $740 million loan offering. That deal never materialized, however, prompting the borrower to pursue C-PACE financing.

"We provided a liquidity injection within 60 days to several national banks on a large hotel asset, which is not easy to finance," said **Jared Schlosser,** Peachtree's head of originations and C-PACE lending.

What's more, "this was an institutional deal done with C-PACE that we closed on our balance sheet, which is relatively uncommon for a financing of this size," Schlosser said. It was the largest single transaction in the Atlanta-based firm's 18-year history, he said.

Dreamscape bought the property, previously known as the Rio All-Suite Hotel & Casino, from **Caesars Entertainment** in 2019 for $516.3 million. The 2023 refinancing apparently was part of a move by Dreamscape to raise $850 million of debt and equity via the creation of a REIT that now holds the property.

The hotel, which opened in 1990, now operates under the Destination by Hyatt brand. It's at 3700 West Flamingo Road, a block from the Las Vegas Strip. The 20-story Ipanema Tower and the 41-story Masquerade Tower are connected by a lower-rise component with restaurants and retail space. ❖

Lending Shop Expands Staff, Offices

PACE Loan Group has hired two originators, with each opening a new office for the commercial Property Assessed Clean Energy lender.

Matt Mitchell joined the Minneapolis-based firm in Dallas, while **Ron Adachi** is based in San Francisco. Both started on Aug. 4 as senior vice presidents. They report to origination chief **Peter Grabell,** a managing director who set about expanding his team after coming aboard in December.

The latest arrivals boost PACE Loan Group's staff to 31 people, following two previous hires this year and seven in 2024. Besides Mitchell and Adachi, the staff includes seven originators in Chicago, New York, San Diego and San Francisco.

Mitchell joined PACE Loan Group after two stints totaling 10 years at Dallas-based **Hall Structured Finance,** where he structured and originated construction and redevelopment loans on commercial properties across the U.S. Following his initial turn at Hall from 2013 until 2020, Mitchell rejoined the firm as a vice president in 2021 until 2024. In between, he was a managing director at **Paramount Capital Advisors.**

Adachi spent the last seven years at Milwaukee-based **PACE Equity,** where he departed as a managing director in a senior capital-markets advisory role. ❖

Dealflow ... From Page 1

an issuer said.

Take a $464.2 million securitization of closed-end second-lien mortgages that **FirstKey Mortgage** priced on Aug. 8 via bookrunner **JPMorgan Chase.** The offering's 2.6-year, triple-A-rated top class printed at a spread of 145 bp over the I-curve. A similar slug of bonds from a June 30 FirstKey deal priced at 155 bp. On April 24, **Mr. Cooper** printed comparable bonds at 175 bp.

Spreads have tightened even more dramatically in the market for bonds backed by home-equity lines of credit. Case in point: A batch of 2.4-year, triple-A-rated securities from FirstKey's inaugural HELOC securitization on Aug. 4 priced at 135 bp over SOFR via bookrunners **Goldman Sachs,** JPMorgan and **Nomura.** In comparison, a similar tranche from a HELOC offering that **Saluda Grade** printed on July 10 went out the door at 175 bp over SOFR.

At the same time, issuers of bonds backed by home-equity loans and HELOCs continue to bank fat arbitrage profits from their securitizations. The two FirstKey closed-end offerings were backed by accounts with weighted average coupons of 9.2%, in the August transaction, and 9.3%, in the June deal — both around 400 bp wider than yields on the offerings' senior bonds.

To be sure, other nonagency mortgage securitization spreads also have fallen sharply in recent months. According to **Bank of America,** spreads on senior bonds underpinned by mortgages that don't meet the **Consumer Financial Protection Bureau's** qualified-mortgage standards have tightened by 30 bp since late April, while spreads on securitizations of jumbo mortgages have tightened by 18 bp.

Still, securitizations of second-lien mortgage products are growing as a proportion of nonagency issuance. So far this year, U.S. issuers have priced 37 deals totaling $12.5 billion backed by such accounts, accounting for 11.4% of total nonagency mortgage-bond issuance. At the same point last year, 22 such offerings adding up to $7.7 billion had printed, accounting for an 8.9% share of the overall market. And in 2023, issuers had priced eight such securitizations totaling $1.8 billion, or 4.1% of the market.

As dealflow heats up, banks are loosening their purse strings and are offering home-equity lenders warehouse lines in the hopes of gaining underwriting assignments on their securitizations. As a result, warehouse financing costs have dipped a couple of points from April to around 225 bp over SOFR, with advance rates in the mid- to high-80% area.

"The most important thing is liquidity is being demonstrated via securitizations," a second issuer said. "That helps tremendously." ❖

Auto Performance Fades in June

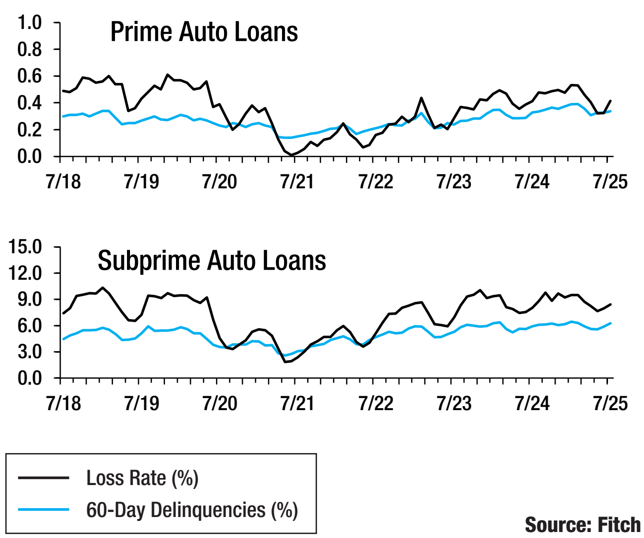
Performance indicators for securitized auto-loan pools worsened during the June collection period.

According to the July installment of an index maintained by **Fitch,** annualized net losses among prime-quality loans rose by 9 bp for the month to 0.41%. Delinquencies of 60 days or more in the category increased 1 bp to 0.34%.

Among subprime accounts, annualized net losses rose 46 bp to 8.42%. Meanwhile, the volume of accounts at least 60 days delinquent rose 39 bp to 6.28%

Recoveries, which express the principal that lenders collect on defaulted loans by selling repossessed vehicles, fell 846 bp to 63.25% among prime-quality loans. Subprime-loan pools recorded a 275-bp decline to 38.49%.

In each case, the weakening erased healthier readings recorded in recent months. However, the update includes revisions to 2025 figures due to the addition of transactions that closed in the first quarter.



Source: Fitch

AI ... From Page 1

securitization program. The company is advertising a salary of $250,000 to $350,000.

Talk of securitizations tied to AI chip leases emerged last year, when market players identified **CoreWeave** as the first potential issuer of such an offering.

The proliferation of AI, and the data centers needed to power it, has fueled tremendous growth in the digital-infrastructure sector. And securitization has played a key role in financing that growth.

The market for data-center lease securitizations is on a banner run this year, with 21 deals totaling $10.4 billion having priced worldwide since Jan. 1, according to **Asset-Backed Alert's** ABS Database. That already tops 2024's full-year tally of 20 transactions adding up to $9.3 billion, which was a record for the asset class. ❖

Agency ... From Page 1

emerged until **The Wall Street Journal** reported on Aug. 8 that the administration was planning to raise $30 billion through an initial public offering of shares in the agencies — a surprisingly small amount.

The New York Times, meanwhile, reported that Trump and administration officials recently asked representatives of the largest banks to sell the institutions' holdings of existing Fannie and Freddie shares by yearend.

That's on top of numerous inconsistencies in the White House's earlier communications. Despite the recent flurry of activity, for example, there remains no definitive word on whether a recapitalization would remove Fannie and Freddie from conservatorship, or even if that would be an intended outcome.

To that end, **Federal Housing Finance Agency** head **Bill Pulte** told **Barron's** last month that the agencies likely would remain under government control — a possibility at odds with widely held assumptions about Trump's favored housing policies.

"I'm as confused as anyone," **Structured Finance Association** chief executive **Michael Bright** said. "The only thing they would be accomplishing with the IPO is selling a few shares. As for everything else, I don't know how that works."

Still to be resolved, for example, is whether the **U.S. Treasury Department** will retain ownership stakes in the agencies that it assumed as part of their credit-crisis rescue in 2008. Also uncertain is whether the government would provide an explicit guarantee for agency loans. Further, Bright added, "Do the agencies come out of conservatorship, and if so, how does that happen? Or do they combine them into one? ... We don't have any feel for their objective."

To that point, Bright echoed frustration with the administration's process for tackling what will be the biggest factor in determining the future of the U.S. mortgage industry. Under standard Washington processes, bank advocates might approach such an issue via discussions with congressional staffers and the legislators themselves, and then by sitting down with Treasury and FHFA officials.

Trump, meanwhile, appears to be taking guidance from a few key advisors — an approach that also has raised uncertainty over who is calling the shots at the FHFA. "This is a different type of advocacy," Bright said.

Adding to the uncertainty is that the proposed size of the stock sale today falls far short of the $250 billion target that former FHFA head **Mark Calabria** had set during Trump's first term. Sources said that reflects feedback from bankers that the original amount was unworkably large, although they simultaneously reiterated a lack of clarity on what the government would accomplish by raising $30 billion instead.

How that all plays into the private-label market remains to be seen. However, some market professionals believe that even after an IPO, the administration might not affect meaningful change in how Fanine and Freddie operate. "It's hard to say until the details are provided," said **David Akre,** a mortgage-market veteran who holds the title of chief executive at **RWL Trade.** "But odds are things don't change materially, which is good for future [private-label securitizations]." ❖

INITIAL PRICINGS

Stellantis Financial Underwritten Enhanced Lease Trust, 2025-B

Priced: Aug. 13
Amount: $1.508 billion
Collateral: Auto leases
Seller: Stellantis
Bookrunners: Bank of America, JPMorgan Chase, Societe Generale

Class	S/F	Amount	Yield	WAL	Spread	Bench
A-1	A-1+/F1+	196.030	4.390	0.29	+17	I-Curve
A-2	AAA	537.160	4.353	1.23	+50	I-Curve
A-3	AAA	537.160	4.316	1.93	+58	I-Curve
A-4	AAA	106.520	4.331	2.37	+61	I-Curve
B	AA	65.530	4.517	2.54	+80	I-Curve
C	A+/A	65.530	4.765	2.65	+105	I-Curve

Domino's Pizza Master Issuer LLC, 2025-1

Priced: Aug. 12
Amount: $1 billion
Collateral: Whole-business
Seller: Domino's Pizza
Bookrunners: Barclays, Guggenheim

Class	S&P	Amount	Yield	WAL	Spread	Bench
A-2-I	BBB+	500.000	4.960	4.80	+115	I-Curve
A-2-II	BBB+	500.000	5.251	6.70	+125	I-Curve

INITIAL PRICINGS

OHA Credit Funding Ltd., 21

Priced: Aug. 13
Amount: $552 million
Collateral: CLO: corporate loans (arbitrage)
Seller: Oak Hill
Bookrunner: Bank of America

Class	M/F	Amount	Yield	WAL	Spread	Bench
A-1	Aaa/NR	384.000		6.30	+125	SOFR
A-2	NR/AAA	12.000		7.80	+148	SOFR
B	NR/AA	60.000		8.20	+160	SOFR
C	NR/A	36.000		8.70	+180	SOFR
D-1	NR/BBB-	36.000		9.30	+260	SOFR
D-2	NR/BBB-	6.000		9.60	+375	SOFR
E	NR/BB-	18.000		9.90	+465	SOFR
Sub	NR	50.500				

Barings CLO Ltd., 2025-5

Priced: Aug. 12
Amount: $460 million
Collateral: CLO: corporate loans (arbitrage)
Seller: MassMutual
Bookrunner: Bank of America

Class	M/F	Amount	Yield	WAL	Spread	Bench
A-1	Aaa/NR	320.000		6.30	+127	SOFR
A-2	NR/AAA	10.000		7.80	+150	SOFR
B	NR/AA	50.000		8.20	+165	SOFR
C	NR/A	30.000		8.80	+185	SOFR
D-1	NR/BBB-	30.000		9.30	+270	SOFR
D-2	NR/BBB-	5.000		9.60	+380	SOFR
E	NR/BB-	15.000		9.90	+500	SOFR
Sub	NR	48.300				

Capital Four CLO DAC, 10

Priced: Aug. 13
Amount: €376 million
Collateral: CLO: corporate loans (arbitrage)
Seller: Capital Four Management
Bookrunner: Morgan Stanley

Class	S/F	Amount(€)	Yield	WAL	Spread	Bench
X	AAA	2.000		1.70	+100	3 mo. Euribor
A	AAA	246.000		4.20	+125	3 mo. Euribor
B	AA	46.000		6.10	+190	3 mo. Euribor
C	A/AA	24.000		6.70	+230	3 mo. Euribor
D	BBB-	28.000		7.20	+310	3 mo. Euribor
E	BB-	18.000		7.90	+550	3 mo. Euribor
F	B-	12.000		8.40	+835	3 mo. Euribor
Sub	NR	31.280				

Huntington Bank Auto Credit Linked Notes, 2025-2

Priced: Aug. 13
Amount: $414.8 million
Collateral: Risk transfer, auto
Seller: Huntington National Bank
Bookrunners: Morgan Stanley, Bank of America, Citigroup

Class	Moodys	Amount	Yield	WAL	Spread	Bench
B-1	A3	315.000	4.883	2.00	+120	I-Curve
B-2	A3	35.000		2.00	+120	SOFR
C	Ba3	15.750		2.00	+235	SOFR
D	B3	29.750		2.02	+325	SOFR
E	NR	19.250		2.80	+660	SOFR

Bridge Trust, 2025-SFR1

Priced: Aug. 11
Amount: $412.4 million
Collateral: Single-family rentals
Seller: Bridge Investment Group
Bookrunners: RBC, Goldman Sachs

Class	M/K	Amount	Yield	WAL	Spread	Bench
A	AAA	243.081	5.022	5.05	+120	I-Curve
B	Aa3/AA-	62.818	5.272	5.05	+145	I-Curve
C	A3/A-	30.044	5.572	5.05	+175	I-Curve
D	Baa3/BBB	47.797	6.022	5.05	+220	I-Curve
E	NR/BBB-	28.678	6.372	5.05	+255	I-Curve
F	NR	43.700		5.05		

Palmer Square CLO Ltd., 2025-4

Priced: Aug. 14
Amount: $368 million
Collateral: CLO: corporate loans (arbitrage)
Seller: Palmer Square Capital Management
Bookrunner: Bank of America

Class	S&P	Amount	Yield	WAL	Spread	Bench
A	AAA	252.000		6.30	+127	SOFR
B	AA	52.000		8.20	+160	SOFR
C	A	24.000		8.80	+180	SOFR
D-1	BBB-	24.000		9.30	+270	SOFR
D-2	BBB-	3.000		9.70	+380	SOFR
E	BB-	13.000		9.90	+470	SOFR
Sub	NR	35.000				

INITIAL PRICINGS

Wellington Management CLO, 2025-5

Priced: Aug. 11
Amount: $368 million
Collateral: CLO: corporate loans (arbitrage)
Seller: Wellington Management
Bookrunner: Bank of America

Class	S&P	Amount	Yield	WAL	Spread	Bench
A	AAA	188.000		6.30	+129	SOFR
A-L	AAA	60.000		6.30	+129	SOFR
B	AA	56.000		8.20	+165	SOFR
C	A	24.000		8.90	+180	SOFR
D-1	BBB-	24.000		9.40	+275	SOFR
D-2	BBB-	4.000		9.70	+390	SOFR
E	BB-	12.000		9.90	+485	SOFR
Sub	NR	40.700				

Pagaya AI Debt Trust, 2025-R2

Priced: Aug. 12
Amount: $319.5 million
Collateral: Consumer loans, unsecured
Seller: Pagaya
Bookrunners: Atlas SP Partners, Cantor Fitzgerald

Class	KBRA	Amount	Yield	WAL	Spread	Bench
A	AAA	188.930	4.914	0.93	+100	I-Curve
B	AA-	49.750	5.361	1.48	+155	I-Curve
C	A-	18.820	5.465	1.15	+160	I-Curve
D	BBB-	28.230	5.872	1.11	+200	I-Curve
E	BB-	33.780	9.525	1.09	+565	I-Curve

LMRK Issuer Co. 2 LLC, 2025-1

Priced: Aug. 13
Amount: $274.5 million
Collateral: Miscellaneous
Seller: Landmark Infrastructure Partners
Bookrunners: Deutsche Bank, MUFG

Class	KBRA	Amount	Yield	WAL	Spread	Bench
A	A-	216.000	5.584	5.07	+180	I-Curve
B	BBB-	31.000	6.284	5.07	+250	I-Curve
C	BB-	27.500	8.265	4.84	+450	I-Curve

VFI ABS LLC, 2025-1

Priced: Aug. 11
Amount: $210 million
Collateral: Equipment leases
Seller: VFI Corporate Finance
Bookrunners: KeyBank, Truist Securities

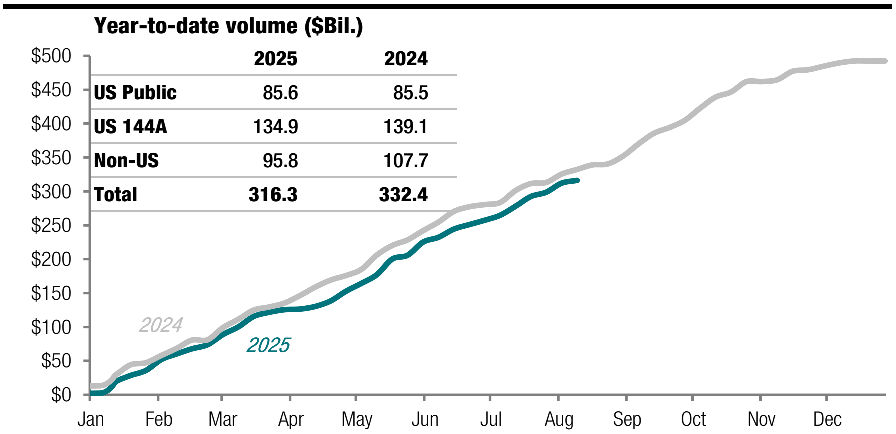
Class	KBRA	Amount	Yield	WAL	Spread	Bench
A	AAA	167.040	4.835	1.20	+95	I-Curve
B	A	22.661	5.024	2.83	+130	I-Curve
C	BBB	11.438	5.671	2.93	+195	I-Curve
D	BB	8.848	7.821	2.93	+410	I-Curve

MARKET MONITOR

SUMMARY

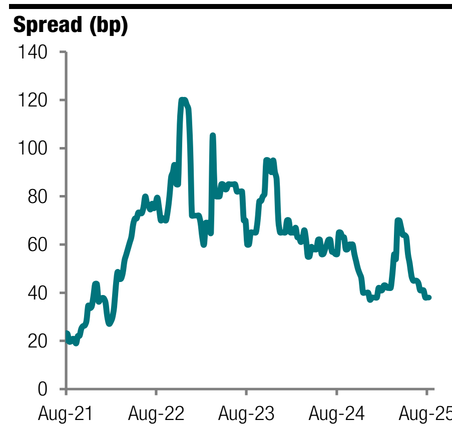
- Spreads on triple-A-rated auto-loan ABS with 2-year lives have remained flat year to date, at 32 bp above the I-curve.
- Spreads on triple-A-rated credit card ABS with 2-year lives have widened by 2 bp year to date, to 30 bp over the I-curve.
- Spreads on triple-A-rated nonqualified MBS with 2-year lives have widened by 5 bp year to date, to 130 bp over the I-curve.
- Asset-backed commercial paper outstanding is about $396.5 billion, up 14.7% year to date.

WORLDWIDE ABS ISSUANCE



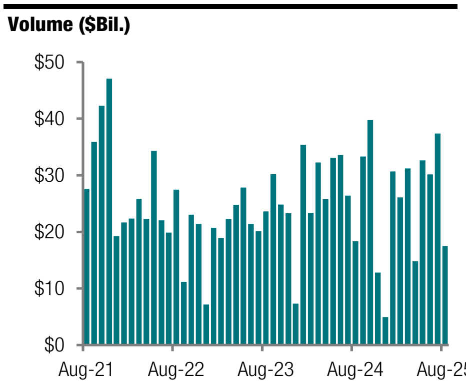
Source: Green Street

3-YR AUTO LOAN SPREADS



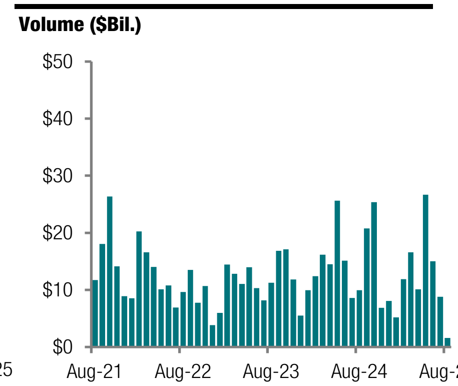
Source: Deutsche Bank

US ABS ISSUANCE



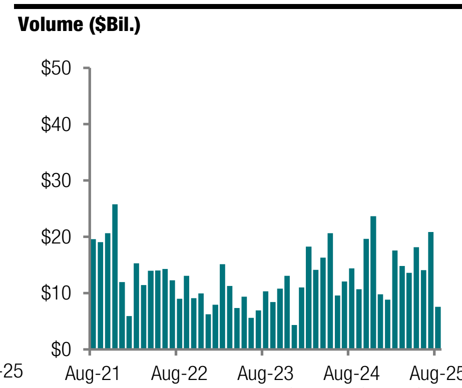
Source: Green Street

NON-US ABS ISSUANCE



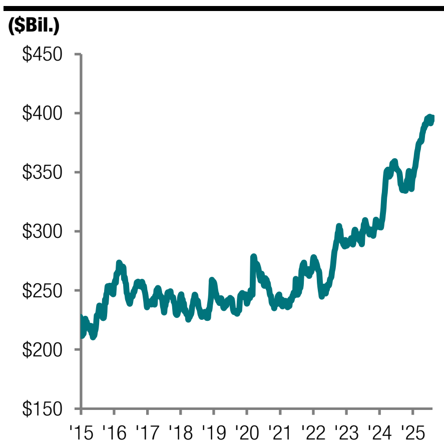
Source: Green Street

US CLO ISSUANCE



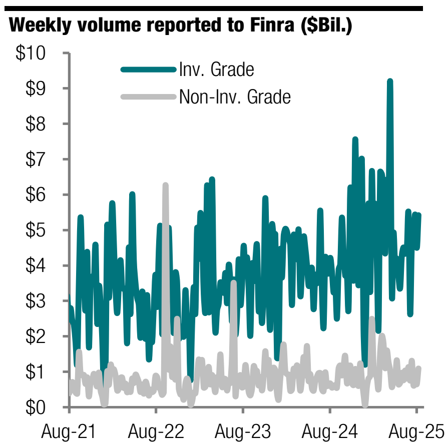
Source: Green Street

ASSET-BACKED COMMERCIAL PAPER OUTSTANDING



Source: Federal Reserve

ABS SECONDARY TRADING



Source: Finra

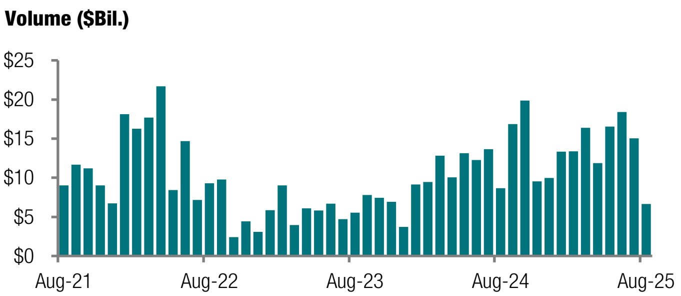
SPREADS ON TRIPLE-A ABS

	Avg. Life	Spreads		
		8/8	Week Earlier	52-wk Avg.
Credit Card	2.0	I+30	I+30	I+36
(Fixed)	3.0	I+31	I+32	I+41
Auto Loan	2.0	I+32	I+32	I+43
(Tranched)	3.0	I+38	I+38	I+49
Non-QM MBS	2.0	I+130	I+142	I+138
(Fixed)				

Source: Deutsche Bank

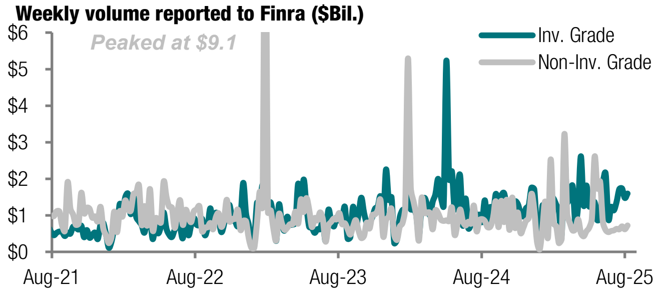
MARKET MONITOR

US NONAGENCY MBS ISSUANCE



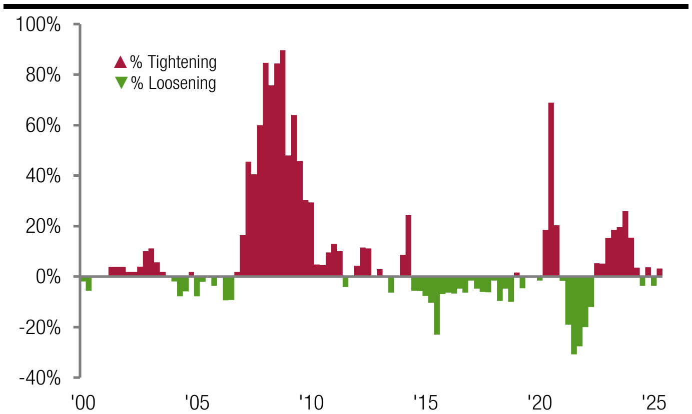
Source: Green Street

MBS SECONDARY TRADING



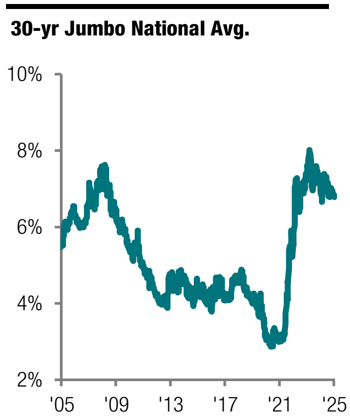
Source: Finra

LENDING STANDARDS



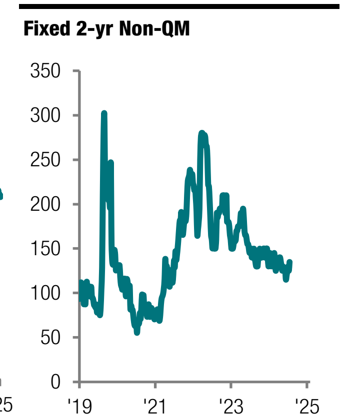
Source: Federal Reserve

MORTGAGE RATES



Sources: Bankrate.com, Bloomberg

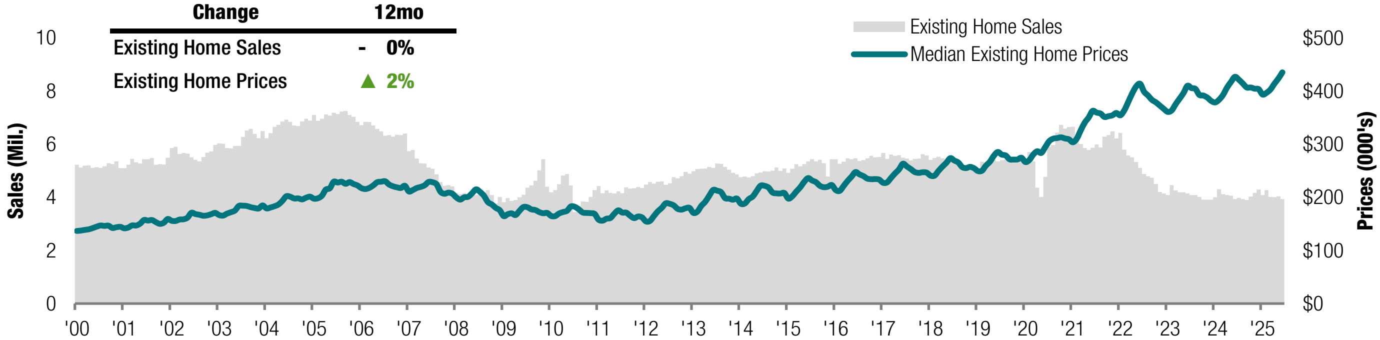
MBS SPREADS



Source: Deutsche Bank

HOME SALES AND PRICES

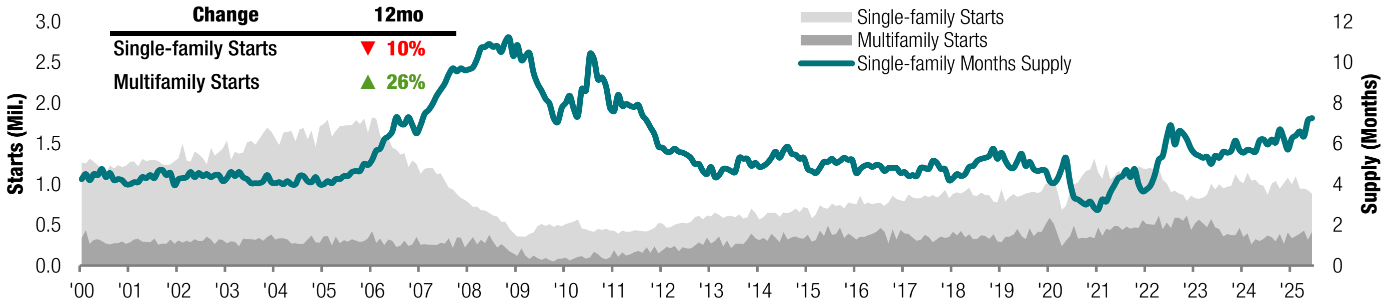
Change	12mo
Existing Home Sales	- 0%
Existing Home Prices	▲ 2%



Source: National Association of Realtors

HOUSING STARTS AND MONTHS SUPPLY

Change	12mo
Single-family Starts	▼ 10%
Multifamily Starts	▲ 26%



Source: U.S. Census Bureau

Visit the News Library to access the data in the Market Monitor charts.

THE GRAPEVINE

... From Page 1

15 years at **Bank of America.** He also has worked at **Credit Suisse** and **Bear Stearns.**

Coming off nearly 12 years at **BNP Paribas,** repurchase-contract trader **Kevin Fisher** has switched teams — starting in June as a New York-based executive director covering structured-product repos at **Morgan Stanley.** Fisher left BNP as a director, having played a key role in financing issuers of nonagency mortgage bonds. His previous stops include **New Road Capital Partners** and **Deutsche Bank.**

An executive who spearheaded the structured-finance business at consulting firm **Cadmus Group** has hung his own shingle. **Sean Keogh** launched **Dair Finance** this month, offering transaction-advisory, capital-raising, digital-finance and regulatory guidance to a mix of clients including investors and government entities. Keogh spent seven-and-a-half years at Cadmus as vice president for trade and investment, a role in which he expanded the firm's structured-finance team to more than 60 people from five. He also spent time at **QED Group,** the **U.S. International Development Finance Corp., Aldwych Capital Partners, Seaport Global Holdings, Citigroup** and **BNY Mellon.**

Guggenheim has tapped **Julian Mansilla** as a vice president on its structured-product origination team in New York. Mansilla most recently spent four years on a team at **Morgan Stanley** that underwrites securitizations of nontraditional cashflows. He also has spent time at **Wells Fargo** and **Performance Trust.** Mansilla starts in his new role in September, with a focus on esoteric-asset deals including those backed by digital-infrastructure cashflows.

Alternative-credit investor **HPS Investment Partners** installed **Connor Mitnick** this month as a New York-based vice president with coverage of structured products. Mitnick most recently worked as a vice president at **Sumitomo Mitsui Banking Corp.,** where he started in 2022. He also has spent time at **Fitch.**

A credit-risk specialist has left one mortgage company for another. **Clare McKinnon Anderson** joined **Better's** Huntington Beach, Calif., office in July as a vice president, the same title she previously held during an 11-month stint at **eResi Mortgage.** Earlier, McKinnon spent 14 years at **loanDepot.com.**

Fitch has a senior-level opening on the business- and relationship-management side of its asset-backed securities team. The New York-based position, which requires at least seven years of experience, involves building and maintaining relationships with issuers and underwriters. Fitch is advertising a salary of $150,000 to $275,000.

MetLife Investment Management has an opening for a managing director on its structured-product team. The recruit would lead a three-person staff responsible for an $11 billion portfolio that spans a spectrum of investment strategies. The position requires at least 12 years of securitization-underwriting experience, with a background in consumer and commercial assets. The partially remote post is based in Whippany, N.J., and carries an advertised salary of $207,500 to $225,000.

ASSET-BACKED ALERT — Visit ABA Website

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