

UNDERSTANDING MORTGAGE SECURITIES: ESSENTIALS FOR ISSUERS AND INVESTORS

**THIS IS A VALUABLE
SEMINAR FOR ANYONE
WHO:**

**NEEDS TO UNDERSTAND THE
USE OF MORTGAGE
SECURITIES IN THE
SECONDARY MARKET ...**

**IS CONSIDERING INVESTING
IN MORTGAGE SECURITIES OR
DERIVATIVE SECURITIES ...**

**NEEDS TO KNOW THE
PROGRAMS OF GNMA, FNMA
AND FHLMC AND HOW TO
COMPARE THEM ...**

**IS LOOKING AT MORTGAGE
SECURITIES IN LIGHT OF
RECENT RISK-BASED CAPITAL
REQUIREMENTS ...**

This is an essential seminar for mortgage bankers, portfolio lenders and mortgage security investors. The two-day program examines the structures, pricing and marketing of pass-through securities for fixed rate and ARM products, and explains the characteristics of CMOs, REMICs, IO and PO strips and other derivative securities. Seminar attendees will learn:

- ▶ How to use securities to get the best prices when selling loans in the secondary market
- ▶ How to analyze FNMA and FHLMC programs when converting loans to securities for portfolio restructuring or reducing capital requirements under risk-based capital guidelines
- ▶ How Wall Street values mortgage securities and the key factors in security pricing
- ▶ How CMOs are structured and priced and how various tranches perform, including PACs, TACs, floating and residuals

Attendees will also learn the keys to evaluating investments in derivative securities, including sensitivity tests required by regulators of financial institutions. The pros and cons of using derivatives as hedging mechanisms will also be explored.

A panel of experts in mortgage finance will discuss their uses of mortgage securities, recent innovations and market trends and will share with the audience their experiences and advice for getting the most out of the security programs available to lenders and investors alike.

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