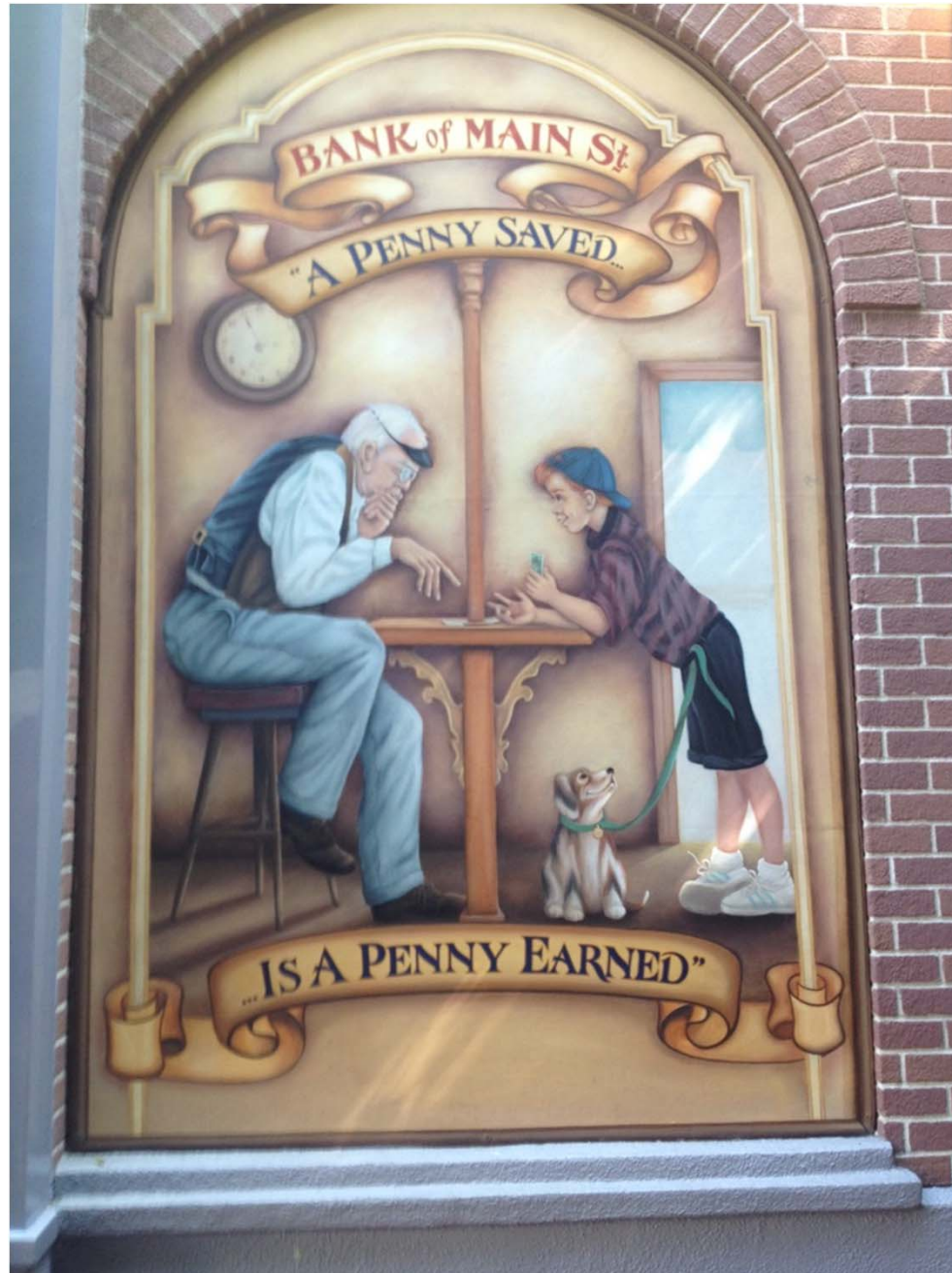


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Seasoned Returns as of September 30, 2013

For Loans Originated July 2009 - November 2012



Prosper

<u>Rating</u>	<u># Loans</u>	<u>\$ Amount Loans</u>	<u>Avg Loan Amt</u>	<u>Estimated Effective Yield(3)</u>	<u>Estimated Loss Rate(3)</u>	<u>Estimated Return(3)</u>	<u>Wt Avg Credit Score</u>
AA	2,480	\$25,028,549	\$10,092	7.20%	1.55%	5.65%	802
A	5,518	\$50,464,381	\$9,145	9.91%	3.34%	6.57%	759
B	5,157	\$44,313,382	\$8,593	14.56%	5.72%	8.84%	721
C	5,540	\$42,813,636	\$7,728	18.69%	8.04%	10.65%	715
D	7,930	\$50,966,204	\$6,427	22.32%	12.05%	10.27%	698
E	4,922	\$21,324,643	\$4,333	26.54%	16.70%	9.83%	675
HR	5,718	\$19,621,288	\$3,431	27.02%	15.94%	11.08%	690
TOTAL	37,265	\$254,532,083	\$6,830	17.04%	8.15%	8.89%	725

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2014 NAICS Coleman Report Ten-Year SBA Loan Performance Data

	Average 10-Year Failure Rate	Average Ten Year Annual Charge-Off Percentage
SBA 7(a) Loan Program	16.1%	1.3%
SBA 504 Loan Program	6.8%	1.4%

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2014 NAICS Coleman Report Ten-Year SBA Loan Performance Data

Annual Charge-Off Percentage

SBA Fiscal Year	SBA 7(a) Charge-Off Rate	SBA 504 Charge- Off Rate
2012	1.12%	4.24%
2011	1.79%	2.95%
2010	2.65%	2.42%
2009	1.46%	1.46%
2008	1.66%	1.10%
2007	0.80%	0.44%
2006	1.52%	0.30%
2005	0.23%	0.36%
2004	0.51%	0.49%
2003	1.13%	0.44%

Source: U.S. Small Business Administration

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2014 Franchise Coleman Report

SBA Franchise Cumulative Statistics 2004-2013

Franchise Lending as a % of SBA 504 Loans	10%
Franchise Lending as a % of SBA 7(a) Loans	5.1%
10 Year Franchise Loan Charge-Off Amount by Dollar	12.6%
10 Year SBA Loan Charge-Off Amount by Dollar	13.5%
10 Year Franchise Loan Charge-Off by Number	11.0%
10 Year SBA Loan Charge-Off Amount by Number	16.1%

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Top 30 SBA 7(a) Loans by Approval

	Franchise Name	2013 # Loans Approved	2013 \$ Disbursed	2004 - 2013 # Loans Approved	2004 - 2013 \$ Disbursed	2004 - 2013 % PIF	2004 - 2013 Charge Off by #	2004 - 2013 Charge Off by \$
1	SUBWAY	166	\$ 37,384,900	2266	\$ 453,789,899	46%	3.5%	1.2%
2	QUIZNOS	3	\$ 375,000	1517	\$ 229,291,387	42%	24.5%	16.6%
3	COLD STONE CREAMERY	10	\$ 1,470,000	672	\$ 167,449,717	29%	25.6%	19.9%
4	DUNKIN DONUTS	24	\$ 11,954,700	531	\$ 338,706,306	36%	3.6%	2.4%
5	SPORTS CLIPS	35	\$ 10,160,600	401	\$ 68,943,928	37%	2.5%	1.6%
6	DAIRY QUEEN	19	\$ 7,013,600	387	\$ 150,488,733	24%	3.6%	1.1%
7	THE UPS STORE	44	\$ 8,876,542	367	\$ 61,047,942	38%	7.4%	4.5%
8	ANYTIME FITNESS	51	\$ 11,114,700	363	\$ 71,569,988	23%	2.8%	1.7%
9	JIMMY JOHN'S	73	\$ 24,761,684	360	\$ 111,285,950	24%	0.8%	0.7%
10	UPS STORE	2	\$ 435,000	344	\$ 56,255,434	45%	7.6%	5.7%
11	MASSAGE ENVY	26	\$ 10,078,270	309	\$ 90,915,295	24%	1.6%	1.1%
12	ACE HARDWARE	28	\$ 14,041,500	299	\$ 150,787,800	19%	8.4%	4.0%
13	SERVPRO	33	\$ 9,288,200	270	\$ 58,000,200	28%	2.2%	0.9%
14	EDIBLE ARRANGEMENTS	27	\$ 5,131,600	268	\$ 44,559,700	27%	5.6%	3.4%
15	CURVES FOR WOMEN	5	\$ 238,500	257	\$ 32,024,488	45%	21.4%	20.3%

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Top 30 504 Loans by Approval

	Franchise Name	2013 # Loans Approved	2013 \$ Disbursed	2004 - 2013 # Loans Approved	2004 - 2013 \$ Disbursed	2004 - 2013 % PIF	2004 - 2013 Charge Off by #	2004 - 2013 Charge Off by \$
1	HOLIDAY INN EXPRESS	19	\$ 52,034,000	328	\$ 569,020,000	11%	11.9%	9.7%
2	CHOICE HOTELS INTERNATIONAL INC.	12	\$ 16,270,000	325	\$ 418,881,000	9%	19.4%	18.2%
3	COMFORT INN	19	\$ 26,865,000	296	\$ 394,786,000	9%	15.2%	14.3%
4	SUPER 8	6	\$ 3,913,000	269	\$ 199,534,000	13%	10.0%	9.9%
5	DAYS INN	18	\$ 15,636,000	246	\$ 223,294,000	12%	18.7%	17.6%
6	BEST WESTERN INN	25	\$ 33,145,000	208	\$ 270,964,000	10%	9.6%	7.1%
7	HAMPTON INNS	20	\$ 52,956,000	188	\$ 381,214,000	12%	5.3%	3.9%
8	CULVER'S FROZEN CUSTARD	16	\$ 12,575,000	185	\$ 136,245,000	9%	2.7%	2.4%
9	DAIRY QUEEN	12	\$ 6,525,000	159	\$ 70,240,000	6%	6.9%	6.4%
10	SUBWAY+B2	5	\$ 1,119,000	130	\$ 50,143,000	5%	5.4%	8.3%
11	LA QUINTA INN	10	\$ 21,996,000	124	\$ 190,350,000	7%	13.7%	12.1%
12	QUALITY INN	8	\$ 6,389,000	119	\$ 130,568,000	8%	20.2%	19.5%
13	RAMADA INN	5	\$ 7,193,000	113	\$ 138,534,000	16%	22.1%	20.9%
14	HOLIDAY INN	21	\$ 61,204,000	102	\$ 231,598,000	2%	6.9%	3.6%
15	ZAXBY'S	15	\$ 10,127,000	102	\$ 63,604,000	11%	0.0%	0.0%

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5 Common Fraud Themes

- 1) Photoshopped Statement
- 2) Collateral Conversion
- 3) Equity Injection Fraud
- 4) Complex Transactions
- 5) Loan Broker Fraud

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Questions?

Bob Coleman
Editor, Coleman Report
bob@colemanreport.com