ANDREW DAVIDSON & CO., INC.

520 BROADWAY
EIGHTH FLOOR
NEW YORK, NY 10012
212 • 274 • 9075
FAX 212 • 274 • 0545
www.ad-co.com

ANDREW DAVIDSON & CO., INC. WILL INTRODUCE SIGNIFICANT ENHANCEMENTS TO PREPAYMENT MODELS AT ITS ANNUAL CLIENT MEETING.

New York City, May 30, 2001--On June 14, 2001, Andrew Davidson & Co., Inc. will unveil details of its utilization of home price appreciation data in the Vectors™ Prepayment Models for Conventional, Government and Jumbo Fixed Rate Mortgages at its annual client conference to be held in New York City.

Based on extensive proprietary research, including the analysis of both pool level and loan level data, Andrew Davidson & Co., Inc. has developed mechanisms to incorporate home price data into its prepayment forecasts. Home price appreciation data is valuable both in differentiating between similar loans in different parts of the country and in explaining macro prepayment features. Andrew Davidson & Co., Inc.'s Vectors™ Prepayment Models are currently the only commercially available products to include this home price factor in a pool level prepayment model.

Andrew Davidson, president of Andrew Davidson & Co., Inc. states, "The incorporation of home price appreciation data into our pool level model represents a substantial change in thinking about prepayments. Until now, pool level prepayment models have focused primarily, if not exclusively, on interest rate driven factors. The enhancements to our models open up a new line of thinking about prepayment rates at the pool level." In addition to the inclusion of home price appreciation data, the Vectors™ Prepayment Models have also been updated to reflect recent prepayment data. Home price appreciation data was provided by Mortgage Risk Assessment Corp.

The company also will discuss its loan level prepayment research at the annual client meeting. Loan level prepayment models take into account loan features such as loan size and loan purpose, as well as LTV (loan to value ratio) and home price driven dynamics. The Andrew Davidson & Co., Inc. loan level research provides the basis for custom models that the company builds for firms with access to their own portfolio data.

Parties interested in attending the annual meeting to hear more about the research should see the Andrew Davidson & Co., Inc. website at www.ad-co.com.

Andrew Davidson & Co., Inc. provides consulting services, litigation support, and risk analytics for mortgage and asset-backed securities. The Vectors™ analytics library currently offers prepayment models for both fixed and adjustable rate mortgages, prepayment models for asset-backed securities, option-adjusted valuation and risk management tools for MBS, ABS, CMOs, and interest rate processes. The company's unique blend of consulting experience and expertise with cutting-edge quantitative methods allows it to combine decades of Wall Street experience with the most advanced modeling techniques to produce informed, effective third-party software.

Contact: Ilda Pozhegu
Andrew Davidson & Co., Inc.
212 274-9075
ilda@ad-co.com