



An association of professionals
putting capital to work

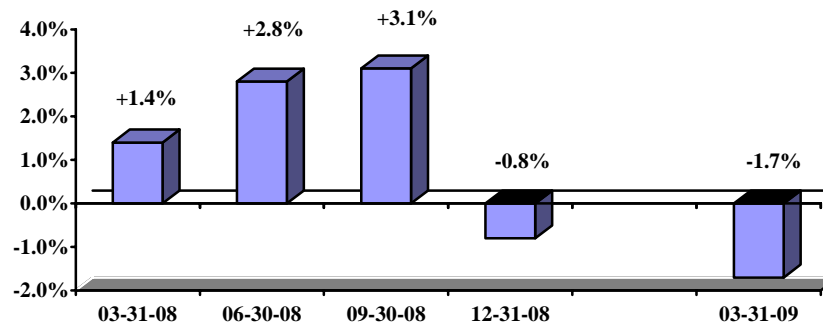
Quarterly Asset-Based Lending Index First-Quarter 2009

Introduction

- This Quarterly Asset-Based Lending Index was developed to help Secured Finance Network members and external constituencies monitor industry trends.
- 17 of the largest SFNet members engaged in asset-based lending provided data for this Index. Their total committed credit lines range from \$500 million to \$20+ billion. The data they provide covers asset-based lending business development and portfolio performance.
- This survey was conducted by R.S. Carmichael & Co., White Plains, NY on behalf of the Secured Finance Network.

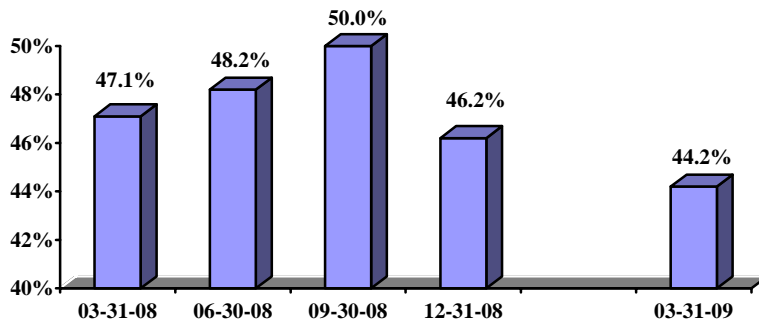
Business Development

- Total committed credit lines increased 3.5% in the first-quarter of 2009 compared to the first-quarter of 2008
- Total committed credit lines decreased 1.7% compared to the fourth-quarter of 2008.



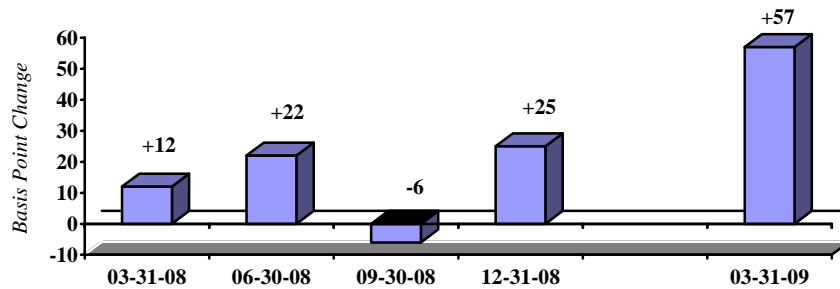
- Lenders' new credit commitments originated in the first-quarter of 2009 decreased 3.8% from the fourth-quarter of 2008.
- 64% of lenders reported an increase in new credit commitments in the first-quarter of 2009.
- Utilization of lenders' credit lines dropped to 44.2% in the first-quarter of 2009.

(Loans Outstanding as a Percentage of Total Credit Commitments)

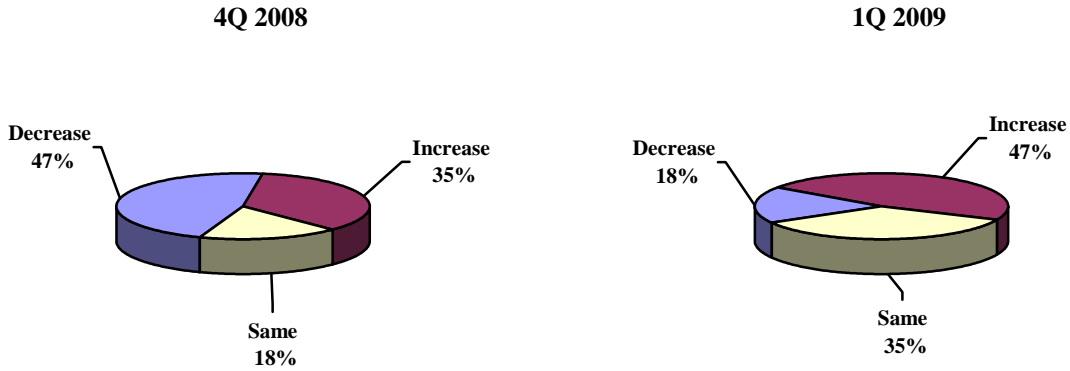


Portfolio Performance

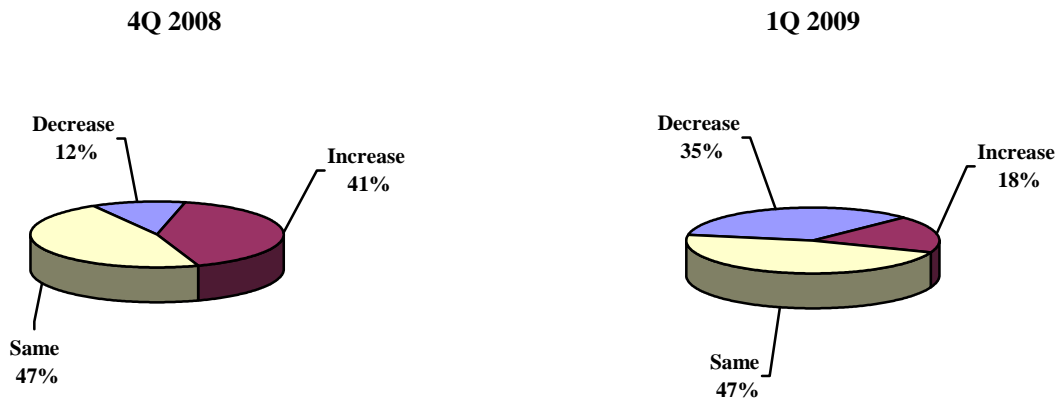
- Lenders' non-accruing loans as a percentage of their total asset-based loans outstanding were 57 basis points higher in the first-quarter of 2009.



- 47% of lenders reported an increase in non-accruals in the first-quarter of 2009 over the prior quarter vs. 35% in the fourth-quarter of 2008.



- With respect to gross write-offs, 18% of lenders reported an increase in the first-quarter of 2009 over the prior quarter vs. 41% in the fourth-quarter of 2008.



- For the four quarters ending 03-31-09, total gross write-offs as a percentage of total asset-based loans outstanding were still in the vicinity of 50 basis points, the asset-based lending industry's median for the past 15 years.