Presale Report

Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1

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Ratings

Debt 1	Class Balance ($)	Interest Rate 2	Credit Enhancement	Rating	Rating Action
Class HT 5	154,183,000	3.000%	9.25%	NR	N/A
Class HA	115,637,000	3.000%	9.25%	NR	N/A
Class HB 5	38,546,000	3.000%	9.25%	NR	N/A
Class HV	19,273,000	3.000%	9.25%	NR	N/A
Class HZ	19,273,000	3.000%	9.25%	NR	N/A
Class MT 5	1,590,781,000	3.500%	9.25%	NR	N/A
Class MA	1,193,087,000	3.500%	9.25%	NR	N/A
Class MB 5	397,694,000	3.500%	9.25%	NR	N/A
Class MV	198,847,000	3.500%	9.25%	NR	N/A
Class MZ	198,847,000	3.500%	9.25%	NR	N/A
Class M55D	157,879,000	4.000%	9.25%	NR	N/A
Class M55E 5	157,879,000	3.500%	9.25%	NR	N/A
Class M55I 3,5	28,705,272	5.500%	N/A	NR	N/A
Class M55G 5	157,879,000	3.000%	9.25%	NR	N/A
Class M	78,630,000	Lesser of 4.750% and Class M Net WAC	5.50%	B (low) (sf)	New Rating – Provisional
Class B 4	115,323,997	N/A	0.00%	NR	N/A
Class XS-IO 3	2,096,796,997	Excess Servicing Fee	N/A	NR	N/A
Class A-IO 3	1,902,843,000	Senior Adjusted Net WAC minus weighted average class coupon of Classes HA, HV, HZ, MA, MV, MZ and M55D	N/A	NR	N/A
Class B-IO 3	193,953,997	Subordinate Adjusted Net WAC minus weighted average Class coupon of Classes M and B	N/A	NR	N/A
Class BX 5	115,323,997	See Footnote 6	0.00%	NR	N/A
Class BBIO 5	115,323,997	See Footnote 7	0.00%	NR	N/A
Class BXS 5	115,323,997	See Footnote 8	0.00%	NR	N/A

Notes:
1 This table does not include the Class R and Class RS Certificates, representing the non-economic residual interests, nor does it include the Class MI Certificates, which are entitled to primary mortgage insurance proceeds. DBRS only rates the Class M Certificates.
2 All interest rates are floored at 0%.
3 Interest-only certificates. The class balances represent notional amounts.
4 Principal-only certificates.
5 MACR certificates. These classes can be exchanged for combinations of initial exchangeable certificates as specified in the offering document.
6 Class BX certificates will be entitled to the aggregate interest distribution amount otherwise payable to the related portions of the Class A-IO and Class B-IO certificates that were exchanged for Class BX certificates.
7 Class BBIO certificates will be entitled to the interest distribution amount otherwise payable to the related portions of the Class B-IO certificates that were exchanged for Class BBIO certificates.
8 Class BXS certificates will be entitled to the interest distribution amount otherwise payable to the related portions of the Class A-IO, Class B-IO, and Class XS-IO certificates that were exchanged for Class BXS certificates.

Table of Contents

Transaction Parties and Relevant Dates

Transaction Parties

Type	Name
Issuer	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1
Sponsor, Seller, Guarantor & Trustee	Freddie Mac
Servicer	Specialized Loan Servicing LLC
Securities Administrator, Paying Agent, Certificate Registrar, Transfer Agent & Authenticating Agent	U.S. Bank, National Association
Trust Agent	Wilmington Trust, National Association
Custodian	Wells Fargo Bank, N.A.

Relevant Dates

Type	Date
Cut-Off Date	January 31, 2019
Expected Closing Date	March 13, 2019
Distribution Date	The 25th day of each month or the next succeeding business day, commencing in March 2019.
Stated Final Distribution Date	The distribution date in July 2058.

Transaction Summary

DBRS, Inc. (DBRS) assigned provisional rating to Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1 (SCRT 2019-1 or the Trust), a securitization of a portfolio of seasoned re-performing first-lien residential mortgages funded by the issuance of asset-backed certificates (the Certificates). The Certificates are backed by 12,185 loans with a total principal balance of $2,096,796,997 as of the Cut-Off Date.[1]

In this transaction, DBRS only rates the Class M Certificates at B (low) (sf).

The mortgage loans were either purchased by Freddie Mac from securitized Freddie Mac Participation Certificates or retained by Freddie Mac in whole loan form since their acquisition. The loans are currently held in Freddie Mac's retained portfolio and will be deposited into the Trust on the Closing Date.

The portfolio contains 100% modified loans. Each mortgage loan was modified under either GSE HAMP or GSE non-HAMP modification programs. Within the pool, 5,007 mortgages have forborne principal amounts as a result of modification, which equates to 12.2% of the total unpaid principal balance as of the Cut-Off Date. For 90.6% of the modified loans, the modifications happened more than two years ago. The loans are approximately 151 months seasoned and all are current as of Cut-Off Date. Furthermore, 62.7% of the mortgage loans have been zero times 30 days delinquent (0 x 30) for at least the past 24 months under the Mortgage Bankers Association (MBA) delinquency methods. There are five loans that are subject to the Consumer Financial Protection Bureau's Qualified Mortgage (QM) rules. Four of them are QM-Safe Harbor and the last is Non-QM, according to the third-party due diligence results. Additionally, there are 53 loans whose QM status is not available; DBRS assumed these loans to be Non-QM.

The mortgage loans will be serviced by Specialized Loan Servicing LLC (SLS). There will not be any advancing of delinquent principal or interest on any mortgages by the servicer; however, the servicer is obligated to advance to third parties any amounts necessary for the preservation of mortgaged properties or real estate owned (REO) properties acquired by the Trust through foreclosure or a loss mitigation process.

Freddie Mac will serve as the Sponsor, Seller and Trustee of the transaction, as well as Guarantor of the senior certificates (Class HT, Class HA, Class HB, Class HV, Class HZ, Class MT, Class MA, Class MB, Class MV, Class MZ, Class M55D, Class M55E, Class M55G and Class M55I Certificates). Wilmington Trust, National Association will serve as Trust Agent. Wells Fargo Bank, N.A. will serve as the Custodian for the Trust. U.S. Bank National Association will serve as the Securities Administrator for the Trust and will also act as Paying Agent, Registrar, Transfer Agent and Authenticating Agent.

Freddie Mac, as the Seller, will make certain representations and warranties (R&W) with respect to the mortgage loans. It will be the only party from which the Trust may seek indemnification (or, in certain cases, a repurchase) as a result of a breach of R&Ws. If a breach review trigger occurs during the warranty period, the Trust Agent, Wilmington Trust, will be responsible for the enforcement of R&Ws. The warranty period will only be effective through March 11, 2022 (approximately three years from the Closing Date), for substantially all R&Ws other than the REMIC R&Ws, which will not expire.

1. The collateral description and disclosure on the mortgage loans in this report reflect the approximate aggregate characteristics as of the Cut-Off Date unless otherwise specified.

The mortgage loans will be divided into three loan groups:

	Group H (8.1%)	Group M (83.6%)	Group M55 (8.3%)
Description	Loans were subject to step-rate modifications and have not yet reached their final step-rate as of December 31, 2018, or as of the Cut-Off-Date, the borrower, while still current, has not yet made any payments acrrued at such final step-rate	Loans: • were subject to either fixed-rate modifications or step-rate modifications that have reached their final step dates as of December 31, 2018, and the borrowers have made at least one payment after such loans reached their final step dates as of the Cut-Off Date • have a mortgage interest rate less than or equal to 5.5% or have forbearance	Loans: • were subject to either fixed-rate modifications or step-rate modifications that have reached their final step dates as of December 31, 2018, and the borrowers have made at least one payment after such loans reached their final step dates as of the Cut-Off Date • have a mortgage interest rate greater than 5.5% and have no forbearance

Principal and interest (P&I) on the senior certificates (the Guaranteed Certificates) will be guaranteed by Freddie Mac. The Guaranteed Certificates will be primarily backed by collateral from each group, respectively. The remaining Certificates, including the subordinate, non-guaranteed interest-only (IO), mortgage insurance and residual Certificates, will be cross-collateralized among the three groups.

The transaction employs a pro-rata pay cash flow structure with sequential pay feature among the subordinate certificates. Certain principal proceeds can be used to cover interest shortfalls on the rated Class M Certificates. Senior classes benefit from P&I payments that are guaranteed by the Guarantor, Freddie Mac; however, such guaranteed amounts, if paid, will be reimbursed to Freddie Mac from the interest and principal collections prior to any allocation to the subordinate certificates. The senior principal distribution amounts vary subject to the satisfaction of a step-down test. Realized losses are allocated reverse sequentially.

Strengths

1. Current Loans with Good Payment Histories: All loans are current as of the Cut-Off Date and 100.0% of the pool has remained consistently current for the past 12 months under MBA method.

2. Satisfactory Third-Party Due Diligence Review:

- Third-party due diligence was performed on a sample of the pool that exceeds DBRS's sampling size criteria. The due diligence results and findings on the sampled loans were satisfactory.
- The third-party due diligence firm reviewed the loans for regulatory compliance (16.1% by loan count), modification data validation (100.0%), tax and title (100.0%) and mortgage payment histories for the previous 24 to 36 months (12.5% by loan count).
- Updated broker price opinions (BPOs) were provided for 20.3% of the securitized pool by loan count, supplemented by 100.0% of estimated property values provided by a Freddie Mac Automated Valuation Model (AVM) tool. Home Value Explorer (HVE) was used when available, or if an HVE was not available (11.7% of the securitized pool by loan count), an MSA/state/national level house price index was used (in order of availability) to estimate property value. DBRS applied haircuts to all property values.
- Servicing comments were not reviewed for the loans as payment histories have generally been consistently current.

Challenges and Mitigating Factors

1. Representations and Warranties Standard: This transaction employs a weak R&W framework that includes a 36-month sunset without an R&W reserve account, substantial knowledge qualifiers (with claw back), and fewer mortgage loan representations relative to DBRS criteria for seasoned pools. In addition, a breach review will only trigger if a loan had a foreclosure sale, short sale or deed-in-lieu of foreclosure sale completed or was charged-off by the Servicer, or has been modified by the servicer. Mitigating factors include the following:

- DBRS increased loss expectations from the model results to capture the weaknesses in the R&W framework.
- The portfolio has had significant loan seasoning and clean performance history in the past twelve months.
- Freddie Mac, as the Seller, is the entity that provides R&Ws. DBRS views the credit quality of Freddie Mac as very high given the systemic support from the U.S. government.
- Notwithstanding the Seller's lack of knowledge qualifier, if it is discovered that the substance of any such R&W is inaccurate and such inaccuracy is determined to constitute a material breach during a review, then such inaccuracy will be deemed a material breach.
- Third-party due diligence, albeit on less than 100% of the portfolio with respect to regulatory compliance and payment histories, generated satisfactory results and findings on the sample loans. A satisfactory due diligence review mitigates the risk of R&W violations.

2. No Servicer Advances of Delinquent Principal and Interest: The servicer will not advance any scheduled P&I on delinquent mortgages. This will likely result in lower loss severities to the transaction because the advanced P&I will not have to be reimbursed from the Trust upon the liquidation of the mortgages; however, such mechanism will increase the possibility of periodic interest shortfalls to the non-guaranteed certificates. Mitigating factors are as follows:

- Certain principal proceeds can be used to cover interest shortfalls on the rated Class M Certificates.
- DBRS's rating on Class M Certificates addresses the ultimate payment of interest and full payment of principal by the stated final distribution date.
- DBRS ran cash flow scenarios that incorporated a no-advancing mechanism, shutting off P&I collection as soon as a loan becomes delinquent.
- Subordination level is greater than expected loss for the rated class, which helps provide for interest payments to the Certificates.

The above strengths and challenges, along with other transaction details, will be discussed in depth in the relevant sections of this report.

Rating Rationale

The DBRS rating addresses the ultimate payment of interest and full payment of principal by the stated final distribution date in accordance with the terms and conditions of the related Certificates. DBRS based the rating primarily on the following:

- The transaction's capital structure and the form and sufficiency of available credit enhancement.
- Relevant credit enhancement in the form of subordination. Credit enhancement levels are sufficient to support the DBRS-projected expected cumulative loss assumption under various stressed cash flow assumptions for the rated classes.
- The ability of the transaction to withstand stressed cash flow assumptions and repay investors according to the terms of the transaction documents.
- The credit quality of the collateral and ability of the servicer to perform collection activities on the collateral pool.
- The legal structure and presence of legal opinions addressing the assignment of the assets to the Issuer and the consistency with the DBRS *Legal Criteria for U.S. Structured Finance* methodology.
- DBRS's ratings on the Certificates do not address the likelihood that there may be interest shortfalls as a result of the occurrence of extraordinary trust expenses in any given month.

Collateral Analysis Details

The table below highlights the key collateral characteristics, expected losses and securitization performance for deals issued under the SCRT shelf.

Collateral Comparison (at the Cut-Off Date) 1

Pool Attributes	SCRT 2019-1	SCRT 2018-4	SCRT 2018-3	SCRT 2018-2	SCRT 2018-1	SCRT 2017-4	SCRT 2017-3
Number of Loans	12,185	9,782	11,716	8,628	10,983	9,977	7,176
Outstanding Pool Balance	$2,096,796,997	$1,952,043,342	$2,323,775,975	$1,592,058,636	$1,832,425,341	$1,852,436,659	$1,706,851,495
Outstanding Forborne Principal Amount	$255,529,605	$258,007,707	$295,787,223	$169,765,893	$192,455,722	$76,029,527	$375,441,083
Original Pool Balance	$2,399,101,000	$2,206,900,000	$2,613,931,000	$1,798,227,000	$2,090,925,000	$2,128,444,000	$1,777,116,000
Average Loan Balance	$172,080	$199,555	$198,342	$184,522	$166,842	$185,671	$237,856
WA Coupon 2	4.396%	4.173%	4.099%	4.151%	4.294%	4.038%	4.104%
WA FICO	672	691	689	677	673	675	688
WA Original LTV	79.5%	78.3%	77.6%	79.6%	81.4%	78.5%	80.9%
WA Current LTV	71.5%	72.8%	71.3%	71.1%	76.8%	71.9%	88.7%
WA Seasoning	151 Months	143 Months	137 Months	139 Months	137 Months	130 Months	128 Months
Second Liens	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest Only (Active)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Product Type							
Fixed Rate	59.2%	41.4%	57.7%	47.5%	56.0%	39.0%	49.0%
Fixed Step-Rate	40.8%	58.6%	42.3%	52.5%	44.0%	61.0%	51.0%
Hybrid ARMs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Delinquency Status at Issuance (MBA Method)							
Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Bankruptcy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Modification	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Payment History in Past 24 months at Issuance (MBA Method)							
0 x 30 Days Late	62.7%	86.3%	87.4%	82.7%	73.0%	86.6%	92.5%
1 x 30 Days Late	14.1%	4.1%	4.1%	3.2%	3.9%	4.0%	2.8%
2 x 30 Days Late	3.6%	1.4%	1.5%	1.2%	1.6%	1.1%	0.9%
3+ x 30 Days Late	3.4%	2.7%	1.9%	1.9%	2.5%	1.5%	1.4%
1 x 60 Days Late	2.8%	0.9%	0.8%	0.9%	1.0%	0.7%	0.5%
2 x 60 Days Late	0.7%	0.3%	0.2%	0.5%	0.4%	0.2%	0.2%
3+ x 60 Days Late	0.7%	0.5%	0.3%	0.6%	1.0%	0.2%	0.2%
1 x 90+ Days Late	1.7%	0.9%	0.7%	0.6%	1.2%	1.6%	0.4%
2 x 90+ Days Late	1.7%	0.6%	0.6%	0.7%	1.3%	1.3%	0.2%
3+ x 90+ Days Late	8.6%	2.4%	2.6%	7.8%	14.1%	2.9%	1.0%

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2 Weighted by related interest bearing principal balance (i.e. excluding forborne principal amount).
3 Documentation types were unavailable. Consequently, DBRS made conservative assumptions of less than full documentation for all loans.
4 Loans where the QM status is unknown are included in this bucket.
5 This bucket includes 60-day and more serious delinquencies, loans in foreclosure, bankruptcy as well as REO properties.

Collateral Comparison (at the Cut-Off Date) 1

Pool Attributes	SCRT 2019-1	SCRT 2018-4	SCRT 2018-3	SCRT 2018-2	SCRT 2018-1	SCRT 2017-4	SCRT 2017-3
Number of Months Clean (0 x 30 Days Delinquent) at Issuance (MBA Method)							
At least 24 months	62.7%	86.3%	87.4%	82.7%	73.0%	86.6%	92.5%
At least 18 months	76.2%	92.8%	94.8%	86.5%	84.5%	99.3%	97.5%
At least 12 months	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
At least 6 months	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Occupancy at Origination							
Primary Residence	96.8%	97.3%	96.6%	96.8%	95.8%	97.0%	96.3%
Second Homes	1.5%	1.4%	1.4%	1.8%	2.4%	1.3%	1.5%
Investor-Owned	1.7%	1.2%	2.0%	1.4%	1.9%	1.7%	2.3%
Loan Purpose at Origination							
Purchase	29.2%	31.6%	27.9%	37.2%	39.5%	32.5%	32.9%
Rate/Term Refinance	30.5%	26.6%	28.6%	30.2%	30.7%	26.4%	29.6%
Cash-out Refinance (incl. unknown)	40.3%	41.8%	43.5%	32.7%	29.8%	41.1%	37.5%
Documentation Type							
Full Documentation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Low/Alternative Documentation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stated/No Documentation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Unavailable Documentation 3	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property Type at Origination							
Single Family (incl. PUD & TH)	93.3%	93.6%	92.9%	91.5%	92.2%	94.3%	92.3%
2-to-4 Family	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Condo and Co-op	6.4%	6.2%	6.9%	7.1%	6.2%	5.3%	7.1%
MH, Mobile Homes, Leasehold, and Mixed Use	0.3%	0.2%	0.2%	1.4%	1.6%	0.5%	0.6%
Qualified Mortgage Designation							
QM Safe Harbor	<0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
QM Rebuttable Presumption	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-QM 4	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Not subject to QM	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Geographic Concentration (Top 3 States)							
State 1	17.9% (CA)	32.2% (CA)	30.7% (CA)	23.2% (CA)	12.4% (CA)	21.2% (CA)	33.6% (CA)
State 2	10.5% (FL)	12.6% (FL)	13.9% (FL)	10.9% (NY)	11.3% (NY)	10.8% (FL)	10.1% (IL)
State 3	9.2% (IL)	8.5% (NY)	8.2% (NY)	10.0% (FL)	10.0% (FL)	7.0% (NY)	6.1% (NY)
Servicer							
Servicer	SLS	SPS	SPS	SLS	SLS	Nationstar	Nationstar
Loss Expectation							
BB (high) (sf)	N/A	N/A	N/A	N/A	N/A	N/A	12.00%
BB (low) (sf)	N/A	N/A	N/A	N/A	N/A	7.00%	N/A
B (sf)	N/A	N/A	N/A	N/A	N/A	N/A	7.25%
B (low) (sf)	4.25%	3.25%	3.25%	3.50%	5.00%	4.00%	N/A

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2 Weighted by related interest bearing principal balance (i.e. excluding forborne principal amount).
3 Documentation types were unavailable. Consequently, DBRS made conservative assumptions of less than full documentation for all loans.
4 Loans where the QM status is unknown are included in this bucket.
5 This bucket includes 60-day and more serious delinquencies, loans in foreclosure, bankruptcy as well as REO properties.

Collateral Comparison (at the Cut-Off Date) 1

Pool Attributes	SCRT 2019-1	SCRT 2018-4	SCRT 2018-3	SCRT 2018-2	SCRT 2018-1	SCRT 2017-4	SCRT 2017-3
Securitization Performance (As of February 25, 2019)							
Current	N/A	98.53%	98.20%	96.44%	96.05%	96.25%	97.26%
30-day Delinquent	N/A	1.30%	1.53%	2.92%	3.38%	2.92%	2.24%
60+ day Delinquent 5	N/A	0.17%	0.26%	0.64%	0.57%	0.83%	0.50%
Cumulative Realized Losses	N/A	0.00%	0.00%	0.02%	0.01%	0.03%	0.08%

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2 Weighted by related interest bearing principal balance (i.e. excluding forborne principal amount).
3 Documentation types were unavailable. Consequently, DBRS made conservative assumptions of less than full documentation for all loans.
4 Loans where the QM status is unknown are included in this bucket.
5 This bucket includes 60-day and more serious delinquencies, loans in foreclosure, bankruptcy as well as REO properties.

DBRS uses its proprietary RMBS Insight model to derive probabilities of default, loss severities and expected losses for the SCRT 2019-1 portfolio. For B (low) (sf), DBRS derived the expected losses based on the difference between the B (high) (sf) and B (sf) expected losses. The above figures represent expected losses on the portfolio, generally stepped up from the raw model results.

Key Probability of Default Drivers

Origination characteristics that do not change with loan seasoning (e.g., documentation type, occupancy, etc.) are considered for seasoned pools; however, their impact on default probability diminishes as the loan ages or becomes more delinquent. For seasoned pools, the current delinquency status, payment histories, modification status and type, current LTV ratio, refreshed FICOs and geographic concentration play much more important roles in predicting defaults.

Payment History

The loans are on average 151 months seasoned, with only 0.5% of the loans aged under 60 months. All the loans (100.0%) are current as of the Cut-Off Date and 100.0% of the loans have been current for at least 12 months under MBA method.

For loans that have experienced prior delinquencies within 24 months, DBRS applies a 100% roll rate from 180 days delinquent to default to further stress the portfolio.

Modifications

All the mortgage loans (100.0%) in the portfolio have been modified, and the modifications happened more than two years ago for 90.6% of the portfolio.

For modified loans, DBRS generally needs at least 12 months of proven payment histories, post-modification, to consider their current status. For loans that have shorter than 12 months of payment history, even if they have remained performing, DBRS does not consider them to have demonstrated a consistently improved payment pattern, and therefore, their delinquency status will be reverted to their pre-modification status (unless their current delinquency status is worse than the pre-modification status, in which case their current delinquency will be used).

For modified loans that have been performing for 12 months or longer, a penalty is still warranted. In its analysis, DBRS noticed an increased risk for a modified loan relative to a loan that has never been modified.

Besides the type of modification, two additional key variables also affect post-modification performance. The two variables are (1) the delinquency status prior to modification and (2) the ratio of monthly payment after the modification to before the modification. Needless to say, the more delinquent a loan was prior to modification or the higher the payment ratio (i.e., the lower the reduction in monthly payment), the more likely it is for the borrower to default again.

DBRS assumes that all modified loans were 90+ days delinquent pre-modification unless such data is provided. Loans that were delinquent prior to modification (but are current now) were 40% more likely to default than loans that were non-delinquent at modification. In addition, if payment post-modification increases by 25%, the default risk generally escalates by 10% to 20%. DBRS assumed that all the step loans had an increase in payment, despite the fact that their payment may be reduced temporarily post-modification, and applied additional penalties to further stress these loans.

Loan-to-Value Ratio and Future Equity

The weighted-average (WA) LTV ratio for the pool was 79.5% at loan origination. With over 12 years of seasoning, many of the markets in which the properties reside experienced home price increases, but have since seen declines. The WA changes for the properties were 6.7%, based on the original and current valuations. DBRS calculates future equity (in two years) for every loan, using its ZIP-level base house price forecast model.

Besides home price changes, many loans also have forborne principal amounts as a result of modification that increased the mortgage balances, resulting in a DBRS-calculated WA current LTV ratio (based on the updated property value) of 86.7%. DBRS applied additional penalties to the updated valuations, on BPOs, HVEs or other valuations.

DBRS did not receive current or at origination piggyback amounts on the pool. There are no second-lien loans in this pool as of the Cut-Off Date.

Borrower Credit

The WA current FICO score of 672 (all refreshed in January 2019, except for 1.2% of the pool whose scores are not available) indicates average borrower credit profiles; however, the FICO distribution of the pool is somewhat dispersed. Approximately 76.2% of the loans have FICOs lower than 720, while 60.2% of the pool have FICO scores of 660 and above, excluding the loans with missing FICO scores.

Below is the current FICO distribution for this pool.

FICO Band	% of Pool by Current Balance
800 <= FICO	1.9%
760 <= FICO < 800	7.2%
720 <= FICO < 760	13.4%
680 <= FICO < 720	24.3%
660 <= FICO < 680	12.1%
620 <= FICO < 660	20.2%
580 <= FICO < 620	10.4%
FICO < 580	9.2%
Not Available	1.2%

Product Type

The pool consists of 100% fixed and step-rate mortgages post-modification. Approximately 4,719 loans (40.8% of the pool) are fixed step-rate loans at the time of modification. There are 871 loans (8.1% of the pool) have not yet reached their respective final step rate as of December 31, 2018, or while current, have not yet made any payment at such final step rate as of the Cut-Off Date. None of the loans in the pool currently has IO feature.

Geographic Concentration

The SCRT 2019-1 portfolio has a relatively dispersed geographic composition with the top three states (California, Florida and Illinois) representing 37.6% of the pool. The top three Metropolitan Statistical Areas (MSAs[2]) are Chicago-Naperville-Arlington Heights, Illinois (8.1% of the pool), New York-Jersey City-White Plains, New York -New Jersey (6.3% of the pool), and Los Angeles-Long Beach-Glendale, California (4.8% of the pool).

DBRS measures concentration risk by a Herfindahl index calculated on both a geographic (MSA-level) and loan-size basis. The concentration measure, along with credit quality, derives the level of asset correlation, which is an important factor in the determination of rating category stresses. Compared with other recent DBRS-rated seasoned securitizations in the market, the average loan size of this portfolio is smaller and the number of loans is greater; hence, the asset correlation suggests a relatively low level of concentration. In DBRS's analysis, the asset correlation was floored at 7.0%, which is comparable to other securitized seasoned performing and RPL pools.

2. MSA Delineation are based on the 2000 OMB (Office of Management and Budget) standards.

Documentation Type

For this pool, origination documentation types were unavailable, so DBRS made conservative assumptions of less than full documentation for all loans. Generally, documentation standards were looser when these loans were originated relative to the standards today. For seasoned pools, DBRS believes that the performance history of the loans is more indicative of the credit risk than the dated origination and underwriting practices.

The analysis of the above default drivers resulted in the following default probabilities for SCRT 2019-1:

Resulting Default Probability for SCRT 2019-1

Rating	Probability of Default
B (low) (sf)	11.33%

Key Loss Severity Drivers

DBRS calculates loss severity as follows:

1. A recovery value is estimated from the statistical recovery model. To derive a recovery value, DBRS first estimates an updated property value at liquidation, which includes the following considerations:
   - The number of months each subject loan takes to migrate through the delinquency, foreclosure and real estate-owned (REO) timeline;
   - ZIP-level base house price forecast; and
   - Market value decline (MVD) stress by rating category.
2. Loss is calculated as the shortfall of recovery to loan balance outstanding.

DBRS's recovery model also contains the following independent variables that affect the net recovery value, some of which vary over time.

1. Property value at liquidation – Less valuable properties have reduced recovery rates.
2. Short sales – These improve recovery rates.
3. Judicial foreclosure states – These have reduced recovery.
4. Investor properties – These recover more poorly.
5. Manufactured housing and multi-family housing – These see reduced recoveries.
6. Sun Belt states – These see improved recoveries.
7. Rust Belt and Northeast states – These have reduced recoveries.
8. Delinquency at charge-off – The longer the process takes, the worse the recovery.
9. Loan age – Older loans recover more poorly.
10. FICO at origination – Higher values are associated with better recovery.
11. Agency loans – These have better recovery rates.

Base House Price Forecast and MVD (by Rating Level)

RMBS Insight employs the Black Knight zip-level forecast. DBRS developed its own house price model to estimate the distribution of house prices, from which the MVD's are derived. Using the Black Knight Home Price Index, real house prices are calculated as the ratio of the house price index to the consumer price index (CPI; January 2002 = 100). The model separates real house price movements into two components: the direction of the movement and its magnitude. The direction of the movement is modeled using logistic regression. The factors in the model are (1) the real house price index, (2) an indicator that the series is volatile and (3) whether the series is currently in an overheated state. The magnitude of the quarterly movement is modeled as a Weibull distribution with a mean that matches the mean of the series.

DBRS applies an MVD to all property values across all rating levels, ranging from 27% in the AAA scenario to 5% in the B scenario.

Mortgage Insurance
Within the pool, 13.8% of the mortgage loans are covered by a lender- or borrower-paid mortgage insurance policy. DBRS generally does not give any credit to mortgage insurance for legacy loans unless a creditworthy guarantor is present.

Interest Advances
The servicer will not advance any scheduled P&I on delinquent mortgages for this securitization. This will likely result in lower loss severities to the transaction because the advanced interest will not have to be reimbursed from the Trust upon liquidation of the mortgages.

Pre-Existing Servicing Advances
As of the Cut-Off Date, there are approximately $1,764,548 of pre-existing advances that will be distributed to the Seller upon loan resolution. Recouped pre-existing servicing advances will be subtracted from the interest remittance amount. DBRS included such amounts in its loss severity calculation for the loans.

The analysis of the above severity drivers resulted in the following loss severities for SCRT 2019-1:

Resulting Loss Severity for SCRT 2019-1

Rating	Loss Severity
B (low) (sf)	37.51%

Historical Performance

Since the first securitization in December 2016, 10 rated transactions (including SCRT 2019-1) have been issued from the SCRT shelf. Although a brief length of securitization history, performance in the SCRT shelf has been strong, with serious delinquencies of generally less than 5%. Cumulative losses have been minimal, ranging from 0.0% to 0.08% for the 2017 to 2018 vintages. Historical SCRT securitizations have exhibited current prepayment speeds generally ranging from 2% to 7% CPR.

The table below shows the securitization performance by transaction, as reflected in delinquencies and cumulative losses.

Historical Performance for the SCRT Shelf [1]

	SCRT 2019-1	SCRT 2018-4	SCRT 2018-3	SCRT 2018-2	SCRT 2018-1
Closing Date	Mar 2019	Nov 2018	Aug 2018	Jun 2018	Mar 2018
WA Original LTV	79.5%	78.3%	77.6%	79.6%	81.4%
WA Current LTV at Issuance	71.5%	72.8%	71.3%	71.1%	76.8%
WA FICO (Current) at Issuance	672	691	689	677	673
WA Coupon at Issuance [2]	4.396%	4.173%	4.099%	4.151%	4.294%
Securitization Performance (As of February 25, 2019)					
Pool Factor	N/A	97.83%	95.22%	92.71%	91.59%
Current	N/A	98.53%	98.20%	96.44%	96.05%
30-Day Delinquent	N/A	1.30%	1.53%	2.92%	3.38%
60+-Day Delinquent (Incl. BK/FC/REO) [3]	N/A	0.17%	0.26%	0.64%	0.57%
Accumulated Net Loss	N/A	0.00%	0.00%	0.02%	0.01%

1 Figures sourced from Intexcalc.
2 Weighted by related Interest Bearing Principal Balance.
3 Includes 60-day and more serious delinquencies, loans in foreclosure and bankruptcy (including performing bankruptcy), as well as REO properties.
4 Includes both voluntary and involuntary prepayments.

Historical Performance for the SCRT Shelf [1]

	SCRT 2019-1	SCRT 2018-4	SCRT 2018-3	SCRT 2018-2	SCRT 2018-1
Prepayment Speeds [4]					
Current CPR	N/A	4.92%	4.60%	6.70%	6.28%
3-month CPR	N/A	4.70%	5.36%	7.10%	6.16%
6-month CPR	N/A	N/A	6.35%	7.77%	6.58%
12-month CPR	N/A	N/A	N/A	N/A	N/A

	SCRT 2017-4	SCRT 2017-3	SCRT 2017-2	SCRT 2017-1	SCRT 2016-1
Closing Date	Dec 2017	Oct 2017	Jul 2017	May 2017	Dec 2016
WA Original LTV	78.5%	80.9%	81.1%	77.4%	77.0%
WA Current LTV at Issuance	71.9%	88.7%	94.2%	89.8%	93.0%
WA FICO (Current) at Issuance	675	688	681	691	682
WA Coupon at Issuance [2]	4.038%	4.104%	3.559%	3.691%	3.666%
Securitization Performance (As of February 25, 2019)					
Pool Factor	87.26%	92.15%	92.60%	90.47%	88.53%
Current	96.25%	97.26%	96.38%	97.51%	97.53%
30-Day Delinquent	2.92%	2.24%	2.86%	1.95%	1.81%
60+-Day Delinquent (Incl. BK/FC/REO) [3]	0.83%	0.50%	0.76%	0.53%	0.66%
Accumulated Net Loss	0.03%	0.08%	0.10%	0.12%	0.17%
Prepayment Speeds [4]					
Current CPR	5.85%	4.50%	3.15%	2.27%	3.37%
3-month CPR	6.53%	4.59%	3.68%	3.46%	3.35%
6-month CPR	7.58%	4.58%	3.41%	4.10%	4.62%
12-month CPR	8.49%	5.18%	4.12%	4.38%	5.12%

1 Figures sourced from Intexcalc.
2 Weighted by related Interest Bearing Principal Balance.
3 Includes 60-day and more serious delinquencies, loans in foreclosure and bankruptcy (including performing bankruptcy), as well as REO properties.
4 Includes both voluntary and involuntary prepayments.

Originators and Servicer

Originators

Given the significant seasoning of the loans, DBRS did not perform originator reviews for the purpose of evaluating the SCRT 2019-1 pool. In accordance with DBRS's RMBS rating methodology, for seasoned transactions, an originator review is generally not conducted as DBRS believes that the performance history of the loans is more indicative of the credit risk than the dated origination and underwriting practices. Moreover, some of the originators active from the pre-crisis era may have exited the business. Those who continue to originate may have significantly changed their practices and controls over time. DBRS believes that origination risks should have manifested in deal performance over time and are therefore captured through the seasoned characteristics in the DBRS RMBS Insight model.

Servicer

Specialized Loan Servicing LLC.

Specialized Loan Servicing LLC (SLS) is the servicer of 100% of this transaction, as of the closing date. DBRS performed a review of SLS's servicing platform and believes the company is an acceptable loan servicer for DBRS-rated transactions.

SLS was founded in 2003 and is an independent, third-party servicer offering special servicing, performing servicing, real estate owned (REO) asset management and disposition, and debt recovery. In November 2011, SLS was acquired by Computershare Limited (Computershare), a global data management and transaction processing business headquartered in Melbourne, Australia, with a market capitalization of approximately $8 billion. Computershare has locations in 21 countries and a global workforce of 12,000 employees. In 2018, Computershare consolidated its residential-related businesses in the United States under the Computershare Loan Services (CLS) brand. In addition to SLS, the CLS brand consolidation includes Property Solutions, Credit Risk Solutions (formerly Altavera Mortgage Services), Capital Markets Cooperative and CMC Funding. In January 2018, CLS completed the acquisition of LenderLive Network, LLC, a leading fulfillment and secondary market service provider. Computershare also owns the largest residential mortgage servicer in the United Kingdom — Computershare Homeloan Management — which it acquired in 2014.

As of December 31, 2018, SLS serviced approximately 585,000 loans totaling $95.3 billion, which comprised approximately 451,600 first lien mortgage loans totaling $89.8 billion, 80,600 second lien mortgage loans totaling $2.6 billion, and 51,500 charged-off assets totaling $2.8 billion. SLS has a diverse product mix in its servicing portfolio, including fixed-rate mortgages, adjustable-rate mortgages (ARMs), option ARMs, home equity lines of credit (HELOCs), subprime, closed-end seconds, non-qualified mortgages (non-QM) and unsecured/no equity loans. SLS acts as primary servicer for more than 530 private and public RMBS transactions and special servicer for more than 400 RMBS transactions.

SLS had an experienced senior management team that averages more than 20 years of industry experience and six years with the company. SLS currently has approximately 1,400 full time equivalent (FTE) employees. Voluntary and involuntary turnover for the past 12 months was 19.1% and 2.7%, respectively. New hires receive an average of 96 hours of initial training, and existing employees receive an average of 53 hours of annual training. Employees are required to pass all regulatory training exams with a minimum score of 90%. To augment its staff, SLS contracts with offshore vendors Karvy (formerly a Computershare-affiliated company) for data entry functions and Cognizant for information technology application development and testing.

SLS maintains a comprehensive internal control environment using a three-lines-of-defense approach. Business controls is the first line of defense with Quality Assurance (QA) and Quality Control (QC) testing, continuous monitoring through portfolio testing, and call monitoring embedded in the business units. Risk and compliance, the second line of defense, leverages automated testing mapped to key regulations. In addition, a compliance advisory team proactively tracks proposed and new state and federal laws and regulations, including monitoring, review and analysis of relevant provisions, providing notification to affected business units, and advising and tracking implementation of the required state or federal legal or regulatory provisions. A compliance testing team assesses the effectiveness of mortgage servicing operations and processes through testing performed by internal staff that is independent of the operational functions being tested, and issues reports to the business unit management, senior management, and the company's governance committee quarterly. The third line of defense is the internal audit department, which reports to the Computershare risk and audit committee. Remediation of internal audit findings is revalidated by the risk and compliance department. SLS reported that it currently had no material litigation.

In preparation for boarding a new pool, SLS runs the loan-level data through its proprietary pre-boarding system (PBS). PBS performs hundreds of evaluation processes and edit checks designed to detect illogical conditions and missing information. The QC department reviews any discrepancies and works with the boarding team to ensure all critical items are corrected or verified in a timely manner and updates the PBS. Recent enhancements to the loan boarding process include the addition of four loan boarding coordinators and a senior manager over the loan boarding coordinator team, enhancements to the mapping software to use exception queues for QC prior to boarding, and the implementation of optical character recognition to digitize loan data images to aid in pre-boarding QC reviews.

SLS maintains a focused approach to collections and incorporates early call attempts for higher-risk loans, pre-emptive campaigns, door knockers, gift cards and promotions. Collectors review documentation requirements to assist customers in beginning the resolution process and review and discuss possible solutions available to customers. The website allows customers to be proactive in the resolution process. SLS uses a risk scoring model to determine when to initiate collection calls that takes into consideration payment history, FICO score and other behavioral criteria. The outbound dialing process uses lists created daily for various delinquency buckets. Collection efforts are attempted every three days until contact is made, payment is received, or recall date is set in the system. Campaigns are run in predictive and preview mode depending on the campaign requirements, and all possible numbers on record are attempted unless state regulations prohibit calling certain numbers.

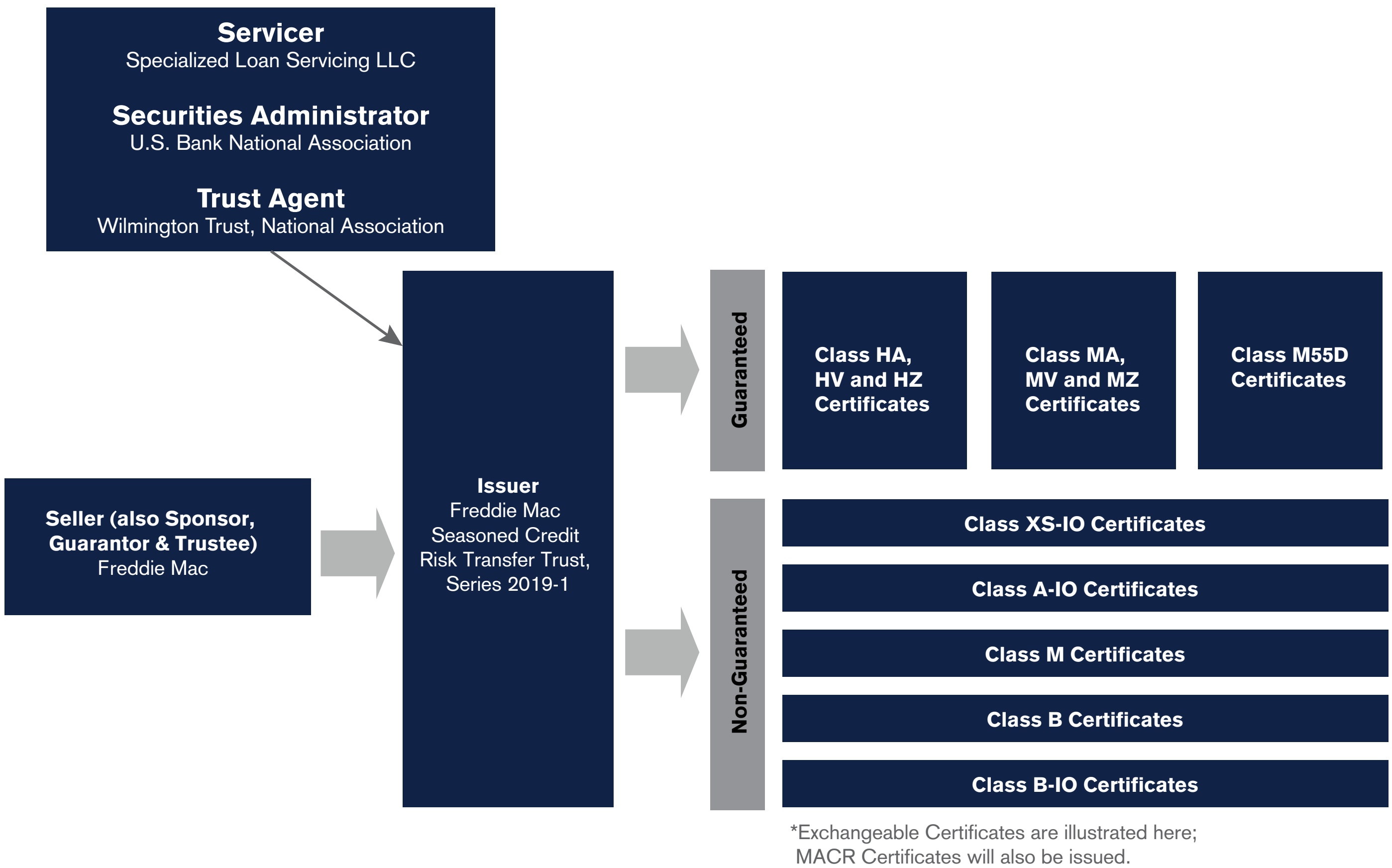
Loss mitigation assigns customers to a single point of contact (SPOC) upon the customer's request for loss mitigation. The loan and customer circumstances are analyzed using the investor's waterfall to determine the best retention option. Once a modification is approved by a workout agent, it is subject to management and audit review. There are additional edit checks built into the loss mitigation workflow application to ensure that appropriate resolutions are pursued.

A pre-foreclosure referral review includes a comprehensive referral checklist, including a second level QC review performed by a senior staff member. A dedicated attorney management group focuses on attorney performance using monthly scorecards that measure performance, quality and compliance of each attorney firm based on Government-Sponsored Enterprise (GSE) timelines. SLS has a strategic partnership with National Bankruptcy Services to facilitate the day-to-day management of core bankruptcy milestones. The company performs a comprehensive service transfer reconciliation process to ensure data accuracy on active bankruptcy cases at loan boarding. Bankruptcy discharge audits are completed to ensure the accuracy of payments posted and any fees or costs incurred during the bankruptcy.

As of December 31, 2018, SLS had 1,618 REO assets totaling more than $436 million. SLS leverages an affiliated company, Property Solutions, to manage and dispose of its REO assets. Property Solutions provides asset management, valuation, title solutions, and disposition services through its partner network of more than 20,000 real estate agents. Properties are managed through the res. net platform, including workflows, dashboards, tasking and exception reporting. SLS's policy is to obtain two or more independent value opinions and reconcile the values to arrive at the market value. If the values exceed certain variance tolerances, the company orders an additional independent reconciliation product. In addition to traditional marketing, REO disposition methods include auctions, marketing or auctioning occupied properties, and selling "as is" or repaired. Upon client request, the company also will manage rentals of REO properties. In addition to loan servicing, SLS also provides recovery services on no equity assets.

SLS uses Sagent's LoanServ system as its core servicing system. LoanServ provides workflow automation, real-time interfaces with external applications, and agency and regulatory compliance. To augment LoanServ, SLS developed its own proprietary loss mitigation platform, LAMP, which aggregates relevant information; automates decisioning by client, portfolio, asset class, waterfall and net present value (NPV) modelling; and integrates with data and documents. SLS performs incremental backups on a daily basis and full backups on a weekly and monthly basis. SLS's main data center is located at Computershare's Canton, Massachusetts, site with a secondary data center in Watertown, Massachusetts. The most recent disaster recovery test was in 2018 and was considered successful with no changes made as a result.

Transaction Structure



Cash Flow Structure and Features

Total Remittance Amount

For each related distribution period, the total remittance amount is the sum of Interest Remittance Amount (IRA) and Principal Remittance Amount (PRA):

1. Scheduled interest collected.
2. Scheduled principal collected.
3. Net liquidation proceeds.
4. Full and partial prepayments of principal.
5. Any other recoveries of funds, repurchase, reimbursement amounts and optional termination payments.

Minus

1. Fees payable and reimbursable to the Servicer, Trust Agent, Securities Administrator, Custodian, Seller, Trustee and Guarantor, subject to an expense cap.

With respect to the expenses of the Seller (also the Trustee and Guarantor), Issuer, Trust Agent, Securities Administrator, Servicer and Custodian, the aggregate annual Expenses Cap equals $300,000 per calendar year. Within the aggregate Expenses Cap, the cap is $150,000 with respect to the Seller (also the Trustee and Guarantor) and Issuer, $25,000 for the Trust Agent, $50,000 for the Securities Administrator, $50,000 for the Servicer, $25,000 for the Custodian per anniversary year. However, expenses incurred by the Trust Agent, Securities Administrator and Custodian may be uncapped if they are resulted from a Servicer event of default, provided that the Servicer, or its affiliate will not be reimbursed for any expenses related to such an event of default.

Priority of Payments

On each distribution date, the **Interest Remittance Amount** will be distributed in the following order of priority:

1. To Class XS-IO, sequentially, the aggregate excess servicing fee from Groups M, M55 and H, and then any unpaid aggregate excess servicing fee amount, from IRA for all groups on a pro rata basis;
2. Concurrently,
    - To Class MA, MV and Class MZ, pro rata, the accrued and unpaid interest from the IRA for Group M; provided that the interest distribution amount otherwise distributable to Class MZ will instead be distributed as principal to Class MV until Class MV's principal balance is reduced to zero;
    - To Class M55D, the accrued and unpaid interest from the IRA for Group M55; and
    - To Class HA, HV and Class HZ, pro rata, the accrued and unpaid interest from the IRA for Group H; provided that the interest distribution amount otherwise distributable to Class HZ will instead be distributed as principal to Class HV until Class HV's principal balance is reduced to zero;
3. Concurrently, from IRA for all groups, pro rata based on remaining interest distributable to the classes related to each group,
    - To Class HA, HV and HZ, pro rata, the accrued and unpaid interest in excess of the amount distributed above in priority (2); provided that the interest distribution amount otherwise distributable to Class HZ will instead be distributed as principal to Class HV until Class HV's principal balance is reduced to zero;
    - To Class MA, MV and MZ, pro rata, the accrued and unpaid interest in excess of the amount distributed above in priority (2); provided that the interest distribution amount otherwise distributable to Class MZ will instead be distributed as principal to Class MV until Class MV's principal balance is reduced to zero; and
    - To Class M55D, the accrued and unpaid interest in excess of the amount distributed above in priority (2);
4. To the Guarantor, any interest accrued on unreimbursed Guarantor Maturity Payments (i.e., remaining class principal amount of the Guaranteed Certificates as of the stated final distribution date), at a monthly rate equal to one-twelfth of the sum of (i) the related class coupon on the Stated Final Distribution Date, and (ii) One-Month LIBOR
5. To the Guarantor, any unreimbursed interest and principal payments paid by the Guarantor from prior distribution dates;
6. To the Guarantor, any unreimbursed Guarantor Maturity Payment;
7. To Class A-IO, the accrued and unpaid interest;
8. To Class M, the accrued and unpaid interest, and when Class M is outstanding, prior and current unpaid Cap Carryover amount;
9. To Class B-IO, the accrued and unpaid interest;
10. To the Servicer, Securities Administrator, Custodian, Trust Agent, Seller, Trustee and Guarantor, the unpaid expenses exceeding their respective limits;
11. To Class M, any realized losses and write-down amounts previously allocated and not reimbursed to Class M;
12. To Class B, any realized losses and write-down amounts previously allocated and not reimbursed to Class B;
13. To the Pay-ahead Reserve Account for each group, pro rata, based on outstanding UPB for such group; and
14. To Class R, any remaining IRA.

On each distribution date, the **Principal Remittance Amount** will be distributed in the following order of priority:

1. To the extent not paid pursuant to the IRA payment priority described above, any unpaid fees and reimbursed advances to the Servicer, Seller, Trust Agent, Securities Administrator, Guarantor and Custodian, as applicable, for the current distribution date;
2. After the distribution of the IRA as described above, to Class XS-IO, to pay any unpaid excess servicing fee amount, first from the PRA for the related group; second from the PRA for all groups, on a pro-rata basis;
3. To reimburse the Guarantor, up to the subsequent recoveries collected, any Guarantor interest and principal payments:
    - Concurrently, within each respective group, up to any subsequent recovery amount until fully reimbursed;
    - From the PRA for all groups on a pro rata basis, an amount of any remaining subsequent recovery amount until fully reimbursed;
4. Concurrently, from the PRA for groups that are not undercollateralized, pro rata, to pay the undercollateralized amount to the Guaranteed Classes, until the respective undercollateralized amount is reduced to zero; in each case that:

- Class MA, MV and MZ are in an undercollateralized group, the amount will be distributed sequentially to Class MA, MV and MZ, until each principal balance is reduced to zero; Class HA, HV and HZ are in an undercollateralized group, the amount will be distributed sequentially to Class HA, HV and HZ, until each principal balance is reduced to zero; and
- Class M55D is in an undercollateralized group, the amount will be distributed to Class M55D, until Class M55D's balance is reduced to zero;

5. Concurrently,
   - To Class MA, MV and MZ, sequentially, the senior principal distribution amount from the PRA for Group M, until each class principal balance is reduced to zero;
   - To Class M55D, the senior principal distribution amount from the PRA for Group M55, until its class principal balance is reduced to zero; and
   - To Class HA, HV and HZ, sequentially, the senior principal distribution amount from the PRA for Group H, until their class principal balances are reduced to zero;
6. Concurrently,
   - From the PRA for Group M, pay the remaining senior principal distribution amount from Group M, pro rata, between a and b below, until each class principal balance is reduced to zero:
     a. sequentially, to Class HA, HV and HZ, and
     b. to Class M55D,
   - From the PRA for Group M55, pay the remaining senior principal distribution amount from Group M55, pro rata, between a and b below, until each class principal balance is reduced to zero:
     a. sequentially, to Class HA, HV and HZ, and
     b. sequentially, to Class MA, MV and MZ,
   - From the PRA for Group H, pay the remaining senior principal distribution amount from Group H, pro rata, between a and b below, until each class principal balance is reduced to zero:
     a. sequentially, to Class MA, MV and MZ, and
     b. to Class M55D,
7. To the extent not already paid from IRA, to the Guarantor, the aggregate of the interest accrued on unreimbursed Guarantor Maturity Payments with respect to each Guaranteed Certificate entitled to principal, at a monthly rate equal to one-twelfth of the sum of (i) the related class coupon on the Stated Final Distribution Date, and (ii) One-Month LIBOR;
8. To the Guarantor, any unreimbursed interest and principal payments paid by the Guarantor from prior distribution dates;
9. To the Guarantor, any unreimbursed Guarantor Maturity Payment;
10. To Class M, until its class principal balance is reduced to zero;
11. To Class M, its accrued and unpaid interest for the current distribution date, to the extent not paid pursuant to the IRA payment priority described above;
12. To Class B, until its class principal balance is reduced to zero.

To the extent that any of the exchangeable certificates are exchanged for the MACR certificates, such MACR certificates will be entitled to a proportionate share of the interest and principal payments otherwise payable to the related exchangeable certificates.

The senior principal distribution amount to the Class M and B Certificates will be subject to the Step-Down Tests as described below. If the Step-Down Test is satisfied, senior principal distribution amount will be the pro rata share of the PRA based on the senior class principal balance. If not satisfied, the senior classes will receive the entire PRA for their groups.

Step-Down Test

The step-down test consists of the following four tests. Upon the satisfaction of all these tests, the Class M and B Certificates may receive their pro-rata share of Principal Remittance Amount (PRA). The tests are as follows:

Minimum Credit Enhancement Test

For any distribution date, a test that will be satisfied if:

1. The weighted average of Groups H, M and M55 subordinate percentages is greater than or equal to 16.50%; and
2. The aggregate principal balance of the Class M and Class B Certificates (calculated assuming no exchanges for MACR Certificates have occurred) exceeds 3.00% of the total UPB of the mortgage loans as of the Cut-Off Date.

Aged Securitization Test

For any distribution date, a test that will be satisfied if:

1. The class principal amount of Class M Certificates is greater than zero; and
2. The distribution date is on or before the February 2034 distribution date.

Cumulative Loss Test

Distribution Date Occurring in the Period	Cumulative Realized Losses Percentage (%) of UPB of the Mortgage Loans As Of the Cut-Off Date
March 2019 to February 2021	1.20%
March 2021 to February 2022	1.80%
March 2022 to February 2023	2.40%
March 2023 to February 2024	3.00%
March 2024 to February 2025	3.60%
March 2025 to February 2026	4.20%
March 2026 to February 2027	4.80%
March 2027 to February 2028	5.40%
March 2028 and thereafter	6.00%

Delinquency Test

For any distribution date, a test that will be satisfied if:

1. The outstanding principal balance of all loans delinquent 60+ days or more (including loans in foreclosure, REO or bankruptcy status as well as any mortgages modified in the prior 12 months);

is less than

2. 50% of the difference (not less than zero) of (a) aggregate principal balance of the Class M and Class B Certificates (calculated assuming no exchanges for MACR Certificates have occurred) following the proceeding distribution date; and (b) aggregate realized losses for the current distribution date.

Allocation of Realized Losses

Realized losses will be allocated, reverse sequentially, as follows:

1. To Class B, until its class principal amount is reduced to zero;
2. To Class M, until its class principal amount is reduced to zero;
3. With respect to the realized losses of each group,
   - To Class MA, MV and Class MZ, sequentially, reduce the class principal amounts, until their respective class principal amounts are reduced to zero;
   - To Class M55D, reduce the class principal amounts, until its class principal amount is reduced to zero; and
   - To Class HA, HV and Class HZ, sequentially, reduce the class principal amounts, until their respective class principal amounts are reduced to zero;

4. Any remaining realized losses for a group not allocated in priority (3) will be allocated pro rata to the other groups to reduce:
   - In the case of Group H, the class principal amounts of Class HA, HV and Class HZ, sequentially, until their respective class principal amounts are reduced to zero;
   - In the case of Group M, the class principal amounts of Class MA, MV and Class MZ, sequentially, until their respective class principal amounts are reduced to zero; and
   - In the case of Group M55, the class principal amount of Class M55D, until its class principal amounts is reduced to zero;

In the event that the Guarantor fails to make a required Guarantor payment on any Guaranteed Certificates, the allocation of realized losses in above priorities (3) and (4) will be made pro rata, within each group.

Any realized losses allocated to the Class HA, Class HV, Class HZ, Class MA, Class MV, Class MZ and Class M55D Certificates will require the Guarantor to pay the principal payments to such classes.

Cash Flow Analysis

DBRS generally undertakes a detailed structural analysis that encompasses 12 cash flow scenarios. The cash flow modeling assumptions focus on the following risk factors:
- Prepayment speeds.
- Timing of losses.
- Interest rate stresses (when there is a mismatch between collateral and bond coupons).

DBRS incorporates a dynamic cash flow analysis in its rating process. As indicated in the table below, a baseline of three prepayment scenarios under the Standard[3] Intex convention and two loss timing curves were applied to test the resilience of the rated classes. No interest rate stresses were run for this pool as the mortgages are fixed rate and the bonds bear coupons that are either fixed or subject to the WA of the net mortgage coupons. DBRS therefore ran a total of six cash flow scenarios at each rating level for this transaction. Coupled with the losses derived from the RMBS Insight model, DBRS also tested the cash flow triggers described above as part of the step-down test.

For this transaction, the servicer will not advance any P&I payments on delinquent mortgages to the securitization trust. When performing cash flow analysis, DBRS approximated delinquency curves by front-loading its standard seasoned loss timing vectors by 24 months and assumed that the servicer will not advance for delinquent mortgages. This would result in P&I collections being shut off as soon as loans become delinquent until they are liquidated.

Six Cash Flow Scenarios Applied by DBRS for SCRT 2019-1

DBRS Cash Flow Scenario	Prepayments	Loss Timing
1-3	5%, 15%, 25% CPR	Front-Loaded
4-6	5%, 15%, 25% CPR	Back-Loaded

Extraordinary trust expenses, up to $300,000 annually, may be paid from available funds before any distribution to the securities, thus potentially reducing the interest and principal available to certificateholders. DBRS incorporated such expenses when running cash flows to test that the rated bonds can withstand further stress. As a result, the proposed structure warranted higher credit enhancement. DBRS's ratings do not address the likelihood that there may be interest shortfalls as a result of the occurrence of extraordinary trust expenses in any given month.

3. Standard: The standard prepayment rate consists of voluntary prepayments only. Prepayment amount and default amount are applied to the loans independently.

Rating Category Analysis

DBRS employs various home price assumptions in its credit analysis at each rating category. Although an important driver of defaults and loss severities, home prices alone do not necessarily warrant rating changes. Many other factors, including economic measures and prepayment behaviors, can also cause changes in transaction performance. Higher rating levels by design have the ability to withstand increasing stresses than the lower rating levels.

DBRS incorporates home prices, asset correlation and simulation in determining rating category stresses. Associated with each rating category is a home price or MVD scenario. All future house values are adjusted downward by this percentage. This adjustment is applied on top of the base house price forecast. The table below illustrates the MVD assumptions for each rating category.

Home Price Decline Assumptions by Rating Category

Rating Category	Market Value Decline
AAA	27%
AA	22%
A	18%
BBB	14%
BB	8%
B	5%

Asset correlation is determined by the level of concentration (in geography and loan size) and credit quality. A simulation approach is used to determine the portfolio-level distribution of default and recovery. Simulations are run until the probability of exceeding the estimated rating stress level is less than a target value, or confidence interval, as established by the DBRS idealized default table.

Third-Party Due Diligence

Clayton Services LLC (Clayton or TPR firm) performed the third-party due diligence review for this transaction. DBRS has conducted an on-site review of the TPR firm and believes that the company has adequate staffing, infrastructure and capabilities to effectively perform residential mortgage due diligence reviews.

The scope of the due diligence review included the following (all percentages are based on the final population reviewed as a percent of loan count):

1. **Regulatory Compliance (16.1%).** The compliance review included testing for (a) certain applicable federal, state and local high-cost and/or anti-predatory laws and (b) an additional test for Truth-in-lending/regulation Z (TILA) and the Real Estate Settlement Procedures Act (RESPA) laws and regulations.
2. **Payment Histories (12.5%).** The TPR firm reviewed the pay history to validate payments during the most recent 36 months.
3. **Data Integrity (100.0%).** A data integrity review was conducted on all the loans to confirm that certain modification information in the mortgage loan files matched the data tape.
4. **Title, Tax and Lien (100.0%).** A title, tax, and lien review was conducted on all the loans to confirm the appropriate lien was recorded in the correct amount and lien position between October 2018 and December 2018. Certain loans were found to be in a subordinate position but are confirmed to have a clear and final title policy or release agreements evidencing the first-lien position of such loans. Additionally, for 36 months following the Closing Date, the Seller will indemnify and reimburse the Trust for any actual losses, damages and payments incurred by the Trust to lien holders up to the statutory amounts for all loans with a homeowners' association super lien, municipal lien and property tax lien.

Updated BPOs were provided for 20.3% of the securitized pool, supplemented by 100.0% of AVM estimated property values. HVE was used when available, or if an HVE was not available (11.7% of the securitized pool), an MSA/ state/national level house price index was used (in order of availability) to estimate property value. AVMs are higher than the BPOs by approximately 7.7% on average. DBRS applied haircuts to all updated property values.

For this transaction, Clayton provided DBRS with a written attestation that generally includes the following:

1. The diligence review was conducted without influences from any parties to the transaction.
2. The review was completed in accordance to DBRS third-party due diligence criteria.
3. The reviewers have the appropriate level of experience to complete the due diligence review.
4. Ample time was given to the firm to perform the review and report the findings to DBRS.

Representations and Warranties

As of the Closing Date, Freddie Mac, as the Seller, will make certain R&Ws to the Trust with respect to the mortgage loans. Such obligations (other than with respect to any REMIC tax-related R&Ws) will expire if a notice of a potential breach has not been received by the Trust and Seller on or before March 11, 2022.

While the content of the mortgage loan R&Ws in this transaction generally conform to the ones DBRS would expect to receive for RMBS securitizations with seasoned collateral, the number of representations provided (25) is fewer than what was outlined in DBRS criteria for seasoned pools (36).

In addition, the R&W framework includes substantial knowledge qualifiers, because the Seller makes such R&Ws without any independent investigation. However, a major compensating factor is that if it is discovered that the substance of any such R&W is inaccurate and such inaccuracy is determined to constitute a material breach during a review, then notwithstanding the Seller's lack of knowledge with respect to the substance of such R&W being inaccurate at the time they are made, such inaccuracy will be deemed a material breach.

Enforcement Mechanism

A breach review trigger will occur if the Servicer notifies the Trust Agent, on or before March 11, 2022, that a loan had a foreclosure sale, short sale or deed-in-lieu of foreclosure sale completed or was charged-off by the Servicer, or has been modified by the servicer (due to a hardship or by a court of competent jurisdiction). In addition, during the sunset period, the Trustee may request a review based on specific evidence that supports the existence of a Material Breach with respect to a Mortgage Loan.

Upon the occurrence of a breach review trigger, the Trust Agent will be required to select a third-party reviewer (an Independent Reviewer) to review such mortgage loan. The Independent Reviewer will be required to determine whether there is a material breach of an R&W (a. that the breach resulted in a material and adverse effect to either the value of the mortgage loan or interests to the Trust; b. such loan has suffered a loss, a portion of which is a direct result of an existing lien or a missing/defective mortgage document; or c. the final certificate for such loan identified a missing or defective document). If a material breach exists, the Independent Reviewer will provide to Freddie Mac the estimated loss amount for that breach.

Freddie Mac has the right to perform a simultaneous review, and to appeal the determination of a material breach or the estimated loss amount. The Independent Reviewer will be required to review the information provided by Freddie Mac in support of its appeal to make its final determination of a material breach and final loss estimate.

To the extent the Independent Reviewer concludes then that a mortgage loan has suffered a material breach, Freddie Mac will be required to cure such breach, indemnify the Trust in the amount of the final loss estimate (or the realized losses net of recovery from loan liquidation, if lower) or repurchase the mortgage. If the material breach is with respect to certain REMIC-related R&Ws, then Freddie Mac will be required to repurchase the loan.

DBRS Viewpoint

This transaction employs a weak R&W framework that includes a 36-month sunset without an R&W reserve account, substantial knowledge qualifiers and fewer mortgage loan representations relative to DBRS criteria for seasoned pools.

DBRS views the 36-month sunset period, without a subsequent R&W reserve account, to be a rather limiting timeframe. Considering that foreclosure timelines can run well over two years in judicial States, which make up approximately 51.7% of the UPB in this portfolio, the absence of a delinquency review trigger would undoubtedly delay the review of any loan by the Independent Reviewer. Currently an Independent Review would only occur after a loan has undergone a foreclosure sale, short sale or deed-in-lieu of foreclosure, or was charged-off or modified by the Servicer.

DBRS reviewed the various aspects of the transaction representations in conjunction with a detailed analysis of (1) the quality of the underlying mortgage loans, particularly with respect to their pay histories, and (2) third-party due diligence results. Although the framework is acceptable, DBRS increased loss expectations from the model results to capture the weakness in the R&W framework.

DBRS based its analysis on R&W standard on the following factors:

1. The portfolio has had significant loan seasoning and clean performance history in the past three years.
2. Automatic triggers, albeit in the first three years, will cause reviews of a loan upon the occurrence of breach review triggers.
3. Freddie Mac, as the Seller, is the entity that provides R&Ws. DBRS views the credit quality of Freddie Mac as very high given the systemic support from the U.S. government.
4. Third-party due diligence, albeit on less than 100% of the portfolio with respect to regulatory compliance and payment histories, generated satisfactory results and findings on the sample loans. A satisfactory due diligence review mitigates the risk of R&W violations.

Methodologies

The following are the methodologies DBRS applied to assign a rating to the above-referenced transaction. These methodologies can be found on www.dbrs.com under the heading Methodologies & Criteria. Alternatively, please contact info@dbrs.com or contact the primary analysts whose information is listed in this report.

- *RMBS Insight 1.3: U.S. Residential Mortgage-Backed Securities Model and Rating Methodology*
- *Assessing U.S. RMBS Pools Under the Ability-to-Repay Rules*
- *Interest Rate Stresses for Rating U.S. Structured Finance Transactions*
- *Third-Party Due Diligence Criteria for U.S. RMBS Transactions*
- *Representations and Warranties Criteria for U.S. RMBS Transactions*
- *Legal Criteria for U.S. Structured Finance*
- *Operational Risk Assessment for U.S. RMBS Originators*
- *Operational Risk Assessment for U.S. RMBS Servicers*

In accordance with the operational risk framework outlined in the DBRS RMBS Insight model and rating methodology, the framework takes into consideration aspects of DBRS's originator and servicer assessments, the results of the third-party due diligence review and the strength of the R&Ws provided, which may result in a credit or penalty applied to the default and loss severity rates of a mortgage pool.

Monitoring and Surveillance

The transaction will be monitored in accordance with the DBRS *U.S. RMBS Surveillance Methodology.*

Notes:
All figures are in U.S. dollars unless otherwise noted.

This report is based on information as of March 4, 2019. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.