Prosper Performance Update: May 2017

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Monthly Originations Summary – For Month Ending May 31, 2017*:

Prosper Rating	Dollar %	% 5 Year Loans	Average Loan Size	WA Borrower Rate	WA Coupon [i]	Estimated WA Loss[ii]	Estimated WA Return [iii]	DollarWAFICO
AA	5.06%	8%	12,979	6.69%	5.69%	1.43%	4.20%	772
A	10.47%	31%	14,545	9.12%	8.12%	3.25%	4.81%	739
B	20.89%	37%	13,730	11.82%	10.82%	5.16%	5.53%	717
C	30.95%	39%	13,491	16.67%	15.67%	7.59%	7.72%	697
D	20.11%	43%	13,091	23.40%	22.40%	10.46%	11.08%	682
E	10.31%	33%	9,336	29.15%	28.15%	13.46%	13.17%	672
HR	2.20%	0%	5,831	31.82%	30.82%	17.04%	11.65%	665
AA-HR	100.00%	35.62%	$12,558	17.34%	16.34%	7.71%	8.10%	703

Prosper Portfolio Highlights (at time of origination)*:

Vintage	Original DTI	Original FICO	Original Estimated WA Loss[ii]	Original WA Coupon [i]	Original Estimated WA Return [iii]	Original Loss/FICO (Conservatism) 2014=1 [iv]	Original Coupon/FICO (Price to Risk) 2014=1[v]
2013	18.28%	717	6.32%	15.81%	8.49%	1.10	1.18
2014	18.62%	705	5.66%	13.19%	6.82%	1.00	1.00
2015H1	19.17%	704	5.73%	12.24%	6.39%	1.01	0.93
2015H2	18.90%	704	6.10%	12.67%	6.43%	1.08	0.96
2016Q1	18.72%	705	5.98%	12.50%	6.37%	1.06	0.95
2016Q2	19.55%	708	6.01%	13.03%	6.85%	1.06	0.98
2016Q3	20.52%	714	6.22%	13.72%	7.19%	1.09	1.03
2016Q4	19.96%	715	6.03%	13.09%	6.72%	1.05	0.98
2017Q1	18.19%	707	7.45%	15.71%	7.77%	1.31	1.19
201704	18.26%	703	7.64%	16.18%	8.04%	1.35	1.23
201705	18.16%	703	7.71%	16.34%	8.10%	1.37	1.24

- At 16.34%, the WA coupon for Prosper's May 2017 vintage is the highest for a monthly vintage since 2013.
- Continued credit tightening can be seen via an increase in expected loss rate, coupon, Loss/FICO, and Coupon/FICO compared to prior months. Prosper's risk team continues to track macroeconomic signals and keep a close eye on the U.S. consumer.
- Prepayments for the 2017 origination months continue to trend above prior vintages. While the shorter duration of Prosper's portfolio means that elevated prepayments have less impact on asset returns than longer-dated products such as mortgages, Prosper views the elevated prepayment patterns as a potential return headwind for the 2017 vintages and is actively modeling prepayment paths to attempt to ensure that elevated prepayment rates are accounted for and that the assets are priced appropriately.
- 2015 and 2016H1 vintage delinquencies continue to trend below their prior peaks. Prosper believes that credit tightening throughout 2015H2 and 2016 has resulted in a meaningful improvement in the delinquency and loss trend for 2016H2 vintages. Delinquency for 2017 originations are trending above 2016H2. Higher delinquency was expected for these vintages and over 300bps of incremental coupon has been introduced compared to prior vintages, in part, to price for the higher expected risk.

* Information presented is from the time of origination and based on original estimated loss rate.

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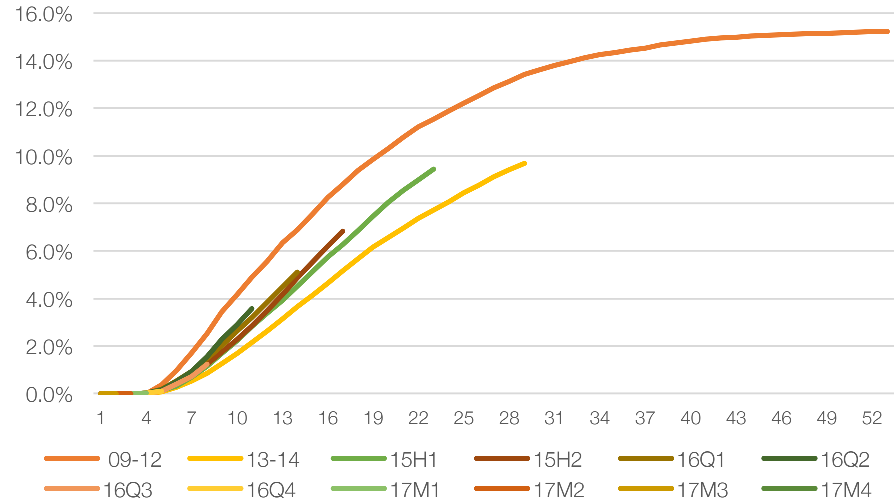
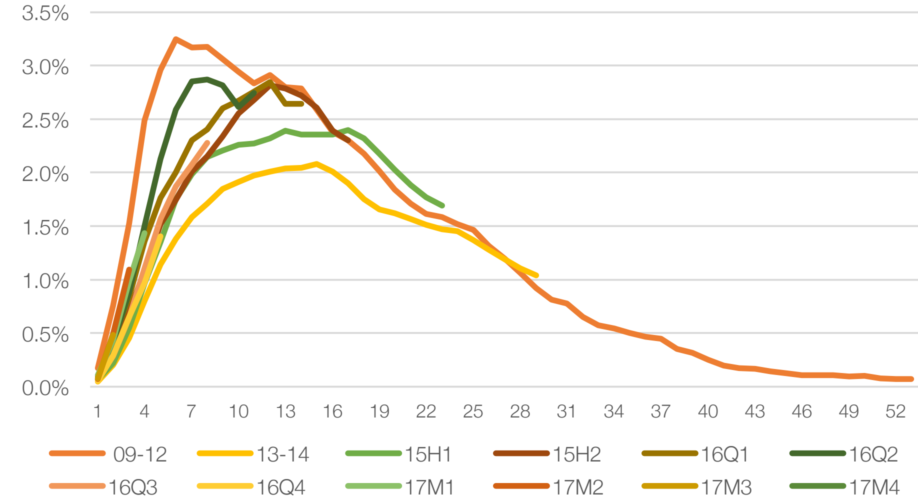
Cumulative Gross Loss Per Origination Dollar (%)



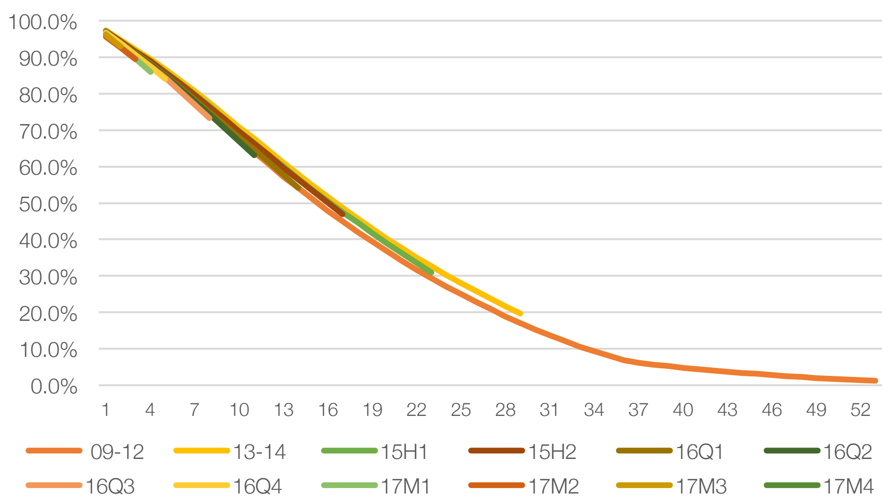
Cumulative Gross Loss Per Origination Dollar measures the cumlative principal charged off for a given vintage divided by the total principal originated in that vintage. "Gross" refers to the fact that curves do not account for the post-chargeoff recovery effort that Prosper conducts on behalf of investors. Currently investors are receiving 7-8% of chargeoff principal as a result of recovery operations. There can be no guarantee that these recovery rates will remain the same in the future.

Delinquency Per Origination Trend (%)



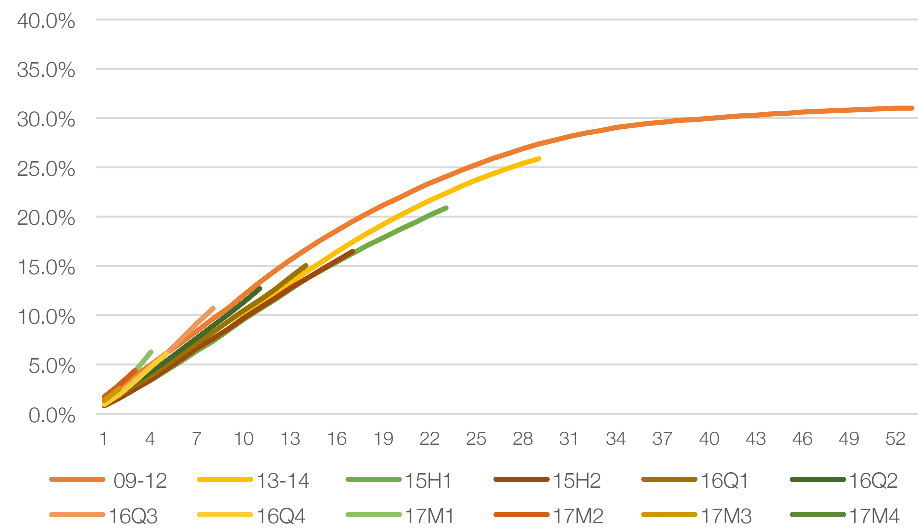
% Delinquency Per Origination Trend measures the cumulative principal dollars that are 16 or more days past due, and that are not charged off in a given month after origination. We believe this measure is useful for discerning emerging delinquency trends and is a leading indicator for the Cumulative Gross Loss Per Origination Dollar measure.

Remaining Balance (%)



Remaining Balance by Vintage measures the cumulative principal dollars remaining in the pool that have not been charged off.

Cumulative Prepayments by Vintage (%)



Cumulative Prepayment by Vintage measures the cumulative principal dollars associated with accounts that prepaid in advance of their scheduled payment schedule. The cumulative prepayment rate is calculated by dividing the cumulative dollar amount prepaid by the total original loan amount funded.

Notes & Disclaimers:

* All information presented in the Monthly Originations Summary and Prosper Portfolio Highlights is from the time of origination and based on original estimated loss rate.

i WA Coupon shows the weighted average coupon on a loan or group of loans and is calculated by (a) taking the weighted average contractual amortization rate for such loans, and subtracting (b) Prosper's 1% servicing fee.

ii Estimated WA Loss (also known as Estimated Loss Rate) shows weighted average expected annualized loss rate on a loan or a group of loans and is calculated by taking estimated principal loss on charge-offs from such loans. Estimated WA Loss is provided as an informational tool, primarily to remind investors that it is inevitable that certain loans will charge off and result in a loss of investment capital. Estimated WA Loss is not a promise of future results and may not accurately reflect actual loss rates. Actual loss rates experienced may be impacted by, among other things, the size and diversity of the portfolio, exposure to any single Note or loan or borrower or group of Notes or loans or borrowers, as well as macroeconomic conditions. All estimates are based on the historical performance of Prosper loans.

iii Estimated WA Return (also known as Estimated IRR) shows the weighted average expected rate of return at the point of underwriting on a loan or group of loans, and is calculated by (a) taking the WA Coupon; subtracting (b) the Estimated WA Loss, estimated collection and recovery fees, estimated uncollected interest on charge-offs, and the loan trailing fee (where applicable); and adding (c) estimated collected late fees and estimated post charge-off principal recovery. Individual results may vary and estimates can change. Actual performance may differ from estimated performance, and the information presented is not intended to be investment advice or a guarantee of the performance of any Note or loan.

iv Loss/FICO is a measure of risk modeling conservatism relative to traditional credit metrics. Higher numbers indicate a more conservative view on risk modeling while lower numbers indicate a less conservative approach. Indexed to 2014.

v Coupon/FICO is a measure of return relative to traditional credit metrics (FICO). Higher numbers indicate more return per unit FICO. Indexed to 2014.

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