

# Prosper Performance Update: September 2017

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## Monthly Originations Summary – For Month Ending September 30, 2017\*:

Prosper Rating	Dollar %	% 5 Year Loans	Average Loan Size	WA Borrower Rate	WA Coupon <sup>i</sup>	Estimated WA Loss <sup>ii</sup>	Estimated WA Return <sup>iii</sup>	Dollar WA FICO
AA	7.06%	14.28%	14,060	6.58%	5.52%	1.39%	4.12%	773
A	13.62%	39.91%	15,299	8.95%	7.89%	3.23%	4.66%	738
B	23.32%	41.79%	14,128	11.46%	10.34%	5.14%	5.20%	717
C	29.70%	42.66%	13,934	16.15%	14.81%	7.47%	7.34%	701
D	16.41%	45.15%	13,153	23.43%	21.57%	10.48%	11.09%	686
E	7.57%	35.44%	8,959	29.16%	26.64%	13.47%	13.17%	676
HR	2.31%	0.00%	5,830	31.82%	28.69%	16.97%	11.73%	666
AA-HR	100.00%	38.95%	13,047	15.94%	14.49%	7.09%	7.41%	710

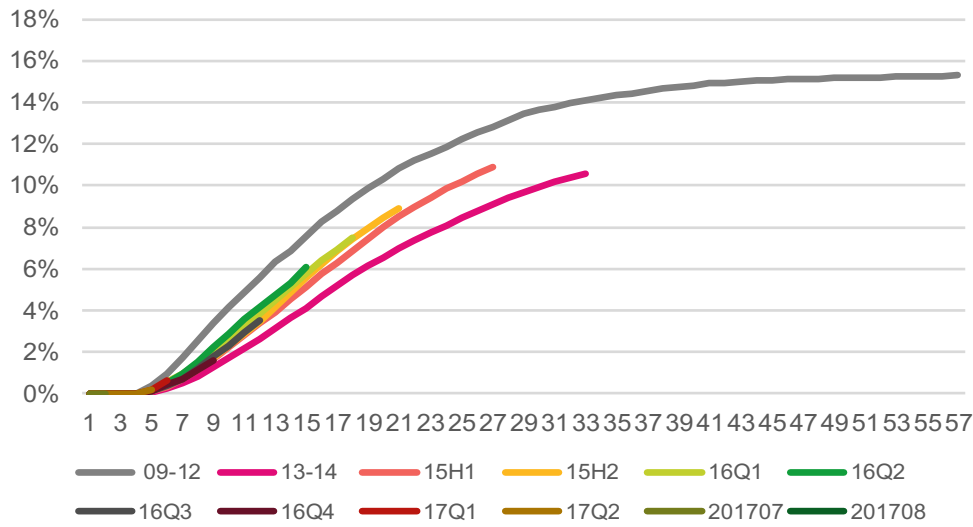
## Prosper Portfolio Highlights (at time of origination)\*:

- Credit tightening in the higher risk segments continues to slowly shift the portfolio to a higher concentration of lower risk assets (44.0% of assets were rated AA-B in September compared with 41.9% in August).
- As a result of this shift in volume, original WA estimated return on the portfolio declined by 16bps from August, with an increase in WA FICO and a decrease in WA DTI.
- Chargeoff levels in 2016 Q3 and Q4 vintages continue to run close to or below 2015 Q1 and Q2 for equivalent months-on-book, highlighting the impact of changes made to the portfolio since it began to experience performance stress during the end of 2015 and beginning of 2016.
- We continue to closely monitor early stage delinquencies on our 2017 vintages, as well as trends in the overall credit environment, and make appropriate changes to our credit policy.

Vintage	Original DTI	Original FICO	Original WA Coupon <sup>i</sup>	Original Estimated WA Loss <sup>ii</sup>	Original Estimated WA Return <sup>iii</sup>	Original Loss/FICO (Conservatism) 2014=1 <sup>iv</sup>	Original Coupon/FICO (Price to Risk) 2014=1 <sup>v</sup>
2013	18.28%	717	15.81%	6.32%	8.49%	1.10	1.18
2014	18.62%	705	13.19%	5.66%	6.82%	1.00	1.00
2015	19.01%	703	12.50%	5.95%	6.41%	1.05	0.95
2016Q1	18.72%	705	12.50%	5.98%	6.37%	1.06	0.95
2016Q2	19.55%	708	13.03%	6.01%	6.85%	1.06	0.98
2016Q3	20.52%	714	13.72%	6.22%	7.19%	1.09	1.03
2016Q4	19.96%	715	13.09%	6.03%	6.72%	1.05	0.98
2017Q1	18.19%	707	15.71%	7.45%	7.77%	1.31	1.19
2017Q2	18.16%	703	16.21%	7.64%	8.05%	1.35	1.23
2017Q3	18.27%	708	15.34%	7.28%	7.58%	1.28	1.16

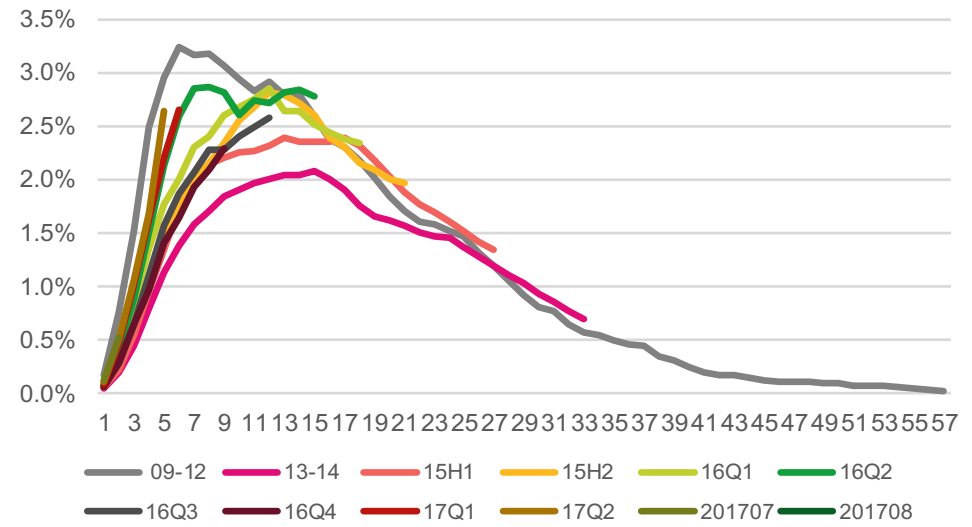
\* Information presented is from the time of origination and based on original estimated loss rate.

### Cumulative Gross Loss Per Origination Dollar (%)



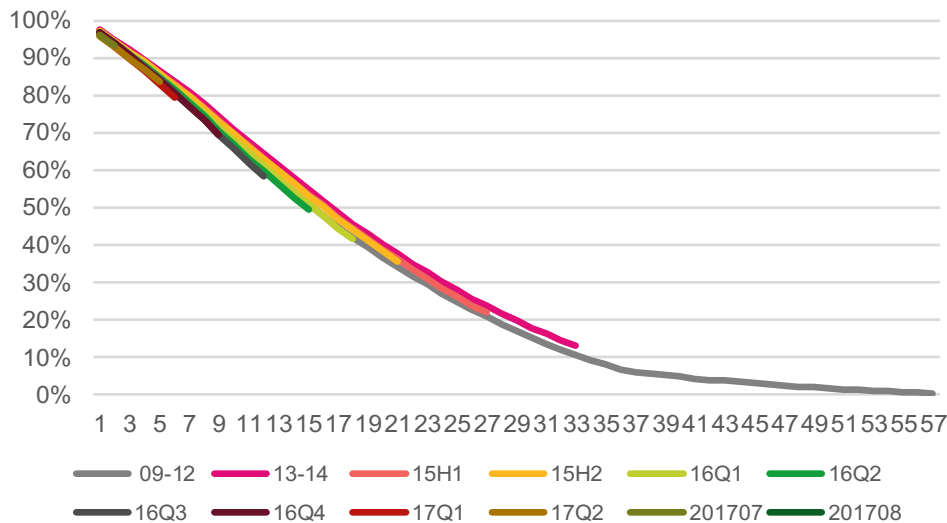
Cumulative Gross Loss Per Origination Dollar measures the cumulative principal charged off for a given vintage divided by the total principal originated in that vintage. "Gross" refers to the fact that curves do not account for the post-chargeoff recovery effort that Prosper conducts on behalf of investors. 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 (%)



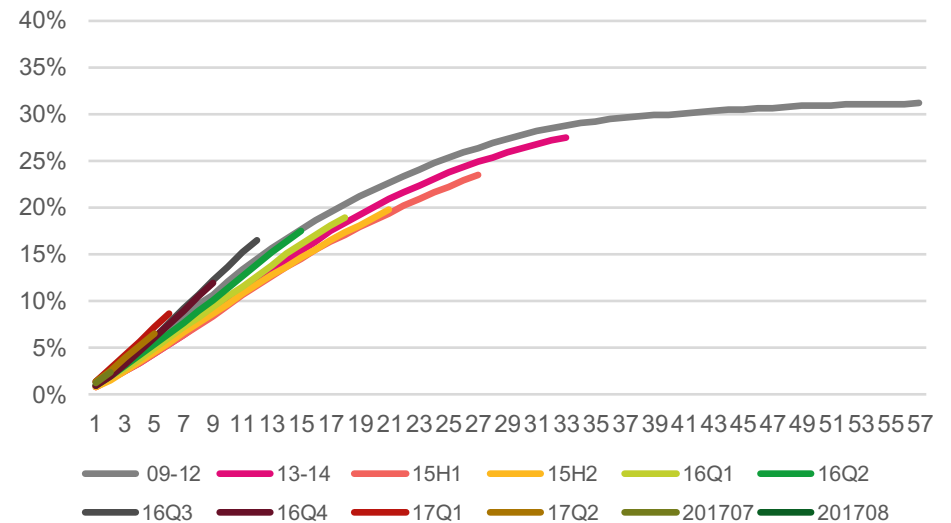
% Delinquency Per Origination Trend measures the cumulative principal dollars that are 16 or more days past due, and that are not charged off in a given month after origination. We believe this measure is useful for discerning emerging delinquency trends and is a leading indicator for the Cumulative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