

U.S. CMBS: STRONG COMMERCIAL PROPERTY APPRECIATION FUELS DEFEASANCE

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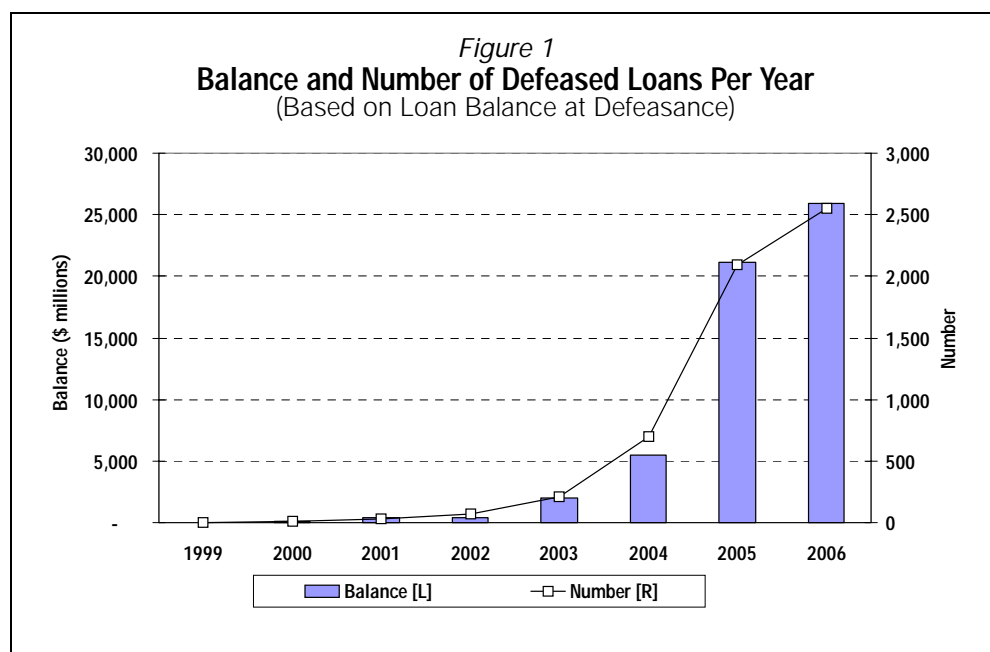
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OVERVIEW

Defeasance has continued to increase significantly year over year since 2003 and has become an important factor in the credit profile of many seasoned CMBS transactions. This report, Moody's third annual defeasance review, provides an update of cumulative defeasance activity through year-end 2006. In 2006, 2,549 loans totaling \$25.9 billion defeased, bringing the total balance of defeased loans outstanding at year-end 2006 to \$51.2 billion (see *Figure 1*). Defeased loans now account for approximately 17% of the aggregate outstanding CMBS conduit balance (including fusion transactions) for transactions issued between 1998 and 2004.



Defeasance continues to be fueled by the surge of liquidity in the commercial real estate markets¹ and strong commercial real estate property price appreciation. Although defeasance can be a complex and expensive process - in some cases costing in excess of 20% of the outstanding loan balance-it continues to be an attractive option because it allows borrowers to unlock the embedded equity of their real estate assets and obtain new financing potentially at higher proceeds and with more favorable loan terms.

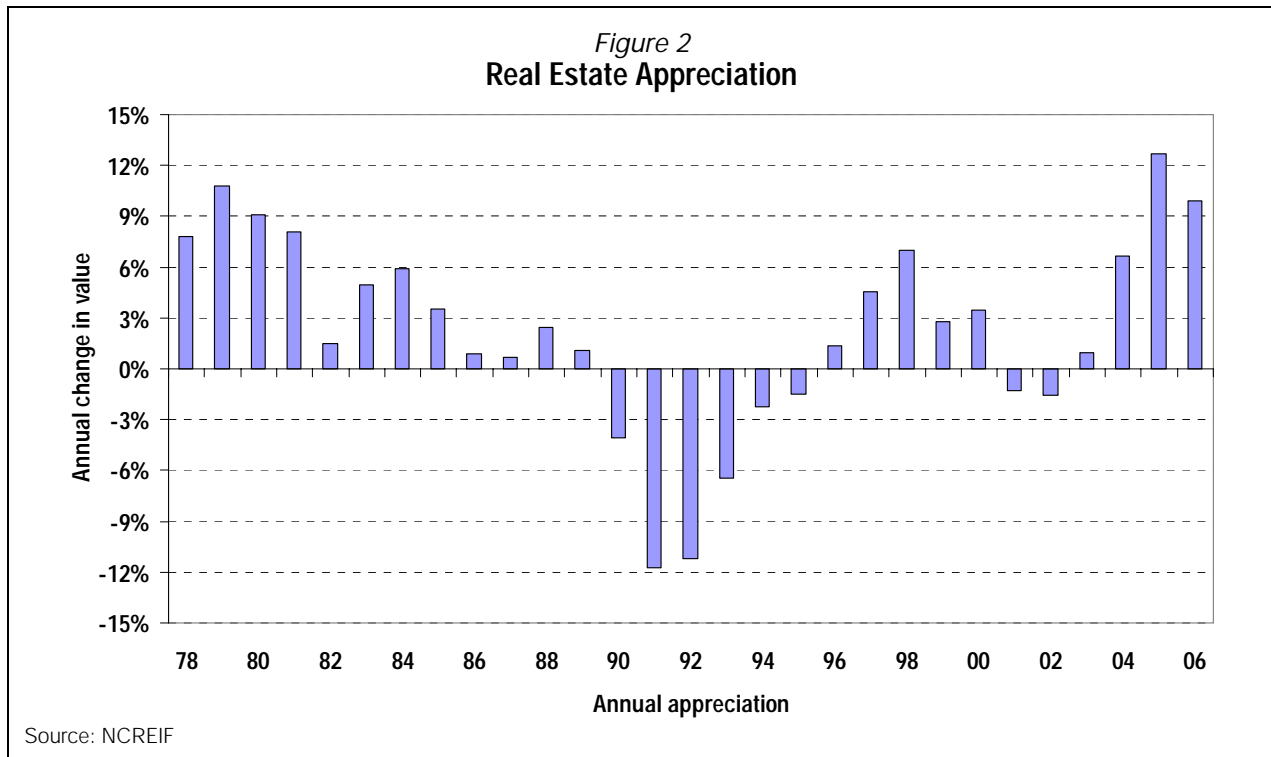
The key findings of this study are as follows:

- In 2006 loans totaling \$25.9 billion defeased, bringing the cumulative balance of defeased loans outstanding at year-end 2006 to \$51.2 billion, up from \$29.1 billion at year-end 2005. Defeasance activity in 2006 increased almost 33% over 2005 levels, based on the aggregate dollar balance of loans defeased in each year.
- In 2006 the share, by aggregate loan balance, of loans secured by office properties surpassed multifamily and now represents the largest dollar share of defeased loans, at approximately 29%. By loan count, multifamily still represents the largest share of all defeasance, at 39%.
- Small balance loans account for a significant share of defeasance, when measured by the number of loans defeased. By number, approximately 54% of all defeased loans are less than \$5.0 million in size. However, this subgroup represents only 14% of the aggregate defeasance balance. By loan count, approximately 7% of defeased loans are larger than \$25 million, but by balance this subgroup represents 41% of all defeased loans.
- The largest share of all defeasance has occurred in transactions issued from 1998 through 2001. Based on balance, approximately 4% of defeased conduit loans are from the 2004 vintage even though 2006 was the first year in which loans from this vintage could defease.
- Strong property appreciation and a robust lending environment have made it attractive for even less seasoned loans to defease. By balance, approximately 13% of the loans that defeased in 2006 had only seasoned two years. This compares to 11% in 2005 and 6% in 2004 with a similar degree of seasoning.
- Well over 50% of the loans that defeased in 2005 and 2006, which represents approximately 86% of the balance of all defeased loans, had seasoned three to six years prior to defeasing. Based on a number of Moody's delinquency studies, this level of seasoning represents the peak period for default. The substitution of Aaa rated government securities for commercial mortgages in almost all cases produces a meaningful reduction of risk. The benefit is even more meaningful to CMBS credit when loans that are in their peak default period defease and therefore leave the collateral pool.

¹ See Moody's Special Report, "[US CMBS and CRE CDO 4Q 2006 Review: Rising Tide of Liquidity Lifts all Boats](#)," January 31, 2007.

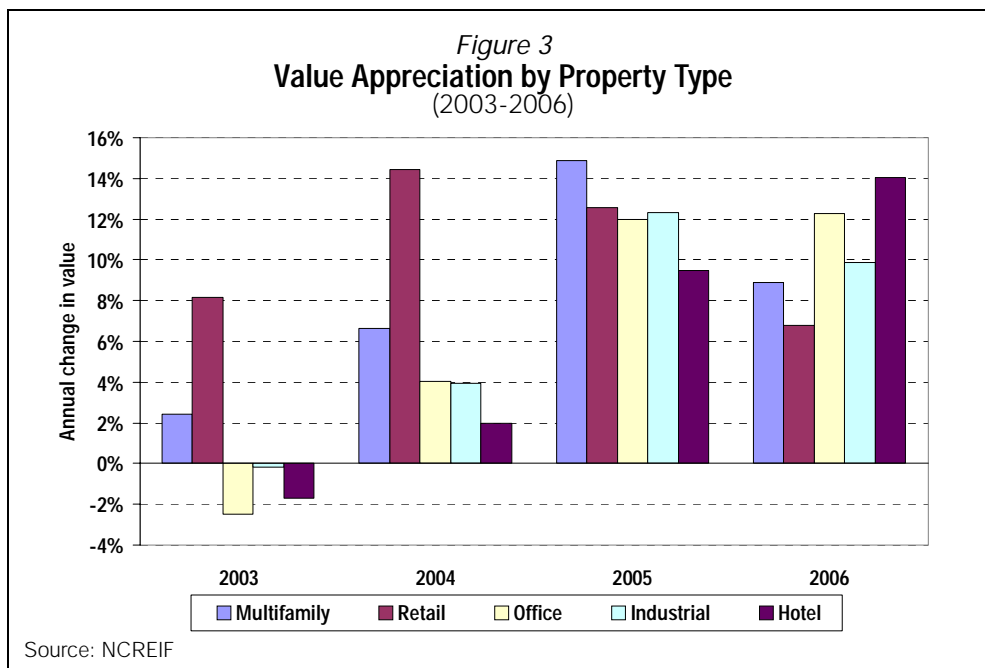
REAL ESTATE APPRECIATION REMAINED STRONG IN 2006

The driving force behind the recent surge in defeasance is the underlying strength of the real estate market and borrowers' desire to tap into the appreciated value of their assets. In 2006 we saw continued strong appreciation of commercial real estate values, although the level of appreciation slipped from the record breaking level of 2005. As measured by NCREIF², real estate capital appreciation in 2006 was 10%, following 12.5% in 2005 (see *Figure 2*). These two years exhibited the most appreciation for a two year consecutive period for the past thirty years.



Despite the fact that aggregate real estate appreciation was less in 2006 compared to 2005, in 2006 all major property types experienced an increase in value for the third year in a row. Capital appreciation ranged from approximately 7% to 14% in 2006 for each of the major property types. Office and hotel properties experienced greater increases in value in 2006 compared to the previous year (see *Figure 3*).

2 The National Council of Real Estate Investment Fiduciaries (NCREIF) calculates the total return to real estate, both quarterly and annually. The total return is the sum of a capital appreciation component (represented here) and an income return component.



The robust value appreciation of 2005 and 2006 suggests that borrowers experienced faster build-up of equity in their properties compared to previous years and took advantage of defeasance for even relatively "young" loans. All major property types have cumulative two-year value gains of at least 19%, allowing borrowers the opportunity to recover most or all of the equity relatively quickly even in recently purchased properties.

When appreciation is viewed over the long term, it does not appear that the accelerated appreciation in 2005 and 2006 is sustainable. Eight of the last 29 years exhibited negative growth. Even setting aside these years of depreciation, historically appreciation has averaged approximately 5% annually. The last two years of appreciation accounts for approximately three to four years at an average annualized pace.

2006 DEFEASANCE UP 33% OVER 2005 LEVELS

The tremendous growth of defeasance that CMBS experienced in 2005 continued into 2006. In 2006, 2,549 loans totaling \$25.9 billion defeased. This represents a 33% increase over the \$19.5 billion that defeased in 2005. Defeasance activity in 2006, measured by balance, represents approximately 49% of the cumulative balance of all defeased loans as of year-end 2006. In fact, the growth of defeasance in 2005 and 2006 was so significant that these two years account for approximately 86% of cumulative defeasance through 2006³.

The high volume of defeasance during the past several years not only has had a positive impact on the credit quality of seasoned deals, but also affects new CMBS issuance as well. In 2006 defeasance activity averaged approximately \$2 billion per month. This is comparable to an entire CMBS transaction being regenerated ahead of schedule. A large portion of defeased loans remain in the CMBS realm.

DEFEASANCE STUDY PARAMETERS

Moody's study examines defeasance within the full CMBS universe as of year-end 2006. We have identified 5,502 defeased loans totaling \$51.2 billion at year-end 2006 from 320 CMBS pools, including conduits, single borrower and large loan transactions⁴. As with its previous defeasance reviews, Moody's has examined defeasance by several parameters, including property type, loan size, vintage and seasoning.

For most parameters, data is presented by balance, which represents the aggregate dollar balance of defeased loans, as well as by loan count, which represents the total number of individual defeased loans. Observations may differ depending on whether one views a particular item by balance or by loan count. Therefore both mea-

³ The aggregate loan balance of cumulative defeasance through 2006 is not equal to the sum of annual defeasance activity. In both instances the defeasance universe includes all loans that have defeased and are still outstanding, i.e., have not matured or prepaid, at year-end 2006. However, annual defeasance activity is based on the aggregate balance at the time loans defeased. The cumulative balance is based on the aggregate outstanding balance as of year-end 2006 and reflects scheduled amortization after loans have defeased.

⁴ Data for this study was provided by Commercial Defeasance LLC, Wachovia Securities, Capmark Securities, Inc., Chatham Financial, Bank of America, TriMont Real Estate Advisors, Waterstone Capital Advisors, LLC, Defeasance Group LLC, Capital Defeasance Group and Trepp LLC.

tures are presented when data is available. In most cases, balance is based on the aggregate year-end 2006 balance. In some instances, however, balance is based on the aggregate balance at the time loans defeased. In both cases, only defeased loans that are still outstanding as of year-end 2006 are included in our analysis.

We present our defeasance analysis in several ways.

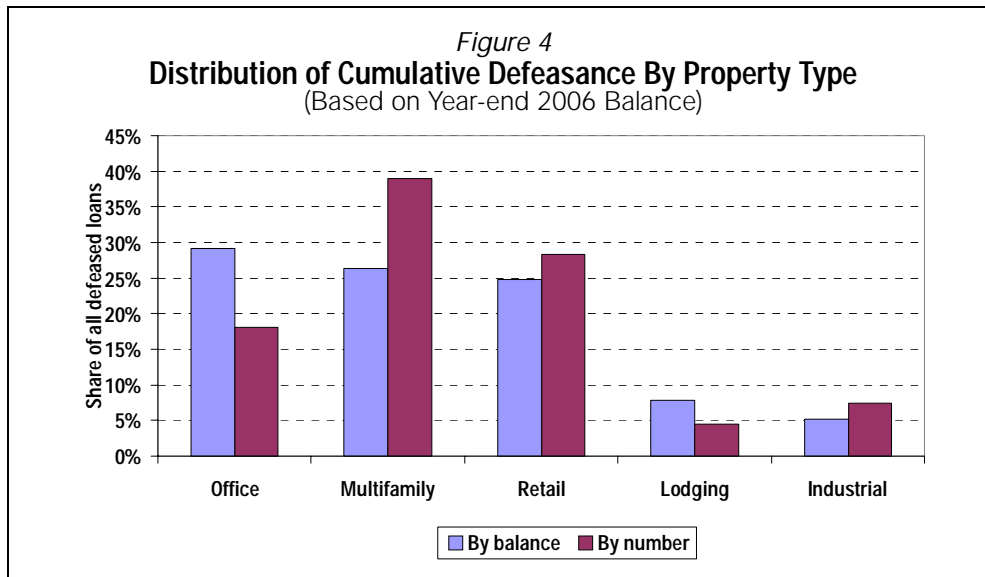
- By share of cumulative defeasance. A specific parameter may be presented as the share it represents of the cumulative universe of defeased loans. For example, when looking at defeasance by property type, loans backed by office properties represent 29% of the aggregate balance of all defeased loans. The cumulative universe of defeased loans includes all defeased loans outstanding as of year-end 2006, i.e., 5,502 loans with an aggregate year-end 2006 balance of \$51.2 billion.
- By changes in a specific parameter over time. A specific parameter may be viewed in terms of how 2006 differed from prior periods. This is presented in one of two ways. Again using property type as an example, one can look at the share of office loans that defeased in 2006 compared to the share of office loans that defeased in prior periods. Another way to view a trend over time is to index a particular parameter in 2006 relative to that parameter in prior periods. For example, if loans secured by office represent 40% of all loans that defeased in 2006, but 20% of all loans that defeased in prior periods, then office would have an index measure of 200.
- By share of the total conduit universe. A specific parameter may be viewed in the context of the total conduit universe. This is presented in one of two ways. For example, one could look at the share of multifamily loans in the total conduit universe that have defeased. Another way to show defeasance in the context of the full conduit universe is to index a particular parameter within the universe of defeased conduit loans to the total conduit universe. For instance, if loans secured by multifamily properties represent 30% of defeased conduit loans but multifamily represents 20% of the total conduit universe, then multifamily would have an index measure of 150. For this analysis, the relevant total conduit universe includes all fixed rate conduit and fusion pools securitized from 1998 through 2004. The outstanding aggregate pool balance as of year-end 2006 for these vintages totals \$265.2 billion. The universe of defeased conduit loans from these vintages totals \$44.7 billion and represents approximately 17% of all conduit loans.

A summary of our analysis is presented in the following sections. More detailed data is provided in *Appendix 1*.

OFFICE REPRESENTS LARGEST SHARE OF DEFEASANCE BY BALANCE

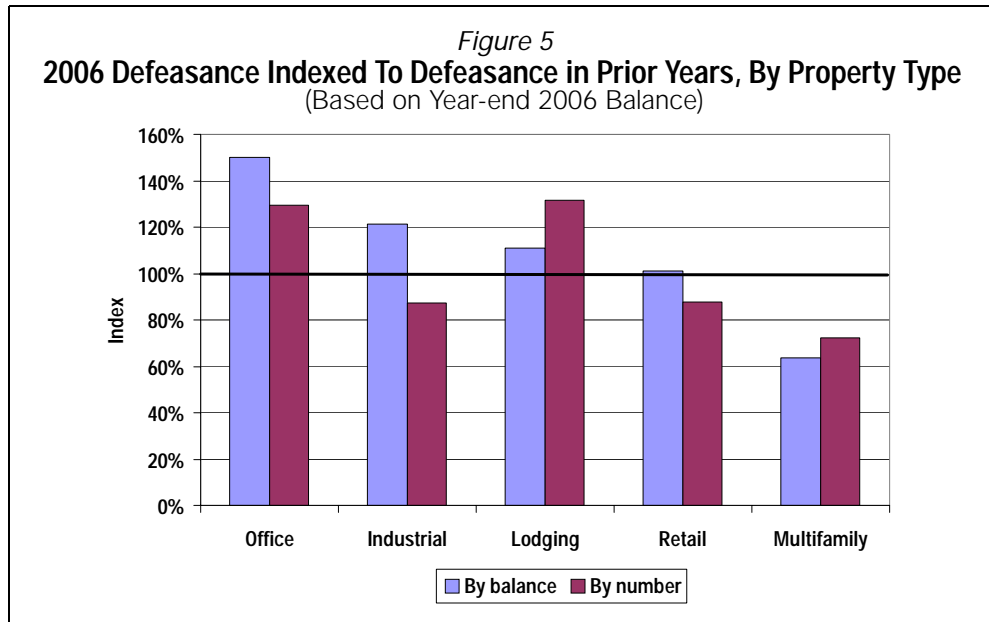
Defeasance activity in 2006 was characterized by a dramatic increase in the share of defeasance of loans secured by office. As a result, office now represents the largest share by balance of all defeased loans outstanding as of year-end 2006. By balance, office, multifamily and retail represent the largest share of cumulative defeasance, at 29%, 26% and 25%, respectively (see *Figure 4*).

If one looks at property type distribution by number of loans, then distribution among property type shifts. Multifamily and retail represent 39.0% and 28.3%, respectively, of cumulative defeasance, while office represents a considerably smaller share, at 18.1%. This reflects the fact that, on average, loans secured by multifamily and retail have smaller dollar balances than loans secured by office. Lodging and industrial properties represent a relatively small share of defeasance, at 8% and 5%, respectively, of the aggregate balance of defeased loans.



Office and Lodging represent increased share of 2006 Defeasance compared to prior periods

In 2006 loans secured by office properties represented 35% of the aggregate balance of loans defeased in that year, up from 24% in 2005. Property type distribution for 2006 defeasance activity indexed to prior periods is reflected in *Figure 5*. When viewed by aggregate loan balance, in 2006, loans secured by office, industrial and lodging defeased more frequently than in prior periods. Retail remained flat while multifamily declined. In 2006 multifamily represented 21% of the aggregate balance of loans that defeased in that year, a significant decline from 47% in 2005.



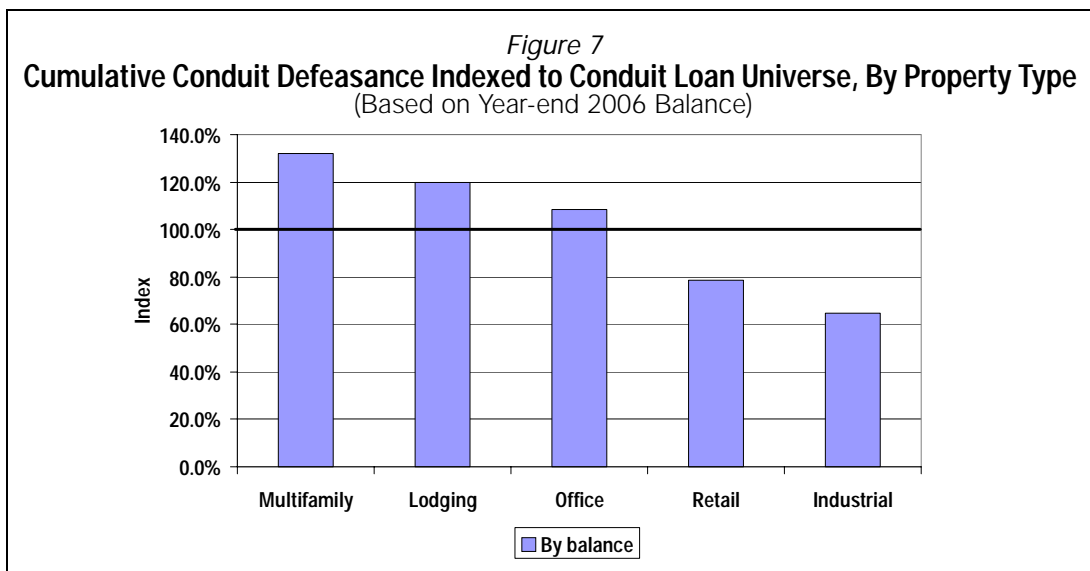
Approximately 21% of multifamily conduit loans have defeased

When defeasance is viewed in the context of the total conduit universe, the property types with the largest share of defeasance, by balance, are multifamily, lodging and office, at 21%, 19% and 17%, respectively. The property type with the smallest share of defeasance is industrial, at 10% (see *Figure 6*).

Figure 6
Share of Conduit Loans Defeased, by Property Type

Property Type	% Balance Defeased
Multifamily	20.9%
Lodging	18.9%
Office	17.1%
Retail	12.4%
Industrial	10.2%

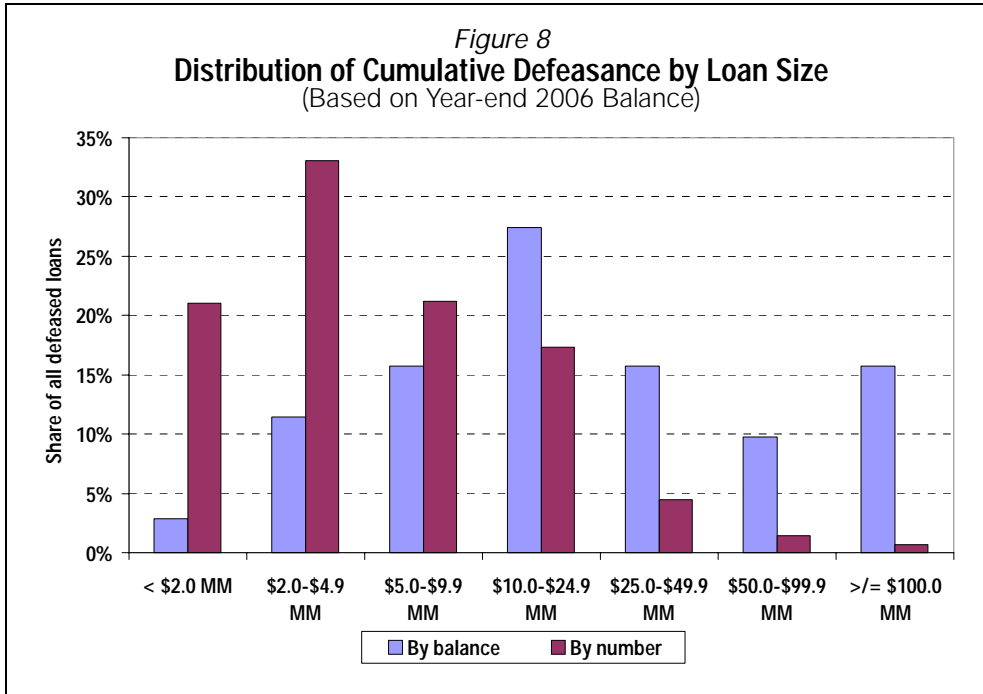
Property type distribution for defeased conduit loans indexed to the conduit universe is reflected in *Figure 7*. Multifamily, lodging and office are more frequently represented among defeased loans than they are among conduit loans, at approximately 1.3 times for multifamily, 1.2 times for lodging and 1.1 times for office. Retail and industrial are significantly under-represented relative to the conduit universe.



DEFEASED LOANS COME IN ALL SIZES

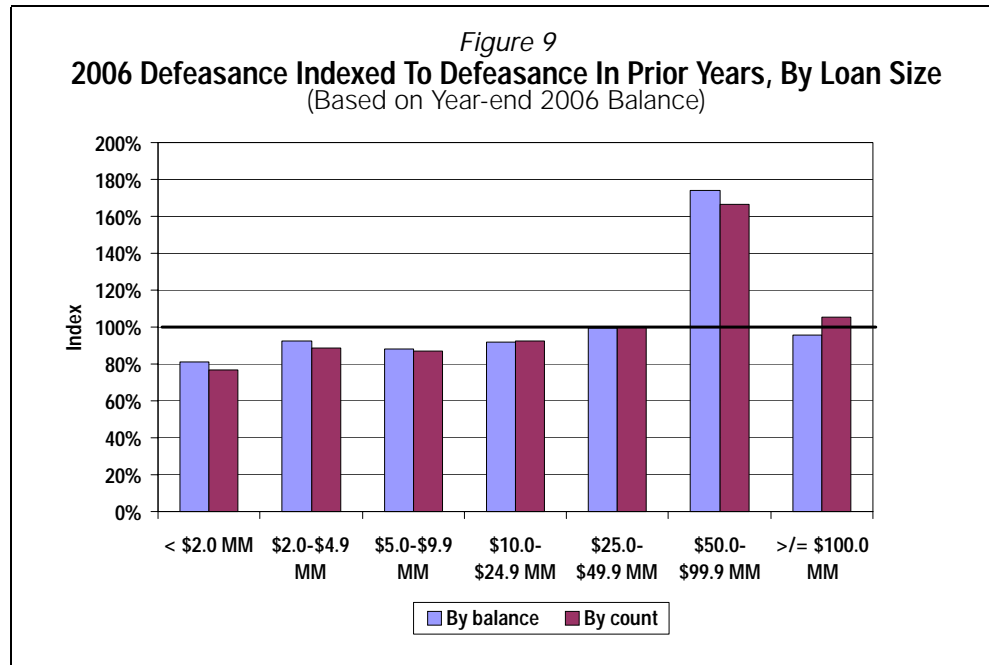
By balance, the largest share of defeased loans, at 30%, is represented by loans that are less than \$10 million in size (see *Figure 8*). The next largest share is represented by loans between \$10 and \$24.9 million, at 27%.

By loan count, however, approximately 75% of defeased loans are less than \$10 million in size. In fact, 21% of all defeased loans by loan count are less than \$2 million. It is interesting to note that despite the high costs of defeasance, which includes several fixed cost components in addition to the cost of government securities, cost has not deterred borrowers of small loans from pursuing defeasance. Even small loans, often located in secondary markets, have experienced sufficient appreciation to make defeasance an attractive option in spite of the high cost.



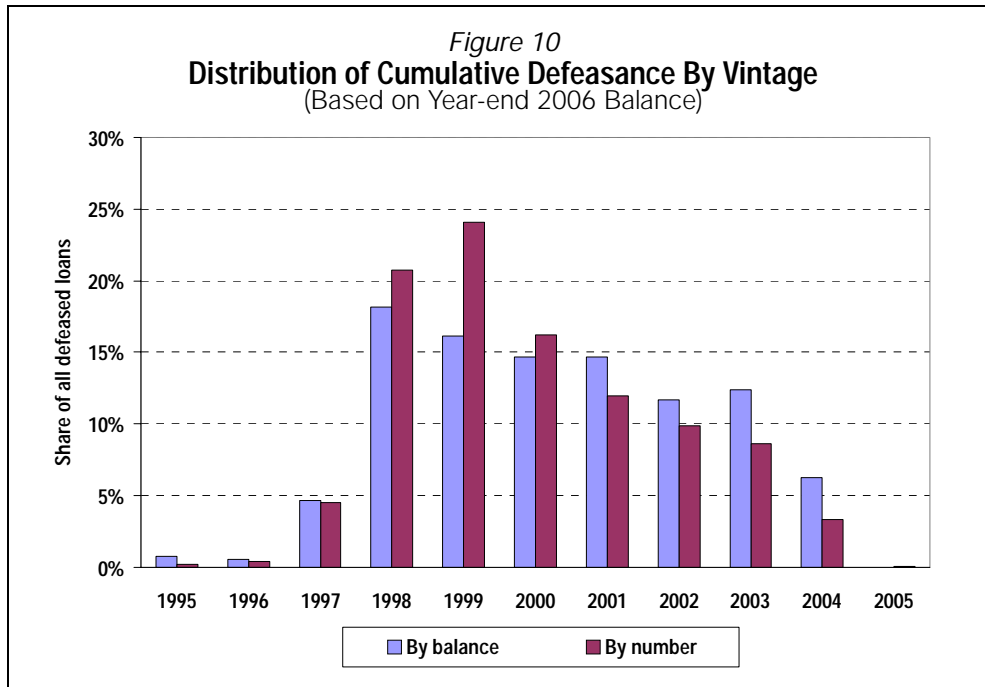
A Greater Share of Large Loans Defeased in 2006

In 2006 a smaller share of small balance loans, i.e., less than \$10 million in size, and a larger share of large balance loans, loans \$50 million or more in size, defeased compared to prior periods (see *Figure 9*). Approximately 2.5%, by balance, of 2006 defeasance occurred for loans less than \$2 million at the time of defeasance, compared to 3.2% for all prior periods. On the other hand, 32% of 2006 defeasance occurred in loans that were \$50 million or higher at the time of defeasance, compared to 24% in prior periods. Although 2006 did not experience the defeasance of a \$1 billion plus loan, like Rockefeller Center which defeased in 2005, the largest defeasance in 2006 included four loans over \$400 million. Not surprisingly, given the significant upswing in the office appreciation, three of these loans were backed by CBD office properties.



MAJORITY OF DEFEASANCE IS IN OLDER VINTAGES

Not surprisingly, the majority of defeased loans are in CMBS deals from older vintages. By balance, approximately 88% of all defeased loans are in CMBS deals issued between 1998 and 2003. (see *Figure 10*) The largest share of defeasance is from the 1998 vintage, at 18%. Loans from the older vintages have had the longest time to benefit from capital appreciation and principal amortization, which increases the attractiveness of defeasance.

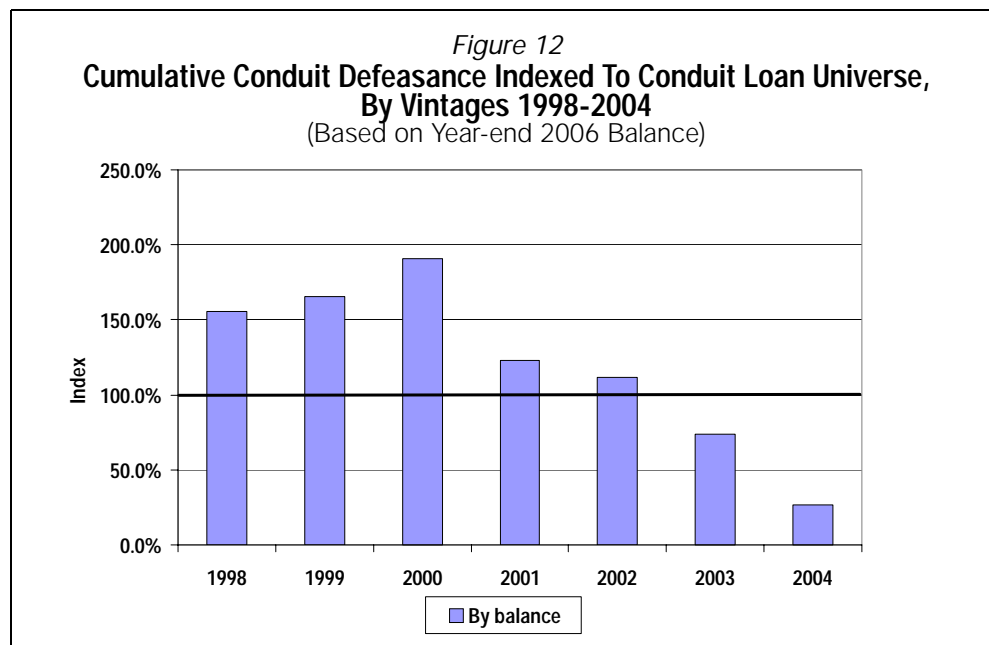


When defeasance by vintage is viewed in the context of the full conduit universe, it becomes even more apparent that older vintages have experienced greater defeasance. The vintages with the greatest share of defeasance, by balance, are 2000, 1999 and 1998, at 32%, 28% and 26%, respectively (see *Figure 11*).

Figure 11
Share of Conduit Loans Defeased, by Vintage

Vintage	% Balance Defeased
1998	26.3%
1999	27.9%
2000	32.2%
2001	20.8%
2002	18.8%
2003	12.4%
2004	4.4%
1998-2004	16.9%

Distribution of defeased loans by vintage indexed to the conduit universe is reflected in *Figure 12*. Defeased loans from the 2000, 1999 and 1998 vintages are more frequently represented, at approximately 1.9 times, 1.6 times and 1.5 times, respectively. Not surprisingly, the more recent vintages of 2003 and 2004 are under-represented since loans from these vintages could not defease until 2005 and 2006, respectively, and have not had as much time to realize a high degree of appreciation compared to older vintages.



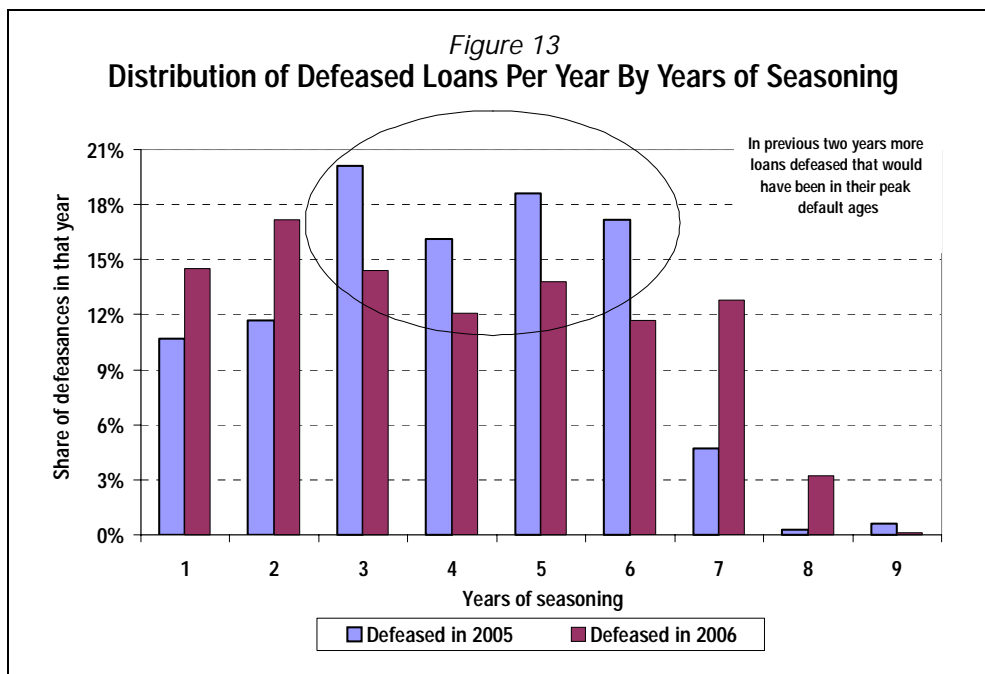
SEASONING PATTERNS OF DEFEASANCE

The seasoning, or maturity, of loans that defeased in 2006 varied slightly from the previous year⁵. In 2006, more "young" loans defeased than in 2005. Specifically, approximately one-third of all loans that defeased in 2006 had seasoned either two years (i.e., originated in 2004) or three years (i.e., originated in 2003). In 2005, approximately 25% of all defeasance occurred in similarly seasoned loans (see *Figure 13*). The fact that more loans defeased with less seasoning in 2006 compared to 2005 emphasizes the recent accelerated appreciation of real estate which has motivated borrowers to unlock their equity as quickly as possible through defeasance. In addition, a number of large portfolio sales occurred in 2006 due to the apparent value differentiation between the private and public markets. Many of the properties involved in these sales were collateral for loans in CMBS securitizations. New owners turned to defeasance to release non-core assets and restructure their newly acquired portfolios.

Another interesting area in terms of seasoning is the significant defeasance of "teen-age" loans, which are between three and six years seasoned. Well over 50% of the loans that defeased in 2005 and 2006, which represents approximately 86% of the balance of all defeased loans, had seasoned three to six years prior to defeasing. Based on a number of Moody's delinquency studies⁶, this level of seasoning represents the peak period for default. The substitution of Aaa rated government securities for commercial mortgages in almost all cases produces a meaningful reduction of risk. The benefit is even more meaningful to CMBS credit when loans that are in their peak default period defease and leave the collateral pool.

⁵ Seasoning analysis focuses on the age of the loan after the two-year lock period during which REMIC rules preclude defeasance

⁶ See Moody's Special Report, "[U.S. CMBS Loan Performance: Impact of Seasoning, Leverage and Location on Probability of Default](#)", November 8, 2004



CREDIT IMPACT OF DEFEASANCE IN SEASONED POOLS

The dramatic growth of defeasance over the past several years has had a significant impact on the credit quality of seasoned CMBS pools. Moody's has identified 13 transactions that are 100% defeased — 9 of which are single asset — and over 90 transactions in which 25% or more of the pool is represented by defeased loans, based on year-end 2006 outstanding pool balance. In many of these transactions, the defeasance collateral is larger than any single property type concentration.

Defeasance of one or more large conduit loans can sometimes result in a swift and dramatic improvement in a transaction's credit profile - much like the prepayment of a large loan in a floating rate pool. This is in contrast to potentially incremental improvements in conduit credit due to loan amortization and improved performance of the underlying real estate collateral. Moody's has incorporated the use of a quantitative tool ("Q" tool) portfolio review⁷ to more efficiently identify significant credit changes in Moody's rated transactions. Moody's will continue to perform full reviews of specific CMBS transactions, but the Q tool review, which we anticipate performing at least semi-annually, will allow us to more quickly take into account dramatic changes in credit such as defeasance and loan paydowns.

Defeasance will continue to contribute to Moody's upgrades of seasoned pools. The impact of defeasance in an individual pool varies by the percentage of the pool defeased, the credit quality of the loans being defeased and the performance of the remaining non-defeased collateral.

⁷ See Moody's Special Report, "[US CMBS: Q Tool Based Portfolio Review Results in Numerous Upgrades](#)", August 2, 2006.

APPENDIX 1: SUPPORTING STUDY DATA

Year of Defeasance	\$ Balance at Defeasance	% Balance	No. of Loans	% Loans
2000	50,051,145	0.1	8	0.1
2001	425,640,766	0.8	25	0.5
2002	376,354,719	0.7	61	1.1
2003	1,795,351,385	3.4	192	3.5
2004	4,618,106,267	8.8	647	11.8
2005	19,450,867,908	37.0	1,980	36.0
2006	25,865,842,182	49.2	2,549	46.3
Missing Data			40	
TOTAL*	52,582,214,372	100%	5,502	100%

*Data is presented for all defeased loans outstanding as of year-end 2006. Approximately 1.2% of defeased loans are missing data for year of defeasance and/or loan balance at defeasance.

Property Type	\$ YE 2006 Balance	% Balance	No. of Loans	% Loans
Office	14,950,501,763	29.2	995	18.1
Multifamily	13,501,063,406	26.4	2,143	38.9
Retail	12,712,813,203	24.9	1,557	28.3
Industrial/Self Storage	2,670,674,399	5.2	411	7.5
Lodging	4,010,152,471	7.8	246	4.5
Mixed Use	2,936,038,093	5.8	107	1.9
Other	368,821,000	0.7	43	0.8
TOTAL	51,150,064,335	100.0%	5,502	100%

Loan Size (\$MM)	\$ Balance at Defeasance	%Balance	No. of Loans	% Loans
< \$2.0	1,520,873,800	2.9	1,155	21.0
\$2.0-4.9	6,006,651,080	11.4	1,820	33.1
\$5.0-9.9	8,308,653,820	15.8	1,166	21.2
\$10.0-14.9	6,354,472,255	12.1	519	9.4
\$15.0-19.9	4,451,000,476	8.5	259	4.7
\$20.0-24.9	3,907,570,810	7.4	176	3.2
\$25.0-49.9	8,452,698,948	16.1	246	4.5
\$50.0-99.9	5,252,312,809	10.0	80	1.5
> \$100.0	8,326,881,883	15.8	39	0.7
Missing Data	1,098,490	0.0	42	0.7
TOTAL*	52,582,214,371	100%	5,502	100%

Table 4
Defeasance By Vintage, All Defeasance

Vintage	\$ YE 2006 Balance	% Balance	No. of Loans	% Loans
1995	399,078,430	0.8	11	0.2
1996	281,150,890	0.5	22	0.4
1997	2,386,972,119	4.7	250	4.5
1998	9,295,670,362	18.2	1,142	20.8
1999	8,258,228,110	16.1	1,324	24.1
2000	7,517,251,129	14.7	893	16.2
2001	7,517,177,735	14.7	659	12.0
2002	5,965,449,697	11.7	543	9.9
2003	6,328,590,451	12.4	473	8.6
2004	3,187,780,969	6.2	183	3.3
2005	12,714,442	0.0	2	0.0
TOTAL	51,150,064,335	100%	5,502	100%

APPENDIX 2: CMBS TRANSACTIONS WITH 25% OR MORE DEFEASANCE

Pool Name	Original Pool Balance	Pool Balance YE 2006	% Pool Outstanding	Total Defeasance YE 2006	% Pool Defeased
F1211 2000-1211 (1211 Avenue of the Americas)	\$300,000,000	\$293,655,485	98%	\$293,655,485	100%
MSDWC 2000-1345 (1345 Ave of the Americas)	\$450,000,000	\$425,311,667	95%	\$425,311,667	100%
MSDWC 2001-280 (280 Park Avenue)	\$269,805,327	\$252,286,200	94%	\$252,286,200	100%
FTST 2000-4TS (Four Times Square)	\$430,000,000	\$403,146,993	94%	\$403,146,993	100%
GSMS 2001-ROCK (Rockefeller Center)	\$1,210,000,000	\$1,159,591,108	96%	\$1,159,591,108	100%
LTT 1998-1 (Library Tower, Los Angeles)	\$200,000,000	\$174,905,342	87%	\$174,905,342	100%
MCMT 1999-C1 (Meristar Portfolio)	\$330,000,000	\$288,698,500	87%	\$288,698,500	100%
STARW 1999-C1A (Starwood Hotel Portfolio)	\$541,328,908	\$457,201,594	84%	\$457,201,594	100%
CMPTC 1999-ZC1A (Assisted Living Portfolio)	\$140,000,000	\$118,857,993	85%	\$118,857,993	100%
NASC 1995-MD3	\$534,749,065	\$53,405,555	10%	\$53,410,564	100%
ASC 1995-MD4	\$967,185,797	\$314,636,667	33%	\$314,636,667	100%
LLL 1997-LLI	\$1,426,717,068	\$265,907,238	19%	\$265,907,238	100%
PMCC2 2000-C1	\$243,885,659	\$230,008,169	94%	\$230,008,169	100%
TOTALS	\$7,043,671,824	\$4,437,612,510		\$4,437,617,520	
GMACC 1999-CTL1	\$385,982,625	\$77,033,216	20%	\$64,473,836	84%
NASC 1996-MD5	\$773,692,578	\$99,168,726	13%	\$76,589,028	77%
MSC 1997-XL1	\$754,531,157	\$306,354,783	41%	\$202,750,000	66%
ASC 1995-D1	\$210,875,735	\$50,573,762	24%	\$31,031,199	61%
CSFB 1998-C2	\$1,919,275,078	\$1,458,450,277	76%	\$754,506,272	52%
GSMS 1998-GLII	\$1,409,152,997	\$1,161,322,474	82%	\$572,378,359	49%
JPMC 2000-C9	\$814,388,116	\$556,387,802	68%	\$273,186,411	49%
GMACC 1999-C3	\$1,152,022,048	\$874,355,036	76%	\$424,666,516	49%
CMAC 1998-C2	\$2,891,308,796	\$1,759,401,999	61%	\$853,330,127	49%
CSFB 1997-C2	\$1,465,990,190	\$868,469,678	59%	\$418,071,224	48%
CMAT 1999-C2	\$775,180,294	\$670,772,784	87%	\$304,324,555	45%
GMACC 2000-C1	\$879,890,172	\$734,467,649	83%	\$324,586,286	44%
ASC 1997-D4	\$1,403,292,505	\$533,867,766	38%	\$227,563,119	43%
BSCMS 2000-WF1	\$888,269,750	\$680,630,324	77%	\$284,432,802	42%
DLJCM 1999-CG3	\$899,289,205	\$754,304,602	84%	\$308,220,788	41%
MSC 1998-XL1	\$925,848,150	\$646,329,519	70%	\$255,499,774	40%
CCMSC 2000-2	\$738,733,448	\$662,913,211	90%	\$258,032,918	39%
FUCMT 1999-C1	\$1,163,518,250	\$862,590,758	74%	\$335,676,294	39%
DLJCM 1998-CF2	\$1,107,680,439	\$875,443,858	79%	\$332,621,391	38%
NASC 1998-D6	\$3,722,686,278	\$3,158,065,416	85%	\$1,193,104,573	38%
LBCMT 1999-C1	\$1,580,080,849	\$1,163,524,830	74%	\$432,254,807	37%
LBUBS 2001-C7	\$1,209,908,176	\$989,449,899	82%	\$364,852,105	37%
CSFB 1997-C1	\$1,356,228,736	\$352,287,403	26%	\$129,233,689	37%
GMACC 1999-C2	\$974,502,237	\$798,259,752	82%	\$288,379,591	36%
CSFB 1997-PS1	\$262,057,850	\$48,828,737	19%	\$17,419,205	36%
CSFB 2000-C1	\$1,111,999,815	\$972,094,869	87%	\$337,535,061	35%
LBUBS 2001-C2	\$1,319,080,829	\$1,190,358,585	90%	\$413,054,429	35%
DLJCM 1999-CG1	\$1,239,717,566	\$1,004,165,657	81%	\$345,511,818	34%
CDCMT 2002-FX1	\$637,487,900	\$585,994,742	92%	\$200,762,102	34%
CSFB 1998-C1	\$2,482,942,306	\$1,774,847,768	71%	\$601,592,599	34%
CASC 1998-D7	\$1,245,617,634	\$971,476,101	78%	\$328,577,655	34%
FUNCM 1999-C2	\$1,181,484,821	\$887,652,428	75%	\$299,976,930	34%
BSCMS 1998-C1	\$714,739,121	\$588,567,604	82%	\$197,864,511	34%
SBM7 2000-C3	\$914,661,061	\$770,452,194	84%	\$257,629,016	33%
COMM 1999-1	\$1,311,153,573	\$1,089,071,166	83%	\$359,228,817	33%
GMACC 1997-C2	\$1,072,702,285	\$325,579,605	30%	\$106,925,810	33%
TRIZE 2001-TZHA	\$1,440,000,000	\$680,406,264	47%	\$222,379,955	33%
DLJCM 2000-CF1	\$886,214,012	\$777,490,122	88%	\$251,714,574	32%
ASC 1996-D3	\$782,586,994	\$259,592,260	33%	\$83,572,416	32%
DLJCM 1998-CG1	\$1,564,253,441	\$1,077,056,325	69%	\$345,325,740	32%
ASC 1997-D5	\$1,785,756,555	\$1,279,111,320	72%	\$406,549,668	32%
CCMSC 1997-2	\$813,992,373	\$365,512,924	45%	\$115,590,234	32%
GSMS 1997-GL	\$977,099,000	\$324,299,107	33%	\$102,188,015	32%
FUNBC 1999-C4	\$885,738,326	\$684,608,092	77%	\$213,284,063	31%

Pool Name	Original Pool Balance	Pool Balance YE 2006	% Pool Outstanding	Total Defeasance YE 2006	% Pool Defeased
GMACC 1999-C1	\$1,334,328,591	\$1,036,509,457	78%	\$321,189,796	31%
MLMT 2002-MW1	\$1,082,600,759	\$992,050,871	92%	\$306,305,120	31%
FULBA 1998-C2	\$3,408,048,239	\$2,151,309,149	63%	\$663,630,208	31%
PMCF 2001-ROCK	\$908,278,773	\$804,249,672	89%	\$248,042,655	31%
LBUBS 2000-C4	\$999,060,409	\$839,999,273	84%	\$258,719,776	31%
PMAC 1999-C1	\$704,764,604	\$510,022,210	72%	\$156,826,139	31%
HFCMC 2000-PH1	\$956,916,240	\$761,637,460	80%	\$233,696,829	31%
JPMCC 2001-CIB2	\$961,696,439	\$849,014,198	88%	\$259,240,442	31%
CMAC 1999-C1	\$733,801,916	\$557,615,723	76%	\$170,237,856	31%
GSMS 2003-C1	\$1,611,350,146	\$1,550,694,973	96%	\$470,030,492	30%
LBUBS 2002-C4	\$1,455,238,300	\$1,358,880,264	93%	\$409,467,579	30%
CSFB 2001-CK3	\$1,126,966,710	\$903,207,106	80%	\$269,976,074	30%
JPMC 1999-PLS1	\$211,900,044	\$133,185,546	63%	\$39,765,488	30%
ASC 1996-MD6	\$895,196,535	\$323,323,438	36%	\$95,902,606	30%
BACM 2003-1	\$1,132,371,707	\$1,075,164,061	95%	\$318,814,150	30%
CSFB 2002-CP5	\$1,185,313,661	\$1,099,701,236	93%	\$325,355,101	30%
GMACC 2000-C3	\$1,318,121,274	\$1,196,570,080	91%	\$352,936,244	29%
GMACC 1998-C2	\$2,530,361,727	\$1,900,163,542	75%	\$554,834,796	29%
BACM 2002-2	\$1,744,285,987	\$1,647,151,388	94%	\$478,954,676	29%
BACM 2000-1	\$771,922,442	\$559,222,431	72%	\$161,635,366	29%
DLJCM 1999-CG2	\$1,550,432,654	\$1,309,510,082	84%	\$372,248,989	28%
FUNBC 2000-C2	\$1,147,819,332	\$961,178,971	84%	\$273,098,134	28%
DLJCM 2000-CKP1	\$1,289,918,771	\$990,476,999	77%	\$274,514,836	28%
GMACC 1997-C1	\$1,696,984,278	\$647,887,524	38%	\$178,537,131	28%
SBM7 2000-C2	\$781,523,168	\$615,499,473	79%	\$169,499,473	28%
COMM 2000-C1	\$897,940,215	\$738,462,796	82%	\$201,415,188	27%
CSFB 1999-C1	\$1,170,108,238	\$909,891,615	78%	\$246,870,619	27%
CSFB 1999-C1	\$1,170,108,238	\$909,891,615	78%	\$246,870,619	27%
CMFUN 1999-1	\$1,397,640,244	\$1,205,916,502	86%	\$324,455,316	27%
JPMC 1999-C8	\$731,516,500	\$490,515,910	67%	\$129,678,727	26%
FUNBC 2000-C1	\$776,325,806	\$686,069,765	88%	\$181,121,465	26%
BSCMS 2002-PBW1	\$921,174,883	\$845,675,570	92%	\$222,035,428	26%
DLJCM 1998-CF1	\$838,800,140	\$625,027,363	75%	\$163,231,135	26%
GMACC 2002-C1	\$710,057,789	\$650,143,455	92%	\$169,622,766	26%
BACM 2001-PB1	\$938,283,211	\$785,173,245	84%	\$204,706,114	26%
LBCMT 1998-C4	\$2,025,590,706	\$1,542,567,588	76%	\$401,737,430	26%
GECMC 2000-1	\$707,331,067	\$571,898,875	81%	\$147,044,906	26%
CMAC 1997-ML1	\$848,482,929	\$577,614,328	68%	\$146,801,860	25%
GECMC 2003-C1	\$1,188,882,058	\$1,119,154,321	94%	\$284,352,430	25%
LBUBS 2002-C1	\$1,242,867,925	\$1,019,055,733	82%	\$257,992,901	25%
MCFI 1998-MC1	\$1,294,362,625	\$741,541,772	57%	\$187,706,531	25%
JPMC 2000-C10	\$740,083,871	\$599,655,677	81%	\$151,313,546	25%
BSCMS 1999-C1	\$478,003,982	\$396,096,957	83%	\$99,728,438	25%
GSMS 1999-C1	\$890,585,735	\$571,680,887	64%	\$143,301,814	25%
MSC 1998-CF1	\$1,107,291,368	\$569,990,701	51%	\$140,772,875	25%
LBCMT 1998-C1	\$1,727,817,629	\$964,350,742	56%	\$237,343,053	25%
JPMCC 2002-CIB5	\$1,023,103,976	\$956,497,913	93%	\$235,110,045	25%
TOTALS	\$106,397,175,110	\$78,002,689,859		\$25,803,121,442	

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