

# ML-CFC Commercial Mortgage Trust

## Commercial Mortgage Pass-Through Certificates, Series 2007-7

Estimated Closing Date: June 2007

*This pre-sale report addresses the structure and characteristics of the proposed transaction based on information provided to Moody's as of May 24, 2007. Investors should be aware that some issues concerning the transaction have yet to be finalized. On conclusive review of all documents and legal information as well as any subsequent changes in information, Moody's will endeavor to assign definitive ratings. The definitive ratings may differ from the preliminary ratings set forth in this report. Moody's will disseminate the definitive ratings through its client service desk.*

*This report does not constitute an offer to sell or a solicitation of an offer to buy any securities, and it may not be used or circulated in connection with any such offer or solicitation.*

### CONTACTS

Bradley Widensky

212.553.4448

bradley.widensky@moodys.com

Patricia McDonnell

212.553.4583

patricia.mcdonnell@moodys.com

Paolo Obias

212.553.1349

paolo.obias@moodys.com

### SURVEILLANCE

Pamela Dent

212.553.4869

pamela.dent@moodys.com

### INVESTOR LIAISON

Brett Hemmerling

212.553.4796

brett.hemmerling@moodys.com

### WEBSITE

www.moodys.com

## POOL SUMMARY

Balance

\$2,785,502,677

Collateral

326 fixed rate loans, 420 commercial and multifamily properties

Structure

Sequential Pay with Super-Senior **Aaa** Classes

Sellers

Countrywide Commercial Real Estate Finance, Inc. (CRF), Merrill Lynch Mortgage Investors, Inc. (MLML), PNC Bank, National Association (PNC), Artesia Mortgage Capital Association (AMCC)

Moody's Actual DSCR

1.30X

Moody's LTV Ratio

110.6%

Moody's Red-Yellow-Green™ Score

66 (Yellow)

Pool Herfindahl Index

Property Level: 130, Loan Level: 125

Shadow Rated Loans

Two loans (0.7% of the pool balance) with credit quality of **Aaa**.

Underwriters

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Countrywide Securities Corporation, PNC Capital Markets, LLC, Goldman, Sachs & Co., Morgan Stanley & Co., Incorporated

Master Servicer

Midland Loan Services, Inc., Wachovia Bank, National Association

Special Servicer

Midland Loan Services, Inc.

Trustee

LaSalle Bank National Association

### PROVISIONAL (P) RATINGS

Class*	Amount (\$)	Rating	Credit Support (%)
A-1	53,249,000	(P) <b>Aaa</b>	30.000
A-2	140,798,000	(P) <b>Aaa</b>	30.000
A-2FL <sup>1</sup>	TBD	(P) <b>Aaa</b>	30.000
A-3	204,236,000	(P) <b>Aaa</b>	30.000
A-3FL <sup>1</sup>	TBD	(P) <b>Aaa</b>	30.000
A-SB <sup>2</sup>	102,788,000	(P) <b>Aaa</b>	30.000
A-4	842,917,000	(P) <b>Aaa</b>	30.000
A-4FL <sup>1</sup>	TBD	(P) <b>Aaa</b>	30.000
A-1A <sup>3</sup>	605,863,000	(P) <b>Aaa</b>	30.000
AM <sup>4</sup>	278,551,000	(P) <b>Aaa</b>	20.000
AM-FL <sup>1,4</sup>	TBD	(P) <b>Aaa</b>	20.000
AJ <sup>5</sup>	219,358,000	(P) <b>Aaa</b>	12.125
AJ-FL <sup>1,5</sup>	TBD	(P) <b>Aaa</b>	12.125
B	55,710,000	(P) <b>Aa2</b>	10.125
C	27,855,000	(P) <b>Aa3</b>	9.125
D	45,264,000	(P) <b>A2</b>	7.500
E	27,856,000	(P) <b>A3</b>	6.500
F	34,818,000	(P) <b>Baa1</b>	5.250
G	27,855,000	(P) <b>Baa2</b>	4.250
H	24,373,000	(P) <b>Baa3</b>	3.375
J	10,446,000	(P) <b>Ba1</b>	3.000
K	10,446,000	(P) <b>Ba2</b>	2.625
L	10,445,000	(P) <b>Ba3</b>	2.250
M	6,964,000	(P) <b>B1</b>	2.000
N	6,964,000	(P) <b>B2</b>	1.750
P	6,964,000	(P) <b>B3</b>	1.500
Q	41,782,676	NR	N/A
X <sup>6</sup>	2,785,502,676	(P) <b>Aaa</b>	N/A

1 Floating Rate Class

2 Senior Planned Balance Class.

3 Initial Directed Class (Loan Group 2).

4 Mezzanine **Aaa** Class.

5 Subordinate **Aaa** Class

6 Interest-Only Class; distributions are made without regard to Loan Group. Amount shown is the initial aggregate notional amount.

\*\*Moody's understands that classes A-2FL, A-3FL, A-4FL, AM-FL, AJ-FL, E through Q and X have not been and will not be registered under the Securities Act of 1933. The issuance has been designed to permit resale under SEC Rule 144A

N/R-Not Rated. N/A-Not Applicable.



## STRENGTHS

---

- The pool exhibits loan size diversification as indicated by a loan level Herfindahl Index of 125. The top ten loans make up only 19.5% of the pool balance.
- Approximately 49.6% of the pool balance is comprised of less risky asset classes, including anchored retail (17.9%), multifamily (21.4%), industrial (7.4%), self storage (1.6%), and manufactured housing (1.2%).
- The pool is geographically diverse as no state represents more than 29.2% of the pool balance and no MSA accounts for more than 11.3% of the pool balance.
- Borrowers are required to fund monthly escrows for real estate taxes (84.2%), insurance (72.3%), capital expenditures (70.6%), and TI/LC's (67.5% of the office, retail, and industrial subpool balance).
- Loans representing 95.5% of the pool balance are structured with borrowers organized as special purpose entities.
- The pool contains five loans (1.2% of the pool balance) that are cross-collateralized and cross-defaulted. The pool contains 15 loans (6.5%) that are secured by multiple properties. Such loans benefit from lower levels of cash flow volatility.

## CONCERNS

---

- The pool has 295 loans (78.2% of the pool balance) with Moody's LTV ratios over 100.0%.
- The pool has exposure to the office (24.1% of the pool balance), hospitality (7.9%) and unanchored retail (12.4%) sectors. 9.5% of the unanchored retail portion is made up of convenience stores. Moody's considers these properties among the riskier property types.
- Nineteen loans (6.2% of the pool balance) are encumbered by some form of subordinate debt and 49 loans (24.5%) are permitted to incur future subordinate debt.
- Sixty-four loans (40.2% of the pool balance) provide for interest only payments throughout their entire term and 137 loans (34.7%) provide for interest only payments for a portion of their term.
- Forty properties (9.6% of the pool balance) were built or opened for operation in the past 18 months and 110 loans (34.3%) represent acquisition financing. As such, these loans have limited operating histories.
- Thirty loans (14.3% of the pool balance) are owned by individuals or entities as tenants in common.
- Forty-eight properties (12.0% of the pool balance) are leased to single tenants. However, 18 of these properties (3.6% of the single tenant component) are leased to investment grade rated tenants.

## POOL CHARACTERISTICS

---

### Loan Concentration

The pool consists of 326 loans. The largest loan is \$105.0 million or 3.8% of the pool balance, and the ten largest loans represent 19.5% of the pool balance. The average loan size is \$8,544,487 (0.3% of the pool balance).

Moody's uses the Herfindahl Index to measure diversity of loan size. The pool has a property level Herfindahl Index of 130 and a loan level Herfindahl Index of 125. The pool, excluding shadow rated loans, has a property level Herfindahl Index of 129 and a loan level Herfindahl Index of 124. It is above the credit neutral score of 100 as well as the average of other conduit and fusion pools recently rated by Moody's.

### Property Type Concentration

Please refer to *Figure 4*.

### Geographic Concentration

The properties securing the loans are located across 42 states and the District of Columbia. Based on the pool balance, the top five state concentrations are as follows: California, 29.2%; Texas, 10.3%; Florida, 6.8%; Nevada, 6.5% and Georgia, 3.9%. Of the remaining 37 states, none represents more than 3.4% of the pool balance. The ten largest MSA concentrations are presented in *Figure 1*. The pool is geographically diverse as no MSA accounts for more than 11.3% of the pool balance.

### Single Tenant Concentration

Forty-eight properties (12.0% of the pool balance) are leased to a single tenant. Of these properties, eighteen (3.6% of the pool balance) are leased to investment grade rated tenants.

### Operating History

Forty properties (9.6% of the pool balance) are secured by properties that were built or opened for operation in the past 18 months. One hundred ten loans (34.3%) represent acquisition financing. As such, these loans have limited operating histories.

### Borrower Concentration

The three largest sponsors in the pool D. John Miller, Lindsay Parton, Eric Sahn and John Cappetta (one loan; 3.8% of the pool balance), Century Investments, Inc., (one loan; 3.6%), and Raymond C. Lee, (one loan; 2.1%).

### Borrower Quality

Two loans (0.5% of the pool balance) have a borrower principal/sponsor that has previously filed for bankruptcy. In each case, the bankruptcy has been resolved.

### Ownership Interest

The collateral consists of first lien positions on the fee and/or leasehold interests. Nine mortgaged properties (3.1% of the pool balance) are secured only by leasehold interests. Eight mortgaged properties (2.0% of the pool balance) is secured by fee/leasehold interest. The remaining four hundred three (94.9% of the pool balance) are secured by fee simple interests.

### Tenants in Common

Thirty loans (14.3% of the pool balance) are owned by individuals or entities as tenants in common.

---

*Figure 1*

#### MSA CONCENTRATION

MSA	% of Pool
Los Angeles-Long Beach-Glendale, CA Metropolitan Division	11.3%
Las Vegas-Paradise NV	6.3%
Atlanta-Sandy Springs-Marietta GA	3.5%
Dallas-Plano-Irving, TX Metropolitan Division	3.4%
Houston-Baytown-Sugar Land TX	3.3%
Phoenix-Mesa-Scottsdale AZ	3.1%
Oakland-Fremont-Hayward, CA Metropolitan Division	2.9%
Riverside-San Bernardino-Ontario CA	2.6%
Denver-Aurora CO	2.4%
Santa Ana-Anaheim-Irvine, CA Metropolitan Division	2.3%
<b>Top 10</b>	<b>41.1%</b>

## LOAN CHARACTERISTICS

---

### Loan Originators

The loans were originated by Countrywide Commercial Real Estate Finance, Inc. (42.4%), Merrill Lynch Mortgage Lending, Inc. (26.8% of pool balance), PNC Bank, National Association (17.9%) and Artesia Mortgage Capital Corporation (12.9%).

### Loan Origination Dates

Loans representing 100.0% of the pool balance were originated within the past 12 months.

### Loan Type

All loans are fixed rate with a weighted average interest rate of 5.78% and a range from 5.38% to 6.93%.

### Loan Term

Original loan terms range from 60 to 360 months, with a weighted average of 113 months. Remaining terms to maturity range from 58 months to 350 months, with a weighted average of 112 months.

### Loan Amortization

Three hundred and twenty-three (99.3% of the pool balance) are balloon loans and three loans (0.7%) are ARD. Sixty-four loans (40.2%) provide for interest only payments for their entire terms. One hundred thirty-seven loans (34.7%) provide for interest only payments for a portion of their respective terms.

### Crossed Collateral

The pool contains two group of loans (1.2% of the pool balance) that are cross-collateralized and cross-defaulted. The pool contains 15 loans (6.5%) that are secured by multiple properties.

### Cash Management

Forty-seven mortgage loans (18.8% of the pool balance) have in-place hard lockboxes. Twenty-nine loans (15.5%) have soft or springing lockbox provisions. In addition, borrowers are required to fund monthly escrows for real estate taxes (84.2%), capital expenditures (70.6%), insurance (72.3%) and TI/LC's (67.5% of the office, retail, and industrial subpool balance).

### Special Purpose Entities

Approximately 95.5% of the pool balance is represented by borrowers organized as special purpose borrowing entities.

### Subordinate Debt

A summary of the pool's existing subordinate debt is provided in *Figure 2*. Additionally, thirty-three loans (14.3% of the pool balance) have the right to incur future additional financing in the form of mezzanine debt, eleven loans (4.1%) are permitted to incur future unsecured debt, four loans (2.5%) are permitted to incur future secured debt and one loan (3.6%) is permitted to incur future *pari passu* debt. All existing and future debt has been factored into the subordination levels.

*Figure 2*

#### LOANS WITH EXISTING SUBORDINATE DEBT

Form of Debt	# of Loans	% of Pool
B Note	9	3.2%
Second Mortgage	0	0.0%
Unsecured Debt	0	0.0%
Mezzanine Debt	10	3.0%
<b>Total*</b>	<b>19</b>	<b>6.2%</b>

\*Loans with multiple forms of additional debt are counted only once in the total.

***Pari Passu***

One of the loans in the pool is structured as a *pari passu* note.

*Figure 3*

**PARI PASSU LOANS**

---

<b>Loan</b>	<b>Trust Balance</b>	<b>Total <i>Pari Passu</i> Balance</b>	<b><i>Pari Passu</i> Notes</b>	<b>Transactions with Related <i>Pari Passu</i> Notes</b>	<b>Control</b>	<b>Additional Debt</b>
The Georgia-Alabama Retail Portfolio	\$33,000,000	\$66,000,000	TBD	TBD	MLCFC 2007-7	\$14,000,000
<b>Total</b>	<b>\$33,000,000</b>	<b>\$66,000,000</b>	<b>TBD</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

---

## **THIRD PARTY REVIEWS**

---

### **Appraisals**

Appraisals were completed for all the properties. Appraisals for 420 of the properties (100.0% of the pool balance) were completed within the past 12 months.

### **Environmental**

All of the mortgaged properties (100.0% of the pool balance) were subject to a Phase I environmental site assessment performed by an independent third party environmental consultant. Assessments for properties representing 100.0% of the pool balance were conducted during the past 15 months. For all instances in which an adverse or potentially material environmental condition was identified, appropriate additional measures were taken, including one of the following: the conditions were remedied, a no further action or remediation letter was obtained from an environmental consultant, an environmental insurance policy was obtained, or an escrow account was established to cover the estimated costs of any required investigation, testing, monitoring, or remediation.

### **Structural**

All the properties in the pool were subject to an engineering report. For all of the properties that were subject to an engineering report, 100.0% of the reports were completed by an independent third party engineer within the past 13 months. For most properties, escrows were established to correct deferred maintenance issues identified in the reports.

### **Seismic**

Eighty-three of the mortgage properties (32.1% of the pool balance) are located in areas that are considered a high earthquake risk. One of the properties (0.2%) has a PML greater than 20%, and has earthquake insurance.

### **Terrorism Insurance**

The insurance policies for each of the top ten loans provide for some level of terrorism coverage, subject to certain policy restrictions.

## STRUCTURAL REVIEW

---

### Transaction Summary

The pool has been divided into two loan groups. Loan Group One consists of 254 fixed-rate loans secured by various property types with an aggregate outstanding principal balance of \$2,179,639,648 (78.2% of the pool balance). Loan Group Two consists of 72 fixed-rate loans secured by multifamily and manufactured housing community properties with an aggregate outstanding principal balance of \$605,863,029 (21.8%).

### Payment Priority

Distribution of all scheduled and unscheduled principal payments are made sequentially based upon the seniority of the tranches as defined in the Prospectus Supplement. Increases in credit support are realized through the application of scheduled and unscheduled principal distribution amounts. Decreases in credit support are determined by actual losses.

### Representations and Warranties

The sellers of the mortgage loans, Countrywide Commercial Real Estate Finance, Inc, Merrill Lynch Mortgage Lending, Inc., PNC Bank, National Association, and Artesia Mortgage Capital Corporation have made representations and warranties concerning the mortgage loans to the depositor, Merrill Lynch Mortgage Investors, Inc., and these have been assigned to the trustee for the benefit of the certificate holders. The representations and warranties, which generally are of standard scope, cover such items as title to the underlying properties, the lien status of the mortgage loans, the enforceability of the related promissory notes, and the payment status of the mortgage loans. A material breach of any representations will require the sellers to cure or repurchase any affected mortgage loans.

### Servicing

Midland Loan Services, Inc., and Wachovia Bank, National Association will be the master servicers and Midland Loan Services, Inc., will be the special servicer for this transaction. The responsibilities of the master and special servicers include advancing delinquent scheduled principal and interest payments (other than balloon payments) on the mortgage loans and such other sums necessary for the protection of the property (e.g., real estate taxes, insurance, etc.) all to the extent deemed recoverable. Midland Loan Services, Inc., and Wachovia Bank, National Association have been reviewed by Moody's and found acceptable in the roles of master servicers and special servicer.

### Ratings

Moody's ratings are based upon the quality of the collateral, the levels of credit enhancement furnished by the subordinate tranches, and on the structural and legal integrity of the transaction. The ratings on the certificates address the likelihood of receipt by certificate holders of timely payment of interest and of all distributions of principal by the final rated distribution date in June 2050.

Moody's rating addresses only the credit risks associated with the transaction. Other non-credit risks, such as those associated with the timing of principal payments and the payment of prepayment penalties, have not been addressed and may have a significant effect on yield to investors.

## MOODY'S CREDIT ANALYSIS

Moody's reviewed the loan collateral for approximately 51% of the pool by loan balance. The collateral information included loan summaries, financial statements, a rent roll report (as applicable), appraisals, as well as engineering and environmental studies. In addition, Moody's performed selected site inspections to confirm our impressions of the properties based on a review of the loan files. Properties representing 36% of the pool by loan balance were visited. California, Texas, Florida, Nevada, and New Jersey were among the states visited. *Figure 4* presents a summary of Moody's analysis by property type.

*Figure 4*

### PROPERTY TYPE SUMMARY

Property Type	% of Pool	NCF Adjustment	Moody's Cap Rate	Moody's Actual DSCR <sup>1</sup>	Moody's Stressed DSCR <sup>2</sup>	U/W DSCR <sup>3</sup>	Moody's LTV Ratio	U/W LTV Ratio
Multifamily	21.4%	-0.9%	8.2%	1.26 X	0.88 X	1.29 X	102.6%	71.2%
Manufactured Housing	1.2%	-2.6%	8.3%	1.25 X	0.90 X	1.27 X	102.3%	74.6%
Industrial	7.4%	-1.1%	8.7%	1.30 X	0.93 X	1.31 X	102.6%	73.8%
Self Storage	1.6%	-3.1%	9.1%	1.29 X	1.02 X	1.33 X	99.8%	69.2%
Anchored Retail	17.9%	-1.6%	8.7%	1.24 X	0.83 X	1.27 X	115.1%	76.0%
Unanchored Retail	12.4%	-2.9%	10.1%	1.28 X	0.95 X	1.32 X	116.0%	70.6%
Office	24.1%	-6.5%	9.3%	1.34 X	0.93 X	1.43 X	115.8%	71.7%
Mixed Use	5.7%	-2.6%	9.0%	1.26 X	0.84 X	1.29 X	116.2%	72.3%
Hotel- Limited Service	3.0%	-4.5%	11.0%	1.41 X	1.36 X	1.47 X	90.5%	64.7%
Hotel- Full Service	4.9%	-4.0%	11.0%	1.48 X	1.09 X	1.54 X	111.5%	68.6%
Land	0.3%	-3.0%	10.5%	1.38 X	0.82 X	1.40 X	137.6%	80.0%
<b>Total/Wtd. Average Pool</b>	<b>100.0%</b>	<b>-3.1%</b>	<b>9.1%</b>	<b>1.30 X</b>	<b>0.92 X</b>	<b>1.34 X</b>	<b>110.6%</b>	<b>72.1%</b>

1 Moody's Actual DSCR is based on Moody's NCF and the actual debt service during P&I periods, with the exception of full-term interest-only loans.

2 Moody's Stressed DSCR is based on Moody's NCF and a 9.25% stressed rate applied to the pool balance.

3 U/W DSCR is based on the underwritten NCF and the actual debt service during P&I periods, with the exception of full-term interest-only loans.

### Red-Yellow-Green™

Moody's classifies the commercial real estate markets as Red, Yellow, or Green based on supply and demand relationships as well as other variables relevant to specific property types. The pool's Red-Yellow-Green™ score of 66.3 is lower than the recent conduit average of 70.6 and lower than the national average of 74.4 for all markets and property types covered. The pool has a Red-Yellow-Green™ coverage score of 67.9% which is lower than the recent conduit average of 70.6%. The coverage score indicates the percentage of the total pool for which scores are available. The availability of scores is dependent on whether data is available for a particular market and property type. For example, regional malls, power centers, and less common property types such as self-storage, manufactured housing, and healthcare facilities are not covered in our analysis. Approximately 55.7% of the "non-covered" collateral is located in MSAs which are ranked below the top 100 or are too small to be designated a MSA. For additional details please refer to Appendix A.

Figure 5

## SHADOW RATED LOANS

Loan	Pool Balance	% of Pool	Moody's Shadow Rating
One Turnberry Place	\$14,486,381	0.5%	Aaa
Old Glory	\$4,990,065	0.2%	Aaa
<b>Total</b>	<b>\$19,476,446</b>	<b>0.7%</b>	<b>N/A</b>

### Shadow Rated Loans

The pool has two shadow rated loans that represent 0.7% of the pool balance. A summary of these loans is presented in *Figure 5*. The assigned shadow rating is equivalent to the rating that would have been assigned to the junior most tranche of the pooled loan balance had that loan been securitized on a stand alone basis. The shadow rating is reflective of the loan's credit quality and is independent of the pool's diversity characteristics.

### Moody's DSCR

Moody's weighted average actual DSCR for the pool is 1.30X. Moody's weighted average actual DSCR for the pool, excluding shadow rated loans, is 1.28X. *Figure 6* provides a distribution of Moody's DSCRs for the pool, excluding shadow rated loans, based on the adjusted net cash flow and the actual debt service.

### Moody's LTV Ratio

For each loan, the LTV ratio was derived by applying Moody's standard capitalization rates (by property type) to Moody's net cash flow. The pool's weighted average Moody's LTV ratio is 110.6%. The pool's weighted average Moody's LTV ratio, excluding shadow rated loans, is 111.1%. *Figure 7* provides a distribution of Moody's LTV ratios for the pool, excluding shadow rated loans.

### Property Quality Grade

In addition to most of the largest properties, Moody's assessed collateral representative of the pool by property type and by geographic location. Moody's grades properties on a scale of 1 to 5 (best to worst) and considers those grades when assessing the likelihood of debt payment. The factors considered include property age, quality of construction, location, market, and tenancy. The average grade for the pool is 1.8, which indicates a similar asset quality compared to other recent transactions. The average grade for the pool, excluding shadow rated loans, is 1.8. *Figure 8* provides a distribution of the property grades for the pool, excluding shadow rated loans.

### Net Cash Flow Adjustment

Based in part upon the supplied collateral information, Moody's made property-type specific adjustments to the underwriter's net cash flow projections. In order to derive a stabilized net cash flow available to service the debt, we considered rents, revenues, operating expense ratios, and vacancy allowances consistent with the property market. In addition, Moody's considered capital items, such as leasing commissions, tenant improvements, replacement reserves, and furniture, fixtures, and equipment (FF&E) reserves to the extent not already included in the underwritten cash flow. Moody's weighted average reduction to the pool's underwritten net cash flow was 3.1%. Moody's weighted average reduction to the pool's underwritten net cash flow, excluding shadow rated loans, was 3.1%.

## DISTRIBUTION

Figure 6 MOODY'S ACTUAL DSCR			Figure 7 MOODY'S LTV RATIO			Figure 8 PROPERTY QUALITY GRADE		
DSCR	Properties	% of Pool Balance	LTV Ratio	Properties	% of Pool Balance	Property Quality Grade	Properties	% of Pool Balance
<1.00	2	1.0%	> 115%	146	41.0%	< 1.00	0	0.0%
1.00-1.09	2	2.2%	110%-114.9%	54	12.8%	1.00-1.24	0	0.0%
1.10-1.19	101	29.2%	105% - 109.9%	39	11.3%	1.25-1.49	4	6.8%
1.20-1.29	135	35.4%	100% - 104.9%	55	12.0%	1.50-1.74	131	36.5%
1.30-1.39	117	18.1%	95% - 99.9%	52	11.4%	1.75-1.99	134	34.2%
1.40-1.49	27	5.9%	90% - 94.9%	27	4.7%	2.00-2.24	60	14.9%
1.50-1.59	13	4.4%	85% - 89.9%	8	1.5%	2.25-2.49	19	4.7%
1.60-1.69	4	0.7%	80% - 84.9%	13	1.7%	2.50-2.74	6	1.3%
1.70-1.79	9	1.6%	75% - 79.9%	6	0.9%	2.75-2.99	0	0.0%
1.80-1.89	3	0.5%	70% - 74.9%	10	1.8%	3.00-3.49	1	0.3%
1.90-1.99	2	0.4%	60% - 69.9%	4	0.6%	3.50-3.99	0	0.0%
> 2.00	3	0.5%	< 60%	4	0.3%	> 3.99	63	1.4%

Distributions are for the pool, excluding shadow rated loans.

## TOP TEN LOAN ANALYSIS

Figure 9  
SUMMARY

Property Name	Property Type	% of Pool	NCF Adjust-ment	Moody's Cap Rate	Moody's Value Per Unit	Moody's Actual DSCR <sup>1</sup>	Moody's Stressed DSCR <sup>2</sup>	U/W DSCR <sup>3</sup>	Moody's LTV Ratio	U/W LTV Ratio
One Pacific Plaza	Office	3.8%	-12.0%	9.0%	\$182	1.16 X	0.72 X	1.31 X	134.6%	75.5%
The Commons at Calabasas	Retail	3.6%	-3.3%	8.3%	\$378	1.17 X	0.71 X	1.21 X	125.6%	79.9%
10 Milk Street	Office	2.1%	-20.5%	9.0%	\$183	1.04 X	0.70 X	1.30 X	139.5%	71.9%
Residence Inn Bethesda	Hospitality	1.7%	-3.3%	11.0%	\$201,986	1.51 X	0.97 X	1.54 X	122.4%	69.5%
Mervyn's Corporate Headquarters	Office	1.6%	-13.7%	9.3%	\$120	1.16 X	0.89 X	1.35 X	112.1%	68.2%
Millbridge Apartments	Multifamily	1.4%	-1.0%	8.0%	\$40,489	1.26 X	0.74 X	1.25 X	116.5%	76.0%
Renaissance III Retail	Retail	1.4%	-3.6%	8.8%	\$142	1.19 X	0.76 X	1.23 X	124.9%	80.0%
Scottsdale Center	Retail	1.4%	15.3%	8.8%	\$96	1.20 X	0.76 X	1.24 X	124.6%	71.7%
Orlando Airport Industrial	Industrial	1.3%	-1.8%	8.3%	\$66	1.37 X	0.83 X	1.37 X	107.3%	73.8%
Broadstone Vista Ridge	Multifamily	1.2%	-1.8%	7.8%	\$91,306	1.38 X	0.86 X	1.38 X	101.2%	72.4%
<b>Total/Weighted Average Top 10 Loans</b>		<b>19.5%</b>	<b>-6.0%</b>	<b>8.8%</b>	<b>N/A</b>	<b>1.22 X</b>	<b>0.77 X</b>	<b>1.31 X</b>	<b>123.8%</b>	<b>74.6%</b>
<b>Total/Wtd. Avg. Pool Excl. Shadow Rated Loans</b>		<b>99.3%</b>	<b>-3.1%</b>	<b>9.1%</b>	<b>N/A</b>	<b>1.28 X</b>	<b>0.91 X</b>	<b>1.32 X</b>	<b>111.1%</b>	<b>72.4%</b>
<b>Total/Weighted Average Pool</b>		<b>100.0%</b>	<b>-3.1%</b>	<b>9.1%</b>	<b>N/A</b>	<b>1.30 X</b>	<b>0.92 X</b>	<b>1.34 X</b>	<b>110.6%</b>	<b>72.1%</b>

1 Moody's Actual DSCR is based on Moody's NCF and the actual debt service during P&I periods, with the exception of full-term interest-only loans.

2 Moody's Stressed DSCR is based on Moody's NCF and a 9.25% stressed rate applied to the pool balance.

3 UW DSCR is based on the underwritten NCF and the actual debt service during P&I periods, with the exception of full-term interest-only loans.

## 1. ONE PACIFIC PLAZA

COLLATERAL SUMMARY	
% of Pool	3.8%
Pool Amount	\$105,000,000
Originator	MLML
Shadow Rating	N/A
Property Type	Office
Location	Huntington Beach, CA
Red-Yellow-Green™	Yellow (34)
Size	428,244 SF
Year Built/Renovated	1984 / 2007
Occupancy	95.2% as of 5/8/2007
Ownership	Fee
Purchase Price	\$142.8 million as of 5/2007

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$105,000,000	134.6%	1.16X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$105,000,000</b>	<b>134.6%</b>	<b>1.16X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$105,000,000</b>	<b>134.6%</b>	<b>1.16X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.6890%
Interest-Only Period	72 Months
Amortization	None
Maturity Date	6/8/2013
Sponsor	D. John Miller, Lindsay Parton, Eric Sahn and John Cappetta

STRUCTURAL FEATURES	
Lockbox	Soft
Ongoing Reserves	Taxes, TI/LC
Upfront Reserves	Taxes (\$133,849), 24 Hour Fitness Reserve (\$2,847,906), Triad Financial Reserve (\$1,257,000), Buca Litigation Reserve (\$200,000), Required Repairs Reserve (\$130,588), Outstanding Tenant Obligation Reserve (\$202,873)
Other	None

### Strengths

- Excellent location in West Orange County with good freeway accessibility.
- The property recently expanded and now includes a new, 36,000SF 24 Hour Fitness.
- The loan benefits from tenant diversification with 55 tenants. The largest tenant occupies 14.7% of the NRA and accounts for 16.0% of the in-place base rent.
- In-place rents are below market, providing potential for increased revenue as leases expire.

### Concerns

- The loan has a high Moody's LTV ratio of 134.6%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- Moody's classified the Orange County suburban office market as Yellow (34) in its First Quarter 2007 Red-Yellow-Green™ Update.
- The property has rollover risk as 79.0% of the leased NRA expires during the loan term, with near term rollover of 20.1% in 2008. Of the 2008 rollover, Triad Financial accounts for 73.0%; an in-place reserve will be released to the borrower when the space is either renewed or re-tenanted.
- The Borrower has outstanding litigation with Buca Di Beppo Restaurant relating to the obstruction of surface parking during construction of the 24 Hour Fitness building. The restaurant is suing for \$175,000; however, a \$200,000 reserve was established at closing.

## Tenant Overview

A summary of the major tenants is presented in *Figure 10*. The property is 95.2% occupied by 55 tenants.

*Figure 10*

### ONE PACIFIC PLAZA TENANT OVERVIEW

Tenant	NRA (SF)	% of NRA	In-Place Base Rent PSF	% of Base Rent	Lease Expiration	Moody's Senior Unsecured Rating <sup>1</sup>
Triad Financial Corporation	62,885	14.7%	\$26.40	16.0%	2/2008	B3
24 Hour Fitness	36,000	8.4%	\$24.30	8.4%	3/2022	NR
Platt College	35,272	8.2%	\$25.69	8.7%	10/2013	NR
Other Occupied Space	273,441	63.9%	\$25.45	66.9%	N/A	N/A
Vacant Space	20,646	4.8%	N/A	N/A	N/A	N/A
<b>Total / Average</b>	<b>428,244</b>	<b>100.0%</b>	<b>\$25.52</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

## Market Overview

A summary of the property's market is presented in *Figure 11*. The property's vacancy and in-place rent of \$25.52 is below the submarket average. Recent leases have been signed above the in-place average rent indicating potential upside for the subject as in-place leases expire.

*Figure 11*

### ONE PACIFIC PLAZA MARKET OVERVIEW

	Total Inventory (SF)	Class A Inventory (SF)	Class A 2006 YE Vacancy	Class A 2005 YE Vacancy	Class A 2006 Gross Asking Rent PSF	Class A 2005 Gross Asking Rent PSF
Competitive Set	1,029,498	N/A	6.3%	N/A	\$33.27	N/A
Huntington-Seal Bchs Submarket	1,365,000	824,000	9.6%	9.0%	\$29.07	\$27.20
Orange County	63,143,000	38,649,000	8.3%	6.7%	\$30.64	\$29.02

Source: TortoWheaton Research and CB Richard Ellis

## 2. THE COMMONS AT CALABASAS

COLLATERAL SUMMARY	
% of Pool	3.6%
Pool Amount	\$101,500,000
Originator	CRF
Shadow Rating	N/A
Property Type	Retail
Location	Calabasas, CA
Red-Yellow-Green™	Green (97)
Size	213,872 SF
Year Built/Renovated	1998 / N/A
Occupancy	100% as of 3/15/2007
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$101,500,000	125.6%	1.17X
<i>Pari Passu</i> Balance*	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$101,500,000</b>	<b>125.6%</b>	<b>1.17X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$101,500,000</b>	<b>125.6%</b>	<b>1.17X</b>

\* Future *Pari Passu* debt is permitted.

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.5400%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	6/8/2017
Sponsor	Century Investments, Inc.

STRUCTURAL FEATURES	
Lockbox	Hard
Ongoing Reserves	Taxes, Insurance, Cap Ex, TI/LC
Upfront Reserves	Taxes (\$432,385), Insurance (\$85,433)
Other	Borrower will be entitled to receive a one-time future maximum advance of \$16,000,000, in connection with the potential future development of an additional 20,000 SF of in-line space. The additional financing must happen in the first 3 years of the loan term, the DSCR on the total outstanding loan must be 1.29X on a three month trailing cash flow, and the additional financing may be no more than 80% of the appraised value of the additional improvements. The additional financing will not be part of the trust but will be <i>Pari Passu</i> with the existing loan in the trust.

### Strengths

- The property has a stable operating performance and has been 100% occupied since completion in 1999.
- Strong neighborhood demographics.
- The supermarket anchor tenant has strong sales of \$409 PSF and the in-line tenants also have strong sales of \$747 PSF.
- There is limited rollover risk as only 42.1% of the NRA rolls during the term. The largest rollover occurs in 2009 when 18.0% of NRA expires.
- Moody's classified the Los Angeles retail market as Green (97) in its First Quarter 2007 Red-Yellow-Green™ Update.

### Concerns

- The loan has a high Moody's LTV ratio of 125.6%. In addition, future *Pari Passu* debt is permitted. Moody's accounted for the total debt in its analysis.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.

## Tenant Overview

A tenant summary is presented in *Figure 12*. The center is 100% leased to 36 tenants.

*Figure 12*

### THE COMMONS AT CALABASAS TENANT OVERVIEW

Tenant	GLA (SF)	% of GLA	In-Place Base Rent PSF	% of Base Rent	2006 Sales PSF	Occupancy Cost Ratio	Moody's Senior Unsecured Rating <sup>1</sup>
Ralph's Grocery Company	52,223	24.4%	\$29.74	22.1%	\$409	7.3%	Baa2
Barnes & Noble	29,141	13.6%	\$16.80	7.0%	\$189	8.9%	N/R
Thrifty Payless (Rite Aid)	16,848	7.9%	\$23.83	5.7%	N/A	N/A	Caa2
<b>Subtotal Majors</b>	<b>98,212</b>	<b>45.9%</b>	<b>\$24.89</b>	<b>34.7%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
In-Line Tenants	72,885	34.1%	\$53.20	55.1%	\$747	7.1%	N/A
Vacant Space	0	0.0%	N/A	N/A	N/A	N/A	N/A
<b>Subtotal In-Line</b>	<b>72,885</b>	<b>34.1%</b>	<b>\$53.20</b>	<b>55.1%</b>	<b>\$747</b>	<b>7.1%</b>	<b>N/A</b>
Edwards Theatres (Ground Lease)	33,475	15.7%	\$16.31	7.8%	\$615,844 /Screen	14.8%	B2
King Seafood Company (Ground Lease)	9,300	4.3%	\$18.06	2.4%	\$677	2.7%	N/R
<b>Total Center</b>	<b>213,872</b>	<b>100.0%</b>	<b>\$32.90</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Collateral</b>	<b>213,872</b>	<b>100.0%</b>	<b>\$32.90</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

## Market Overview

A summary of the property's market is presented in *Figure 13*. The population within the five mile trade area was 176,636 as of year-end 2006, which represents an increase of 4.8% since 2000. The average household income within the trade area was \$106,628 in 2006.

*Figure 13*

### THE COMMONS AT CALABASAS MARKET OVERVIEW

	Total Inventory (SF)	2005 YE Vacancy	2006 YE Vacancy	2005 Asking Rent	2006 Asking Rent
Competitive Set	531,164	N/A	0.4%	N/A	N/A
San Fernando Valley West Submarket	4,490,000	1.4%	1.4%	\$29.38	\$31.09
Los Angeles County	60,860,000	2.8%	2.4%	\$26.48	\$27.96

Source: Cushman & Wakefield

### 3. 10 MILK STREET

COLLATERAL SUMMARY	
% of Pool	2.1%
Pool Amount	\$58,000,000
Originator	MLML
Shadow Rating	N/A
Property Type	Office
Location	Boston, MA
Red-Yellow-Green™	Green (80)
Size	229,843 SF
Year Built/Renovated	1903 / 2002
Occupancy	92.0% as of 3/1/2007
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$58,000,000	139.5%	1.04X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$58,000,000</b>	<b>139.5%</b>	<b>1.04X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$58,000,000</b>	<b>139.5%</b>	<b>1.04X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	6.1250%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	5/8/2017
Sponsor	Raymond C. Lee

STRUCTURAL FEATURES	
Lockbox	Soft
Ongoing Reserves	Taxes, Insurance, TI/LC
Upfront Reserves	Taxes (\$110,539), Insurance (\$104,095), Leasing Reserve (\$600,000), DSCR Reserve (\$1,400,000), Organic Inc. Reserve (\$608,130)
Other	In the event that space currently occupied by Color Kinetics (27.4% in-place base rent, expiring 8/31/2007) and Smart Bargains (2.6% of potential gross income expiring 8/31/2007) is vacated, the sponsor is required to master the vacated space at \$30.00 PSF modified gross for a ten year term.

#### Strengths

- Excellent location in the Boston Financial District with good accessibility and proximity to public transportation.
- The property has a stable operating performance and has been over 92% occupied since 2004.
- Moody's classified the Boston office market as Green (80) in its First Quarter 2007 Red-Yellow-Green™ Update.

#### Concerns

- The loan has a high Moody's LTV ratio of 139.5% and a low actual DSCR of 1.04X.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- The property has rollover risk as 99.0% of the leased NRA expires during the loan term, with near term rollover of 38.4% in 2007. However, the sponsor shall master lease up to 73.0% of the space rolling in 2007 if Color Kinetics and Smart Bargains decide to vacate. The largest tenant, Color Kinetics (27.4% of the in-place base rent) has indicated that they plan to vacate when their lease expires on August 31, 2007. This risk is partial mitigated by a leasing reserve and a DSCR reserve.
- The third largest tenant, Organic Inc. (20.0% of in-place base rent), is currently dark. However, the tenant is paying rent according to the terms of their lease and the loan is structured with a \$608,130 reserve for improvements to the space if the tenant decides to take occupancy.
- In-place rents are above market.

## Tenant Overview

A summary of the major tenants is presented in *Figure 14*. The property is 92.0% occupied by 59 tenants.

*Figure 14*

### 10 MILK STREET TENANT OVERVIEW

Tenant	NRA (SF)	% of NRA	In-Place Base Rent PSF	% of Base Rent	Lease Expiration	Moody's Senior Unsecured Rating <sup>1</sup>
Color Kinetics	56,885	24.7%	\$35.89	27.4%	8/2007	NR
Reed Elsevier	32,555	14.2%	\$46.00	20.0%	11/2009	NR
Organic Inc.	20,480	8.9%	\$29.90	8.2%	2/2011	<b>Baa1</b>
Other Occupied Space	101,581	44.2%	\$32.66	44.3%	N/A	N/A
Vacant Space	18,342	8.0%	N/A	N/A	N/A	N/A
<b>Total / Average</b>	<b>229,843</b>	<b>100.0%</b>	<b>\$35.32</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

## Market Overview

A summary of the property's market is presented in *Figure 15*. The property's vacancy is less than the submarket average, but the property's in-place rent of \$35.32 is above the submarket average and the average of recently signed leases at the subject. Moody's adjusted the property's rents and occupancy downward to a level more in-line with market levels.

*Figure 15*

### 10 MILK STREET MARKET OVERVIEW

	Total Inventory (SF)	Class B Inventory (SF)	Class B 2006 YE Vacancy	Class B 2005 YE Vacancy	Class B 2006 Gross Asking Rent PSF	Class B 2005 Gross Asking Rent PSF
Competitive Set	8,012,371	N/A	9.5%	13.5%	N/A	N/A
Financial District Submarket	28,088,000	4,547,000	13.4%	14.3%	\$27.66	\$24.76
Boston	154,920,000	50,954,000	13.8%	14.0%	\$20.72	\$19.01

Source: *TortoWheaton Research and CB Richard Ellis*

## 4. RESIDENCE INN BETHESDA

COLLATERAL SUMMARY	
% of Pool	1.7%
Pool Amount	\$46,250,000
Originator	MLML
Shadow Rating	N/A
Property Type	Hotel
Location	Bethesda, MD
Red-Yellow-Green™	Green (92)
Size	187 Guestrooms
Year Built/Renovated	1985 / 2007
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$46,250,000	122.4%	1.51X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$46,250,000</b>	<b>122.4%</b>	<b>1.51X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$46,250,000</b>	<b>122.4%</b>	<b>1.51X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.9390%
Interest-Only Period	60 Months
Amortization	None
Maturity Date	5/8/2012
Sponsor	Thayer Lodging Group

STRUCTURAL FEATURES	
Lockbox	Soft
Ongoing Reserves	Taxes, FF&E (4% of Gross Revenues)
Upfront Reserves	Tax (\$265,496)
Other	\$1,600,000 in upfront Escrow to be released as renovations are completed in July 2007.

### Strengths

- Strong RevPAR growth with increases of 11.3% and 8.4% in 2005 and 2006, respectively.
- The hotel benefits from a favorable location in Downtown Bethesda in close proximity to various office buildings, government buildings, and entertainment options.
- The hotel is in good condition with an ongoing \$3.4 million soft and hard goods renovation (\$18,182 per guestroom) scheduled for completion July 2007.
- The hotel achieved a 117% RevPAR penetration rate for the trailing 12 month period.
- Moody's classified the Washington DC limited service hotel market as Green (92) in its First Quarter 2007 Red-Yellow-Green™ Update.
- The property benefits from experienced sponsorship by Thayer Lodging Group and the strong brand affiliation of Marriott.

### Concerns

- The loan has a high Moody's LTV ratio of 122.4%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- There are proposed developments and expansions in the immediate vicinity including the Hilton Garden Inn and the Marriott Bethesda North, both of which will compete with the Bethesda Residence Inn.
- Moody's considers hotels among the riskier property types.

## Property Performance

The property's historical performance is presented in *Figure 16*. The hotel's RevPAR gains exceeded those of the competitive set in 2005 and 2006.

*Figure 16*

### BETHESDA RESIDENCE INN HOTEL PERFORMANCE

	2005	2006	TTM Feb 2007	UW	Moody's*
ADR	\$157.11	\$176.80	\$177.00	\$177.00	\$184.50
Occupancy	83.9%	80.9%	80.1%	80.0%	77.0%
RevPAR	\$131.89	\$143.01	\$141.76	\$141.60	\$142.07
Percentage Change	+11.3%	+8.4%	-0.9%	-0.1% <sup>1</sup>	+0.5% <sup>1</sup>
Net Cash Flow (\$ millions)	\$3.9	\$4.2	\$4.2	\$4.3	\$4.2
Percentage Change	+10.7%	+7.3%	-0.1%	+3.0% <sup>1</sup>	-0.3% <sup>1</sup>
NCF Margin	39.3%	39.1%	39.4%	40.6%	39.2%

\*Moody's NCF includes an FF&E expense equal to 4.5% of total revenue.

<sup>1</sup> Percentage change compared to TTM Feb 2007 figures

## Market Overview

A summary of the competitive set is presented in *Figure 17* and a summary of the hotel's market mix relative to that of the competitive set is presented in *Figure 18*.

*Figure 17*

### BETHESDA RESIDENCE INN MARKET OVERVIEW

	Year Built/ Renovated	Guest-rooms	Meeting Space (SF)	2006 RevPAR Change vs. 2005	2006 RevPAR Penetration	2005 RevPAR Penetration
Subject	1985 / 2007	187	4,099	8.4%	114.9%	114.4%
Hyatt Regency Metro Center	1977	390	19,000	5.7%	120.0%	119.3%
Embassy Suites Chevy Chase Pavillion	1990	198	6,500	6.6%	143.9%	141.2%
DoubleTree Bethesda	1971	270	15,000	-7.1%	71.6%	62.9%
DoubleTree Rockville	315	1993	23,000	-13.2%	75.0%	90.4%
Marriott Pooks Hill	407	1979	16,000	18.3%	89.2%	78.9%
Marriott North	225	2004	35,000	13.8%	107.0%	99.2%
Marriott Suites	274	1990	7,000	4.1%	104.3%	104.9%

*Figure 18*

### BETHESDA RESIDENCE INN MARKET MIX

	Subject	Competitive Set
Commercial	38%	35%
Meeting and Group	15%	39%
Government	39%	10%
Leisure	8%	16%

## 5. MERVYNS CORPORATE HEADQUARTERS

COLLATERAL SUMMARY	
% of Pool	1.6%
Pool Amount	\$45,000,000
Originator	PNC
Shadow Rating	N/A
Property Type	Office
Location	Hayward, CA
Red-Yellow-Green™	Yellow (51)
Size	336,000 SF
Year Built/Renovated	1958 / 1997
Occupancy	100% as of 2/21/2007
Ownership	Fee
Purchase Price	\$59.7 million as of 2/2007

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$45,000,000	112.1%	1.16X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$45,000,000</b>	<b>112.1%</b>	<b>1.16X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$45,000,000</b>	<b>112.1%</b>	<b>1.16X</b>

\* Moody's employs a dark value analysis due to single tenant occupancy. The LTV and DSCR above reflect our value estimate, which is based on a blend of Moody's dark and stabilized values.

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.8700%
Interest-Only Period	48 Months
Amortization	360 Months
Maturity Date	3/1/2017
Sponsor	Net Lease Acquisition, LLC

STRUCTURAL FEATURES	
Lockbox	Hard
Ongoing Reserves	Cap Ex (springing)
Upfront Reserves	Environmental Reserve (\$1,000)
Other	\$4,000,000 TI/LC reserve posted by the seller of the property. If during the initial four years after loan closing, no event of default occurs and if Mervyn's does not go bankrupt and fails to pay rent, reserve will be dispersed to the seller.

### Strengths

- Property is well-located in Hayward, CA and is proximate to Interstate 580, Interstate 288 and Interstate 880.
- The immediate area is built-out with a limited amount of developable land for new construction.
- The property is 100% leased to Mervyn's on a new triple net lease that extends 10 years beyond the loan term.
- The property has served as Mervyn's corporate headquarters since 1984.

### Concerns

- The loan has a high Moody's LTV ratio of 112.1%.
- The loan has reduced amortization due to the 48-month interest-only period.
- The property was originally built as a department store and does not have running windows on the first three levels. Therefore, alternative uses for the property are limited.
- There is single tenant risk and Mervyn's is not rated by Moody's. This is partially mitigated by a \$4,000,000 TI/LC reserve that is available for the first four years of the loan.

## Tenant Overview

A summary of the major tenants is presented in *Figure 19*. The property is 100% occupied by one tenant.

*Figure 19*

### MERVYNS CORPORATE HEADQUARTERS TENANT OVERVIEW

Tenant	NRA (SF)	% of NRA	In-Place Base Rent PSF	% of Base Rent	Lease Expiration	Moody's Senior Unsecured Rating <sup>1</sup>
Mervyn's	336,000	100.0%	\$13.08	100%	2/2027	NR
<b>Total / Average</b>	<b>336,000</b>	<b>100.0%</b>	<b>\$13.08</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

## Market Overview

A summary of the property's market is presented in *Figure 20*. The property's vacancy rate and in-place rent of \$13.08 are lower than the submarket average. Moody's adjusted the property's vacancy rate and rents to a level more in-line with market levels.

*Figure 20*

### MERVYNS CORPORATE HEADQUARTERS MARKET OVERVIEW

	Total Inventory (SF)	2006 YE Vacancy	2006 Gross Asking Rent PSF
Competitive Set	N/A	N/A	N/A
N Hayward / Castro Valley Submarket	2,203,781	1.6%	\$19.26
East Bay / Oakland	97,371,703	12.4%	\$21.75

Source: CoStar

## 6. MILLBRIDGE APARTMENTS

COLLATERAL SUMMARY	
% of Pool	1.4%
Pool Amount	\$40,000,000
Originator	MLML
Shadow Rating	N/A
Property Type	Multifamily
Location	Clementon, NJ
Red-Yellow-Green™	Yellow (63)
Size	848 Units
Year Built/Renovated	1970-1978
Occupancy	90.1% as of 1/29/2007
Ownership	Fee
Purchase Price	\$47.5 million as of 4/2007

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.4420%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	5/8/2017
Sponsor	Dinesh and Savita Khosla

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$40,000,000	116.5%	1.26X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$40,000,000</b>	<b>116.5%</b>	<b>1.26X</b>
Mezzanine*	\$0	N/A	N/A
<b>Total</b>	<b>\$40,000,000</b>	<b>116.5%</b>	<b>1.26X</b>

\*Future Mezzanine debt is allowed provided that the total debt does not exceed 90% LTV and supports a DSCR of 1.07X or greater.

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	Taxes, Insurance, Cap Ex
Upfront Reserves	Taxes (\$100,780), Insurance (\$14,387)
Other	\$4,000,000 Personal recourse guaranty provided by sponsors which shall be returned once the property attains a DSCR of at least 1.20X based on a 30 year amortization schedule for a period of 12 consecutive months.

### Strengths

- The property is well located within 12 miles of the Philadelphia CBD.
- The borrower plans to spend approximately \$1.5 million (\$1,769 per unit) on exterior capital improvements and landscaping.
- The property benefits from experienced sponsorship by Dinesh and Savita Khosla, who have over 20 years of real estate experience and currently own a portfolio of 737 apartments in 6 properties.

### Concerns

- The loan has a high Moody's LTV ratio of 116.5%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- Future mezzanine debt is permitted, which Moody's accounted for in its analysis.
- Historical vacancy is higher than the competitive set and submarket.

## Unit Overview

A summary of the property's unit mix is provided in *Figure 21*.

*Figure 21*

### MILLBRIDGE APARTMENT VILLAGE UNIT MIX

Unit Type	# of Units	% of Units	Average Monthly Rent / Unit	Average SF / Unit	Average Monthly Rent PSF
1 Bedroom / 1 Bath	648	76.4%	\$733	850	\$0.86
2 Bedroom / 1 Bath	200	23.6%	\$868	1000	\$0.87
<b>Total / Average</b>	<b>848</b>	<b>100.0%</b>	<b>\$764</b>	<b>886</b>	<b>\$0.86</b>

## Market Overview

A summary of the property's market is presented in *Figure 22*. Within a three-mile radius, demographic indicators are strong with a population of 91,831 which has been stable since 2000. The median household income within a three-mile radius was \$57,217 as of 2005.

*Figure 22*

### MILLBRIDGE APARTMENT VILLAGE MARKET OVERVIEW

	Total Inventory (Units)	Q3 2006 Vacancy Rate	2005 YE Vacancy Rate	2006 Monthly Rent / Unit	2005 Monthly Rent / Unit
Competitive Set	1,493	2.0%	N/A	\$806	N/A
Camden West Submarket	16,664	3.5%	3.8%	\$762	\$743
Philadelphia Metro	294,734	2.8%	3.7%	\$1,016	\$967

Source: *TortoWheaton Research and Integra Realty Resources-Philadelphia*

## 7. RENAISSANCE III RETAIL

COLLATERAL SUMMARY	
% of Pool	1.4%
Pool Amount	\$40,000,000
Originator	CRF
Shadow Rating	N/A
Property Type	Retail
Location	Las Vegas, NV
Red-Yellow-Green™	Green (67)
Size	225,973 SF
Year Built/Renovated	1987 / N/A
Occupancy	92.8% as of 4/4/2007
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$40,000,000	124.9%	1.19X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$40,000,000</b>	<b>124.9%</b>	<b>1.19X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$40,000,000</b>	<b>124.9%</b>	<b>1.19X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.8000%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	5/8/2017
Sponsor	Sam Rahim Siam, Behzaol Bandari

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	Taxes, Insurance, Cap Ex, TI/LC
Upfront Reserves	Taxes (\$122,556), Insurance (\$9,446), Cap Ex (\$370,000), CAM Reserve (\$50,000)
Other	None

### Strengths

- The property has a stable operating performance and has been over 90% occupied since 1988.
- The supermarket anchor tenant has strong sales of \$379 PSF and an occupancy cost of 3.0%.
- Moody's classified the Las Vegas retail market as Green (67) in its First Quarter 2007 Red-Yellow-Green™ Update.

### Concerns

- The loan has a high Moody's LTV ratio of 124.9%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- The property was built in 1987 and the engineer recommended a relatively high ongoing reserve of \$0.29 PSF. However, the borrower has spent \$102,000 in 2007 on capital improvements and plans to spend an additional \$450,000 this year. Additionally, the borrower has reserved \$370,000 for roof replacement.

## Tenant Overview

A tenant summary is presented in *Figure 23*. The center is 92.8% leased to 38 tenants.

*Figure 23*

### RENAISSANCE III RETAIL TENANT OVERVIEW

Tenant	GLA (SF)	% of GLA	In-Place Base Rent PSF	% of Base Rent	2006 Sales PSF	Occupancy Cost Ratio	Moody's Senior Unsecured Rating <sup>1</sup>
Food For Less	60,560	26.8%	\$9.00	16.9%	\$379	3.0%	Baa2
State of Nevada	38,151	16.9%	\$15.60	18.4%	N/A	N/A	Aa1
Hollywood Video	14,669	6.5%	\$18.72	8.5%	N/A	N/A	NR
The Ritz	12,159	5.4%	\$14.31	5.4%	N/A	N/A	NR
Ace Hardware	11,043	4.9%	\$12.00	4.1%	N/A	N/A	NR
Professional Fitness	10,483	4.6%	\$17.05	5.5%	N/A	N/A	NR
<b>Subtotal Majors</b>	<b>147,065</b>	<b>65.1%</b>	<b>\$12.92</b>	<b>58.7%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
In-Line Tenants	62,641	27.7%	\$21.31	41.3%	N/A	N/A	N/A
Vacant Space	16,267	7.2%	N/A	N/A	N/A	N/A	N/A
<b>Subtotal In-Line</b>	<b>78,908</b>	<b>34.9%</b>	<b>\$21.31</b>	<b>41.3%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Center</b>	<b>225,973</b>	<b>100.0%</b>	<b>\$15.43</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Collateral</b>	<b>225,973</b>	<b>100.0%</b>	<b>\$15.48</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

## Market Overview

A summary of the property's market is presented in *Figure 24*. The population within the three mile trade area was 184,474 as of year-end 2006, which represents a slight decrease since 2000. The average household income within the trade area was \$47,054 in 2006.

*Figure 24*

### RENAISSANCE III RETAIL MARKET OVERVIEW

	Total Inventory (SF)	2005 YE Vacancy	3Q 2006 Vacancy	2005 Effective Rent	3Q 2006 Effective Rent
Competitive Set	804,004	N/A	7.7%	N/A	N/A
East Submarket	6,111,936	5.7%	4.1%	\$18.96	\$20.16
Las Vegas	43,699,236	2.4%	2.7%	\$20.28	\$23.88

Source: CB Richard Ellis

## 8. SCOTTSDALE CENTER

COLLATERAL SUMMARY	
% of Pool	1.4%
Pool Amount	\$38,000,000
Originator	MLML
Shadow Rating	N/A
Property Type	Retail
Location	Rogers, AR
Red-Yellow-Green™	N/A
Size	316,179 SF
Year Built/Renovated	2001-2006 / N/A
Occupancy	84.0% as of 3/8/2007
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$38,000,000	124.6%	1.20X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$38,000,000</b>	<b>124.6%</b>	<b>1.20X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$38,000,000</b>	<b>124.6%</b>	<b>1.20X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.7480%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	5/8/2017
Sponsor	Thomas E. Hopper

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	Taxes, Insurance, Cap Ex, TI/LC
Upfront Reserves	Insurance (\$64,088), Rue 21 Reserve (\$41,944, to be released when tenant is open for business and paying rent)
Other	\$6,000,000 Holdback to be released when property achieves 90% occupancy with a minimum DSCR of 1.20X, and minimum annual rental income of \$3,050,000

### Strengths

- The property is a recently constructed, class A retail center that is part of a larger development that includes hotels, restaurants, and a theater.
- National tenants generate approximately 65% of the in-place base rental income.
- The property is shadow anchored by Kohl's and Lowe's Home Improvements.
- The largest tenant, Belk's (17.5% of the in-place base rent) chose to expand their store by 40,000 SF during 2006.

### Concerns

- The loan has a high Moody's LTV ratio of 124.6%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- The property is only 84.0% occupied. The property has been slow to lease up due to the development of the 980,000 SF Pinnacle Promenade Mall located four miles away. However, the mall is now fully leased up and a road connecting the two properties is expected to be completed by the end of 2007.

## Tenant Overview

A tenant summary is presented in *Figure 25*. The center is 84.0% leased to 15 tenants.

*Figure 25*

### SCOTTSDALE CENTER TENANT OVERVIEW

Tenant	GLA (SF)	% of GLA	In-Place Base Rent PSF	% of Base Rent	2006 Sales PSF	Occupancy Cost Ratio	Moody's Senior Unsecured Rating <sup>1</sup>
Linen 'N Things	32,575	10.3%	\$10.50	12.9%	\$157	8.0%	B3
Barnes & Noble	23,000	7.3%	\$14.57	12.6%	N/A	N/A	NR
Staples	20,388	6.4%	\$14.50	11.1%	N/A	N/A	Baa1
Old Navy	16,298	5.2%	\$15.23	9.4%	\$386	4.5%	Ba1
Petco	15,257	4.8%	\$15.00	8.6%	N/A	N/A	B2
<b>Subtotal Majors</b>	<b>107,518</b>	<b>34.0%</b>	<b>\$13.48</b>	<b>54.7%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
In-Line Tenants	43,303	13.7%	\$17.06	27.8%	N/A	N/A	N/A
Vacant Space	50,744	16.0%	N/A	N/A	N/A	N/A	N/A
<b>Subtotal In-Line</b>	<b>94,047</b>	<b>29.7%</b>	<b>\$17.06</b>	<b>27.8%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Belk (Ground Lease)	114,614	32.6%	\$4.05	17.5%	N/A	N/A	NR
<b>Total Center</b>	<b>316,179</b>	<b>100.0%</b>	<b>\$9.99</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Collateral</b>	<b>316,179</b>	<b>100.0%</b>	<b>\$9.99</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

## Market Overview

A summary of the property's market is presented in *Figure 26*. The population within the three mile trade area was 46,510 as of year-end 2006, which represents an increase of 4.5% since 2000. The average household income within the trade area was \$59,427 in 2006.

*Figure 26*

### SCOTTSDALE CENTER MARKET OVERVIEW

	Total Inventory (SF)	2005 YE Vacancy	2Q 2006 Vacancy	2005 Effective Rent	2Q 2006 Effective Rent
Competitive Set	331,661	N/A	2.0%	N/A	N/A
Rogers / Bentonville Submarket	1,850,000	N/A	11.6%	N/A	\$14.75
Northwest Arkansas	2,033,000	N/A	7.2%	N/A	\$13.50

Source: CB Richard Ellis

## 9. ORLANDO AIRPORT INDUSTRIAL

COLLATERAL SUMMARY	
% of Pool	1.3%
Pool Amount	\$35,000,000
Originator	MLML
Shadow Rating	N/A
Property Type	Industrial
Location	Orlando, FL
Red-Yellow-Green™	Green (77)
Size	493,000 SF
Year Built/Renovated	2001
Occupancy	100% as of 4/1/2007
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$35,000,000	107.3%	1.37X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$35,000,000</b>	<b>107.3%</b>	<b>1.37X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$35,000,000</b>	<b>107.3%</b>	<b>1.37X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.6260%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	5/8/2017
Sponsor	Belterra Capital Fund LLC

STRUCTURAL FEATURES	
Lockbox	Hard
Ongoing Reserves	None
Upfront Reserves	None
Other	Springing cash flow sweep up to maximum of \$5 PSF in the event that the senior unsecured credit rating of the tenant drops below Ba2.

### Strengths

- A strategically located warehouse/distribution center for DaimlerChrysler Corporation (senior unsecured debt rating, **Baa1**).
- The subject is a high quality Class A warehouse/distribution property in excellent condition.
- The property is located adjacent to the airport in the Airport International Park of Orlando (AIPO) and qualifies for Foreign Trade Zones, where foreign and domestic merchandise can be admitted without formal Custom entry or payment of duties.
- Moody's classified the Orlando industrial market as Green (77) in its First Quarter 2007 Red-Yellow-Green™ Update.

### Concerns

- The loan has a high Moody's LTV ratio of 107.3%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- There is single tenant risk. However DaimlerChrysler Corporation is rated **Baa1** and there is a springing cash flow sweep in the event their rating drops below **Ba2**.

## Tenant Overview

A summary of the major tenants is presented in *Figure 27*. The property is 100% occupied by one tenant.

*Figure 27*

### ORLANDO AIRPORT INDUSTRIAL TENANT OVERVIEW

Tenant	NRA (SF)	% of NRA	In-Place Base Rent PSF	% of Base Rent	Lease Expiration	Moody's Senior Unsecured Rating <sup>1</sup>
DaimlerChrysler Corporation	493,000	100.0%	\$5.96	100.0%	8/2016 <sup>2</sup>	Baa1
<b>Total / Average</b>	<b>493,000</b>	<b>100.0%</b>	<b>\$5.96</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> Rating shown is for tenant or parent company even if the parent company does not guarantee the tenant lease.

<sup>2</sup> The tenant has two 5-year renewal options at 12% rental increase for each period.

## Market Overview

A summary of the property's market is presented in *Figure 28*. The property's vacancy and in-place rent of \$5.96 are in-line with the submarket average.

*Figure 28*

### ORLANDO AIRPORT INDUSTRIAL MARKET OVERVIEW

	Total Inventory (SF)	Class A Inventory (SF)	2006YE Vacancy	2005 YE Vacancy	2006 Gross Asking Rent PSF	2005 Gross Asking Rent PSF
Competitive Set	1,059,753	1,059,753	0.0%	N/A	\$6.38	N/A
Southeast/International Airport Submarket	3,191,850	N/A	6.6%	9.5%	\$6.39	\$5.98
Orlando Metro	81,960,000	N/A	7.4%	8.2%	\$6.18	\$8.67

Source: *TortoWheaton Research and Cushman & Wakefield*

## 10. BROADSTONE VISTA RIDGE

COLLATERAL SUMMARY	
% of Pool	1.2%
Pool Amount	\$33,300,000
Originator	PNC
Shadow Rating	N/A
Property Type	Multifamily
Location	Lewisville, TX
Red-Yellow-Green™	Green (80)
Size	372 Units
Year Built/Renovated	2006
Occupancy	90.3% as of 3/19/2007
Ownership	Fee
Purchase Price	\$44.1 million as of 3/2007

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$33,300,000	101.2%	1.38X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$0	N/A	N/A
<b>First Mortgage Balance</b>	<b>\$33,300,000</b>	<b>101.2%</b>	<b>1.38X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$33,300,000</b>	<b>101.2%</b>	<b>1.38X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.7400%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	4/1/2017
Sponsor	U. S Advisor LLC

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	Taxes, Insurance, Cap Ex
Upfront Reserves	Taxes (\$214,529), Insurance (\$34,723), Cap Ex (\$400,000)
Other	None

### Strengths

- The subject is a Class A multifamily property in excellent condition.
- The property is well-located near various retail, educational, and employment centers.
- Moody's classified the Dallas Multifamily market as Green (80) in its First Quarter 2007 Red-Yellow-Green™ Update.

### Concerns

- The loan has a high Moody's LTV ratio of 101.2%.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- The property has offered concessions in order to lease up and maintain occupancy. Moody's accounted for the concessions in its analysis.

## Unit Overview

A summary of the property's unit mix is provided in *Figure 29*.

*Figure 29*

### BROADSTONE VISTA RIDGE UNIT MIX

Unit Type	# of Units	% of Units	Average Monthly Rent / Unit	Average SF / Unit	Average Monthly Rent PSF
1 Bedroom / 1 Bath	24	6.45%	\$763	666	\$1.15
1 Bedroom / 1 Bath	48	12.9%	\$845	735	\$1.15
1 Bedroom / 1 Bath	72	19.4%	\$873	775	\$1.13
1 Bedroom / 1 Bath	8	2.2%	\$848	807	\$1.05
1 Bedroom / 1 Bath	8	2.2%	\$990	857	\$1.16
1 Bedroom / 1 Bath	20	5.4%	\$1,121	928	\$1.21
2 Bedroom / 1 Bath	16	4.3%	\$975	944	\$1.03
2 Bedroom / 1 Bath	8	2.2%	\$1,093	959	\$1.14
2 Bedroom / 2 Bath	48	12.9%	\$1,082	974	\$1.11
2 Bedroom / 1 Bath	8	2.2%	\$1,093	975	\$1.12
2 Bedroom / 2 Bath	48	12.9%	\$1,231	1,089	\$1.13
2 Bedroom / 2 Bath	8	2.2%	\$1,274	1,108	\$1.15
2 Bedroom / 2 Bath	8	2.2%	\$1,150	1,133	\$1.02
2 Bedroom / 2 Bath	16	4.3%	\$1,305	2,478	\$0.53
3 Bedroom / 2 Bath	32	8.6%	\$1,441	1,237	\$1.16
<b>Total / Average</b>	<b>372</b>	<b>100.0%</b>	<b>\$1,037</b>	<b>345,872</b>	<b>\$1.08</b>

## Market Overview

A summary of the property's market is presented in *Figure 30*. Within a five-mile radius, demographic indicators are strong with a population of 187,543 which has grown 20.3% since 2000. The median household income within a five-mile radius was \$76,011 as of 2006.

*Figure 30*

### BROADSTONE VISTA RIDGE MARKET OVERVIEW

	Total Inventory (Units)	Q4 2006 Vacancy Rate	2005 YE Vacancy Rate	2006 Monthly Rent / Unit	2005 Monthly Rent / Unit
Competitive Set	2,035	6.0%	N/A	\$996	N/A
Lewisville Submarket	21,737	5.1%	7.5%	\$717	\$700
Philadelphia Metro	428,840	6.2%	8.0%	\$709	\$707

Source: *TortoWheaton Research and Deverick & Associates, INC*

## APPENDIX A: MOODY'S RED-YELLOW-GREEN™ MARKET SCORE ANALYSIS

### 1. RED-YELLOW-GREEN™ SCORES BY PROPERTY TYPE

Deal Name:		TOTAL Score	Multi	Retail <sup>1</sup>	Ofc-CBD	Ofc-Sub	Ind	Hotel-Full	Hotel-Ltd
MLCFC 2007-7	Subject Pool <sup>2</sup>	66.3	70.4	77.9	68.9	40.8	67.1	53.0	78.0
<b>Total Pool Balance:</b>	Recent Conduits <sup>3</sup>	<b>70.6</b>	80.7	76.4	68.6	56.2	66.4	69.9	72.4
\$2,785,502,677	National Average <sup>4</sup>	<b>74.4</b>	80.8	83.2	72.0	48.2	70.2	65.3	79.3

### 2. RED-YELLOW-GREEN™ SCORE COVERAGE

	Subject Pool (By Balance)	Recent Conduits <sup>5</sup> (By Balance)	Property Types Within Subject Pool						
			Multi	Retail <sup>1</sup>	Ofc-CBD	Ofc-Sub	Ind	Hotel-Full	Hotel-Ltd
Share WITH Scores	67.9%	70.6%	72.6%	74.5%	89.9%	80.6%	73.3%	42.6%	63.1%
Share WITHOUT Scores <sup>6</sup>	32.1%	29.4%	27.4%	25.5%	10.1%	19.4%	26.7%	57.4%	36.9%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### 3. DISTRIBUTION OF POOL WITH RED-YELLOW-GREEN™ SCORES

	Subject Pool <sup>7</sup>	Recent Conduits <sup>8</sup>	67.9% of Subject Pool						
			Multi	Retail <sup>1</sup>	Ofc-CBD	Ofc-Sub	Ind	Hotel-Full	Hotel-Ltd
Red (0-16)	1.9%	0.9%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%
Red (17-33)	3.4%	2.9%	0.1%	0.0%	1.2%	1.7%	0.0%	0.0%	0.3%
Yellow (34-50)	11.9%	6.3%	0.0%	0.0%	0.0%	9.3%	0.9%	1.4%	0.4%
Yellow (51-66)	22.9%	25.9%	6.6%	7.2%	0.8%	5.3%	2.5%	0.3%	0.2%
Green (67-84)	44.3%	45.8%	15.8%	14.2%	6.5%	2.6%	4.5%	0.4%	0.2%
Green (85-100)	15.6%	18.3%	0.3%	11.8%	0.3%	0.0%	0.0%	0.0%	3.2%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>22.9%</b>	<b>33.3%</b>	<b>8.8%</b>	<b>20.8%</b>	<b>8.0%</b>	<b>2.0%</b>	<b>4.3%</b>

### 4. DISTRIBUTION OF POOL WITHOUT RED-YELLOW-GREEN™ SCORES

MSA Ranking	Market Not Covered by R-Y-G Analysis <sup>9</sup>	Other Retail <sup>10</sup>	Self- Storage	Health Care	32.1% of Subject Pool			Subject Pool
					Manufactured Housing	Mixed Use	Other	
Top 10	0.3%	0.0%	1.9%	0.0%	0.8%	11.0%	0.9%	14.9%
11 ----- 25	0.0%	0.0%	1.8%	0.0%	0.4%	5.7%	0.0%	7.9%
26 ----- 50	3.7%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	3.9%
51 ----- 100	12.7%	0.0%	0.9%	0.0%	0.0%	0.4%	0.0%	13.9%
101 ----- 379 <sup>11</sup>	42.9%	0.0%	0.5%	0.0%	2.7%	0.4%	0.0%	46.5%
No MSA	12.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.8%
Undetermined <sup>12</sup>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>72.3%</b>	<b>0.0%</b>	<b>5.1%</b>	<b>0.0%</b>	<b>3.9%</b>	<b>17.8%</b>	<b>0.9%</b>	<b>100.0%</b>

### 5. LOANS IN RED MARKETS (SCORES 0-33)

Loan Name	Property Type	Loan Balance	Share <sup>13</sup>	R-Y-G Market	R-Y-G Score	Stressed DSCR <sup>14</sup>	Stressed LTV Ratio <sup>15</sup>
Carlsbad Corporate Plaza	Office	21,250,000	0.8%	San Diego	0.0	0.83X	130.5%
Meridian Tower	Office	13,800,000	0.5%	Indianapolis	17.9	0.82X	132.0%
Woodbridge Station	Office	2,380,000	0.1%	Baltimore	20.1	0.93X	112.5%
Westminster Professional Center	Office	3,405,000	0.1%	Baltimore	20.1	0.93X	112.5%
#20 Oak Hollow Office Building	Office	10,900,000	0.4%	Detroit	26.4	0.95X	117.4%
Villa La Jolla Building	Office	8,000,000	0.3%	San Diego	0.0	0.90X	123.3%
31225 La Baya Drive	Office	7,385,000	0.3%	Ventura County	0.0	0.92X	121.6%
Aero Building	Office	6,750,000	0.2%	San Diego	33.0	0.83X	134.2%
Buffalo Business Center	Office	6,400,000	0.2%	Las Vegas	23.0	1.00X	111.0%
Springhill Suites - Katy	Hospitality	5,992,342	0.2%	Houston	23.9	1.46X	86.4%
Mesa Ridge	Office	4,800,000	0.2%	San Diego	33.0	0.83X	135.1%
Huffines Building	Office	4,700,000	0.2%	Dallas	18.3	0.91X	122.3%
Laurel Apartments	Multifamily	2,496,606	0.1%	San Antonio	33.1	1.12X	91.8%
Greenspring Valley Office Center	Office	2,000,000	0.1%	Baltimore	20.1	1.17X	95.5%

Footnote definitions begin on the next page

- 1 Retail refers to neighborhood or community shopping centers.
- 2 Scores represent the dollar-weighted average of the properties for which a R-Y-G score was available in the current transaction.
- 3 Scores represent the dollar-weighted average of the properties for which a R-Y-G score was available in all conduit transactions rated by Moody's from the previous quarter. i.e. Fourth Quarter 2006.
- 4 Scores represent the composite average for U.S. commercial real estate, or the weighted average for multifamily, retail, office, and industrial markets as published in Moody's Fourth Quarter 2006 R-Y-G report. For individual property types, the composite score is weighted by the size of the component markets. The overall total score for the U.S. commercial real estate market is an average based on a fixed weighting among property types according to their approximate shares of CMBS collateral.
- 5 Refers to all conduit and fusion transactions rated by Moody's from the previous quarter. i.e. Fourth Quarter 2006
- 6 Percentages represent the share of the total pool balance for which a R-Y-G score was NOT available. No R-Y-G score can be calculated for properties in markets for which data was not available; for regional malls or power centers; or for less common properties types such as self-storage, health-care facilities, manufactured housing, etc. Please refer to table 4 for a distribution of loans with no R-Y-G scores.
- 7 The distribution among the six color/score categories for which a R-Y-G score can be calculated in the current transaction. These six categories total 100% and do NOT include the share of the pool that does not have a score.
- 8 The distribution among the six color/score categories for which a R-Y-G score can be calculated in all conduit transactions rated by Moody's from the previous quarter. i.e. Fourth Quarter 2006. These six categories total 100% and do NOT include the share of the pool that does not have a score.
- 9 Multifamily, Retail, Office, Industrial, and Hotel properties that are not located in major MSA would not be part of the analysis.
- 10 Other Retail refers to regional malls or power centers.
- 11 There are only 379 MSAs in the U.S.
- 12 The category includes loans in portfolios with various property types or are located in various MSAs.
- 13 Percentages represent the loan's share of the total pool balance in the current transaction.
- 14 Stressed DSCR = Moody's NCF / 9.25% Stressed Rate X Loan Balance
- 15 Stressed LTV = Current Balance / (Moody's NCF / Moody's Cap Rates)

Doc ID# SF99350

© Copyright 2007, Moody's Investors Service, Inc. and/or its licensors and affiliates including Moody's Assurance Company, Inc. (together, "MOODY'S"). All rights reserved. **ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY COPYRIGHT LAW AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.** All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind and MOODY'S, in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The credit ratings and financial reporting analysis observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. **NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.** Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding or selling.

MOODY'S hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MOODY'S have, prior to assignment of any rating, agreed to pay to MOODY'S for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,400,000. Moody's Corporation (MCO) and its wholly-owned credit rating agency subsidiary, Moody's Investors Service (MIS), also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually on Moody's website at [www.moody's.com](http://www.moody's.com) under the heading "Shareholder Relations — Corporate Governance — Director and Shareholder Affiliation Policy."