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Presale: Wachovia Bank Commercial Mortgage Trust

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\$3.602 Billion Commercial Mortgage Pass-Through Certificates Series 2007-C33

This presale report is based on information as of Aug. 3, 2007. The ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final ratings that differ from the preliminary ratings.

Preliminary Ratings As Of Aug. 3, 2007

Class	Preliminary rating*	Preliminary amount (\$)	Recommended credit support (%)
A-1	AAA	14,392,000	30.000
A-2	AAA	392,072,000	30.000
A-3	AAA	327,795,000	30.000
A-PB	AAA	67,641,000	30.000
A-4	AAA	998,844,000	30.000
A-5	AAA	156,000,000	30.000
A-1A	AAA	564,743,000	30.000
IO†	AAA	3,602,123,586\$	N/A
A-M	AAA	360,212,000	20.000
A-J	AAA	247,646,000	13.125
B	AA+	36,022,000	12.125
C	AA	40,523,000	11.000
D	AA-	36,022,000	10.000
E	A+	31,518,000	9.125
F	A	27,016,000	8.375
A-2FL**	AAA	TBD	30.000
A-5FL**	AAA	TBD	30.000
A-MFL**	AAA	TBD	20.000

G	A-	36,021,000	7.375
H	BBB+	40,524,000	6.250
J	BBB	49,530,000	4.875
K	BBB-	36,021,000	3.875
L	BB+	27,016,000	3.125
M	BB	13,508,000	2.750
N	BB-	9,005,000	2.500
O	B+	13,508,000	2.125
P	B	9,005,000	1.875
Q	B-	9,006,000	1.625
S	NR	58,533,586	0.000

*The rating of each class of securities is preliminary and subject to change at any time. ¶Interest-only class. §Notional amount.

**Floating-rate class. N/A—Not applicable. NR—Not rated. TBD—To be determined.

Profile

Expected closing date	Aug. 22, 2007.
Collateral	151 loans secured by 330 properties.
Underwriters	Wachovia Capital Markets, LLC and Barclays Capital Inc.
Sellers	Wachovia Bank N.A., Barclays Capital Real Estate Inc., Nomura Credit & Capital Inc., and Artesia Mortgage Capital Corp.
Master servicer	Wachovia Bank N.A., pursuant to the pooling and service agreement (PSA) for the subject transaction for all loans except the 666 Fifth Avenue loan, which will be master serviced by Bank of America under the PSA for the GECMC 2007-C1 transaction; the ING Hospitality Portfolio loan, which will be master serviced by Wachovia Bank N.A. under the PSA for the WBCMT 2007-C32 transaction; and the Sawgrass Mills loan, which is expected to be master serviced by Wells Fargo under the PSA for the JPMCC 2007-LDP12 transaction.
Special servicer	LNR Partners Inc., pursuant to the PSA for the subject transaction for all loans except the 666 Fifth Avenue loan, which will be specially serviced by LNR Partners Inc. under the PSA for the GECMC 2007-C1 transaction; the ING Hospitality Portfolio loan, which will be specially serviced by CWC Capital Asset Management LLC under the PSA for the WBCMT 2007-C32 transaction; and the Sawgrass Mills loan, which is expected to be specially serviced by J.E. Robert Co. Inc. under the PSA for the JPMCC 2007-LDP12 transaction.
Depositor	Wachovia Commercial Mortgage Securities Inc.
Trustee	Wells Fargo Bank, N.A.

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Rationale

The preliminary ratings assigned to Wachovia Bank Commercial Mortgage Trust's \$3.602 billion commercial mortgage pass-through certificates series 2007-C33 reflect the credit support provided by the subordinate classes of certificates, the liquidity provided by the trustee, the economics of the underlying loans, and the geographic and property type diversity of the loans. Classes A-1, A-2, A-3, A-PB, A-4, A-5, A-1A, IO, A-M, A-J, B, C, D, E, and F are currently being offered publicly. Standard & Poor's Ratings Services' analysis determined that, on a weighted average basis, the pool has a debt service coverage (DSC) of 1.22x, a beginning LTV of 115.5%, and an ending LTV of 112.6%. The rated final maturity date for these certificates is February 2051.

Unless otherwise indicated, all calculations in this report, including weighted averages, do not include nonpooled subordinate B notes relating to Sawgrass Mills (7.4%), Central/Eastern Industrial Pool (2.5%), the Renaissance (2.3%), Nordic Cold Storage Pool (1.5%), 4929 Wilshire (0.9%), Deerwood MHP I (0.4%), and Deerwood MHP II (0.4%) or the non-trust pari passu components of 666 Fifth Avenue (7.9%), ING Hospitality Pool (7.9%), Sawgrass Mills (7.4%), Potomac Mills (4.6%), and 84 Lumber Industrial Pool (2.1%).

When calculating the number of loans, Standard & Poor's considers each group of cross-collateralized and cross-defaulted loans to be one loan.

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Strengths

The transaction exhibits the following strengths:

- Loans representing 99.9% of the pool balance have borrowing entities that are structured as special-purpose entities (SPEs). In addition, loans representing 76.1% of the pool have borrowers that are structured as bankruptcy-remote SPEs with both a nonconsolidation opinion and an independent director, including nine of the top 10 loans;
- Fifteen loans (29.5%) are secured by multiple cross-collateralized assets including four of the top 10 loans (21.3%);

- Two loans representing 1.1% of the pool balance have a pooled trust balance with credit characteristics consistent with obligations rated investment grade by Standard & Poor's: High Bluff Ridge at Del Mar ('A') and Lawndale Estates ('AAA'); and
- The weighted average quality score for the assets securing mortgages in the pool is 2.83, an above-average score on Standard & Poor's scale of 1 (highest) to 5 (lowest).

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Concerns And Mitigating Factors

This transaction exhibits the following concerns and mitigating factors:

- The pool has asset concentrations in relatively less stable asset classes (50.7% of the pool balance), including office (24.6%), hotel (17.6%), mixed-use (4.5%), single tenant retail (2.3%), and unanchored retail (1.7%). The capital structures for these loans take into account the property type, and the credit support levels for the trust pool take into account asset class concentrations;
- The pool exhibits geographic concentration, with 73.6% of the mortgaged properties concentrated in eight states. The largest concentrations are in New York (21.6%), Florida (11.7%), California (8.8%; 7.9% in Southern California and 0.9% in Northern California), Texas (8.4%), Washington (6.4%), Missouri (6.0%), Virginia (5.6%), and Georgia (5.1%). The remaining assets are dispersed throughout 31 states and the District of Columbia, with no other state concentrations accounting for more than 5.0% of the pool balance;
- Eleven loans (17.6%) have existing subordinate/mezzanine debt. Thirty-four loans (52.1%) permit the borrower to incur future subordinate/mezzanine debt. All future debt is conditional upon meeting specific DSC and LTV hurdles, requires lender consent, and/or is subject to subordination and standstill agreements. In addition, all existing and potential secondary debt has been factored into the subordination levels;
- The pool exhibits loan and sponsor concentration as the top 10 loans represent 51.5% of the pool balance and the top 10 sponsors represent 55.8% of the pool. However, nine of the top 10 loans (46.0%) are structured with bankruptcy-remote SPE borrowers with nonconsolidation opinions and independent directors, and four of the top 10 loans (21.3%) are secured by multiple cross-collateralized assets; and
- Of the loans in the pool, 29.3% have partial interest-only (IO) periods, and 67.3% are IO for their entire term. Standard & Poor's took the IO structure into account when sizing levels.

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Pool Characteristics

The pool characteristics are described below.

Collateral description

The pool contains 151 conventional fixed-rate loans secured by liens on 330 properties. By property type, the pool has the following composition: retail (28.9%), office (24.6%), hotel (17.6%), multifamily (14.1%), mixed-use (4.5%), warehouse (4.4%), industrial (3.2%), mobile home park (1.8%), and self-storage (0.9%).

Hard lockboxes are in place for loans representing 24.9% of the total pool balance. Loans representing 25.5% have springing lockboxes for cash management that are triggered by certain conditions, including minimum DSC tests or events of default under the loan documents. Finally, loans representing 21.7% of the pool balance have soft lockboxes in place.

Monthly tax escrows have been established for 98 loans (55.1%), and another 21 loans (26.9%) have springing monthly tax escrows. Monthly insurance premium escrows have been established for 75 loans (31.8%), and 71 loans (56.0%) have springing monthly insurance escrows. Monthly capital reserves have been established for 86 loans (62.4%), and 32 loans (19.4%) have springing monthly capital reserves. Springing reserves are generally triggered by a combination or solely by an event of default or violating DSC tests.

Up-front real estate tax reserves have been established for 107 loans (53.8% of the pool balance), up-front insurance reserves have been established for 88 loans (39.1%), and up-front capital expenditure reserves have been established for 13 loans (4.5%).

A reserve for up-front repairs has been established for 25 loans (23.7%), for which remediation of existing deferred maintenance items is necessary.

Monthly leasing reserves have been established for loans representing 6.8% of loans collateralized by office, retail, industrial, mixed-use, and special purpose properties. Up-front leasing reserves have been established for loans representing 17.6% of loans collateralized by office, retail, industrial, mixed-use, and special purpose properties.

One hundred and four properties (12.7%) are leased to single tenants. The tenants occupying 92 of these properties, which secure 10.1% of the pool balance, have leases that expire after the respective loan maturity. In addition, 22 of these single-tenant properties (30.2% of the single tenant component) are occupied by tenants rated investment grade by Standard & Poor's.

Geographic diversity

The pool consists of properties located in 39 states and the District of Columbia. The largest concentrations are in New York (21.6%), Florida (11.7%), California (8.8%; 7.9% in Southern California and 0.9% in Northern California), Texas (8.4%), Washington (6.4%), Missouri (6.0%), Virginia (5.6%), and Georgia (5.1%). The remaining assets are dispersed throughout 31 states and the District of Columbia, with no other state concentrations more than 5.0% of the pool balance.

Loan sellers

Wachovia Bank N.A. contributed 77 loans (56.7% of the pool balance), Barclays Capital Real Estate Inc. contributed 33 loans (20.1%), Nomura Credit & Capital contributed 14 loans (17.7%), and Artesia Mortgage Capital Corp. contributed 27 loans (5.4%).

Loan origination dates

All of the loans were originated within 12 months of the cutoff date.

Hyperamortizing loans

Twenty-three loans (6.7% of the pool balance) were structured as hyperamortizing loans. All of the hyperamortizing loans were structured with some form of cash management.

IO loans

Of the loans in the pool, 29.3% have partial IO periods during, and 67.3% are IO for their entire term.

Collateral quality

The pool has a DSC of 1.22x on a weighted average coupon of 5.93%. Standard & Poor's DSC reflects adjustments made to the net cash flow (NCF) of the properties based on the bankers' underwriting, historical, and projected operating statements, and the assets' competitive positions in their respective markets.

Standard & Poor's adjusted the NCF of the pool downward by 15.0% on a weighted average basis. This decrease reflects adjustments to rental rates, expense reimbursement ratios, parking and other income levels, occupancy levels, operating expenses, capital expenditure reserves, and tenant improvement and leasing commission (TI/LC) assumptions.

Standard & Poor's weighted average beginning LTV for the pool is 115.5%, and the weighted average ending LTV is 112.6%. The weighted average capitalization rate applied to Standard & Poor's NCF is 9.0%. Capitalization rates are a function of asset type, quality, tenancy, position in the competitive set, and current and future market conditions.

Properties

Standard & Poor's inspected assets representing 57.2% of the total pool and re-underwrote cash flows and derived asset values for assets representing 75.3% of the pool. The weighted average quality score for the inspected properties is 2.83, an above-average score on Standard & Poor's scale of 1 (highest) to 5 (lowest).

Borrower loan concentrations

The largest sponsor is Simon Property Group, the sponsor of the Sawgrass Mills loan (7.4%), the Independence Mall loan (5.6%), and the Potomac Mills loan (4.6%). The top five sponsors represent 42.9% of the pool, and the top 10 sponsors represent 55.8% of the pool.

The top five loans represent 36.0% of the pool balance, and the top 10 loans account for 51.5% of the pool balance.

Nine of the top 10 loans (46.0%) have bankruptcy-remote SPE borrowers with nonconsolidation opinions and independent directors.

Four of the top 10 loans (21.3%) are secured by multiple cross-collateralized assets.

Leasehold interests

Nine loans (18.8%) are secured in whole or in part by a mortgage lien on the borrower's leasehold interest pursuant to a ground lease. All of the loans have ground leases with maturities including extension periods that are at least 20 years beyond the maturity date of the related loan, and afford the lender notice and cure rights.

Tenancies-in-common

Of the loans, 26 (13.9%) are owned by individuals or entities as tenants-in-common, which generally conform to Standard & Poor's criteria.

Participations

The 666 Fifth Avenue loan, the largest loan in the pool, has a trust balance of \$285.5 million (7.9% of the pooled trust balance) and a whole-loan balance of \$1.215 billion. The whole loan consists of an A-5 and an A-6 note aggregating \$285.5 million that are being contributed to the subject transaction, an A-1 and an A-2 note aggregating \$249.0 million that were contributed to the GECMC 2007-C1 transaction, an A-3 and an A-4 note aggregating \$395.0 million that were contributed to the WBCMT 2007-C31 transaction, and two additional notes aggregating \$285.5 million that will be included in future transactions. The loan will be serviced pursuant to the pooling and service agreement (PSA) for the GECMC 2007-C1 transaction.

The second-largest loan in the pool, the ING Hospitality Pool loan, has a trust balance of \$283.85 million (7.9% of the pooled trust balance) and a whole-loan balance of \$567.7 million. The whole loan is divided into two pari passu notes: a \$283.85 million A-2 note that is being contributed to this transaction and a \$283.85 million A-1 note that was contributed in the WBCMT 2007-C32 transaction. The loan will be serviced pursuant to the PSA for the WBCMT 2007-C32 transaction.

The third-largest loan in the pool, the Sawgrass Mills loan, has a trust balance of \$265.3 million and whole-loan balance of \$850.0 million (7.4% of the pooled trust balance). The whole loan is divided into three pari passu pieces: a \$265.3 million A-1 piece that is being contributed to this transaction, and a \$150.0 million A-2 note and a \$404.7 million A-3 note that will be included in future transactions. Finally, there is a \$30.0 million subordinate B note that will be held outside of the trust. The loan will be serviced pursuant to the PSA for the JPMCC 2007-LDP12 transaction.

The sixth-largest loan in the pool, the Potomac Mills loan, has a trust of \$164.0 million (4.6% of the pooled trust balance) and a whole-loan balance of \$410.0 million. The whole loan is divided into two pari passu pieces: a \$164.0 million A-1 note that will be contributed to this transaction and a \$246.0 million A-2 note that will be contributed to a future transaction. The loan will be serviced pursuant to the PSA for this transaction.

The 11th-largest loan in the pool, the 84 Lumber Industrial Pool loan, has a trust balance of \$75.0 million (2.1% of the pooled trust balance) and a whole-loan balance of \$150.0 million. The whole loan is divided into two equal pari passu pieces: a \$75.0 million A-1 note that will be contributed to this transaction and a \$75.0 million A-2 note that will be contributed to a future transaction. The loan will be serviced pursuant to the PSA for this transaction.

A/B loans

Seven loans (15.4% of the pool balance) are structured with one or more subordinate B notes: the Sawgrass Mills (7.4%), Central/Eastern Industrial Pool (2.5%), the Renaissance (2.3%), Nordic Cold Storage Pool (1.5%), 4929 Wilshire (0.9%), Deerwood MHP I (0.4%), and Deerwood MHP II (0.4%) loans.

The B notes are not included in the trust, but will be serviced and administered pursuant to the PSA for this transaction, except the ING Hospitality Portfolio loan, which will be serviced and administered pursuant to the PSA for the WBCMT 2007-C32 transaction, and the Sawgrass Mills loan, which will be serviced and administered pursuant to the PSA for the JPMCC 2007-LDP12 transaction. Standard & Poor's believes the relative rights in a bankruptcy are more favorable when a loan is structured as participation rather than with separate notes. These A/B loans are subject to intercreditor agreements that generally conform to Standard & Poor's criteria.

Additional indebtedness

Eleven loans (17.6%) have existing subordinate/mezzanine debt. Thirty-four loans (52.1%) permit the borrower to incur future subordinate/mezzanine debt.

All future debt is conditional upon meeting specific DSC and LTV hurdles, requires lender consent,

and/or is subject to subordination and standstill agreements. In addition, all existing and potential secondary debt has been factored into the subordination levels.

Terrorism insurance coverage

Loans representing 99.0% of the pool have insurance coverage for acts of terrorism, contain express requirements that terrorism coverage be in place, or have coverage that does not specifically exclude acts of terrorism. The loan documents generally require the related borrower to maintain insurance against damage from terrorism and other acts of sabotage. However, the requirements may contain certain qualifications, such as the availability of insurance at commercially reasonable rates and the possibility of the expiration of the Terrorism Risk Insurance Act of 2002, which could prevent terrorism-related coverage from being obtained by the applicable borrower.

Environmental review

Phase I environmental site assessments and/or updates of previous site assessments were prepared for all of the properties during the past 12 months.

One property (0.2% of the pool balance) required a phase II assessment. The report was completed and concluded that an underground storage tank (UST) should be removed or abandoned properly and that the cesspool and leaching pools should be remediated in accordance with applicable regulations. The estimated costs for the remediation are \$16,700. At loan closing, \$20,900, or 125% of the engineer recommended amount, was escrowed to cover the costs.

Structural review

Independent, licensed engineers prepared engineering reports for all of the properties in the pool. The reports identified both deferred maintenance items to be corrected immediately and long-term capital expenditure needs.

One hundred and eleven properties (49.0%) were identified as needing immediate repairs. Escrows totaling \$5.9 million were established at closing for repairs. Generally, the loan sellers' requirements for up-front, deferred maintenance reserves are 125% of the recommended amount as indicated in the reports.

All of the engineering reports were completed within 12 months of the cutoff date.

Seismic review

Thirty-nine properties (14.0% of the pool) are located in seismic zones 3 or 4. Seismic studies were completed for all of these properties. All but seven (3.4%) of the inspected properties had a probable maximum loss (PML) less than 20%. Earthquake insurance has been obtained for all seven of the properties with a PML exceeding 20%.

Hurricane and flood review

Generally, the originators require wind insurance for all properties in coastal areas. The loans secured by properties in Federal Emergency Management Agency-designated flood zones are required to comply with flood insurance regulations. There are 128 loans (92.2%) and 58 loans (56.7%) collateralized by properties that have wind damage insurance and flood insurance, respectively.

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Top Seven Loans

666 Fifth Avenue

The largest loan in the pool, the 666 Fifth Avenue loan, has a trust balance of \$285.5 million (7.9% of the pooled trust balance) and a whole-loan balance of \$1.215 billion. The whole loan consists of an A-5 and an A-7 note aggregating \$285.5 million that are being contributed to the subject transaction, an A-1 and an A-2 note aggregating \$249.0 million that were contributed to the GECMC 2007-C1 transaction, an A-3 and an A-4 note aggregating \$395.0 million that were contributed to the WBCMT 2007-C31 transaction, and two additional notes aggregating \$285.5 million that will be included in future transactions. In addition to the first mortgage, there is a \$335.0 million senior mezzanine loan and a \$200.0 million junior mezzanine loan secured by a pledge of the equity interests of the borrower and subject to a subordination and intercreditor agreement. Provided the junior mezzanine loan has been paid off, the borrower is also permitted to incur future junior mezzanine debt secured by a pledge of the equity interests of the borrower, subject to an LTV test, an acceptable subordination and intercreditor agreement, and rating agency confirmation. The 10-year, IO, fixed-rate loan bears interest at 6.353% and matures in February 2017.

The loan is secured by a first mortgage encumbering the fee interest in 666 Fifth Avenue, a 39-story, 1,549,623-sq.-ft., class A office building located in Midtown Manhattan. Built in 1957 and renovated at a cost of \$40.0 million in 1999, the property is located on Fifth Avenue between West 52nd Street and West 53rd Street and comprises 69,087 sq. ft. of retail and storage space, 1,367,545 sq. ft. of office space, 17,478 sq. ft. of parking garage space that includes 90 spaces, and an additional 95,513 sq. ft. of Fifth Avenue retail space. With regard to the Fifth Avenue retail space, it can be released in exchange for the pay down of both the existing \$335.0 million senior mezzanine loan and the \$200.0 million junior mezzanine loan, which is expected to occur.

As of January 2007, the subject, not including the Fifth Avenue retail space, was 98.3% leased, with tenants paying weighted average rents of \$48.99. Table 1 lists the major tenants at the subject.

Table 1

666 Fifth Avenue Major Tenants

Tenant	Standard & Poor's rating	Sq. ft. (as remeasured)	Property NRA (%)*	Base rent per sq. ft. (\$)	Lease expiration
Citibank N.A.	AA+	365,070	25.1	44.47	August 2007, August 2009, and August 2014
Orrick, Herrington & Sutcliffe	NR	239,464	16.5	44.79	March 2010
Fulbright & Jaworski LLP	NR	139,177	9.6	51.93	December 2016
Vinson & Elkins	NR	73,858	5.1	71.94	December 2010
Phillips Nizer LLP	NR	63,477	4.4	58.35	December 2010

*Percentages do not include the Fifth Avenue retail space. NRA—Net rentable area. NR—Not rated.

The sponsors of the bankruptcy-remote SPE borrower are Jared Kushner and George Gellert. Jared Kushner is a principal of the New York division of Kushner Cos. Kushner Cos. is a private real estate organization involved in the ownership, development, redevelopment, and management of single and multifamily housing, commercial, retail, industrial, and hotel properties throughout the Northeast and Mid-Atlantic regions. Headquartered in Florham Park, N.J., with executive offices in Manhattan, the company manages its residential and commercial portfolios through its corporate offices and operating divisions. Principals of the Kushner Cos. are involved in ownership of more than 25,000 apartment units. The Kushner Cos.' commercial portfolio consists of nearly 6.5 million sq. ft. of office, industrial, and retail space and thousands of acres of land suitable for development. Properties are located in New Jersey, New York, Pennsylvania, Maryland, and Delaware. George Gellert is a real estate developer and the president and chairman of the board of Atalanta Corp., a food importer and international trading company located in Elizabeth, N.J. The loan is structured with a hard lockbox for cash management.

The following points summarize Standard & Poor's cash flow analysis and assumptions for this loan and do not include the Fifth Avenue retail component:

- Gross potential rent (GPR) was based on leases in place as of January 2007, with consideration given to the appraiser's analysis of market rents;
- Expense reimbursements were based on the tenants' contractual obligations;
- Other income and percentage rent were based on the property's historical performance and contractual amounts;
- A vacancy of 5.0% was assumed;
- Operating expenses, other than property taxes and insurance premiums, were based on the property's historical performance and appraisal estimates;
- Real estate taxes and insurance premium expenses were based on actual amounts;
- A management fee of \$1.3 million was assumed;
- Replacement reserves were underwritten at \$0.35 per sq. ft.;
- TI expenses were estimated at \$40.00 per sq. ft. for new leases and \$20.00 per sq. ft. for renewal leases;
- LCs expenses were estimated at 4.0% for new leases and 2.0% for renewal leases;
- TI/LC assumptions were based on the weighted average in-place lease term of 13.1 years, with LC expenses capped at 10 years;
- A 65% renewal probability was assumed for all tenants;
- Based on these assumptions, Standard & Poor's NCF variance was 50.6%;
- Standard & Poor's applied an 8.00% capitalization rate to NCF and gave credit for rent steps for investment-grade tenants, resulting in a final value of \$996.8 million, or \$686 per sq. ft.; and

- The quality score for this asset is 2.50, an above-average score.

This loan exhibits the following strengths:

- The property is well-located on Fifth Avenue between 52nd Street and 53rd Street in desirable Midtown Manhattan, in close proximity to Rockefeller Center and major transportation routes; and
- The property benefits from strong sponsorship and management.

This loan exhibits the following concern and mitigating factor:

- In addition to the A note, the property is encumbered by \$535.0 million of mezzanine financing secured by a pledge of equity interests of the borrower, and the borrower has the ability to incur future junior mezzanine debt subject to the existing \$200 million of junior mezzanine debt being paid off, an LTV test, an acceptable subordination and intercreditor agreement, and rating agency confirmation. Standard & Poor's took the loan structure and all additional debt into consideration when sizing the loan's capital structure.

ING Hospitality Pool

The second-largest loan in the pool, the ING Hospitality Pool loan, has a trust balance of \$283.85 million (7.9% of the pooled trust balance) and a whole-loan balance of \$567.7 million. The whole loan is divided into two pari passu notes: a \$283.85 million A-2 note that is being contributed to this transaction and a \$283.85 million A-1 note that was contributed in the WBCMT 2007-C32 transaction. In addition to the first mortgage, the borrower is permitted to incur future mezzanine debt secured by a pledge of equity interests of the borrower up to 80% of the appraised value at the time of such financing. The future mezzanine debt will be subject to an LTV and DSC test and rating agency confirmation. The five-year, fixed-rate, IO loan bears interest at 5.663% and matures in June 2012.

The loan is secured by a first mortgage encumbering the fee interests in 46 cross-collateralized and cross-defaulted extended-stay hotel properties located in 18 states. The portfolio includes 5,796 rooms, and consists of 32 Residence Inns by Marriott (77.9% of the allocated loan amount) and 14 Homewood Suites by Hilton (22.1%). Details of the mortgaged properties are described in tables 2, 3, and 4, below.

Table 2

ING Hospitality Portfolio

Property	Location	Allocated loan amount (\$)	Year built/renovated	Rooms	Occupancy (%)	ADR (\$)	RevPAR (\$)
Residence Inn La Jolla-San Diego	La Jolla, Calif.	28,759,000	1986/2003	288	79.8	147	117
Residence Inn Seattle East/Redmond	Redmond, Wash.	17,819,000	1998	180	66.3	188	125
Residence Inn Long Beach	Long Beach, Calif.	15,324,000	1987/2006	216	74.5	128	95
Residence Inn Costa Mesa-Newport Beach	Costa Mesa, Calif.	13,578,000	1986	144	82	140	115
Residence Inn Pasadena-Arcadia	Arcadia, Calif.	11,760,500	1989	120	80	148	118
Residence Inn Irvine-Spectrum	Irvine, Calif.	10,620,000	1989/2003	112	83.9	139	117
Homewood Suites Dulles International Airport	Herndon, Va.	10,156,500	1998/2006	109	80.5	150	121
Residence Inn Concord-Pleasant Hill	Pleasant Hill, Calif.	9,337,000	1989	126	87	124	108
Residence Inn San Ramon	San Ramon, Calif.	7,982,500	1989	106	82.2	133	109
Homewood Suites Baltimore-BWI Airport	Linthicum, Md.	7,662,000	1998/2006	147	79.3	119	94
Residence Inn St. Louis Galleria	St. Louis, Mo.	6,842,500	1986/2005	152	81.1	108	88
Residence Inn Bakersfield	Bakersfield, Calif.	6,272,000	1990/2004	114	83.8	110	92
Residence Inn Boulder	Boulder, Colo.	6,022,500	1986/2003	128	76.3	117	89
Residence Inn Atlanta Airport-Hapeville	Hapeville, Ga.	5,951,500	1990	126	79.7	112	89
Residence Inn Chicago-Deerfield	Deerfield, Ill.	5,951,500	1989/2004	128	77.4	114	88

Homewood Suites Philadelphia-Great Valley	Malvern, Pa.	5,916,000	1998	123	86.9	107	93
Residence Inn Houston-Clear Lake	Houston, Texas	5,630,500	1989/2003	110	81.2	107	87
Residence Inn Santa Fe	Santa Fe, N.M.	5,559,500	1986/2006	120	68.7	100	69
Residence Inn Placentia-Fullerton/Anaheim	Placentia, Calif.	5,452,500	1988/2003	112	81.6	105	86
Homewood Suites Richmond-West End	Glen Allen, Va.	5,132,000	1998	123	74	99	73
Residence Inn Atlanta-Buckhead	Atlanta, Ga.	5,096,000	1987/2004	136	74.1	109	81
Homewood Suites Portland – Beaverton	Beaverton, Ore.	4,918,000	1998	123	79	89	70
Residence Inn Cincinnati-North/Sharonville	Cincinnati, Ohio	4,739,500	1985	144	78.5	91	71
Residence Inn Chicago-Lombard	Lombard, Ill.	4,561,500	1987/2006	144	76.7	95	73
Residence Inn Jacksonville-Baymeadows	Jacksonville, Fla.	4,526,000	1986/2004	112	77.8	105	82
Homewood Suites Dallas-Irving/Las Colinas	Irving, Texas	4,419,000	1989/2005	136	78.8	95	75
Homewood Suites Clearwater	Clearwater, Fla.	4,383,500	1998/2006	112	77.7	104	81
Residence Inn Dallas-Los Colinas	Irving, Texas	4,383,500	1989/2007	120	72	106	76
Residence Inn Boca Raton	Boca Raton, Fla.	4,027,000	1988/2005	120	70.6	101	71
Residence Inn Clearwater-St. Petersburg	Clearwater, Fla.	3,920,000	1986/2004	88	79.6	113	90
Residence Inn Birmingham-Iverness	Birmingham, Ala.	3,813,000	1986/2004	128	72.7	95	69
Residence Inn Atlanta-Cumberland	Smyrna, Ga.	3,670,500	1986/2006	130	75.4	88	66
Homewood Suites Dallas-Addison	Addison, Texas	3,528,000	1989/2006	120	74.6	92	69
Homewood Suites St. Louis-Chesterfield	Chesterfield, Mo.	3,385,500	2000	145	69.7	84	59
Residence Inn Montgomery	Montgomery, Ala.	3,350,000	1990/2006	94	77.7	94	73
Homewood Suites Atlanta-Buckhead	Atlanta, Ga.	3,314,500	1997/2006	92	75.2	113	85
Residence Inn Cincinnati-Blue Ash	Blue Ash, Ohio	3,029,000	1989/2006	118	73.5	95	70
Residence Inn St. Louis-Chesterfield	Chesterfield, Mo.	3,029,000	1986/2006	104	76.9	94	72
Residence Inn Philadelphia-Valley Forge	Berwyn, Pa.	2,993,500	1988/2003	88	69.1	127	88
Residence Inn Boston-North Shore	Danvers, Mass.	2,922,000	1989/2006	96	79.8	103	82
Homewood Suites Salt Lake City-Midvale/Sandy	Midvale, Utah	2,886,500	1996	98	75	90	68
Homewood Suites Dallas – Plano	Plano, Texas	2,744,000	1997/2006	99	78	97	76
Homewood Suites-Atlanta-Cumberland/Galleria	Atlanta, Ga.	2,530,000	1990/2006	124	67.3	95	64
Residence Inn Memphis-East	Memphis, Tenn.	2,245,000	1986/2007	105	67.3	95	64
Residence Inn Atlanta – Dunwoody/Perimeter	Atlanta, Ga.	2,067,000	1984/2002	144	45.4	97	44
Homewood Suites Atlanta-Peachtree Corners/Norcross	Atlanta, Ga.	1,639,500	1989	92	78.2	80	63
Totals/avg.	—	283,850,000	—	5,796	76.2	110	84

ADR-Average daily rate. RevPAR-Revenue per available room.

Table 3

ING Hospitality Pool

Subject penetration for TTM December 2006

Property	Occ. (%)	ADR (\$)	RevPAR (\$)
Homewood Suites Atlanta-Buckhead	108.0	103.3	111.6

Homewood Suites-Atlanta-Cumberland/Galleria	106.3	99.6	105.9
Homewood Suites Atlanta-Peachtree Corners/Norcross	146.8	98.7	144.9
Homewood Suites Baltimore-BWI Airport	103.2	112.2	115.8
Homewood Suites Clearwater	114.9	118.5	136.2
Homewood Suites Dallas-Addison	111.0	110.1	122.2
Homewood Suites Dallas-Irving/Las Colinas	118.6	109.3	129.6
Homewood Suites Dallas – Plano	113.5	117.3	133.1
Homewood Suites Dulles International Airport	108.5	112.6	122.2
Homewood Suites Philadelphia - Great Valley	123.6	93.9	116.1
Homewood Suites Portland – Beaverton	112.9	98.9	111.7
Homewood Suites Richmond- West End	103.1	105.1	108.4
Homewood Suites Salt Lake City-Midvale/Sandy	101.0	102.1	103.1
Homewood Suites St. Louis - Chesterfield	101.7	96.4	98.0
Residence Inn Atlanta Airport - Hapeville	107.4	140.2	150.6
Residence Inn Atlanta-Buckhead	108.2	107.6	116.4
Residence Inn Atlanta-Cumberland	126.0	96.3	121.3
Residence Inn Atlanta – Dunwoody/Perimeter	75.1	97.9	73.5
Residence Inn Bakersfield	118.1	121.0	142.9
Residence Inn Birmingham-Iverness	108.1	150.8	163.0
Residence Inn Boca Raton	99.4	88.3	87.8
Residence Inn Boston-North Shore	128.8	118.4	152.5
Residence Inn Boulder	121.1	120.0	145.3
Residence Inn Chicago-Deerfield	110.3	100.6	111.0
Residence Inn Chicago-Lombard	131.7	109.5	144.2
Residence Inn Cincinnati-Blue Ash	114.0	111.8	127.5
Residence Inn Cincinnati-North/Sharonville	122.6	106.4	130.4
Residence Inn Clearwater-St. Petersburg	116.5	137.4	160.1
Residence Inn Concord-Pleasant Hill	138.9	107.9	149.9
Residence Inn Costa Mesa-Newport Beach	108.3	119.9	129.9
Residence Inn Dallas-Los Colinas	100.1	120.6	120.7
Residence Inn Houston-Clear Lake	123.0	114.7	141.1
Residence Inn Irvine-Spectrum	110.3	133.9	147.7
Residence Inn Jacksonville-Baymeadows	113.6	103.5	117.6
Residence Inn La Jolla-San Diego	107.2	106.1	113.7
Residence Inn Long Beach	90.8	118.0	107.1
Residence Inn Memphis-East	104.8	106.9	112.0
Residence Inn Montgomery	113.6	1037.	117.8
Residence Inn Pasadena-Arcadia	109.1	137.4	149.9
Residence Inn Philadelphia-Valley Forge	93.6	125.1	117.1
Residence Inn Placentia-Fullerton/Anaheim	114.3	95.9	109.6
Residence Inn San Ramon	117.7	151.6	178.4
Residence Inn Santa Fe	102.8	94.0	96.6
Residence Inn Seattle East/Redmond	106.3	110.3	117.2
Residence Inn St. Louis-Chesterfield	113.9	107.1	122.0
Residence Inn St. Louis Galleria	125.2	89.4	111.9

TTM-Trailing 12 months. ADR—Average daily rate. RevPAR—Revenue per available room.

Table 4

ING Hospitality Pool

Year	Average occupancy (%)	Average ADR (\$)	Average RevPAR (\$)
2004	76.1	96.00	73.00
2005	77.7	102.00	80.00
2006	76.2	110.00	84.00

ADR—Average daily rate. RevPAR—Revenue per available room.

The five-largest properties by allocated loan amount are the Residence Inn, La Jolla, Calif. (10.1% of the loan amount), the Residence Inn Redmond, Wash. (6.3%), the Residence Inn Long Beach (5.4%), the Residence Inn Costa Mesa, Calif. (4.8%), and the Residence Inn Pasadena-Arcadia, Calif. (4.1%).

The Residence Inn La Jolla, Calif. (10.1% by allocated loan amount) is a two-story, 288-room, extended stay hotel located in La Jolla, Calif. The property is easily accessible by Interstate 8 and Interstate 5, and the San Diego International Airport is located 9 miles to the southeast. Demand generators include corporate users from the 1.0 million sq. ft. of office space in La Jolla, airport traffic, visitors to the San Diego Convention Center, and tourism related to SeaWorld San Diego, Qualcomm Stadium, and various other nearby attractions. Market demand segmentation comprises 40% extended-stay, 30% commercial, 15% meeting/group, and 15% leisure. The hotel offers a breakfast dining area, two meeting facilities totaling approximately 950 sq. ft., an outdoor pool and whirlpool, an exercise room, and guest laundry. The property's primary competitors include the 340-room Embassy Suites San Diego-La Jolla, the 150-room Residence Inn Sorrento Mesa, and the 194-room Woodfin Suites Hotel San Diego.

The Residence Inn Seattle East-Redmond, Wash. (6.3% by allocated loan amount) is a six-story, 180-room, extended-stay hotel located in Redmond, Wash. The subject is located in close proximity to Interstates 90 and 5 and Highway 520, and the Seattle-Tacoma International Airport is located 18 miles to the southwest. Demand generators include corporate users from Boeing and other users from the 4-million-sq. ft. of office space in Redmond, visitors to the Washington State Convention and Trade Center, and tourism related to Pike Place Market, Pioneer Square, The Seattle Space Needle, and various other attractions. Market demand segmentation comprises 43% extended-stay, 37% commercial, 10% meeting/group, and 10% leisure. The hotel offers a breakfast dining area, two meeting facilities totaling approximately 1,140 sq. ft., an outdoor pool and whirlpool, an exercise room, a business center, and guest laundry. The property's primary competitors include the 179-room Sheraton Hotel Bellevue East, the 353-room Hilton Bellevue, and the 240-room Embassy Suites Bellevue. There is currently a 140-room Residence Inn under construction that is expected to be completed by November 2007. The hotel will target the telecommunications sector that is mostly present south of downtown Bellevue and may provide limited competition to the subject in the future.

The Residence Inn Long Beach, Calif. (5.4% by allocated loan amount) is a two-story, 216-room, extended-stay hotel located in Long Beach, Calif. The subject is located in close proximity to Interstates 10, 5, and 405, and Long Beach Airport is located one mile to the north. Demand generators include corporate users from the 27.5 million sq. ft. of office space in the South Bay submarket, airport traffic, visitors to the Long Beach Center, and tourism related to various local attractions. Market demand segmentation comprises 65% extended-stay, 20% commercial, 10% meeting/group, and 5% leisure. The hotel offers a breakfast dining area, an 800-sq.-ft. meeting room, two outdoor whirlpools, an exercise room, and guest laundry. The property's primary competitors include the 222-room Holiday Inn Long Beach Airport, the 134-room Extended Stay America Long Beach, and the 140-room GuestHouse Inns Hotel Long Beach. There is currently a 178-room Residence Inn Downtown under construction that is expected to open in January 2009 and will target various downtown users. This new hotel may provide competition to the subject in the future.

The Residence Inn Costa Mesa-Newport Beach, Calif. (4.8% by allocated loan amount) is a two-story, 144-room, extended-stay hotel located in Costa Mesa, Calif. Access to the property is provided by Interstate 405 South and State Highway 73. The property is well-served by the John Wayne Airport, which is approximately two miles to the southeast of the subject. Demand generators include corporate users from the 44.2 million sq. ft. of office space in the Greater Airport submarket, airport traffic, and some tourism related to The Ayn Rand Institute, Orange County Zoo, and various other nearby attractions. Market demand segmentation comprises 65% extended-stay, 20% commercial, 10% meeting/group, and 5% leisure. The hotel offers a breakfast dining area, a 650-sq.-ft. meeting room, an outdoor pool and whirlpool, an exercise room, and guest laundry. The property's primary competitors include the 486-room Hilton Costa Mesa, the 293-room Embassy Suites Irvine, the 300-room Embassy Suites Santa Ana, and the 253-room Marriott Costa Mesa.

The Residence Inn Pasadena-Arcadia, Calif. (4.1% by allocated loan amount) is a two-story, 120-room, extended-stay hotel located in Arcadia, Calif. The subject is accessible via State Highway 134 and Interstate 210, and the Bob Hope Airport is located 19 miles to the northwest. Demand generators include corporate users from Kaiser Permanente, Northrop Grumman, and other users from the 25.1 million sq. ft. of office space in the Tri-Cities Glendale market, visitors to the Los Angeles Convention Center, and visitors to the Santa Monica Pier, various Los Angeles beaches, and other local attractions. Market demand segmentation comprises 50% extended-stay, 30% commercial, 15% leisure, and 5% meeting/group. The hotel offers a breakfast dining area, a 400-sq.-ft. meeting room, an outdoor pool and whirlpool, an exercise room, and guest laundry. The property's primary competitors include the 190-room Embassy Suites Arcadia and the 124-room Hilton Garden Arcadia.

The sponsors of the bankruptcy-remote SPE borrower are one or more subsidiaries of Lion ES

Hotels, an entity wholly-owned by ING Clarion Partners. ING Clarion was founded in 1982 and is the publicly traded, U.S. investment arm of ING Real Estate. As of March 31, 2007, ING Clarion had more than \$48.3 billion total assets under management in the private equity, public equity, and public debt sectors of the real estate market. The Residence Inn properties are managed by Marriott Lodging ('BBB+'). Marriott operates or franchises 2,868 hotels and resorts totaling 517,202 rooms in the U.S. and 67 other countries and territories. Its portfolio of lodging brands includes (but is not limited to) Marriott Hotels & Resorts, The Ritz Carlton Hotels, Bulgari, Renaissance Hotels & Resorts, Courtyard, Residence Inn, Fairfield Inn, SpringHill Suites, TownePlace Suites, ExecuStay by Marriott, and others. The Homewood Suites properties will be managed by Hilton Hotels ('BB+'). Hilton operates in more than 500 cities throughout the world. Its portfolio of lodging brands includes Conrad Hotels, Doubletree, Embassy Suites Hotels, Hampton Inn and Suites, Hilton Hotels, Hilton Garden Inn, and Homewood Suites by Hilton. The loan has a springing lockbox for credit card receivables for cash management.

The following points summarize Standard & Poor's underwriting assumptions for this loan:

- Standard & Poor's underwritten rooms revenue was based on actual, historical, and projected occupancies and average daily rate (ADR), the penetration yields, and the subjects' general market position relative to the competitive sets;
- Departmental revenues were generally underwritten based on historical levels, on a per-occupied-room basis, with greater emphasis on data from the trailing 12-month (TTM) period through December 2006;
- Departmental expenses were generally underwritten based on the historical departmental profit margin level, with greater emphasis on data from the TTM period through December 2006;
- Undistributed and fixed expenses are in line with historical expenses on an absolute and percentage basis;
- Real estate tax and insurance premium expenses were based on the portfolio's current actual expenses;
- An furniture, fixtures, and equipment (FF&E) reserve was underwritten at 5.0% of total revenue;
- Based on these assumptions, Standard & Poor's NCF variance was 8.5%;
- Standard & Poor's capitalized NCF using a capitalization of 11.50%, resulting in a value of \$528.7 million (\$94,396 per room); and
- The overall quality score for this loan is 2.74, an above-average score, based upon individual property quality scores that ranged from 2.50 to 3.00.

This loan exhibits the following strengths:

- The loan is secured by 46 properties located across 18 states that are cross-collateralized and cross-defaulted;
- The portfolio benefits from brand and franchise diversity, and has good brand and franchise recognition; and
- The properties benefit from strong sponsorship and management.

This loan exhibits the following concerns and mitigating factors:

- Standard & Poor's views hotels as more volatile assets compared with other property types. Underwriting and credit support levels for this portfolio reflect these concerns; and
- This loan permits future mezzanine debt up 80% of the appraised value at the time of such financing. The additional debt is subject to LTV and DSC tests and requires rating agency confirmation. In addition, the loan permits future unsecured FF&E debt equal to 3% of the loan amount and capital expenditures debt equal to 3% of the loan. However, combined, the unsecured FF&E, capital improvements and trade payables debt may not exceed 5% of the loan amount. Standard & Poor's took the loan structure and all additional debt into consideration when sizing the loan's capital structure and credit support levels for the deal.

Sawgrass Mills

The third-largest loan in the pool, the Sawgrass Mills loan, has a trust balance of \$265.3 million and whole-loan balance of \$850.0 million (7.4% of the pool balance). The whole loan is divided into three pari passu pieces: a \$265.3 million A-1 piece that is being contributed to this transaction, and a \$150.0 million A-2 note and a \$404.7 million A-3 note that will be included in future transactions. Finally, there is a \$30.0 million subordinate B note that will be held outside of the trust. In addition to the first mortgage, the borrower is permitted to incur future mezzanine debt secured by a pledge of

equity interests of the borrower. The future mezzanine debt will be subject to an LTV and DSC test and an intercreditor agreement. The seven-year, fixed-rate IO loan bears interest at 5.826%, and matures in July 2014.

The loan is secured by a first mortgage encumbering the fee interest in 1,991,491 sq. ft. of a 2,275,541-sq.-ft. value-oriented retail center located in Sunrise, Fla., approximately 11 miles west of Fort Lauderdale and 28 miles north of the Miami central business district (CBD), with access provided by I-595 and the Sawgrass Expressway. The property, developed in 1990 and expanded in 1995, 1998, 1999, and 2006, is anchored by Wannado, Burlington Coat Factory, and JCPenney (329,397 sq. ft. in the aggregate) and shadow anchored by Target (152,560 sq. ft.). Overall, the in-line space is 95.8% occupied by more than 300 tenants paying average rents of \$28.96 per sq. ft. For the year ended 2006, in-line shop sales were \$409 per sq. ft., with occupancy costs of 9.8%. Table 5 lists the major anchor tenants, and table 6 lists the major in-line tenants.

Table 5

Sawgrass Mills Anchor Tenants

Tenant	Standard & Poor's rating	Occupied sq. ft.	% of collateral NRA	Base rent per sq. ft. (\$)	Lease expiration
Super Target	A+	152,560	N/A	N/A	N/A
Wannado	NR	113,567	5.7	15.80	May 2024
Burlington Coat Factory	B	111,324	5.6	6.00	December 2008
JCPenney	BBB-	104,506	5.2	5.84	June 2009
Regal Theater	BB-	89,591	4.5	15.47	May 2009

NRA—Net rentable area. N/A—Not applicable. NR—Not rated.

Table 6

Sawgrass Mills Major In-Line Tenants

Tenant	Standard & Poor's rating	Occupied sq. ft.	Property NRA (%)	Base rent per sq. ft. (\$)	Sales per sq. ft. (\$)	Lease expiration
Bed, Bath and Beyond	BBB	79,409	3.5	7.75	182	February 2009
BrandsMart	NR	77,527	3.4	5.87	1,292	October 2010
Marshall's	A	77,340	3.4	9.27	386	January 2011
The Sports Authority	B	47,662	2.1	12.75	300	November 2010

NRA—Net rentable area. NR—Not rated.

The sponsors of the bankruptcy-remote SPE borrower are Simon Property Group Inc. ('A-') and Farallon Capital Management. Simon Property Group is a dominant retail REIT that owns 285 properties in the U.S., 53 properties in Europe, Japan, and Mexico, and one property in Canada. The company is the largest publicly traded retail real estate company in North America. Farallon manages \$30 billion of capital for institutions and high-net-worth individuals. The property is managed by an affiliate of Simon. The loan is structured with a springing lockbox for cash management.

The following points summarize Standard & Poor's underwriting assumptions for this loan:

- GPR was based on leases in place as of June 2007;
- A vacancy of 5.1% was assumed, consistent with market levels;
- Expense reimbursements were based on the tenants' contractual obligations and the property's historical performance;
- Other income was based on historical performance;
- Operating expenses were based on historical performance;
- A management fee of 1.5% of effective gross income (EGI) was assumed;
- Replacement reserves were underwritten at \$0.20 per sq. ft. of collateral gross leaseable area (GLA);
- TI expenses for anchor tenants were assumed to be \$4.00 per sq. ft. for new leases and \$2.00 per sq. ft. for renewal leases;
- TI expenses for in-line tenants were assumed to be \$12.00 per sq. ft. for new leases and \$5.00 per sq. ft. for renewal leases;
- TI expenses for theater tenants were assumed to be \$8.00 per sq. ft. for new leases and \$4.00 per sq. ft. for renewal leases;

- LC expenses were estimated at 4% for new leases and 2% for renewal leases;
- TI/LCs assumptions were based on the in-place weighted average lease term of 17.0 years for anchor tenants, 10.5 years for in-line tenants, and 10.0 years for theater tenants, with LC expenses capped at 10 years;
- Renewal probabilities of 65% for anchor and in-line tenants, and 60% for theater tenants were assumed;
- Based on these assumptions, Standard & Poor's overall NCF variance was 10.9%;
- Standard & Poor's applied a capitalization rate of 7.75% to NCF, resulting in a value of \$666.7 million (\$321 per sq. ft.); and
- The quality score for this asset is 2.75, an above-average score.

This loan exhibits the following strengths:

- The mall benefits from a convenient location 11 miles west of Fort Lauderdale and 28 miles north of the Miami CBD; and
- The property benefits from strong sponsorship and experienced management.

This loan exhibits the following concern and mitigating factor:

- In addition to the trust balance, there is a \$30.0 million subordinate B note held outside of the trust. Standard & Poor's believes that the A/B loan structure poses a greater risk of a prolonged bankruptcy proceeding should a bankruptcy occur, due to the existence of multiple creditors. In addition, the borrower is permitted to incur future mezzanine debt secured by a pledge of equity interests of the borrower. However, the future mezzanine debt will be subject to an LTV and DSC test and an intercreditor agreement. However, Standard & Poor's took the loan structure and all additional debt into consideration when sizing the loan's capital structure and the deal's subordination levels.

Ashford Hotel Portfolio 6

The fourth-largest loan in the pool, the Ashford Hotel Portfolio 6 loan, has whole loan and a trust balance of \$261.0 million (7.2% of the pool). The 10-year, fixed-rate loan bears interest at 5.952%, is IO for the first five years, amortizes on a 30-year schedule thereafter, and matures in April 2017.

The loan is secured by a first mortgage encumbering the fee/leasehold interests in three cross-collateralized and cross-defaulted full-service hotel properties located in three states. The portfolio includes 1,055 rooms, and consists of two Marriott properties and one Renaissance property. Details of the mortgaged properties are described in tables 7, 8, and 9, below.

Table 7

Ashford Hotel Portfolio

Property	Location	Year built/ renovated	Rooms	ADR (\$)*	Occupancy (%)*	RevPAR (\$)*
Marriott Seattle Waterfront	Seattle, Wash.	2003	358	220.42	72.2	159.25
Marriott at Legacy Town Center	Plano, Texas	2001/2003	404	150.21	74.3	111.65
Renaissance Hotel	Tempa, Fla.	2004	293	178.35	72.1	128.53
Totals/avg.	—	—	1,055	182.99	72.9	133.14

*For the trailing 12 months through June 2007. ADR—Average daily rate. RevPAR—Revenue per available room.

Table 8

Ashford Hotel Portfolio

Subject penetration for 2006

Property	Occupancy (%)	ADR (\$)	RevPAR (\$)
Marriott Seattle Waterfront	101.60	117.10	119.10
Marriott at Legacy Town Center	109.20	106.60	116.40
Renaissance Hotel	104.90	131.00	137.50
Total	105.43	116.94	123.18

ADR—Average daily rate. RevPAR—Revenue per available room.

Table 9

Ashford Hotel Portfolio

Year	Average occupancy (%)	Average ADR (\$)	Average RevPAR (\$)
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2005	74.6	151.31	112.55
2006	75.2	175.76	131.94
TTM June 2007	72.9	182.99	133.14

ADR—Average daily rate. RevPAR—Revenue per available room. TTM-Trailing 12 months.

The Marriott Seattle Waterfront (52.0% by allocated loan amount) is an eight-story, 358-room full-service, hotel located on Elliott Bay (Puget Sound) in Downtown Seattle Wash. Demand generators include a group of major employers including Boeing, the 200,000-sq.-ft. Washington State Convention and Trade Center (WSCTC), and several leisure attractions. Market demand segmentation comprises 46% corporate transient, 36% group, and 18% leisure. The hotel offers a restaurant, a lounge, 10,965 sq. ft. of meeting space, a pool with whirlpool, a fitness center, and a business center. The property's primary competitors include the 223-room Edgewater Hotel, the 425-room Hyatt Grand Seattle, the 426-room W Seattle, the 237-room Hilton Seattle, the 553-room Renaissance Hotel Seattle, the 838-room Sheraton Seattle, and the 891-room Westin Seattle.

The Marriott at Legacy Town Center (30.5% by allocated loan amount) is a six-story, 404-room, full-service hotel located within the Legacy Town Center development at Plano, Texas. Major demand generators for the Marriott Hotel include: EDS, Cadbury Schweppes, Hewlett-Packard, JCPenney, Ericsson, PepsiCo, and McAfee, all located within the immediate Legacy area. Certain citywide area events also generate demand for this hotel, including the Byron Nelson Golf Tournament in May (Irving), UT/OU Weekend (Dallas), and some races at Texas Motor Speedway (North Fort Worth). The Marriott Legacy's market segmentation is approximately 45% corporate, 39% group, and 16% contract. The hotel offers a restaurant, a lounge, 32,000 sq. ft. of meeting space, an outdoor pool and whirlpool, and an exercise room. The property's primary competitors include the 528-room InterContinental Hotel, the 153-room Courtyard Legacy, the 330-room Embassy Suites Frisco, the 301-room Westin Stonebriar, and the 336-room Renaissance Richardson.

The Renaissance Hotel (17.5% by allocated loan amount) is a 293-room, full-service hotel located at International Plaza in the Westshore area of Tampa, Fla. Demand generators are the surrounding high-end commercial office space, upscale shopping and retail centers, and the Tampa International Airport. Market demand segmentation comprises 33% corporate, 27% leisure, and 40% group. The hotel offers two restaurants, a lounge, 12,194 sq. ft. of meeting space, 7,883 sq. ft. of ballroom space, a pool and whirlpool, a business center, and a fitness center. The property's primary competitors include the 445-room Hyatt Grand, the 489-room Doubletree Hotel, the 272-room Quorum Hotel, the 310-room Marriott Westshore, and the 259-room Sheraton Suites.

The sponsor of the bankruptcy-remote SPE borrower is Ashford Hospitality Trust Inc. a self-advised REIT, which, as of December 2006, owned 81 hotel properties in 26 states, with 15,492 rooms, and an office building. On April 11, 2007, Ashford completed the acquisition of a 51-hotel, 13,640-room hotel portfolio from CNL Hotels and Resorts. The 51-hotel portfolio consists of 24 full-service, upper-upscale hotels and 27 premium select-service hotels in 31 markets across 18 states, the District of Columbia, and Canada. The properties are managed by an affiliate of the borrower. The loan has a hard lockbox for credit card receivables for cash management.

The following points summarize Standard & Poor's underwriting assumptions for this loan:

- Standard & Poor's underwritten rooms revenue was based on actual, historical, and projected occupancies and ADR, the penetration yields, and the subjects' general market position relative to the competitive sets;
- Departmental revenues were generally underwritten based on historical levels, on a per-occupied-room basis, with greater emphasis on data from the TTM period through February 2007;
- Departmental expenses were generally underwritten based on the historical departmental profit margin level, with greater emphasis on data from the TTM period through February 2007;
- Undistributed and fixed expenses are in line with historical expenses on an absolute and percentage basis;
- Real estate tax and insurance premium expenses were based on the portfolio's current actual expenses;
- An FF&E reserve was underwritten at 4.0% of total revenue;
- Based on these assumptions, Standard & Poor's NCF variance was 11.4%;
- Standard & Poor's capitalized NCF using capitalization rate of 11.00%, resulting in a value of \$214.7 million (\$203,524 per room); and
- The overall quality score for this loan is 2.82, an above-average score, based on individual scores ranging from 2.75 to 3.0.

This loan exhibits the following strengths:

- The loan is secured by three properties located across three states that are cross-collateralized and cross-defaulted; and
- The properties benefit from strong sponsorship and management.

This loan exhibits the following concern and mitigating factor:

- Hotels are volatile assets compared with other property-types. However, Standard & Poor's underwriting and subordination levels reflect these concerns.

Independence Mall

The fifth-largest loan in the pool, the Independence Mall loan, has a trust and whole-loan balance of \$200.0 million (5.6% of the pool balance). In addition to the first mortgage, the borrower is permitted to incur future mezzanine debt secured by a pledge of equity interests of the borrower. The future mezzanine debt will be subject to an LTV and DSC test and an intercreditor agreement. The 10-year, fixed-rate IO loan bears interest at 5.943%, and matures in July 2017.

The loan is secured by a first mortgage encumbering the fee interest in 398,009 sq. ft. of a 1,030,000-sq.-ft. regional mall located in Independence, Mo. The property is centrally located 14 miles east of the Kansas City CBD, with access provided by I-70 and I-291. The property was developed in 1974 and renovated in 1998. In addition to the space that serves as collateral for the loan, the mall also includes four anchors, Sears, Macy's, Dillard's, and Circuit City (664,799 sq. ft. in the aggregate, none of which is collateralized for the loan). Overall, the in-line space is 98.5% occupied by more than 125 in-line tenants paying average rents of \$35.71 per sq. ft. For 2006, in-line shop sales were \$407 per sq. ft., with occupancy costs of 13.0%. Table 10 lists the major anchor tenants, and table 11 lists the major in-line tenants.

Table 10

Independence Mall Anchor Tenants

Tenant	Standard & Poor's rating	Occupied sq. ft.	% of collateral NRA	Base rent per sq. ft. (\$)	Lease expiration
Dillard's	BB	174,500	N/A	N/A.	N/A
Macy's	BBB	158,001	N/A	N/A.	N/A
Sears	BB+	138,961	N/A	N/A.	N/A
Circuit City	NR	134,714	N/A	N/A	N/A

NRA—Net rentable area. N/A—Not applicable. NR—Not rated.

Table 11

Independence Mall Major In-Line Tenants

Tenant	Standard & Poor's rating	Occupied sq. ft.	Property NRA (%)	Base rent per sq. ft. (\$)	Lease expiration
Macy's	BBB	30,801	7.7	4.98	December, 2011
Sears	BB+	27,822	7.0	5.50	January, 2009
Old Navy	BB+	17,800	4.5	22.13	January, 2009
Victoria's Secret	NR	11,029	2.8	35.00	January 2017
Abercrombie & Fitch	NR	9,500	2.4	21.00	January, 2001

NRA—Net rentable area. NR—Not rated.

The sponsor of the bankruptcy-remote SPE borrower is Simon Property Group Inc. ('A-'). Simon Property Group is a retail REIT that owns 285 properties in the U.S., 53 properties in Europe, Japan, and Mexico, and one property in Canada. The company is the largest publicly traded retail real estate company in North America. The property is managed by an affiliate of the sponsor. The loan is structured with a soft lockbox for cash management.

The following points summarize Standard & Poor's underwriting assumptions for this loan:

- GPR was based on leases in place as of May 2007;
- No additional vacancy was assumed, as the current occupancy is consistent with market levels;
- Expense reimbursements were based on the tenants' contractual obligations and the property's historical performance;

- Other income was based on historical performance;
- Operating expenses were based on historical performance;
- A management fee of 5% of EGI excluding reimbursements was assumed;
- Replacement reserves were underwritten at \$0.25 per sq. ft. of collateral GLA;
- TI expenses for anchor tenants were assumed to be \$5.00 per sq. ft. for new leases and \$2.50 per sq. ft. for renewal leases;
- TI expenses for in-line tenants were assumed to be \$12.00 per sq. ft. for new leases and \$5.00 per sq. ft. for renewal leases
- LC expenses were estimated at 4% for new leases and 2% for renewal leases;
- TI/LCs assumptions were based on the in-place weighted average lease term of 10.9 years for anchor tenants and 11.0 years for in-line tenants, with LC expenses capped at 10 years;
- A renewal probability of 65% was assumed;
- Based on these assumptions, Standard & Poor's overall NCF variance was 2.4%;
- Standard & Poor's applied a capitalization rate of 8.00% to NCF, resulting in a value of \$179.8 million (\$452 per sq. ft.); and
- The quality score for this asset is 3.00, an average score.

This loan exhibits the following strengths:

- The mall benefits from a convenient location, 14 miles east of the Kansas City, Mo., CBD. It is near the intersection of I-70 and I-291 with easy access to Kansas City; and
- The property benefits from strong sponsorship and experienced management.

This loan exhibits the following concern and mitigating factor:

- The borrower is permitted to incur future mezzanine debt secured by a pledge of equity interests of the borrower. However, the future mezzanine debt will be subject to an LTV and DSC test and an intercreditor agreement. Standard & Poor's took additional debt into consideration when sizing the capital structure for the loan and subordination levels for the transaction.

Potomac Mills

The sixth-largest loan in the pool, the Potomac Mills loan, has a trust of \$164.0 million (4.6% of the pool balance) and a whole-loan balance of \$410.0 million. The whole-loan is divided into two pari passu pieces: a \$164.0 million A-1 note that will be contributed to this transaction and a \$246.0 million A-2 note that will be contributed to a future transaction. In addition to the first mortgage, the borrower is permitted to incur future mezzanine debt secured by a pledge of equity interests of the borrower. The future mezzanine debt will be subject to an LTV and DSC test and an intercreditor agreement. The 10-year, fixed-rate IO loan bears interest at 5.83%, and matures in July 2017.

The loan is secured by a first mortgage encumbering the fee interest in a 1,498,570-sq.-ft. value-oriented retail center located in Woodbridge, Va. The property is centrally located 27 miles southwest of the Washington Monument, with access provided by I-95 and Routes 1 and 123. According to the Virginia Tourism Corp., Potomac Mills is the 10th-most popular tourist destination in the state. The property, developed in 1989 and renovated in 2005, is anchored by, JCPenney, AMC Theaters, and Marshall's (244,058 sq. ft. in the aggregate). Overall, the in-line space is 97.8% occupied by more than 190 tenants paying average rents of \$20.72 per sq. ft. For the year ended 2006, in-line shop sales were \$389 per sq. ft., with occupancy costs of 5.8%. Table 12 lists the major anchor tenants, and table 13 lists the major in-line tenants.

Table 12

Potomac Mills Anchor Tenants

Tenant	Standard & Poor's rating	Occupied sq. ft.	% of collateral NRA	Base rent per sq. ft. (\$)	Lease expiration
JCPenney	BBB-	107,021	7.1	6.19	March 2008
AMC Theaters	NR	75,274	5.0	20.00	February 2019
Marshall's	A	61,763	4.1	8.75	June 2009

NRA-Net rentable area. NR-Not rated.

Table 13

Potomac Mills In-Line Tenants

Tenant	Standard & Poor's rating	Occupied sq. ft.	Property NRA (%)	Base rent per sq. ft. (\$)	Sales per sq. ft. (\$)	Lease expiration
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Sports Authority	B	42,212	2.8	13.00	140	February 2010
Nordstrom Rack	A	41,321	2.8	8.25	439	September 2010
T.J. Maxx	A	40,857	2.7	9.50	168	May 2009
Saks Clearing House	B+	38,210	2.5	9.83	208	October 2007

NRA—Net rentable area. NR—Not rated.

The sponsors of the bankruptcy-remote SPE borrower are Simon Property Group Inc. ('A-') and Farallon Capital Management. Simon Property Group is a dominant retail REIT that owns 285 properties in the U.S., 53 properties in Europe, Japan, and Mexico, and one property in Canada. The company is the largest publicly traded retail real estate company in North America. Farallon manages \$30 billion of capital for institutions and high-net-worth individuals. The property is managed by an affiliate of the borrower. The loan is structured with a soft lockbox for cash management.

The following points summarize Standard & Poor's underwriting assumptions for this loan:

- GPR was based on leases in place as of May 2007;
- A vacancy of 5% was assumed, consistent with market levels;
- Expense reimbursements were based on the tenants' contractual obligations and the property's historical performance;
- Other income was based on historical performance;
- Operating expenses were based on historical performance;
- A management fee of \$1 million was assumed;
- Replacement reserves were underwritten at \$0.20 per sq. ft. of collateral GLA;
- TI expenses for anchor tenants were assumed to be \$4.00 per sq. ft. for new leases and \$2.00 per sq. ft. for renewal leases;
- TI expenses for in-line and theater tenants were assumed to be \$8.00 per sq. ft. for new leases and \$4.00 per sq. ft. for renewal leases;
- LC expenses were estimated at 4% for new leases and 2% for renewal leases;
- TI/LCs assumptions were based on the in-place weighted average lease term of 15.1 years for anchor tenants, 9.8 years for in-line tenants, and 10.0 years for theater tenants, with LC expenses capped at 10 years;
- Renewal probabilities of 65% for anchor and in-line tenants, and 60% for theater tenants were assumed;
- Based on these assumptions, Standard & Poor's overall NCF variance was 5.0%;
- Standard & Poor's applied a capitalization rate of 8.50% to NCF, resulting in a value of \$311.3 million (\$231 per sq. ft.); and
- The quality score for this asset is 3.00, an average score.

This loan exhibits the following strengths:

- The mall benefits from a convenient location 27 miles southwest of the Washington Monument, with easy access provided by I-95. The subject is the 10th most popular tourist destination in Virginia; and
- The property benefits from strong sponsorship and experienced management.

This loan exhibits the following concern and mitigating factor:

- The borrower is permitted to incur future mezzanine debt secured by a pledge of equity interests of the borrower. However, the future mezzanine debt will be subject to an LTV and DSC test and an intercreditor agreement. Standard & Poor's took additional debt into consideration when sizing the capital structure for the loan and subordination levels for the transaction.

Three Borough Multifamily Portfolio

The seventh-largest loan in the pool, the Three Borough Multifamily Portfolio, has a trust and whole-loan balance of \$133.0 million (3.7% of the pool). In addition to the first mortgage, one of the properties in the portfolio is encumbered by a second mortgage of \$25,000. The second mortgage is governed by a subordination and standstill agreement. Further, the subject loan allows future mezzanine financing secured by a pledge of the equity interests in the borrowing entity, subject to lender consent, rating agency confirmation, and an LTV and DSC test. The five-year, fixed-rate, IO

loan bears interest at 5.785% and matures in May 2012.

The loan is secured by a first mortgage lien encumbering the fee simple interest in 1,646 multifamily units and 24 commercial units in 42 apartment buildings located in the Manhattan, the Bronx, and the Brooklyn boroughs of New York City. The buildings were developed between 1910 and 1969 and are mixed between elevator and walk-up buildings ranging from a total of 17 apartments-220 apartments. Within the portfolio, 79% of the units are rent-stabilized, 2% are rent controlled, and 19% are subsidized by HUD. As of June 2007, the properties were 96.0% leased, with the rent-stabilized units at rents approximately 19% below market and located in submarkets with vacancy rates ranging between 0%-5%.

Table 14 details the portfolio's units by borough.

Table 14

Three Borough Portfolio Unit Mix Summary

Unit Type	No. of buildings	No. of units	% of apts.	Avg. sq. ft.	Avg. in-place monthly rent (\$)	Market rent per unit (\$)	% below market	Occupancy (%)
Manhattan	8	186	11	689	795	1,019	22	96
Studio	-	27	15	-	754	772	2	-
One bedroom	-	49	26	-	746	913	18	-
Two bedroom	-	75	40	-	807	1,056	24	-
Three bedroom	-	35	19	-	868	1,277	32	-
Brooklyn	8	264	16	882	980	1,087	10	96
Studio	-	4	2	-	733	830	12	-
One bedroom	-	138	52	-	888	969	8	-
Two bedroom	-	103	39	-	1,105	1,188	7	-
Three bedroom	-	19	7	-	1,024	1,450	29	-
Bronx	26	1,196	73	899	844	1,062	20	95
Studio	-	45	4	-	643	775	17	-
One bedroom	-	581	49	-	769	963	20	-
Two bedroom	-	436	37	-	901	1,126	20	-
Three bedroom	-	134	10	-	1,058	1,375	23	-
Total	42	1,646	100	872	861	1,061	19	-

The borrower plans to increase the portfolio's NOI by renovating rent stabilized units upon vacancy at an average of \$5,100 per unit totaling \$6.9 million and re-leasing these units at market. Rent-stabilized units may be deregulated if the monthly rent of the unit is \$2,000 or greater upon vacancy. In the event the unit does not meet the thresholds to be decontrolled, the borrower can raise legal stabilized rents via major capital improvements and unit renovations. The borrower plans to raise the legal stabilized rents via \$5.0 million in major repairs to the buildings' roofs, façades, windows, elevators, fuel systems, security, electric, and plumbing.

The sponsor of the bankruptcy-remote SPE borrowers is a joint venture among Normandy Real Estate Fund L.P., Barclays Investment Holdings Inc., Westbrook Real Estate Fund VI L.P., and Vantage Investors 1 LLC. David Kramer holds the remaining the 10% interest in the borrower.

Normandy Real Estate Partners is a fully integrated investment management company based in Morristown, N.Y., with offices in Boston and New York City. Over the last 10 years, Normandy professionals have invested over \$80 million of equity in 47 separate transactions totaling over \$3.0 billion in value.

Barclays Investment Holdings Inc. is an affiliate of Barclays Real Estate Capital Inc., which is an affiliate of Barclays Bank PLC, which has a balance sheet of over \$1.9 trillion globally and total assets of \$236 billion in the U.S. Barclays Capital's Real Estate Finance team acts as a center of property expertise for the Barclays group and offers a full range of property financing and related risk management products. Barclays also provides senior debt, mezzanine finance, and equity on a bridge or co-investment basis.

Westbrook Partners LLC, founded in April 1994, is a fully integrated real estate investment management company with offices in Boston, Dallas, Florida, New York, San Francisco, London, and Singapore. Westbrook is the sponsor and general partner of four commingled real estate investment funds with capital commitments of approximately \$4 billion. The funds are capitalized by a diverse group of primarily U.S. institutional investors, including public and corporate pension funds, endowments and foundations, and financial institutions. Westbrook's investments include office, industrial, apartments, retail hotels, and resort and residential properties, and range in size from \$5 million-\$2.0 billion. The majority of Westbrook's investments are completed on a privately negotiated or limited competition basis, and are typically executed in joint ventures alongside operating partners with significant experience and knowledge of the local markets.

Vantage Properties, the sponsors of Vantages Investors 1 LLC, was formed in January 2006 and is one of the largest owners of residential and retail property specializing in value-added and opportunistic investment and redevelopment strategies. Vantage has co-invested in several rent-stabilized multifamily assets in the New York area, such as the Delano Village (1,800 units in Harlem, N.Y.), the Broadway Portfolio (360-unit portfolio of apartments building in Washington Heights, N.Y.), and the Queens Multifamily Portfolio (2,124 rent stabilized units in Queens, N.Y.).

David Kramer is a local owner and manager of low- to moderate-income apartment buildings in the New York City area. Mr. Kramer provides portfolio management and advisory services. Mr. Kramer and his affiliates have managed over 2,000 tenants across 59 residential building and have completed total, moderate, and rehabilitation projects on several hundred units in the New York area.

The subject properties are managed by an affiliate of the borrower. The loan is structured with a soft lockbox for cash management.

The following points summarize Standard & Poor's underwriting assumptions for this loan:

- Standard & Poor's bifurcated the underwriting analysis due to below-market rents at the properties. Cash flow was underwritten and DSC calculated following an as-is approach. However, Standard & Poor's utilized a stabilized approach to derive the ultimate value of the properties;
- For the as-is approach, revenues were based on the in-place leases as of June 2007. For the stabilized approach, vacated apartment units were assumed to roll to estimated market rents averaging \$1,061 per unit;
- For the as-is approach, a 5% vacancy rate was assumed. For the stabilized approach, a 5% vacancy rate was assumed for market-rate units and a 3% vacancy rate was assumed for below-market units;
- Operating expenses were based on historical levels and were grown by 3% per year;
- Real estate tax expenses were based on the current level and were grown by 3% per year;
- A management fee of 4.0% of EGI was assumed;
- Capital reserves were assumed to be \$250 per unit;
- Standard & Poor's stabilized NCF using a 5% annual conversion rate of units to market rents over a period of 10 years, and assumed additional units would convert to market rents through tenant buyouts or removal of illegal tenants at an initial rate of 5% per year, tapering down over time;
- Renovations costs were assumed to average \$9,956 per unit for vacated units that are leased up to market rents;
- Standard & Poor's applied an 8.25% discount rate over an assumed 10-year holding period to its annual NCF assumptions, subtracting the estimated debt service deficit based both on the actual constant through the loan term and an 8.75% stressed constant in year 11 of the discounted cash flow arriving at a value of \$124.2 million (\$75,483 per unit), and;
- The quality scores for these assets ranged from 3.00 to 3.50, resulting in a weighted average score of 3.25, a below-average score.

This loan exhibits the following strengths:

- The loan is secured by 42 cross-collateralized and cross-defaulted properties; and
- The property benefits from strong sponsorship and management with experience in owning and operating rent stabilized multifamily assets in New York City.

This loan exhibits the following concern and mitigating factor:

- The properties were built between 1910 and 1969. However, the properties have benefited from ongoing renovations, most recently from 2002 and 2007. In addition, a \$13.4 million reserve (\$8,131 per unit) was funded at loan closing, which will be used for improvements to all vacated units and major capital repairs to the subject properties; and
- The subject loan permits future mezzanine debt. However, the mezzanine debt is subject to lender consent, rating agency confirmation, subordinate and standstill agreement, and an LTV and DSC test. Standard and Poor's takes into consideration of all future debt in sizing the subordination levels for the transaction.

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Credit Evaluation

The following tables provide further analysis of the cash flow and valuation of the various property types, the top 10 loan characteristics, and Standard & Poor's DSC and LTV stratification ranges.

Table 15

Cash Flow Analysis And Valuations

Property type	% of pool	DSC (x)	NCF diff. (%)	Cap rate (%)	Beginning LTV (%)	Ending LTV (%)	Value per unit/sq. ft. (\$)
Retail - anchored	24.9	1.16	6.5	8.16	116.7	115.6	274
Office	24.1	1.04	32.1	8.61	120.2	118.9	362
Hotel	17.6	1.59	9.8	11.27	112.2	106.9	137,097
Multifamily	14.1	1.06	18.2	8.25	119.6	117.7	104,914
Mixed	4.5	1.40	8.0	9.08	110.0	108.2	91
Warehouse	4.4	1.29	10.9	9.43	101.2	92.4	42
Industrial	3.2	1.11	9.1	9.17	116.1	107.2	42
Retail - single tenant	2.3	1.27	5.2	9.00	108.2	101.6	348
Mobile home park	1.8	1.30	3.2	8.50	106.0	103.1	33,874
Retail - unanchored	1.7	1.37	1.6	9.15	104.9	100.3	194
Self-storage	0.9	1.18	3.5	10.00	114.4	108.2	57
Medical office	0.5	1.15	6.8	9.45	117.9	105.5	121
Total	100.0	1.22	15.0	9.02	115.5	112.6	-

DSC—Debt service coverage. NCF—Net cash flow. N/A—Not applicable.

Table 16

Top 10 Loans

Property name	Property type	% of pool	DSC (x)	NCF diff. (%)	Cap rate (%)	Beginning LTV (%)	Ending LTV (%)	Value per unit/sq. ft. (\$)	
666 Fifth Avenue	Office - CBD	7.9	0.79	50.6	8.00	121.9	121.9	686	
ING Hospitality Pool	Hospitality - extended stay	7.9	1.96	8.5	11.50	103.8	103.8	94,396	
Sawgrass Mills	Retail - anchored	7.4	1.07	10.9	7.75	123.0	123.0	321	
Ashford Hospitality Pool 6	Hospitality - full service	7.2	1.26	11.4	11.00	121.5	113.6	203,524	
Independence Mall	Retail - anchored	5.6	1.19	2.4	8.00	111.2	111.2	452	
Potomac Mills	Retail - anchored	4.6	1.11	5.0	8.50	131.7	131.7	231	
Three Borough Pool	Multifamily - conventional	3.7	1.00	22.5	8.25	107.0	107.0	75,483	
110 East 42nd Street	Office - CBD	2.5	0.70	44.7	8.50	144.1	144.1	328	
Central/Eastern Industrial Pool	Industrial - flex	2.5	1.11	9.1	9.17	117.8	109.9	36	
The Renaissance	Multifamily - conventional	2.3	0.83	38.5	8.25	156.3	156.3	243,112	
Weighted avg.	-		51.5	1.17	20.5	9.08	120.3	118.8	0

DSC—Debt service coverage ratio. NCF—Net cash flow. CBD—Central business district.

Table 17

Standard & Poor's DSC Range (x)

	No. of loans	Loan bal. (\$)	% of total
>1.65	12	429,914,769	11.9
1.55 to 1.65	3	14,040,000	0.4
1.50 to 1.54	2	23,241,966	0.6

1.45 to 1.49	4	22,331,606	0.6
1.40 to 1.44	6	116,070,000	3.2
1.35 to 1.39	9	172,076,585	4.8
1.30 to 1.34	10	85,848,403	2.4
1.25 to 1.29	15	367,125,510	10.2
1.20 to 1.24	14	221,585,133	6.2
1.15 to 1.19	22	480,699,731	13.3
1.10 to 1.14	18	447,433,415	12.4
1.05 to 1.09	18	394,425,469	10.9
1.04 to 1.00	9	224,866,000	6.2
0.00 to 1.00	9	602,465,000	16.7
Total	151	3,602,123,586	100.0

Table 18

Standard & Poor's Beginning LTV Range

	No. of loans	Loan bal. (\$)	% of pool
<50	1	2,850,000	0.1
50 to 60	1	7,989,769	0.2
61 to 70	1	1,250,000	0.0
71 to 75	1	32,900,000	0.9
76 to 80	1	4,000,000	0.1
81 to 85	5	58,329,987	1.6
86 to 90	5	31,744,985	0.9
91 to 95	9	69,026,714	1.9
96 to 100	22	240,769,404	6.7
>100	105	3,153,262,728	87.5
Total	151	3,602,123,586	100.0

Table 19

Standard & Poor's Ending LTV Range

	No. of loans	Loan bal. (\$)	% of total
Fully amortizing loans	0	0	0.0
0 to 50	3	13,089,769	0.4
51 to 60	0	0	0.0
61 to 70	3	7,560,000	0.2
71 to 75	5	49,086,349	1.4
76 to 80	3	15,714,950	0.4
81 to 85	11	93,318,382	2.6
86 to 90	16	226,900,087	6.3
91 to 95	15	144,602,831	4.0
96 to 100	14	97,774,734	2.7
>100	81	2,954,076,483	82.0
Total	151	3,602,123,586	100.0

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