

Revenge of the Maytag Repairmen

February 10, 2009

Brian Olasov - McKenna Long & Aldridge

Michael Carp – Capmark

Kevin Donahue – Midland

Brian Hanson – CWCcapital

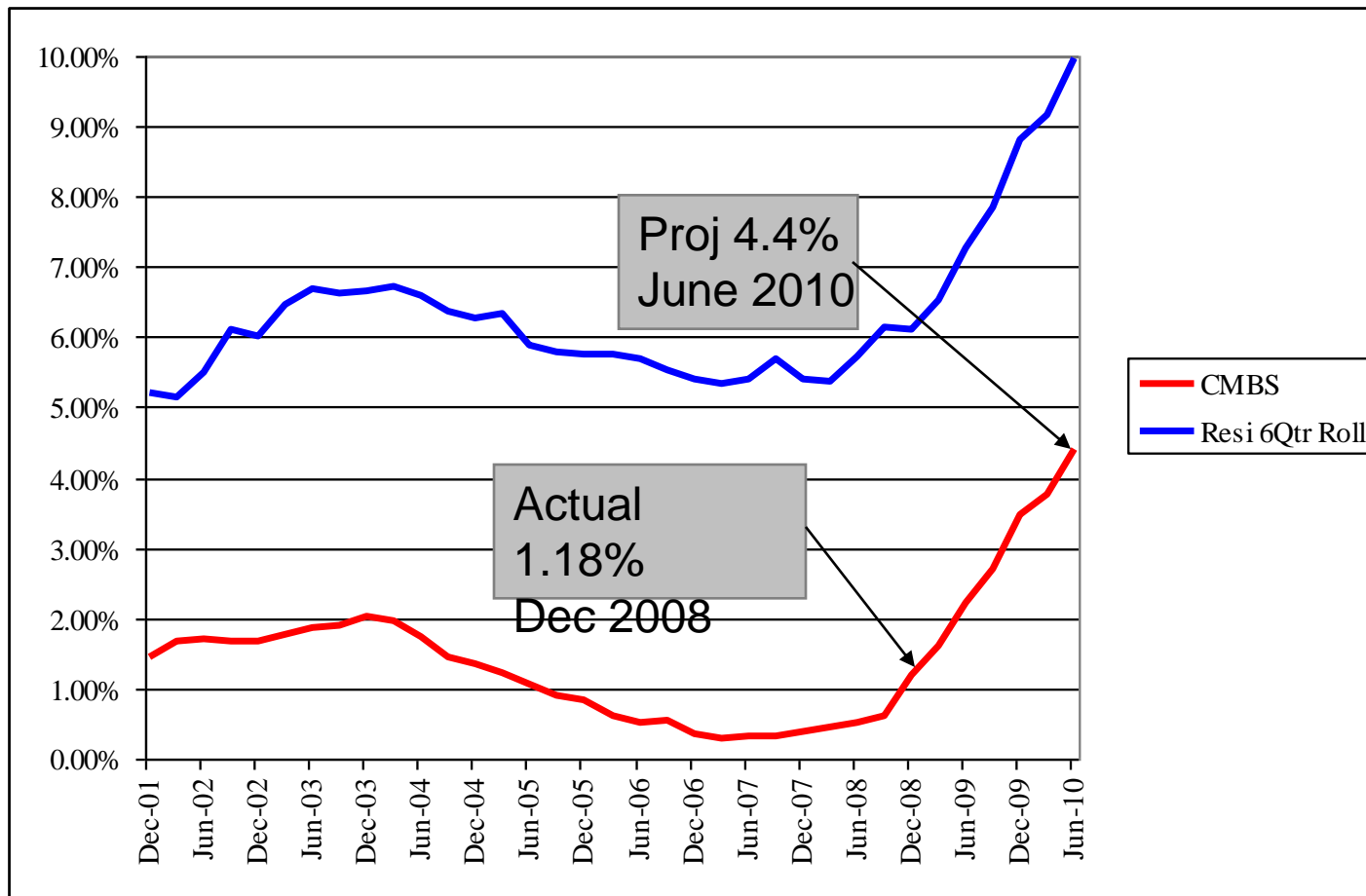
Patrick McGeehan - McKenna Long & Aldridge

Brian Pittard – Trimont

“Folks who didn’t have the time of day for special servicers and workout attorneys a year ago are now our best friends.”

- Anonymous servicer, January 2009

CMBS Conduit Delinquency % and Projections based on 6 Qtr Lag on Resi

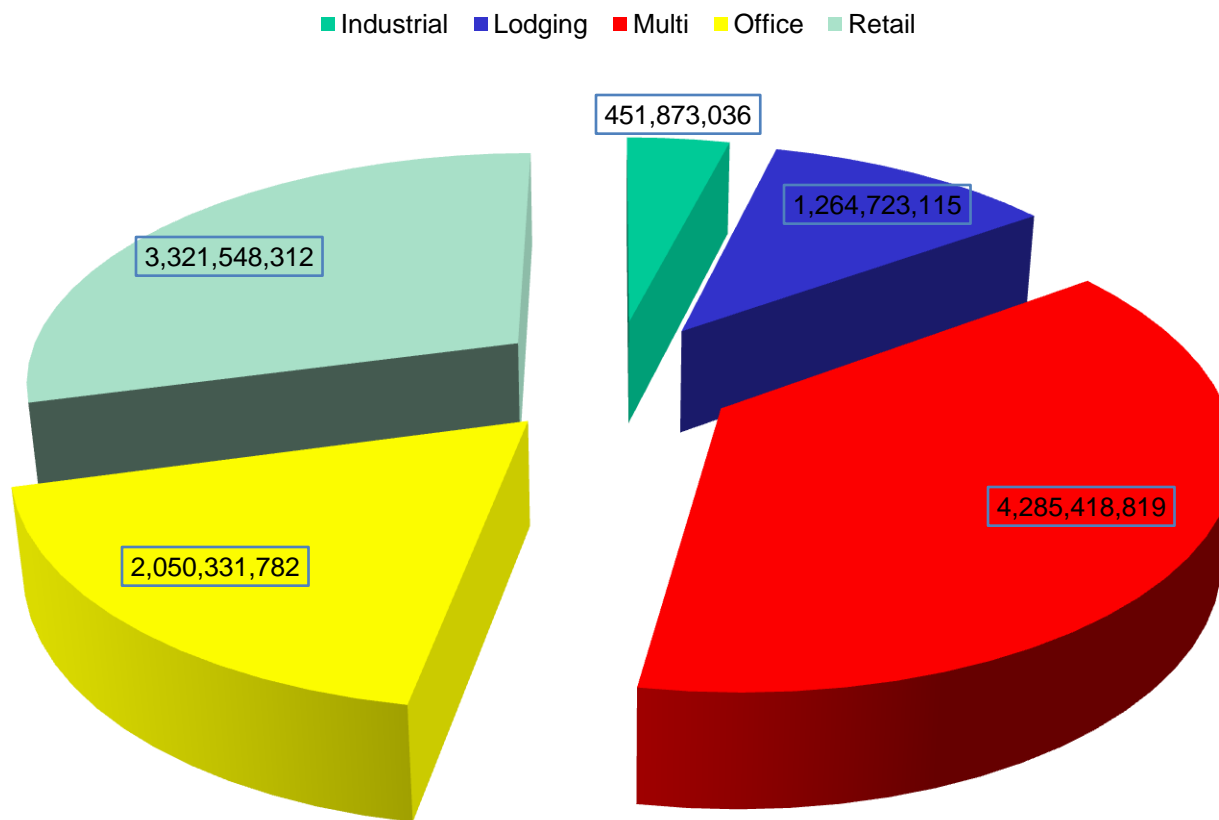


Source: Trepp/MBA NDS

“Servicing Standard” means the standard by which the Master Servicers and Special Servicer will service and administer the Mortgage Loans, Serviced Companion Loans and/or REO Properties that it is obligated to service and administer pursuant to this Agreement in the best interests and for the benefit of the Certificateholders, to perform such servicing and administration in accordance with applicable law, the terms of this Agreement, and the terms of the respective subject Mortgage Loans and Serviced Companion Loans, as applicable, and, to the extent consistent with the foregoing, further as follows:

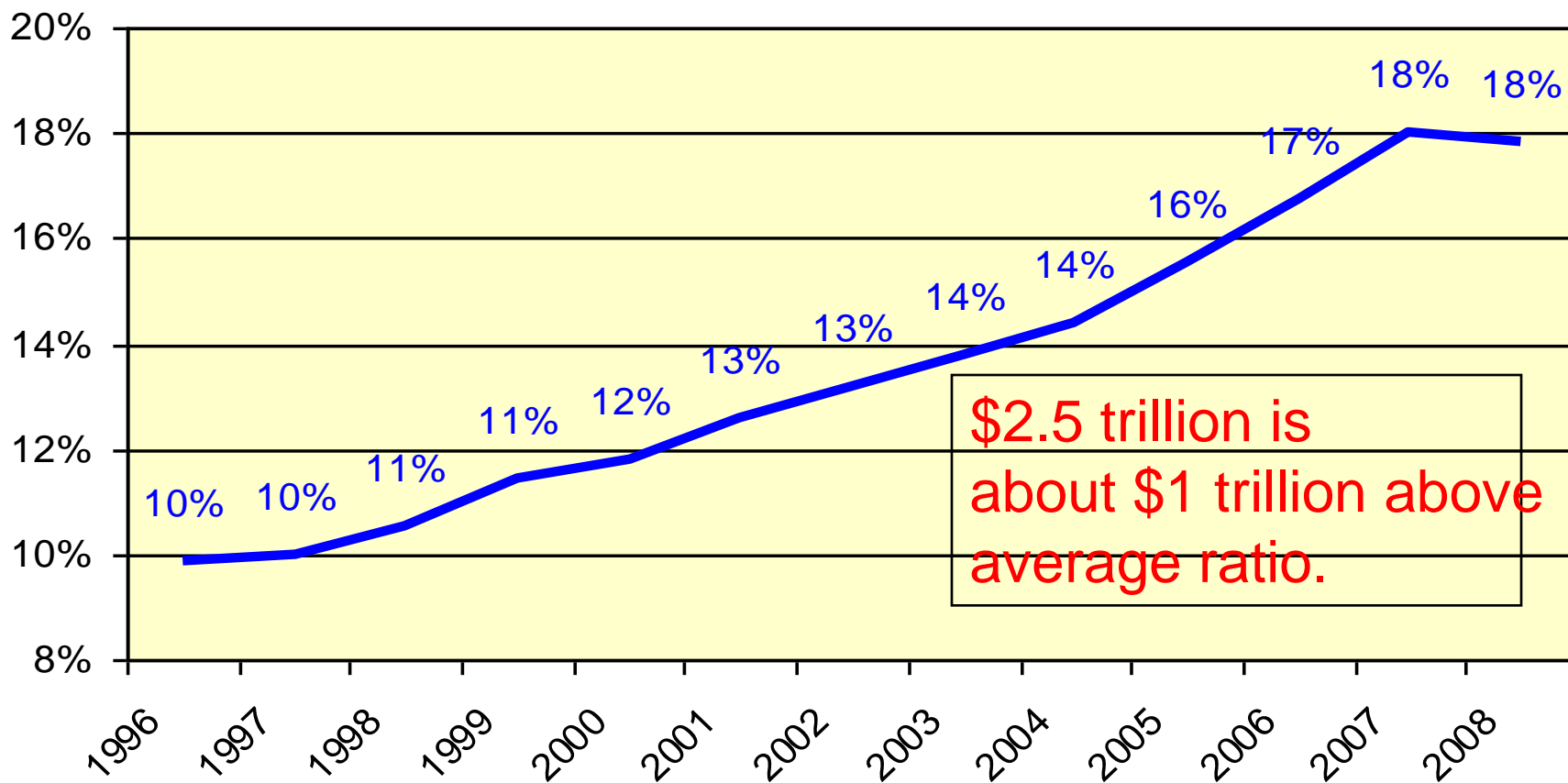
- (i) with the same skill, care and diligence as is normal and usual in its mortgage servicing activities on behalf of third parties or on behalf of itself, whichever is higher, and in the case of the Special Servicer, its REO Property management activities on behalf of third parties or on behalf of itself, whichever is higher, with respect to mortgage loans that are comparable to the Mortgage Loans; and
- (ii) with a view to the timely collection of all scheduled payments of principal and interest under the Mortgage Loans (and the Serviced Companion Loans) and, ***in the case of the Special Servicer, if a serviced Mortgage Loan comes into and continues in default, and if, in the judgment of the Special Servicer, no satisfactory arrangements can be made for the collection of the delinquent payments, the maximization of the recovery of principal and interest on that Mortgage Loan to the Certificateholders, as a collective whole, on a net present value basis*** (the relevant discounting of anticipated collections that will be distributable to Certificateholders will be performed at the rate determined by the Special Servicer but in any event not less than (i) the related REMIC I Net Mortgage Rate, in the case of the Mortgage Loans but without regard to: (I) any relationship that a Master Servicer or Special Servicer, as the case may be, or any Affiliate thereof may have with the related Mortgagor; (II) the ownership of any Certificate by a Master Servicer or Special Servicer, as the case may be, or any Affiliate thereof; (III) a Master Servicer’s obligation to make P&I Advances or Servicing Advances; (IV) the Special Servicer’s obligation to request that a Master Servicer make Servicing Advances; and (V) the right of a Master Servicer (or any Affiliate thereof) or Special Servicer (or any Affiliate thereof), as the case may be, to receive reimbursement of costs, or the sufficiency of any compensation payable to it under this Agreement or with respect to any particular transaction.

Property Types Delinquency (\$s)



Source: Trepp

Commercial Mortgages Outstanding / GDP



**\$2.5 trillion is
about \$1 trillion above
average ratio.**

Boscov Appraised Values

2006 Securit Appraisal

- \$28,800,000
- \$29,000,000
- \$26,800,000
- \$25,600,000
- \$26,800,000
- \$23,100,000
- \$22,600,000
- \$182,700,000

New Appraisal

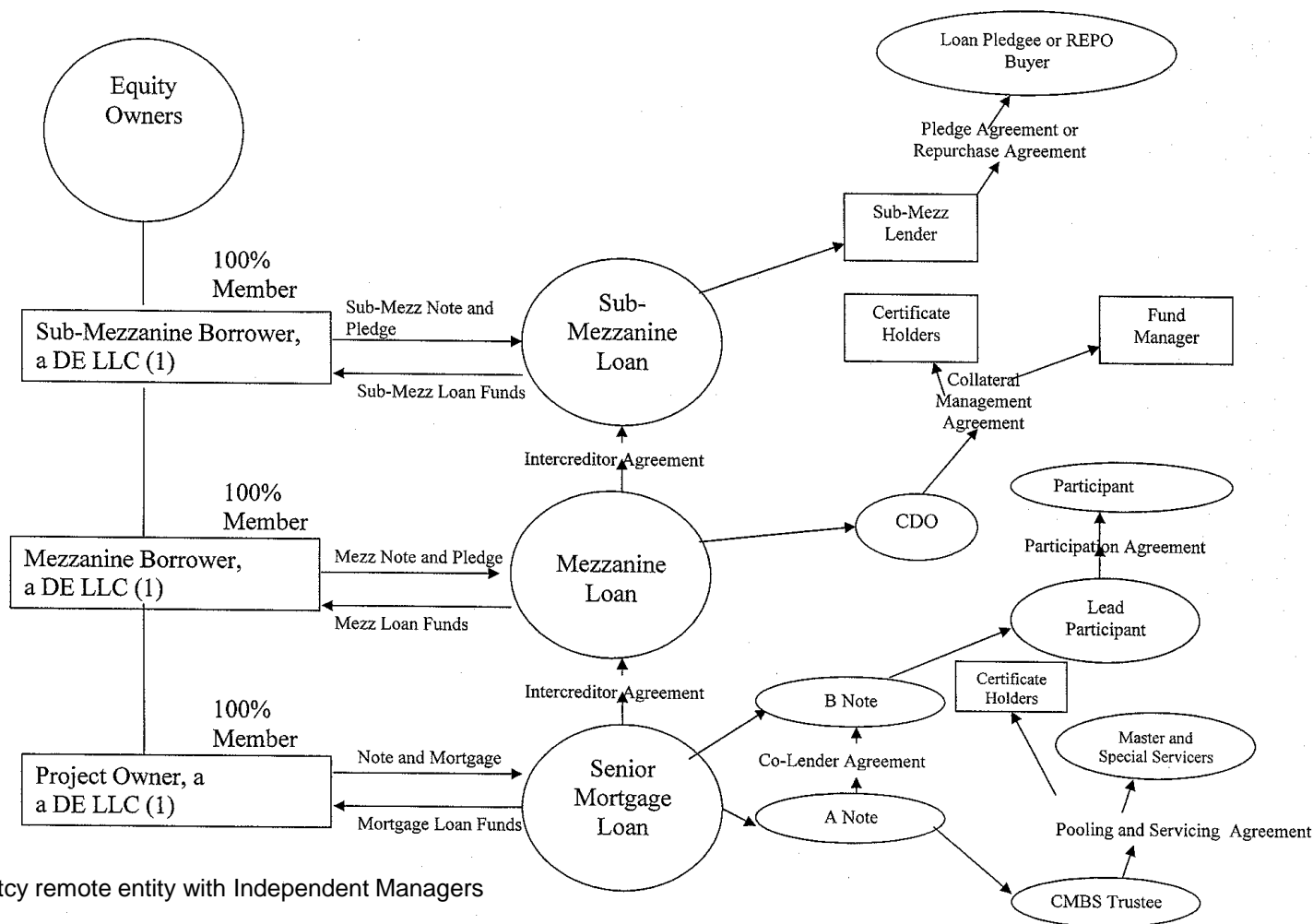
- \$6,800,000
- \$6,300,000
- \$6,800,000
- \$5,800,000
- \$7,200,000
- \$4,200,000
- \$4,200,000
- \$40,500,000

78% decline in two years

“I expect we’re going to see clever attorneys working to undo all of the prophylactic measures that were engineered into CMBS.”

- Unnamed servicer, Commercial Mortgage Alert, January 23, 2009**

Complex Capital Structures



Notes:
(1) SPE/bankruptcy remote entity with Independent Managers

- **Emergency**
- **National**
- **Evacuation of**
- **Mortgage**
- **Assets**

ENEMA