

International Servicing 2001

GMAC
Commercial Mortgage
Japan K.K.

International Statistics

<u>International Servicing:</u>	<u>Loans</u>	<u>May 2001</u>
Canadian Portfolio	349	561,312,735.
Japan Portfolio	10,639	798,357,962.
UK Portfolio- Mullingar	5	146,364,669.
UK Portfolio- Sutton	577	421,354,833.
Total International	11,570	1,927,390,199.

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History

- GMACCM SKK formed in 1998 to create a servicing presence in Japan
- Servicer License issued April 1999
- Received “Above Average” rating from S&P in March 2000

Portfolio Composition

- Securitized commercial property
 - Office, retail, multifamily
- Non-securitized commercial property
 - Office, retail, multifamily
- Performing corporate loans
 - Secured and Unsecured
- Residential mortgages
- Miscellaneous overseas assets

Japan Portfolio Activity

January 2000

- Yen 78B
- \$715M
- 4,900 assets

May 2001

- Yen 97.4B
- \$798M
- 10,639 assets

Systems

- McCracken's Strategy System houses all CMBS and U.S. style assets
- "International Strategy" under development. First release scheduled for 10/2001.
- Electronic Banking with Chase and Citibank
- J-Lease for Performing Corporate Assets
- GE / MS Joho for NAM residential

Primary Servicing

- Billing and collecting monthly P&I and escrow payments
- ARM accounting and management
- Reconciliation and management of bank accounts
- Escrow Administration (reserves, taxes, debt service, property level insurance)

Primary Servicing (con't)

- Performing on-site property inspections
- Collecting and analyzing property financial statements
 - Property financials are performed in Ireland
- Remitting and reporting to Master / Investor
- Special requests, payoffs and releases

Master Servicing

- Review and approval of special requests, releases and payoffs
- Provide liquidity to transaction by advancing P&I funds
- Reporting and remitting information to the Trustee
- Default management / Watchlist management

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Back-up Servicing

- Monthly, GMACCM SKK receives portfolio data file containing borrower payment records.
- Quarterly, GMACCM SKK will test load the portfolio data file. (Ireland)
- Quarterly, GMACCM SKK notifies the owner / administrator data load was successful and prepares a trial balance report.

Servicing Data Management

- Similar to “Master” servicer role in US
- Responsible for collection, managing and reconciling data from collection agencies, banks and servicer / owner
- Weekly reporting to owner

General Working Differences

- Longer Work Week
- Highly Structured
- “Servicer Law”

Functional Differences

- No Checks - Auto Debit
- No Escrows

Payment Patterns / Accounting Challenges

- Bonus Payments
- Differences in Rounding Methodology
- Calendar Issues

Payment Patterns / Accounting Challenges (con't)

- Differences in Interest Accrual Periods and Billing Treatment
 - “Ryoha” includes both the loan closing date and the maturity date for the first and last interest accrual period.
 - “Mae-Kataha” excludes the origination date in the first accrual period.
 - “Ato-Kataha” excludes the maturity date in the last accrual period.
 - “Wakachi” refers to the interest rate change that occurs during the accrual period.

Japan Opportunities

- Master/Primary for future CMBS deal internal and external
 - Actual market for third party servicing is non-existent in Japan
- Master/Primary for residential loans
- Back-up Servicing for Japanese Banks and International Investment Banks

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