

# Wachovia Bank Commercial Mortgage Trust

## Commercial Mortgage Pass-Through Certificates, Series 2006-C24

Estimated Closing Date: March 2006

*This pre-sale report addresses the structure and characteristics of the proposed transaction based on information provided to Moody's as of March 15, 2006. 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.*

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## POOL SUMMARY

Balance	\$2,001,923,624
Collateral	119 fixed rate loans, 130 commercial and multifamily properties
Structure	Sequential Pay
Sellers	Wachovia Bank, National Association, Artesia Mortgage Capital Corporation, JPMorgan Chase Bank N.A., Nomura Credit and Capital, Inc.
Moody's Actual DSCR	1.56X
Moody's LTV Ratio	96.3%
Moody's Red-Yellow-Green™ Score	68 (Green)
Pool Herfindahl Index	33
Shadow Rated Loans	Two loans (17.6% of the pool balance) with credit quality of <b>Baa2</b> and <b>Baa3</b> .
Underwriters	Wachovia Capital Markets, LLC, Nomura Securities International, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA), LLC, and J.P. Morgan Securities, Inc.
Master Servicer	Wachovia Bank, National Association
Special Servicer	LNR Partners, Inc.
Trustee	LaSalle Bank National Association
Fiscal Agent	Wachovia Commercial Mortgage Securities, Inc.

## PROVISIONAL (P) RATINGS

Class*	Amount (\$)	Rating	Credit Support (%)
A-1 <sup>1</sup>	30,437,000	(P) <b>Aaa</b>	30.000
A-2 <sup>1</sup>	361,311,000	(P) <b>Aaa</b>	30.000
A-PB <sup>1,5</sup>	84,272,000	(P) <b>Aaa</b>	30.000
A-3 <sup>1</sup>	610,984,000	(P) <b>Aaa</b>	30.000
A-1A <sup>1,2</sup>	314,342,000	(P) <b>Aaa</b>	30.000
A-M <sup>3</sup>	200,192,000	(P) <b>Aaa</b>	20.000
A-J <sup>4</sup>	145,140,000	(P) <b>Aaa</b>	12.750
B	17,517,000	(P) <b>Aa1</b>	11.875
C	22,521,000	(P) <b>Aa2</b>	10.750
D	17,517,000	(P) <b>Aa3</b>	9.875
E	15,015,000	(P) <b>A1</b>	9.125
F	20,019,000	(P) <b>A2</b>	8.125
G	20,019,000	(P) <b>A3</b>	7.125
H	25,024,000	(P) <b>Baa1</b>	5.875
J	32,531,000	(P) <b>Baa2</b>	4.250
K	20,020,000	(P) <b>Baa3</b>	3.250
L	7,507,000	(P) <b>Ba1</b>	2.875
M	7,507,000	(P) <b>Ba2</b>	2.500
N	7,507,000	(P) <b>Ba3</b>	2.125
O	5,005,000	(P) <b>B1</b>	1.875
P	5,005,000	(P) <b>B2</b>	1.625
Q	7,507,000	(P) <b>B3</b>	1.250
S	25,024,624	NR	0.000
X-p <sup>6</sup>	1,934,999,000	(P) <b>Aaa</b>	N/A
X-C <sup>6</sup>	2,001,923,624	(P) <b>Aaa</b>	N/A

1 Senior **Aaa** Class.

2 Initial Directed Class (Loan Group 2)

3 Mezzanine **Aaa** Class.

4 Subordinate **Aaa** Class.

5 Senior Planned Balance 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 X-C, X-P, G through S 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

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- The pool has two loans (17.6% of the pool balance) that are shadow rated as investment grade.
- Approximately 50.0% of the pool balance is comprised of less risky asset classes, including anchored retail (24.8%), multifamily (19.6%), industrial (4.9%), and manufactured housing (0.6%).
- The pool contains three groups of loans (14.3% of the pool balance) that are cross-collateralized and cross-defaulted. Additionally, the pool contains six loans (20.5%) that are secured by multiple properties. Such loans benefit from lower levels of cash flow volatility.
- Loans representing 99.7% of the pool balance are structured with borrowers organized as special purpose entities.
- Five loans (21.7% of the pool balance) are structured with in-place hard lockbox provisions. In addition, 26 loans (26.3%) are structured with soft or springing lockboxes.
- The pool's Red-Yellow-Green™ score of 68.1 is higher than the recent conduit average of 67.8. The pool has a Red-Yellow-Green™ coverage score of 78.0% which is higher than the recent conduit average of 66.2%.

## CONCERNS

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- The pool has 72 loans (54.0% of the pool balance) with Moody's LTV ratios over 100.0%.
- The transaction is concentrated as compared to recent conduit and fusion transactions. The Herfindahl score for the pool is 33 and the Herfindahl score for the pool, excluding shadow rated loans, is 44.
- The pool has exposure to hospitality (29.9% of the pool balance), office (14.3%) and unanchored retail (5.8%). Moody's considers hospitality, office, and unanchored retail properties among the riskier property types.
- Thirteen loans (35.7% of the pool balance) are encumbered by some form of subordinate debt and 34 loans (48.7%) are permitted to incur future subordinate debt.
- Ten loans (25.6% of the pool balance) provide for interest only payments throughout their entire term and 69 loans (58.5%) provide for interest only payments for a portion of their term.
- Fifteen loans (15.0% of the pool balance) are owned by individuals or entities as tenants in common.

## POOL CHARACTERISTICS

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### Loan Concentration

The pool consists of 119 loans. The largest loan is \$335 million or 16.7% of the pool balance, and the ten largest loans represent 55.5% of the pool balance. The average loan size is \$16,822,888 (0.8% of the pool balance). Moody's uses the Herfindahl Index to measure diversity of loan size. The pool has a Herfindahl Index of 33. The pool, excluding shadow rated loans, has a Herfindahl Index of 44. It is below the credit neutral score of 100 and below 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 35 states. Based on the pool balance, the top five state concentrations are as follows: Florida, 23.9%; California, 15.5%; Pennsylvania, 11.6%; Georgia, 6.7%; and Texas, 5.9%. Of the remaining 30 states, none represents more than 4.1% of the pool balance. The ten largest MSA concentrations are presented in *Figure 1*. The pool is somewhat geographically concentrated with the largest MSA accounting for 17.6% of the pool balance.

### Single Tenant Concentration

Eighteen properties (9.3% of the pool balance) are leased to a single tenant. Of these properties, fourteen (95.8% of the single tenant component) are leased to investment grade rated tenants.

### Operating History

Fifteen loans (6.8% of the pool balance) are secured by properties that were built or opened for operation in the past 18 months. Seven loans (1.9%) represent acquisition financing. As such, these loans have limited operating histories.

### Borrower Concentration

The three largest sponsors in the pool are CNL Hospitality Partners, LP (one loan; 16.7% of the pool balance), MacQuarie Countrywide - Regency II, LLC (one loan; 10.6%), and Howard Parnes (six loans; 6.3%).

### Borrower Quality

Three loans (1.5% 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. Three mortgaged properties (4.2% of the pool balance) are secured only by leasehold interests. One mortgaged property (6.1%) is secured by the fee and leasehold interest. The remaining loans (89.7% of the pool balance) are secured by fee simple interests. A single loan (0.7%) is secured by the borrower's interest in commercial and/or residential condominium units.

### Tenants in Common

Fifteen loans (15.0% of the pool balance) are owned by individuals or entities as tenants in common.

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*Figure 1*

#### MSA CONCENTRATION

MSA	% of Pool
Orlando, FL PMSA	17.6%
Philadelphia, PA PMSA	11.4%
Los Angeles-Long Beach-Glendale, CA PMSA	9.4%
Atlanta-Sandy Springs-Marietta, GA PMSA	5.6%
Nassau-Suffolk, NY PMSA	4.0%
Chicago-Naperville-Joliet, IL PMSA	3.3%
Austin-Round Rock, TX PMSA	2.7%
San Diego-Carlsbad-San Marcos, CA PMSA	2.4%
Edison, NJ PMSA	2.1%
Seattle-Bellevue-Everett, WA PMSA	1.6%
<b>Top 10</b>	<b>60.0%</b>

## LOAN CHARACTERISTICS

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### Loan Originators

The loans were originated by Wachovia Bank, National Association (81.2%), Artesia Mortgage Capital Corporation (10.7%), JPMorgan Chase Bank, N.A. (5.1%), and Nomura Credit & Capital, Inc. (3.0%).

### Loan Origination Dates

Loans representing 100% 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 5.7% and a range from 4.8% to 6.4%.

### Loan Term

Original loan terms range from 60 to 240 months, with a weighted average of 109 months. Remaining terms to maturity range from 59 months to 240 months, with a weighted average of 108 months.

### Loan Amortization

One hundred and four loans (90.0% of the pool balance) are balloon loans and two loans (0.5%) are fully amortizing. In addition, thirteen loans (9.5%) are ARD loans. Ten loans (25.6%) provide for interest only payments for their entire terms. Sixty-nine loans (58.5%) provide for interest only payments for a portion of their respective terms.

### Crossed Collateral

The pool contains three groups of loans (14.3% of the pool balance) that are cross-collateralized and cross-defaulted. The pool contains six loans (20.5%) that are secured by multiple properties.

### Cash Management

Five mortgage loans (21.7% of the pool balance) have in-place hard lockboxes. Twenty-six loans (26.3%) have soft or springing lockbox provisions. In addition, borrowers are required to fund monthly escrows for real estate taxes (56.4%), capital expenditures (44.6%), insurance (47.0%) and TI/LC's (30.1% of the office, retail, and industrial sub-pool balance).

### Special Purpose Entities

Approximately 99.7% 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, 31 loans (41.6%) have the right to incur future additional financing in the form of mezzanine debt and one loan (2.4%) is permitted to incur future unsecured debt. Two loans (4.7%) are permitted to incur future subordinate debt secured by the mortgaged property. 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	7	11.8%
Second Mortgage	2	6.3%
Unsecured Debt	0	0.0%
Mezzanine Debt	5	23.6%
<b>Total*</b>	<b>13</b>	<b>35.7%</b>

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

## ***Pari Passu Loans***

None 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 Pari Passu Balance</b>	<b>Pari Passu Notes</b>	<b>Transactions with Related Pari Passu Notes</b>	<b>Control</b>	<b>Additional Debt</b>
N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

## **THIRD PARTY REVIEWS**

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### **Appraisals**

Appraisals were completed for all the properties. Appraisals for 126 of the mortgaged properties (97.0% of the pool balance) were completed within the past 12 months. With respect to two mortgaged properties (3.1%), the appraised value represented the "as stabilized" value.

### **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 97.5% of the pool balance were conducted during the past 12 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, all of the reports were completed by an independent third party engineer within the past 12 months. For most properties, escrows were established to correct deferred maintenance issues identified in the reports.

### **Seismic**

Two of the mortgage properties (1.8% of the pool balance) are located in areas that are considered a high earthquake risk. One of the properties (0.3%) had a PML greater than 20%; for which earthquake insurance was required.

### **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**

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### **Transaction Summary**

The pool has been divided into two loan groups. Loan Group 1 consists of 91 fixed-rate loans secured by 100 commercial and multifamily properties with an aggregate outstanding principal balance of \$1,687,581,199 (84.3% of the pool balance). Loan Group 2 consists of 28 fixed-rate loans secured by 30 multifamily and manufactured housing properties with an aggregate outstanding principal balance of \$314,342,425 (15.7%).

### **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, Wachovia Bank, National Association, Artesia Mortgage Capital Corporation, JPMorgan Chase Bank, N.A. and Nomura Credit and Capital, Inc., have made representations and warranties concerning the mortgage loans to the depositor, Wachovia Commercial Mortgage Securities, 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**

Wachovia Bank, National Association will be the master servicer and LNR Partners, 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. Wachovia Bank, National Association and LNR Partners, Inc. have been reviewed by Moody's and found acceptable in the roles of master servicer 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 March 2045.

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 73% 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 53% of the pool by loan balance were visited. New York, California, Florida, Pennsylvania, Texas, and Georgia 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	19.6%	-2.2%	8.3%	1.29X	0.96X	1.29X	94.5%	73.4%
Manufactured Housing	0.6%	-0.5%	8.8%	1.32X	1.06X	1.31X	91.2%	69.8%
Industrial	4.9%	-4.2%	8.4%	1.21X	0.91X	1.34X	100.7%	74.0%
Anchored Retail	24.8%	-3.5%	8.7%	1.28X	0.92X	1.32X	104.3%	72.5%
Unanchored Retail	5.8%	-1.6%	9.5%	1.29X	0.94X	1.27X	108.9%	75.0%
Office	14.3%	+8.1%	9.2%	1.31X	0.98X	1.22X	103.7%	74.2%
Hotel - Limited Service	1.9%	-3.5%	11.1%	1.40X	1.15X	1.46X	103.7%	68.9%
Hotel - Full Service	28.0%	-4.8%	10.7%	2.24X	1.48X	2.34X	83.3%	54.1%
<b>Total/Wtd. Average Pool</b>	<b>100.0%</b>	<b>-1.9%</b>	<b>9.3%</b>	<b>1.56X</b>	<b>1.10X</b>	<b>1.59X</b>	<b>96.3%</b>	<b>67.9%</b>

1 Moody's Actual DSCR is based on Moody's NCF and the actual debt service during P&I periods.

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.

### 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 68.1 is higher than the recent conduit average of 67.8 and lower than the national average of 75.2 for all markets and property types covered. The pool has a Red-Yellow-Green™ coverage score of 78.0% which is higher than the recent conduit average of 66.2%. 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 59.9% 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
Grande Lakes Resort Pool	\$335,000,000	16.7%	Baa2
Branmar Shopping Center	\$16,700,000	0.8%	Baa3
<b>Total</b>	<b>\$351,700,000</b>	<b>17.6%</b>	<b>N/A</b>

### Shadow Rated Loans

The pool has two shadow rated loans that represents 17.6% 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 1.56X. Moody's weighted average actual DSCR for the pool, excluding shadow rated loans, is 1.30X. *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 96.3%. The pool's weighted average Moody's LTV ratio, excluding shadow rated loans, is 103.1%. *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 1.9%. Moody's weighted average reduction to the pool's underwritten net cash flow, excluding shadow rated loans, was 1.1%.

## DISTRIBUTIONS

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	0	0.0%	> 115%	7	8.8%	< 1.00	0	0.0%
1.00-1.09	0	0.0%	110%-114.9%	8	7.4%	1.00-1.24	0	0.0%
1.10-1.19	38	29.3%	105% - 109.9%	34	25.4%	1.25-1.49	8	13.9%
1.20-1.29	39	34.5%	100% - 104.9%	23	23.9%	1.50-1.74	28	27.7%
1.30-1.39	24	11.1%	95% - 99.9%	21	15.1%	1.75-1.99	58	25.9%
1.40-1.49	15	15.3%	90% - 94.9%	11	6.2%	2.00-2.24	21	23.4%
1.50-1.59	1	5.1%	85% - 89.9%	11	8.1%	2.25-2.49	5	6.4%
1.60-1.69	4	1.6%	80% - 84.9%	3	3.6%	2.50-2.74	6	2.5%
1.70-1.79	3	2.4%	75% - 79.9%	6	0.6%	2.75-2.99	0	0.0%
1.80-1.89	2	0.5%	70% - 74.9%	0	0.0%	3.00-3.49	0	0.0%
1.90-1.99	0	0.0%	60% - 69.9%	2	0.6%	3.50-3.99	0	0.0%
> 2.00	1	0.2%	< 60%	1	0.2%	> 3.99	1	0.2%

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
Grande Lakes Resort Pool	Hospitality	16.7%	-5.9%	10.4%	\$329,736	2.84X	1.75X	3.01X	64.2%	44.0%
Regency Portfolio	Retail	10.6%	-3.6%	8.9%	\$106	1.16X	0.89X	1.21X	108.6%	75.1%
1818 Market Street	Office	6.1%	-1.7%	9.0%	\$118	1.19X	0.92X	1.21X	105.5%	78.2%
Forum at Peachtree Parkway	Retail	4.2%	-3.3%	8.5%	\$225	1.56X	0.96X	1.61X	95.8%	64.1%
Marriott - Melville, NY	Hospitality	4.0%	-2.7%	10.8%	\$200,598	1.43X	1.07X	1.47X	108.2%	75.2%
TJX Distribution Center	Industrial	3.6%	-4.6%	8.3%	\$68	1.25X	0.86X	1.31X	104.0%	78.8%
Dobie Center	Multifamily	2.7%	-4.9%	8.9%	\$58,810	1.32X	1.01X	1.38X	94.9%	79.9%
Doubletree Hotel - Santa Monica, CA	Hospitality	2.6%	-5.7%	10.5%	\$180,758	1.23X	0.98X	1.30X	115.9%	69.8%
Bank of America - Pasadena, CA	Office	2.5%	+43.1%	9.3%	\$128	1.45X	0.93X	1.01X	112.6%	74.6%
Marriott Del Mar	Hospitality	2.4%	-2.1%	10.5%	\$142,236	1.27X	0.96X	1.30X	118.8%	69.7%
<b>Total/Weighted Average Top 10 Loans</b>		<b>55.5%</b>	<b>-2.1%</b>	<b>9.6%</b>	<b>N/A</b>	<b>1.75X</b>	<b>1.18X</b>	<b>1.82X</b>	<b>93.9%</b>	<b>65.3%</b>
<b>Total/Wtd. Avg. Pool Excl. Shadow Rated Loans</b>		<b>82.4%</b>	<b>-1.1%</b>	<b>9.1%</b>	<b>N/A</b>	<b>1.30X</b>	<b>0.96X</b>	<b>1.32X</b>	<b>103.1%</b>	<b>72.3%</b>
<b>Total/Weighted Average Pool</b>		<b>100.0%</b>	<b>-1.9%</b>	<b>9.3%</b>	<b>N/A</b>	<b>1.56X</b>	<b>1.10X</b>	<b>1.59X</b>	<b>96.3%</b>	<b>67.9%</b>

1 Moody's Actual DSCR is based on Moody's NCF and the actual debt service during P&I periods.

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.

## 1. GRANDE LAKES RESORT POOL

COLLATERAL SUMMARY	
% of Pool	16.7%
Pool Amount	\$335,000,000
Originator	Wachovia
Shadow Rating	<b>Baa2</b>
Property Type	Hotel
Location	Orlando, FL
Red-Yellow-Green™	Yellow (63)
Size	1,582 Guestrooms
Year Built/Renovated	2003 / N/A
Ownership	Fee
Purchase Price	\$753,200,000 as of 2/2006

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$335,000,000	64.2%	2.84X
<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>\$335,000,000</b>	<b>64.2%</b>	<b>2.84X</b>
Mezzanine	\$235,000,000	109.3%	1.43X
<b>Total</b>	<b>\$570,000,000</b>	<b>109.3%</b>	<b>1.43X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.710%
Interest-Only Period	60 Months
Amortization	None
Maturity Date	3/1/2011
Sponsor	CNL Hospitality Partners, LP

STRUCTURAL FEATURES	
Lockbox	Hard
Ongoing Reserves	Springing Tax, Insurance & FF&E
Upfront Reserves	None
Other	Releases permitted at 120% of the allocated loan amount. The loan provides for a construction guarantee on on-going capital projects estimated at \$16.3 million.

### Strengths

- The pooled balance is shadow rated **Baa2**.
- High-quality hotel asset of new vintage that offers competitive amenities and recreational facilities, including a 40,000 square foot Ritz-Carlton Spa and an 18-hole Greg Norman signature golf course.
- Desirable location along Central Florida Parkway within close proximity to the Orange County Convention Center and various destination theme parks, including Walt Disney World, Universal Studios and Sea World.
- Based on improvement in the economy and an increase in corporate and leisure travel, the portfolio's RevPAR improved by 45.8% in 2004 and 18.2% in 2005.
- The Ritz-Carlton and JW Marriott achieved 2005 RevPAR penetration rates of 133.6% and 105.5%, respectively.
- The portfolio benefits from strong sponsorship by CNL Hotels & Resorts, Inc., the nation's second largest hotel REIT, and the strong brand affiliation of Marriott and Ritz-Carlton.

### Concerns

- There is additional debt in the form of mezzanine debt, which Moody's accounted for in its analysis.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- There is limited operating history available for the property due to its recent construction.
- Moody's considers hotels among the riskier property types.

### Portfolio Description

A summary of the portfolio is presented in *Figure 10*.

*Figure 10*

#### GRANDE LAKES RESORT POOL LOAN PORTFOLIO SUMMARY

Property	Location	Year Built / Renovated	# of Rooms	% of Allocated Loan Balance	2004 RevPAR Penetration	2005 RevPAR Penetration
JW Marriott Grand Lakes	Orlando, FL	2003	998	63.1%	96.9%	105.5%
Ritz-Carlton Grand Lakes	Orlando, FL	2003	584	36.9%	119.7%	133.6%
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>1,582</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>

## Portfolio Performance

A summary of the Portfolio's performance is presented in *Figure 11*.

*Figure 11*

### GRANDE LAKES RESORT POOL LOAN PORTFOLIO PERFORMANCE

	2003	2004	2005	UW	Moody's*
ADR	\$176.58	\$201.18	\$221.30	\$243.26	\$243.42
Occupancy	49.8%	63.7%	68.5%	70.7%	70.5%
RevPAR	\$87.94	\$128.22	\$151.62	\$171.88	\$171.54
Percentage Change	n/a	+45.8%	+18.2%	+13.4%	-0.2%
Net Cash Flow (\$ millions)	\$1.4	\$29.5	\$47.8	\$57.6	\$54.2
Percentage Change	n/a	+1,963.3%	+62.2%	+20.7%	-5.9%
NCF Margin	2.6%	18.9%	26.1%	29.1%	27.5%

\* Moody's NCF includes an FF&E expense equal to 3.5% of total revenue.

## Market Overview

A summary of the competitive set is presented in *Figure 12* and a summary of the individual properties' market mix relative to that of the competitive set is presented in *Figure 13*.

*Figure 12*

### GRANDE LAKES RESORT POOL MARKET OVERVIEW

	Year Built/ Renovated	Proximity	Guest-rooms	Meeting Space (SF)	2005 RevPAR Change vs. 2004	2004 RevPAR Penetration	2005 RevPAR Penetration
JW Marriott Grand Lakes	2003	N/A	998	100,100	+16.7%	96.9%	105.5%
Ritz-Carlton Grand Lakes	2003	N/A	584	35,547	+19.7%	119.7%	133.6%
Omni Orlando Resort	2004	17 miles SW	730	61,400	+70.1%	44.1%	70.0%
Westin WDW Swan	1989	11 miles N	758	329,000	+6.0%	108.5%	107.3%
Sheraton WDW Swan	1990	11 miles N	1,509	329,000	+12.5%	96.2%	100.9%
Marriott World Center	1986	8 miles SW	2,000	214,000	+1.3%	85.3%	80.6%
Gaylord Palms Resort	2002	11 miles SW	1,406	299,000	+3.1%	99.5%	95.7%
Hyatt Regency Grand Cypress	1984	7 miles SW	750	53,500	+5.8%	98.2%	96.9%
Loews Portofino Bay	1999	9 miles NW	750	40,000	+2.1%	136.1%	129.5%
Loews Royal Pacific	2002	9 miles NW	1,000	59,000	+7.3%	111.7%	111.8%
The Peabody	1986	5 miles NW	891	57,000	+19.3%	93.0%	103.5%

*Figure 13*

### GRANDE LAKES RESORT POOL MARKET MIX

	JW Marriott	Ritz-Carlton	Competitive Set
Transient	30.0%	30.0%	30.7%
Meeting and Group	70.0%	70.0%	69.3%

\* Transient demand includes Corporate & Leisure travelers

## 2. REGENCY PORTFOLIO

COLLATERAL SUMMARY	
% of Pool	10.6%
Pool Amount	\$213,000,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Retail
Location	Various
Red-Yellow-Green™	Various
Size	1,841,832 SF
Year Built/Renovated	Various
Occupancy	95.0% as of various dates
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$213,000,000	108.6%	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>\$213,000,000</b>	<b>108.6%</b>	<b>1.16X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$213,000,000</b>	<b>108.6%</b>	<b>1.16X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.810%
Interest-Only Period	60 Months
Amortization	360 Months
Maturity Date	3/11/2016
Sponsor	Regency Realty Group, Inc. & MacQuarie Countrywide Trust of Australia

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	None
Upfront Reserves	None
Other	Collateral release permitted subject to LTV and DSCR test.

### Strengths

- Cross-collateralized and cross-defaulted loan.
- The loan portfolio benefits from geographic diversity.
- Significant tenant diversity with no single tenant accounting for more than 6.3% of in-place base rent.
- Eleven of the portfolio properties are located in markets classified as Green by Moody's in its Fourth Quarter 2005 Red-Yellow-Green™ Update.
- Experienced sponsorship and management by Regency Centers and MacQuarie Countrywide.

### Concerns

- The loan has a high Moody's LTV ratio of 108.6%.
- Future mezzanine debt is permitted, which Moody's accounted for in its analysis.
- The loan has reduced amortization due to the 60-month interest only period.
- The loan is structured without a lockbox and has no upfront or ongoing reserves.
- The sponsor has executed master-leases to bridge rent gap associated with five tenant spaces that combine for approximately 9.2% of total portfolio NRA and 9.2% of total portfolio in-place base rent.

## Portfolio Description

A summary of the portfolio is presented in *Figure 14*.

*Figure 14*

### REGENCY PORTFOLIO PROPERTY SUMMARY

Property	Location	Property Type	Year Built / Renovated	Occupancy	NRA (SF)	% of NRA	% of Allocated Loan Balance
Granada Village Shopping Center	Granada Hills, CA	Retail	1965 / N/A	99.5%	259,346	14.1%	19.7%
Pleasant Hill Shopping Center	Pleasant Hill, CA	Retail	1970 / 1990	99.2%	233,678	12.7%	14.3%
Civic Center Plaza Shopping Center	Niles, IL	Retail	1989 / N/A	96.5%	265,024	14.4%	12.7%
Towamencin Shopping Village	Lansdale, PA	Retail	1990 / N/A	100.0%	122,916	6.7%	9.2%
Shoppes of Kildaire	Cary, NC	Retail	1985 / N/A	82.2%	149,949	8.0%	9.0%
Brafferton Shopping Center	Stafford, VA	Retail	1979 / 2000	97.9%	94,731	5.1%	6.0%
Newark Shopping Center	Newark, NJ	Retail	1955 / 1990	80.3%	183,017	9.9%	5.2%
First Colony Marketplace	Sugar Land, TX	Retail	1993 / N/A	97.3%	111,675	6.1%	4.9%
Greenway Town Center	Tigard, OR	Retail	1979 / N/A	100.0%	93,100	5.1%	4.9%
Laguna Niguel Plaza	Laguna Niguel, CA	Retail	1985 / N/A	93.9%	41,224	2.2%	4.5%
McHenry Commons	Mc Henry, IL	Retail	1988 / 1999	94.1%	100,526	5.5%	4.4%
Racine Shopping Center	Racine, WI	Retail	1988 / N/A	99.1%	135,827	7.4%	4.4%
Westmont/Haddon Commons SC	Haddon Township, NJ	Retail	1959 / 1984	93.4%	52,640	2.9%	0.7%
<b>Total / Wtd. Average</b>	<b>N/A</b>	<b>N/A</b>	<b>Various</b>	<b>95.0%</b>	<b>1,841,832</b>	<b>100.0%</b>	<b>100.0%</b>

## Tenant Overview

The portfolio is currently 95% occupied by 239 tenants. A summary of the major tenants is presented in *Figure 15*. The sponsor has executed master-leases to bridge rent gap associated with five tenant spaces. The master-leases combine for 168,967 square feet (9.2% of total portfolio NRA) and an approximate in-place base rent of \$1.96 million (9.2% of total portfolio in-place base rent).

*Figure 15*

### REGENCY PORTFOLIO TENANT OVERVIEW

Tenant	% of NRA	In Place Base Rent PSF	% of Base Rent	Lease Expiration	Sales PSF	Moody's Senior Unsecured Rating <sup>1</sup>
Home Depot	6.3%	\$9.83	5.4%	Oct-15	\$479	Aa3
Target	6.3%	\$7.34	4.0%	Nov-09	\$400	A2
Kohl's <sup>2</sup>	4.8%	\$11.36	4.7%	Feb-16	N/A	A3
Other Occupied Space	77.6%	\$12.77	85.9%	N/A	N/A	N/A
Vacant Space	5.0%	N/A	N/A	N/A	N/A	N/A
<b>Total/ Average</b>	<b>100%</b>	<b>\$12.14</b>	<b>100.0%</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.

<sup>2</sup> Under master-lease to borrower until tenant commences rent payment. Lease out for signature.

## Market Overview

The Regency Portfolio has a Red-Yellow- Green™ coverage score of 86.6%. The coverage score indicates the share of the total pool for which scores are available. Availability of scores is dependent on whether data is available for a particular market and property type. Of the properties that are covered, 100.0% of the properties by allocated loan amount are located in Green markets.

### 3. 1818 MARKET STREET

COLLATERAL SUMMARY	
% of Pool	6.1%
Pool Amount	\$122,000,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Office
Location	Philadelphia, PA
Red-Yellow-Green™	Yellow (55)
Size	983,160 SF
Year Built/Renovated	1971 / 2004
Occupancy	95.6% as of 11/07/2005
Ownership	Fee & Leasehold
Purchase Price	\$152,800,000 as of 2/2006

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$122,000,000	105.5%	1.19X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$10,000,000	114.2%	1.07X
<b>First Mortgage Balance</b>	<b>\$132,000,000</b>	<b>114.2%</b>	<b>1.07X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$132,000,000</b>	<b>114.2%</b>	<b>1.07X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.946%
Interest-Only Period	60 Months
Amortization	360 Months
Maturity Date	3/11/2016
Sponsor	Triple Net Properties, LLC

STRUCTURAL FEATURES	
Lockbox	Springing
Ongoing Reserves	Tax, Insurance & TI/LC (commencing on the 25th payment)
Upfront Reserves	Tax, Insurance, CapEx (\$300,000) , TI/LC (\$5.7 million) & Tenant Holdback (\$300,380)
Other	N/A

#### Strengths

- Good quality Class A office building that was renovated in 2004 at a total cost of approximately \$4.0 million.
- Approximately 21% of the NRA is leased to credit tenants which account for 24% of the in-place base rent.
- The property benefits from a diverse tenant roster with 78 tenants. With the exception of the largest tenant (21.8% of NRA), no single tenant accounts for more than 7.0% of NRA.
- Excellent CBD location along Philadelphia's Market Street, with close proximity to supporting commercial uses and transportation alternatives.

#### Concerns

- The loan has a high Moody's LTV ratio of 105.5%.
- There is additional debt in the form of a junior component and future mezzanine debt is permitted, which Moody's accounted for in its analysis.
- The loan has reduced amortization due to the 60-month interest-only period.
- Approximately 7,040 square feet of the 0.98 acre site are subject to a ground lease. The ground lease has CPI rent bumps every five years, expires on December 31, 2071, and has lender notice and cure rights.
- The property has rollover risk as the largest tenant (approximately 21.8% of NRA) is due to roll by March 2008. However, there is an upfront TI/LC reserve of \$4.0 million for this tenant. In addition, the loan provides for a TI/LC reserve of \$1.7 million to address general rollover during the term.
- Triple Net Properties, LLC (syndicator of tenancy in common interest, property manager and the holder of a minority tenancy in common interest) has received notice that it is under investigation by the SEC. Anthony Thompson, Chairman of Triple Net Properties, LLC, has indemnified the lender against any loss associated with the current SEC investigation.

## Tenant Overview

A summary of the major tenants is presented in *Figure 16*.

*Figure 16*

### 1818 MARKET 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>
Day & Zimmerman Group	214,613	21.8%	\$17.26	18.6%	Mar-2008	N/A
Sunco, Inc.	68,533	7.0%	\$17.39	6.0%	Various	<b>Baa2</b>
Zurich Insurance Company	41,526	4.2%	\$26.15	5.5%	Feb-2012	<b>A3</b>
Other Occupied Space	615,336	62.6%	\$22.59	N/A	N/A	N/A
Vacant Space	43,152	4.4%	N/A	N/A	N/A	N/A
<b>Total / Average</b>	<b>983,160</b>	<b>100.0%</b>	<b>\$21.15</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 17*.

*Figure 17*

### 1818 MARKET STREET MARKET OVERVIEW

	Total Inventory (SF)	Class A Inventory (SF)	2005 YE Vacancy	2004 YE Vacancy	2005 Gross Asking Rent	2004 Gross Asking Rent
Competitive Set	6,340,627	6,340,627	8.0%	NAV	\$21.50-\$28.00	NAV
Market Street West Submarket	23,187,000	19,400,000	11.3%	10.0%	\$22.81	\$23.96
Philadelphia Downtown Market	65,566,000	27,158,000	10.4%	10.1%	\$21.81	\$21.51

Source: Torto Wheaton Research

## 4. FORUM AT PEACHTREE PARKWAY

COLLATERAL SUMMARY	
% of Pool	4.2%
Pool Amount	\$84,000,000
Originator	Wachovia
Shadow Rating	None
Property Type	Retail
Location	Norcross, GA
Red-Yellow-Green™	Yellow (59)
Size	389,159 SF
Year Built/Renovated	2003 / N/A
Occupancy	100% as of 1/25/2006
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$84,000,000	95.8%	1.56X
<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>\$84,000,000</b>	<b>95.8%</b>	<b>1.56X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$84,000,000</b>	<b>95.8%</b>	<b>1.56X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.690%
Interest-Only Period	120 Months
Amortization	None
Maturity Date	3/11/2016
Sponsor	Stanley E. Thomas

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	None
Upfront Reserves	None
Other	Release of unimproved parcel permitted subject to certain conditions met. No value was attributed to this parcel at valuation.

### Strengths

- Dominant anchored retail center within its trade area.
- Desirable location along Peachtree Parkway, a major commercial thoroughfare.
- Strong trade area demographics.
- Good construction quality.
- The property is 100% occupied.

### Concerns

- The loan has a high Moody's LTV ratio of 95.8%.
- Future mezzanine debt is permitted, which Moody's accounted for in its analysis.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- The loan is structured without a lockbox and has no upfront or ongoing reserves.

## Tenant Overview

A summary of the property's tenants is presented in *Figure 18*. As of January 2006, the property was 100% occupied by 64 tenants. Approximately 6.3% of the property's total NRA is office space.

*Figure 18*

### FORUM AT PEACHTREE PARKWAY TENANT OVERVIEW

Tenant	NRA (SF)	% of NRA	In-Place Base Rent PSF	% of Base Rent	Sales PSF	Occupancy Cost Ratio	Moody's Senior Unsecured Rating <sup>1</sup>
Belk	65,804	16.9%	\$3.25	2.7%	N/A	N/A	N/A
Linen's N Things	26,800	7.3%	\$14.50	5.1%	\$169	8.6%	<b>B3</b>
Wakefield Beasley	24,551	6.3%	\$13.75	4.2%	N/A	N/A	N/A
Barnes & Noble	23,559	6.1%	\$16.50	4.8%	\$226	7.3%	N/A
Old Navy	19,881	5.1%	\$12.00	3.0%	\$292	4.1%	<b>Baa3</b>
<b>Subtotal Majors</b>	<b>162,395</b>	<b>41.7%</b>	<b>\$9.81</b>	<b>19.8%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
In-line Tenants	226,764	58.3%	\$28.49	80.2%	N/A	N/A	N/A
Vacant Space	0	0.0%	N/A	0.0%	N/A	N/A	N/A
<b>Subtotal In-line</b>	<b>226,764</b>	<b>58.3%</b>	<b>\$28.49</b>	<b>80.2%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Center</b>	<b>389,159</b>	<b>100.0%</b>	<b>\$20.69</b>	<b>100.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Collateral</b>	<b>389,159</b>	<b>100.0%</b>	<b>\$20.69</b>	<b>100.0%</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 competitive market is provided in *Figure 19*. The estimated 2005 population within the five mile trade area was 206,996, which represents an increase of 5.9% since 2000. The estimated 2005 average household income within the trade area was \$92,405.

*Figure 19*

### FORUM AT PEACHTREE PARKWAY MARKET OVERVIEW

	Total Inventory (SF)	2004 YE Vacancy	3Q 2005 Vacancy	2004 YE Effective Rent	3Q 2005 Effective Rent
Peachtree Retail Submarket	9,684,000	N/A	7.2%	N/A	\$13.17
Atlanta Retail Market	71,250,000	7.6%	7.8%	\$14.92	\$15.13

Source: REIS, Inc.

## 5. MARRIOTT - MELVILLE, NY

COLLATERAL SUMMARY	
% of Pool	4.0%
Pool Amount	\$80,066,910
Originator	Wachovia
Shadow Rating	N/A
Property Type	Hotel
Location	Melville, NY
Red-Yellow-Green™	Yellow (55)
Size	369 Guestrooms
Year Built/Renovated	1990 / 2005
Ownership	Fee
Purchase Price	N/A

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$80,066,910	108.2%	1.43X
<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>\$80,066,910</b>	<b>108.2%</b>	<b>1.43X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$80,066,910</b>	<b>108.2%</b>	<b>1.43X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.670%
Interest-Only Period	None
Amortization	360 Months
Maturity Date	1/11/2016
Sponsor	Columbia Sussex Corp.

STRUCTURAL FEATURES	
Lockbox	Soft-Upfront
Ongoing Reserves	Tax, Insurance & FF&E
Upfront Reserves	Tax (\$276,484), Insurance (\$48,829) & Deferred Maintenance (\$39,850)
Other	N/A

### Strengths

- The property had improving RevPAR penetration rates over the past few years.
- Accessible location within a mile of the Long Island Expressway.
- The hotel is in good condition as a \$3 million soft and hard goods renovation (\$8,130 per guestroom) was completed in 2005.
- The property benefits from strong sponsorship by Columbia Sussex Corporation and the strong brand affiliation of Marriott.

### Concerns

- The loan has a high Moody's LTV ratio of 108.2%.
- The loan has a longer amortization period than is typical for hotels.
- The current franchise agreement with Marriott expires in July of 2014, prior to loan maturity. Loan provisions, however, require lender's consent to a change in chain affiliation.
- There are three new proposed hotels within the greater submarket that combine for 1,367 rooms. Each of the proposed hotels will compete directly or indirectly with the Melville Marriott.
- Moody's considers hotels among the riskier property types.

## Property Performance

The property's historical performance is presented in *Figure 20*. The reported TTM 2005 performance reflects the on-going renovation from April through September, with an approximate 15 guestrooms out of inventory on a daily basis.

*Figure 20*

### MARRIOTT - MELVILLE, NY HOTEL PERFORMANCE

	2003	2004	TTM 9/05	UW	Moody's*
ADR	\$158.26	\$166.29	\$167.28	\$170.61	\$175.64
Occupancy	65.9%	67.3%	65.1%	67.5%	65.1%
RevPAR	\$104.34	\$111.95	\$108.95	\$115.16	\$114.34
Percentage Change	N/A	+7.3%	-2.7%	+5.7%	-0.7%
Net Cash Flow (\$ millions)	\$8.1	\$9.0	\$8.6	\$8.2	\$8.0
Percentage Change	N/A	+10.9%	-4.5%	-4.8%	-2.7%
NCF Margin	39.1%	40.5%	39.7%	36.0%	35.6%

\* Moody's NCF includes an FF&E expense equal to 5.0% of total revenue.

## Market Overview

A summary of the competitive set is presented in *Figure 21* and a summary of the hotel's market mix relative to that of the competitive set is presented in *Figure 22*.

*Figure 21*

### MARRIOTT - MELVILLE, NY MARKET OVERVIEW

	Year Built/ Renovated	Proximity	Guest-rooms	Meeting Space (SF)	2005 RevPAR Change vs. 2004	2004 RevPAR Penetration	2005 RevPAR Penetration
Subject	1990 / 2005	N/A	369	15,700	-2.7%	NAV	104.0%
Hilton Long Island	1998 / 2004	2 miles S	304	18,400	NAV	NAV	105.8%
Hyatt Regency Wind Watch	1989 / 2004	14 miles E	360	13,900	NAV	NAV	95.5%
Sheraton Long Island	1980 / 2003	9 miles E	209	18,500	NAV	NAV	92.6%
Holiday Inn Long Island	1963 / 2003	3.5 miles W	125	4,750	NAV	NAV	90.9%

*Figure 22*

### MARRIOTT - MELVILLE, NY MARKET MIX

	Subject	Competitive Set
Corporate Transient	65%	60%
Meeting and Group	25%	28%
Leisure	10%	12%
Other	0%	0%

## 6. TJX DISTRIBUTION CENTER

COLLATERAL SUMMARY	
% of Pool	3.6%
Pool Amount	\$71,700,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Industrial
Location	Philadelphia, PA
Red-Yellow-Green™	Green (69)
Size	1,015,500 SF
Year Built/Renovated	2001 / N/A
Occupancy	100.0% as of 2/9/2006
Ownership	Fee
Purchase Price	\$90,125,000 as of 1/2006

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$71,700,000	104.0%	1.25X
<i>Pari Passu</i> Balance	\$0	N/A	N/A
Junior Non Pool Component	\$9,647,276	117.9%	1.12X
<b>First Mortgage Balance</b>	<b>\$81,347,276</b>	<b>117.9%</b>	<b>1.12X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$81,347,276</b>	<b>117.9%</b>	<b>1.12X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.570%
Interest-Only Period	6 Months
Amortization	Varies
ARD Date	3/11/2016
Sponsor	Capital Lease Funding, Inc.

STRUCTURAL FEATURES	
Lockbox	Hard
Ongoing Reserves	Springing Tax, Insurance & TI/LC (see below)
Upfront Reserves	None
Other	Springing TI/LC reserve (\$2.8M) in the event tenant's rating falls below <b>Baa3</b> .

### Strengths

- The property is fully leased to a tenant with a parent rating of **A3** under a long-term NNN lease.
- State-of-the-art warehouse distribution facility of new vintage.
- The property has excellent transportation linkages. In excess of 40% of the US population is reachable within one day driving distance, making the location very desirable for its intended use.
- Moody's classified the Philadelphia industrial market as Green (69) in its Fourth Quarter 2005 Red-Yellow-Green™ Update.
- The property benefits from the sponsorship of Capital Lease Funding, Inc., a net lease REIT with a market capitalization of \$299 million as of December 29, 2005.

### Concerns

- The loan has a high Moody's LTV ratio of 104%.
- There is additional debt in the form of a junior component, which Moody's accounted for in its analysis. The junior component is co-terminus with the senior note and is self-amortizing.
- The loan has reduced amortization due to the six-month interest-only period.
- Single-tenant risk. This is mitigated with a springing TI/LC reserve (equal to six months of rent) in the event tenant's rating falls below **Baa3**. Additionally, at lender's discretion, the loan has a hyper-amortization option at the ARD.

## Tenant Overview

A summary of the major tenant is presented in *Figure 23*. The lease has two, seven-year renewal options at 90% of fair market rent, not less than \$6.12 per square foot.

*Figure 23*

### TJX DISTRIBUTION CENTER 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>
NBC Philadelphia Merchants	1,015,500	100.0%	\$5.76	100.0%	Jun-21	A3
<b>Total / Average</b>	<b>1,015,500</b>	<b>100.0%</b>	<b>\$5.76</b>	<b>100.0%</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*.

*Figure 24*

### TJX DISTRIBUTION CENTER MARKET OVERVIEW

	Total Inventory (SF)	2005 Completions (SF)	4Q 2005 Vacancy	2004 Vacancy	2005 Net Asking Rent	2004 Net Asking Rent
Northeast Submarket	6,351,000	0	12.5%	14.4%	\$3.39	\$3.25
Philadelphia, PA	285,864,000	586,000	12.4%	14.0%	\$5.00	\$4.43

Source: Torto Wheaton Research

## 7. DOBIE CENTER

### COLLATERAL SUMMARY

% of Pool	2.7%
Pool Amount	\$54,400,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Multifamily
Location	Austin, TX
Red-Yellow-Green™	Green (84)
Size	975 Beds
Year Built/Renovated	1969 / 1998
Occupancy	92.4% as of 11/30/2005
Ownership	Fee
Purchase Price	\$67,900,000 as of 12/2005

### DEBT SUMMARY

		Moody's	
		LTV	Actual DSCR
Pool Balance	\$54,400,000	94.9%	1.32X
<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>\$54,400,000</b>	<b>94.9%</b>	<b>1.32X</b>
Mezzanine	\$6,475,000	106.2%	1.18X
<b>Total</b>	<b>\$60,875,000</b>	<b>106.2%</b>	<b>1.18X</b>

### LOAN SUMMARY

Loan Type	Fixed Rate
Interest Rate	5.590%
Interest-Only Period	51 Months
Amortization	330 Months
Maturity Date	1/11/2016
Sponsor	Howard L. Michaels

### STRUCTURAL FEATURES

Lockbox	Soft-Upfront
Ongoing Reserves	Tax, Insurance, CapEx & TI/LC
Upfront Reserves	Tax (\$79,389), Insurance (\$89,811), CapEx (\$600,000) & Seasonality Reserve (\$2,281,167).
Other	N/A

### Strengths

- Desirable high-end residential student property with supporting retail amenities.
- Well located within a university campus along a major commercial/entertainment node.
- Strong historical occupancy of nearly 100% over the past three school years. Approximately 70% of students pre-pay their rent and all leases typically have parental guarantees.
- Moody's classified the Austin multifamily market as Green (84) in its Fourth Quarter 2005 Red-Yellow-Green™ Update.

### Concerns

- The loan has a high Moody's LTV ratio of 94.9%.
- There is additional debt in the form of mezzanine debt, which Moody's accounted for in its analysis.
- The loan has reduced amortization due to the 51-month interest-only period.
- The property is of older vintage, but has been well maintained and was renovated in the late 1990's.
- Given its reliance on the local student population, the property is impacted by seasonality in that summer months historically are hampered with lower occupancy. However, the lender has structured a seasonality reserve.
- New supply risk. Partly mitigated based on subject's high-end profile coupled with on-going condominium conversions within the market place.

## Unit Mix Overview

A summary of the property's residential unit mix is provided in *Figure 25*.

*Figure 25*

### DOBIE CENTER UNIT MIX

Unit Type	# of Units	# of Beds	% of Beds	Average Monthly Rent / Bed	Average SF / Unit
Efficiency	75	150	15.4%	\$630	245
Studio	154	308	31.6%	\$657	286
Side Suite (Plus)	46 (3)	184 (6)	19.5%	\$806 (\$647)	792 (600)
Corner Suite	74	296	30.4%	\$746	887
Private Studio	31	31	3.1%	\$939	268
<b>Total / Average</b>	<b>383</b>	<b>975</b>	<b>100.0%</b>	<b>\$717</b>	<b>450</b>

Additionally, the property contains 68,594 square feet of enclosed supporting retail space and a detached parking garage with 668 parking spaces. The retail space was 86.4% leased as of November 30, 2005. The largest retail tenant is Dobie Theaters (four screens) which occupies 13.8% of the retail NRA through August 2010.

## Market Overview

A summary of the property's market is presented in *Figure 26*. Within a five-mile radius, demographic indicators are relatively strong with an estimated 2005 population of 284,895, which represents a 2.8% decrease from 2000. The estimated 2005 average household income within a five-mile radius was \$57,516.

*Figure 26*

### DOBIE CENTER MARKET OVERVIEW

	Total Inventory (Units)	2004 YE Vacancy Rate	2005 3Q Vacancy Rate	2004 Monthly Rent / SF	2005 Monthly Rent / SF
Competitive Set	NAV	NAV	11.0%	NAV	NAV
Central Submarket	NAV	NAV	6.3%	NAV	\$1.09
Austin, TX Market	NAV	9.5%	6.5%	\$0.81	\$0.84

## 8. DOUBLETREE HOTEL - SANTA MONICA, CA

COLLATERAL SUMMARY	
% of Pool	2.6%
Pool Amount	\$53,000,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Hotel
Location	Santa Monica, CA
Red-Yellow-Green™	Green (91)
Size	253 Guestrooms
Year Built/Renovated	1990 / 1999
Ownership	Leasehold
Purchase Price	\$76,506,276 as of 3/2005

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$53,000,000	115.9%	1.23X
<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>\$53,000,000</b>	<b>115.9%</b>	<b>1.23X</b>
Mezzanine	\$11,531,381	141.1%	0.93x
<b>Total</b>	<b>\$64,531,381</b>	<b>141.1%</b>	<b>0.93X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.510%
Interest-Only Period	84 Months
Amortization	300 Months
Maturity Date	10/11/2015
Sponsor	The Procaccianti Group and CMS Companies.

STRUCTURAL FEATURES	
Lockbox	None
Ongoing Reserves	Tax, Insurance & FF&E
Upfront Reserves	Tax (\$336,140) & Insurance (\$83,103)
Other	N/A

### Strengths

- Attractive location in the heart of Santa Monica and four blocks from the Pacific Ocean.
- The property is in the midst of a renovation program at a combined cost of \$14.9 million (\$59,082 per key). Property upgrades should allow the property to solidify its current market position.
- Moody's classified the Los Angeles full-service lodging market as Green (91) in its Fourth Quarter 2005 Red-Yellow-Green™ Update.
- The property benefits from the brand affiliation of Doubletree (Hilton Hotels Corporation).

### Concerns

- The loan has a high Moody's LTV ratio of 115.9%.
- There is additional debt in the form mezzanine debt, which Moody's accounted for in its analysis.
- The loan has reduced amortization due to the 84-month interest-only period.
- The property reported a 3.3% decline in RevPAR in 2005 compared to the previous year.
- The loan is structured without a lockbox.
- Moody's considers hotels among the riskier property types.

## Property Performance

The property's historical performance is presented in *Figure 27*.

*Figure 27*

### DOUBLETREE HOTEL - SANTA MONICA, CA HOTEL PERFORMANCE

	2002	2003	2004	2005	UW	Moody's*
ADR	\$155.53	\$153.52	\$168.13	\$178.22	\$186.11	\$183.26
Occupancy	73.4%	76.9%	78.6%	71.7%	79.1%	79.0%
RevPAR	\$114.16	\$118.11	\$132.09	\$127.79	\$147.23	\$144.78
Percentage Change	N/A	+3.5%	+11.8%	-3.3%	+15.2%	-1.7%
Net Cash Flow (\$ millions)	\$3.3	\$3.4	\$4.0	\$3.2	\$5.1	\$4.8
Percentage Change	N/A	+1.0%	+17.5%	-20.6%	+61.5%	-5.7%
NCF Margin	22.2%	21.8%	23.3%	20.0%	27.6%	26.5%

\* Moody's NCF includes an FF&E expense equal to 4.0% of total revenue.

## Market Overview

A summary of the competitive set is presented in *Figure 28* and a summary of the hotel's market mix relative to that of the competitive set is presented in *Figure 29*.

*Figure 28*

### DOUBLETREE HOTEL - SANTA MONICA, CA MARKET OVERVIEW

	Year Built/ Renovated	Proximity	Guest-rooms	Meeting Space (SF)	2004 RevPAR Change vs. 2003	2003 RevPAR Penetration	2004 RevPAR Penetration
Subject	1990 / 1999	N/A	253	12,820	+11.6%	99.4%	102.0%
Sheraton Delfina	1983 / 2004	NAV	309	10,000	-3.3%	75.8%	67.3%
Marriott Marina Beach	1986 / 2004	NAV	370	18,000	+4.3%	81.0%	77.6%
Le Merigot Hotel & Spa	1999 / NAV	NAV	175	12,000	+21.7%	122.0%	136.4%
Fairmont Miramar	1921 / 2003	NAV	302	25,000	+10.7%	135.7%	138.1%

*Figure 29*

### DOUBLETREE HOTEL - SANTA MONICA, CA MARKET MIX

	Subject	Competitive Set
Corporate Transient	58%	47%
Meeting and Group	30%	31%
Leisure	12%	22%
Other	0%	0%

## 9. BANK OF AMERICA - PASADENA, CA

COLLATERAL SUMMARY	
% of Pool	2.5%
Pool Amount	\$50,000,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Office
Location	Pasadena, CA
Red-Yellow-Green™	Yellow (61)
Size	345,945 SF
Year Built/Renovated	1974 / 2000
Occupancy	100.0% as of 11/23/2005
Ownership	Fee
Purchase Price	\$33,143,600 as of 11/2005

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$50,000,000	112.6%	1.45X
<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>\$50,000,000</b>	<b>112.6%</b>	<b>1.45X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$50,000,000</b>	<b>112.6%</b>	<b>1.45X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.930%
Interest-Only Period	117 Months
Amortization	None
ARD Date	9/11/2015
Sponsor	Philip Orosco

STRUCTURAL FEATURES	
Lockbox	Springing
Ongoing Reserves	Springing Tax, Insurance, CapEx & TI/LC
Upfront Reserves	None
Other	Borrower has signed a master-lease secured by \$14.755 million in US Treasury strips that generate annual cash flow of \$1.848 million.

### Strengths

- The property is fully leased under a bondable lease to Bank of America (**Aa2**) through October 2009 and provides for two, five-year renewal options.
- Desirable location in the East Valley/Tri-Cities (Los Angeles North) market with excellent regional accessibility.

### Concerns

- The loan has a high Moody's LTV ratio of 112.6%.
- Future mezzanine debt is permitted, which Moody's accounted for in its analysis.
- The loan lacks the benefit of amortization as it is interest-only for the entire loan term.
- Single-tenant exposure. The current lease expires prior to loan maturity but has renewal options. If the tenant elects to vacate at lease expiration, the US Treasury strips will provide debt service for an additional 38 months past such lease expiration. Additionally, at lender's discretion, the loan has a hyper-amortization option at the ARD.
- The property is of older vintage. It has, however, been well maintained and the borrower is planning a \$1.8 million renovation of windows and HVAC system.

## Tenant Overview

A summary of the major tenant is presented in *Figure 30*.

*Figure 30*

### BANK OF AMERICA - PASADENA, CA 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>
Bank of America	345,945	100.0%	\$3.33	100.0%	Oct-2009	Aa2
<b>Total / Average</b>	<b>345,945</b>	<b>100.0%</b>	<b>\$3.33</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 31*.

*Figure 31*

### BANK OF AMERICA - PASADENA, CA MARKET OVERVIEW

	Total Inventory (SF)	Class A Inventory (SF)	2005 YE Vacancy	2004 YE Vacancy	2005 Net Asking Rent	2004 Net Asking Rent
Pasadena Competitive Set	7,146,000	4,805,000	7.4%	11.1%	\$25.20	NAV
East Valley/Tri-Cities Submarket	17,789,000	14,313,000	11.0%	13.4%	\$25.20	NAV
Los Angeles Metro Market	177,405,000	140,636,000	11.7%	14.2%	\$21.51	\$19.61

Source: Torto Wheaton Research

## 10. MARRIOTT DEL MAR

COLLATERAL SUMMARY	
% of Pool	2.4%
Pool Amount	\$48,000,000
Originator	Wachovia
Shadow Rating	N/A
Property Type	Hotel
Location	San Diego, CA
Red-Yellow-Green™	Green (79)
Size	284 Guestrooms
Year Built/Renovated	2002 / N/A
Ownership	Fee
Purchase Price	\$68,850,000 as of 1/2006
% of Pool	2.4%

DEBT SUMMARY			
		Moody's	
		LTV	Actual DSCR
Pool Balance	\$48,000,000	118.8%	1.27X
<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>\$48,000,000</b>	<b>118.8%</b>	<b>1.27X</b>
Mezzanine	\$0	N/A	N/A
<b>Total</b>	<b>\$48,000,000</b>	<b>118.8%</b>	<b>1.27X</b>

LOAN SUMMARY	
Loan Type	Fixed Rate
Interest Rate	5.690%
Interest-Only Period	60 Months
Amortization	360 Months
Maturity Date	1/11/2016
Sponsor	Sunstone Hotel Investors, Inc.

STRUCTURAL FEATURES	
Lockbox	Springing
Ongoing Reserves	Tax, Insurance & FF&E
Upfront Reserves	None
Other	N/A

### Strengths

- The property achieved RevPAR penetration of 112.8% in 2005.
- Good quality hotel asset with competitive amenities, including pool, spa, fitness facility, business center and restaurant/lounge.
- Moody's classified the San Diego full-service lodging market as Green (79) in its Fourth Quarter 2005 Red-Yellow-Green™ Update.
- The property benefits from strong sponsorship by Sunstone Hotel Investors, Inc., a California-based REIT, and the strong brand affiliation of Marriott.

### Concerns

- The loan has a high Moody's LTV ratio of 118.8%.
- The loan has reduced amortization due to the 60-month interest-only period.
- The current franchise agreement with Marriott expires in July of 2014, prior to loan maturity. Loan provisions, however, require lender's consent to a change in chain affiliation.
- There are three new proposed hotels within the greater submarket that combine for 497 rooms. Each of the proposed hotels will compete indirectly with the Marriott Del Mar.
- Moody's considers hotels among the riskier property types.

## Property Performance

The property's historical performance is presented in *Figure 32*. The reported TTM 2005 performance reflects the on-going renovation from April through September, with an approximate 15 guestrooms out of inventory on a daily basis.

*Figure 32*

### MARRIOTT DEL MAR HOTEL PERFORMANCE

	2003	2004	TTM 05	UW	Moody's*
ADR	\$122.83	\$130.43	\$141.51	\$146.95	\$145.76
Occupancy	70.2%	74.6%	73.6%	74.1%	74.0%
RevPAR	\$86.23	\$97.29	\$104.09	\$108.95	\$107.86
Percentage Change	N/A	+12.8%	+7.0%	+4.7%	-1.0%
Net Cash Flow (\$ millions)	\$3.4	\$3.9	\$4.6	\$4.3	\$4.2
Percentage Change	N/A	+15.0%	+19.3%	-5.9%	-2.1%
NCF Margin	21.5%	21.5%	23.4%	21.3%	20.5%

\*Moody's NCF includes an FF&E expense equal to 3.0% of total revenue.

## Market Overview

A summary of the competitive set is presented in *Figure 33* and a summary of the hotel's market mix relative to that of the competitive set is presented in *Figure 34*.

*Figure 33*

### MARRIOTT DEL MAR MARKET OVERVIEW

	Year Built/ Renovated	Proximity	Guest-rooms	Meeting Space (SF)	2005 RevPAR Change vs. 2004	2004 RevPAR Penetration	2005 RevPAR Penetration
Subject	2002 / N/A	N/A	284	12,078	+7.0%	114.0%	112.8%
Doubletree Del Mar	1991 / NAV	0.3 miles S	221	5,086	NAV	NAV	91.8%
Hilton Del Mar	1988 / NAV	4.1 miles N	245	17,600	NAV	NAV	92.4%
Hyatt Regency La Jolla	1989 / NAV	5.4 miles S	419	30,533	NAV	NAV	138.3%
Marriott La Jolla	1985 / NAV	5.9 miles S	360	16,040	NAV	NAV	123.8%
Hampton Inn Del Mar	2000 / NAV	0.1 miles S	128	1,016	NAV	NAV	89.1%

*Figure 34*

### MARRIOTT DEL MAR MARKET MIX

	Subject	Competitive Set
Corporate Transient	50%	52%
Meeting and Group	22%	27%
Leisure	28%	21%
Other	0%	0%

## 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
WBCMT 2006-C24	Subject Pool <sup>2</sup>	68.1	75.9	77.1	55.0	54.3	70.4	64.6	69.8
<b>Total Pool Balance:</b>	Recent Conduits <sup>3</sup>	<b>67.8</b>	75.9	76.7	62.3	58.6	66.8	65.2	70.9
\$2,001,923,624	National Average <sup>4</sup>	75.2	86.4	82.0	62.5	52.7	73.2	63.6	64.3

### 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	78.0%	66.2%	48.6%	74.8%	100.0%	89.8%	90.9%	98.8%	62.3%
Share WITHOUT Scores <sup>6</sup>	22.0%	33.8%	51.4%	25.2%	0.0%	10.2%	9.1%	1.2%	37.7%
<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>	78.0% of Subject Pool						
			Multi	Retail <sup>1</sup>	Ofc-CBD	Ofc-Sub	Ind	Hotel-Full	Hotel-Ltd
Red (0-16)	0.0%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Red (17-33)	0.9%	3.5%	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%
Yellow (34-50)	7.3%	10.5%	1.4%	0.7%	0.0%	2.7%	0.0%	2.5%	0.0%
Yellow (51-66)	47.4%	26.8%	0.6%	9.1%	8.1%	2.5%	0.0%	26.6%	0.6%
Green (67-84)	23.3%	43.2%	3.8%	6.5%	0.0%	3.2%	5.7%	3.1%	0.9%
Green (85-100)	21.1%	14.7%	4.7%	13.0%	0.0%	0.0%	0.0%	3.4%	0.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>10.5%</b>	<b>29.3%</b>	<b>8.1%</b>	<b>9.3%</b>	<b>5.7%</b>	<b>35.5%</b>	<b>1.5%</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	22.0% of Subject Pool			Subject Pool
					Manufactured Housing	Mixed Use	Other	
Top 10	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 ----- 25	2.0%	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%	3.0%
26 ----- 50	6.9%	0.0%	0.0%	0.0%	0.0%	12.3%	0.0%	19.3%
51 ----- 100	16.0%	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	16.9%
101 ----- 379 <sup>11</sup>	51.2%	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%	52.1%
No MSA	8.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.7%
Undetermined <sup>12</sup>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>84.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>2.9%</b>	<b>12.3%</b>	<b>0.0%</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>
One Columbia Center	Office	\$13,730,000	0.7%	Baltimore	24.0	1.01X	95.6%

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 2005.
- 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 2005 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 2005
- 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 2005. 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)

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