

	A	B	C	D	E	F	G	H	I	J	K	L
1	GREG Price Verification Summary											
2		5/30/2008										
3		PBEY										
4												
5												
6												
7												
8	Workpaper Summary:											
9												
10	Overview - EY notes that price verification is a procedure performed by Product Control to test the reasonableness of marks on PTG, Commercial Mortgage,											
11	Commercial Loan, and CMBS positions. EY notes that differences in valuations calculated by Product Control are not, on their own, valuation differences to											
12	be adjusted on the Company's records. Because price verification is a control procedure designed for independent validation of the reasonableness of marks,											
13	Product Control price verification results are subject to discussion and review as well as explanation of conclusions. Please see our WTs related to PTG and											
14	ComL price verification for further discussion.											
15												
16	The purpose of this sheet is to compile and evaluate for reasonableness Product Control's assessment for large positions and to review and evaluate positions											
17	where Product Control identified variances over its threshold of +/- \$5MM. EY created this compilation. Original price verification files and TOC and interim											
18	substantive testing are located in TOC related to {B31} {B32} {B33} and J1, J2, and J3, but TOC and substantive procedures were not included as part of this											
19	analytical review. For additional analysis of the GREG business, PTG positions, P&L Summaries, and FN tie-outs, please see documents associated to											
20	"Quarter 2 Business Update/Review" in the Mortgage Capital GAMx and "Interim Reviews" in the Corporate GAMx.											
21												
22	Based on the results of our review, we noted that significant positions appear to be valued within Product Control's threshold or were reasonably											
23	contemplated and explained. Also, EY notes that total variances suggest that the GREG portfolio is marked below those values estimated by Product Control's											
24	models. This results appears reasonable based on intangible factors in the marketplace, the unique nature of each position, and quickly evolving market											
25	conditions. Please see below for detailed descriptions of each worksheet.											
26												
27												
28	Tab 1/ - This tab is an extraction of the Top 10 MV PTG Single Family and Top 10 MV Single Asset debt positions as well as any positions with price verification differences											
29	+/- \$5MM. EY reviewed explanations and evaluated for reasonableness in light of position details and current market conditions. EY notes that the total PTG debt portfolio											
30	Front Office marks are \$544MM below PC modelled values. Based on total portfolio price verification results and explanations provided on variances over \$5MM, price											
31	verification of PTG debt appears reasonable for the purposes of our review.											
32												
33	Tab 2/ - This tab is an extraction of the Top 10 MV PTG Single Family and Top 10 MV Single Asset equity positions as well as any positions with price verification											
34	differences +/- \$5MM. EY reviewed explanations and evaluated for reasonableness in light of position details and current market conditions. EY notes that the total PTG											
35	equity portfolio Front Office marks are \$979MM below PC modelled values. Based on total portfolio price verification results and explanations provided on variances over											
36	\$5MM, price verification of PTG equity appears reasonable for the purposes of our review.											
37												
38	Tab 3/ - This tab is an extraction of the PTG REO positions. EY notes that the total PTG REO portfolio Front Office marks are \$122MM below PC modelled values. Based											
39	on total portfolio price verification results, price verification of PTG REO appears reasonable for the purposes of our review.											
40												
41	Tab 4/ - This tab contains extractions from all Commercial Loan and Commercial Mortgage Price Verification files for the Top 10 MV positions from each file as well as any											
42	positions with price verification variances greater than +/- \$5MM. EY reviewed explanations and evaluated for reasonableness in light of position details and current market											

	A	B	C	D	E	F	G	H	I	J	K	L
43	conditions. EY notes that the total PTG equity portfolio Front Office marks are \$277MM above PC modelled values. Based on total portfolio price verification results and											
44	explanations provided on variances over \$5MM, price verification of Commercial Mortgages and Commercial Loans appears reasonable for the purposes of our review.											
45	Also, please see our review of Product Control's comparative sales and yield analysis in Q2.J1.											
46												
47	Tab 5/ - This tab is a summary of the results of Product Control's CMBS price verification files. EY notes that CMBS was price verified to a \$3.9MM total variance, which is											
48	immaterial. EY notes that Front Office marks are below PC identified 3rd Party marks and modelled marks for less liquid securities. Based on total portfolio price											
49	verification results, price verification of CMBS appears reasonable for the purposes of our review.											
50												
51	Tab 6/ - This tab is an extract from the PTG pricing files. EY agreed discount rates to Real Estate Finance and Investment (REFI), an industry publication that publishes											
52	surveyed discount rates for commercial property loans. EY notes that Product Control's methodology for determining discount rates remains consistent with our											
53	walkthrough and preliminary tests of controls. Appears Reasonable.											
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	A	B	C	D	E	F	G	H
1	PBEY							
2	SF Debt	All In = Desk Marks are \$402MM below PC Model						
3								
4	<i>Top 10 Positions by Market Value</i>							
5	MTS #	Asset Name	O/S Balance	LB Mark	Cash @ Risk	PropType	Lien	CurVal Under/ (Over) Valuation
6	VL67	Commons of McLean	178.26	86.8	154.73	Multifamily	First	38.99
7	WD91	CABO SAN LUCAS LAND WHOLE LOAN	101.34	99.9	101.24	Land	First	13.14
8	WE225	10000 SANTA MONICA WHOLE LOAN	109.85	98.9	108.63	Land	First	0.87
9	WE350	OAK KNOLL & DEL AMO WHOLE LOAN	141.74	93.5	132.55	Land	First	7.28
10	WE46	Molasses Reef Resort	126.02	96.4	121.44	Land	First	0.74
11	WH5719	DELTA COVE SENIOR WHOLE LOAN	183.27	57.8	105.99	Land	First	78.68
12	WH8772	Exhibition City DEV Senior	179.59	91.2	163.70	Land	First	19.67
13	WH8794	Exhibition City DEV Sr Mezz	114.08	87.5	99.85	Land	Mezz	25.69
14	WH9035	CARILLON B-NOTE WHOLE LOAN	124.73	100.0	111.76	Land	First	1.97
15								
16			1,258.89	0.873688034	1,099.88			187.03
17								
18								
19	<i>Positions with negative variance greater than \$5MM per Model</i>							
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5	Pricing Comment
6	No mark-up suggested. Collateral consists of 23 multifamily buildings containing 567,042 rentable SF located in McLean, VA. Lehman mortgage on the property matured again on 8/10/07, and was extended to 8/10/08. The Federal Transportation Administration (FTA) has denied final design plan approval and consequent funding needed to complete the Metrorail extension through Tysons Corner. The FTA had given the State of Virginia until the end of February to address its concerns. No news has come from the FTA or the State of Virginia since the end of February. Given the community support for this project it is likely that the necessary funding will be found to make this project happen. The comprehensive plan for Fairfax County continues on the approval process. The County hopes to have the plan approved within the next 6 months and, although contingent on the Metro, the plan will outline more specifically zoning and density expectations for the sites around the Metro. Based upon the business's review of this position's market was marked down by \$20M in February 2008. Continue to
7	No markup suggested. The project is a 1,500 acre site located in Cabo San Lucas, Mexico. The master development plan includes construction of 211 private, ocean front residential home sites. Due to title issues filed by heirs of Emma Gomez sales have stopped. Currently, the title company is working towards getting this suit dismissed. The borrower is proceeding on schedule with development of major infrastructure improvements at the project. Continue to monitor.
8	
9	No markup suggested. The property is a 167-acre contiguous land parcel is expected to be developed as a master-planned residential community comprising a minimum of 702 residential home lots in the City of Oakland, California. It has been agreed that this project is moving forward. Developer's Research has prepared a hard cost budget for the project that should be finalized and sent to Lehman soon. Lehman has also requested an updated budget from SunCal. It is highly likely that the loan for this project will need to be increased; however, it is difficult to determine the amount needed without cost projections from the borrower or a definitive business plan for the asset. Position carried to a target investor yield of 15%. Continue to monitor.
10	
11	No mark-up suggested. The property consists of a 310-acre water-front residential master-planned community, which will consist of 494 waterfront detached residential lots, 96 condominium units, and a private marina, located in Bethel Island, California. Levy has been breached and installation of docks were finished by the 3-31 deadline. Suncal has furnished a new budget which shows cost increases in excess of \$20MM which is under review. Discussions are also being held on delaying work for the next 8 mos until market conditions improve. Protective advances have been made to fund costs. Based on valuation review completed in May-08, position was marked down by \$67mm and related equity position with a basis of \$17mn was completely written off in May-08.
12	No mark-up suggested at this time. New position originated in January. The property is a 55-acre parcel of land to be developed into a showroom facility in Las Vegas, Nevada. Financing was just extended for purchase and predevelopment of two additional parcels adjacent to the current parcel. Continue to monitor progress of entitlement efforts.
13	No mark-up suggested at this time. New position originated in January. The property is a 55-acre parcel of land to be developed into a showroom facility in Las Vegas, Nevada. Financing was just extended for purchase and predevelopment of two additional parcels adjacent to the current parcel. Continue to monitor progress of entitlement efforts.
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16	Desk Mark below PC Model
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	A	B	C	D	E	F	G	H
21	MTS #	Asset Name	O/S Balance	LB Mark	Cash @ Risk	PropType	Lien	CurVal Under/ (Over) Valuation
22	SU34	Kojaian - Bloomfield Open Hunt	14.25	45.8	6.53	Land	First	(6.53)
23	UD56	PACIFIC POINT	40.66	29.1	11.82	Land	Second	(7.88)
24	VB43	Boulder Springs	42.75	98.0	41.90	Land	First	(10.98)
25	VU97	PETRINI BAKERSFIELD	55.02	62.4	34.34	Land	First	(11.36)
26	WB68	NORTH PEAK	29.91	62.1	18.58	Land	First	(9.86)
27	WE170	INDIANTOWN WHOLE LOAN	49.01	36.1	17.69	Land	First	(12.83)
28	WE40	POTOMAC PLACE MEZZANINE WHOLE	9.10	99.0	9.01	Multifamily	Mezz	(6.48)
29	WH4251	VERONA WOODS MEZZ WHOLE LOAN	7.51	98.9	7.42	Multifamily	Mezz	(5.47)
30	WH8582	Pasdena St Luke Mezz	8.82	93.2	8.22	Land	Mezz	(8.22)

1 PTG Debt

21	Pricing Comment
22	No markdown suggested. The property is a 29.06 acre parcel of land in Bloomfield Hills, MI that has been sub-divided into 27 single family home sites. Per update, 4 lots have sold and 4 are ready for sale. Per servicer, Michael Kojaian is pursuing avenues to take both LB and other member out of the deal. Of the original 27 lots, 3 have been released from the collateral to Kojaian for the construction of new homes and have sold, 1 vacant lot has sold, 4 lots have new homes constructed, (one of which has sold) and the remaining 3 are ready for sale. The houses are being marketed for prices from \$2.495MM to \$2.995MM. Lehman has a 49% equity interest in the ownership entity. Maturity date has been extended to 6-29-08. Kojaian may buy us out. Continue to monitor.
23	No markdown suggested. Large residential development project in San Juan Capistrano, CA. Both senior and junior loans are in default. Foreclosure is expected soon. Litigation issues. REIT group holds the senior loans and is currently pursuing foreclosure. Position was marked on a consolidated basis to an IRR of 12%. Based on most recent review completed in May, the position was marked down \$2mm in May-08.
24	No markdown suggested. The site for the Project is a 658-acre vacant land parcel located in the unincorporated portion of the County of Riverside. Project is still in the entitlement process. As of 9/07, 9 of the 10 tentative tract maps have been approved. 3 have complete improvement plans, and are ready to be submitted for approval. Developer has decided to upgrade the lots from paper lots to engineered lots, that will come at an increased cost and extended delivery time. However, this also allows additional time for the softness in the market to dissipate, and increase the buyer pool. Based on most recent review of this deal, related mezz debt (VB42) was totally written off.
25	No markdown suggested. Petrini Bakersfield is 1810 acres of land located in Southwest Bakersfield, CA. The business plan is to entitle and bulk sale 6,087 lots in paper and finished lot condition. In addition to the residential lots there will be 94 acres of commercial property and 109 acres of multi-family property. An offer from Hawker Investments for PB 5 A and B for slightly under \$80,000 per acre which has fallen out of escrow. Based on most recent review, position was marked down \$20mm in May-08. Continue to monitor.
26	No mark-down suggested The property is a partially entitled 1,200 home site community in the city of Lake Elsinore, Riverside County. Once the project is fully entitled, the partnership will deliver 1,200 paper lots for sale to one or more merchant builders in March 2007 (now delayed to 12/07). Lehman foreclosed on the property and currently in the process of disposing the asset through auction sale. Based upon the business's review of the California land market, this position was marked down by \$8M in February 2008. In discussion with the business about IRR model and value of position. Continue to monitor.
27	No markdown suggested. Indiantown Quillen DRI is a 2,250 lot residential development site in Indiantown, Martin County, Florida. Indiantown is located in southwest Martin County just north of the Palm Beach County line. The final DRI, Development Order, Rezoning, and Master Site Plan approval for 2,250 residential units and 150,000sf of commercial space to be built on the property is currently on hold. Business plan under change. Based on most recent review, position was marked down \$30mm in May-08. Continue to monitor.
28	No markdown suggested. Potomac Place Tower, built in 1959, is centrally located within Washington and consists of a 9-story, 396-unit multi-family building that is being converted into for-sale condominiums. Construction completion is expected for the South Tower as of the end of 2008, with conversion of the remaining units in the North Tower to commence in March, 2009, and be complete by April, 2009. The most recent sales report indicates that net unit sales are at 195 units out of 396. To date, average unit sales prices are tracking consistently, although below the projected overall average \$/SF due to larger units selling first. Per review of most recent IRR model, LB's position is valued appropriately. Continue to monitor construction costs and sales.
29	No markdown suggested. Property is a 196-unit garden style apartment community in Los Angeles, CA. The property is currently 65.1% occupied. Renovations work is ongoing and leasing activity has increased. The operating statement for 3/08 shows an increase in traffic/leasing activity (93 property tours resulting in 30 lease applications). Per review of most recent IRR model, LB's position is valued appropriately. Continue to monitor leasing status.
30	No markdown suggested. The Property is a 13.3-acre infill site in Pasadena, CA currently home to St. Luke's Hospital Facility. After proposed development of the site, it will include 180 assisted living units, 5 residential properties, parking structure, new medical office buildings, 2 residential sites and a neighborhood park. DSV is in the process of completing the pre-application for the CUP. The City Council will determine whether they will require separate CUP's for the different proposed uses or a Master Development Plan. A timeline for the entitlement process will be developed after the City Council makes its decision. DSV is looking at putting in an additional tenant into the Eaton Canyon Medical Office Building, which is intended to be refinanced or sold in order to finance the build-out of the project. The new tenant should increase the value of that building. DS will sell the senior apartment site once entitlements have been obtained and sell both the existing and new buildings. Proceeds from the sale of the apartment site, one of the existing office buildings and 5 single-family homes

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33			257.01	0.605078692	155.51			(79.63)
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42								
43	SA Debt	All In = Desk Marks are \$142MM below PC Model						
44	<i>Top 10 Positions by Market Value</i>							
45	MTS #	Asset Name	O/S Balance	LB Mark	Cash @ Risk	PropType	Lien	Pricing Variance
46	VU22	HERITAGE FIELDS	275.36	93.1	256.38	Land	First	10.74
47	VU22A	Heritage Fields - Bankhaus	250.00	98.5	246.19	Land	First	(3.68)
48	VV29	LODGE AT RANCHO MIRAGE	172.43	98.8	170.32	Hotel	First	2.09
49	WE250	LEHMAN 7 HOTEL PORTFOLIO WHOLE	60.50	85.6	51.80	Hotel	First	7.91
50	WH4417	ONE KANSAS CITY PLACE WHOLE LO	87.77	74.0	64.99	Office	First	3.25
51	WH4829	KNICKERBOCKER HOTEL SENIOR WHO	280.45	98.1	275.13	Hotel	First	7.17
52	WH5179	RITZ CARLTON KAPALUA SR. WHOLE	232.43	97.5	226.69	Hotel	First	2.24
53	WH5669	ROSE ISLAND SENIOR WHOLE LOAN	72.47	99.5	72.08	Hotel	First	1.55
54	WH5865	Laurel Cove	70.88	97.9	69.42	Land	First	8.91
55	WH6537	Moonlight Basin Mezz	70.00	100.0	70.00	Land	Mezz	6.43
56								
57			1,296.94	0.961207191	1,246.63			35.86
58								

1 PTG Debt

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33	Explanations Appear Reasonable.
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45	Pricing Comment
46	No markup suggested. The property is a 3,723 acres land play located in the heart of Orange County within the city of Irvine, CA. Currently working towards entitlements. Based upon the business's review of the California land market, this position was marked down by \$15M in February. Continue to monitor construction efforts.
47	No markdown suggested. The property is a 3,723 acres land play located in the heart of Orange County within the city of Irvine, CA. Currently working towards entitlements. Continue to monitor construction efforts.
48	
49	No mark-up necessary. The 1,349 room Portfolio consists of five full-service hotels built between 1961 and 1987, located in Houston, TX, Tulsa, OK, Memphis, TN and Nassau, Paradise Island Bahamas. Consolidated asset with no previous impairment. PSAs have recently been signed for the Memphis Holiday Inn Select and Tulsa Holiday Inn Select for \$11,600,000 and \$5,450,000, respectively. According to Gencom, these properties are expected to be sold in June, 2008. Continue to monitor sale.
50	
51	No mark-up suggested. The Project consists of the acquisition of a commercial building to be converted into a 5 Star, 275 room luxury hotel, with 48,057 SF of retail space. Currently project is in predevelopment stage, and owner is attempting to finalize the potential management company. Borrower recently exercised the first of three six-month loan extensions. They are still proceeding with the development, however, they have not spent any of the budgeted pre-development funds, only tax and insurance. Undervaluation primarily results from deferred fees that will not be recognized until payment is imminent. Continue to monitor.
52	
53	
54	No mark-up suggested. Laurel Cove will consist of 820 single family residential lots, a 31,200 SF clubhouse, a 6,600 SF fitness center, a 2,375 SF tennis pro/coffee shop, a 3,300 SF sales center, and a par 72, 7,200 yard Greg Norman Championship Golf Course. Lot and golf course construction contracts have been signed and the golf course contractor anticipates the course to be completed by December, 2008. The sales office is complete and operational. Final plats will be approved by June 2008 at which point builders will begin taking down lots and the sponsor will close on any pre-sold "consumer lots". A total of 500 lots are currently under contract to be taken down by five semi-custom home builders and three custom home builders. Undervaluation due to deferred fees and interest. Continue to monitor.
55	No markup suggested. New deal incepted in September. The collateral is the 8,000+/- acre site located in Moonlight Basin, Montana. On going development of ski resort and residential units located in Montana. Per AM: Development at Moonlight Basin has slowed considerably as it is now winter. The majority of the work being completed is for the entitlement and planning for development which will be underway this year. There have been three unit closings in 2008 for approximately \$5.7M. Continue to monitor.
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57	Desk Mark Conservative per Model
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60	<i>Positions with negative variance greater than \$5MM per Model</i>							
61	MTS #	Asset Name	O/S Balance	LB Mark	Cash @ Risk	PropType	Lien	Pricing Variance
62	VK93	Teachers Senior Loan	54.15	89.8	48.64	Office	First	(16.74)
63	WH9051	RITZ PHILLY HOTEL MEZZ WHOLE L	2.39	457.7	10.93	Land	Mezz	(9.13)
64								
65			56.54	1.053650251	59.57			(25.87)

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61	Pricing Comment
62	No markdown suggested. This portfolio consists of two, Class B office buildings in Southfield, Michigan, Travelers I and II. Current occupancy as of February 29, 2008 is 67% at Travelers I and 0% at Travelers II. The previous tenant, Collins & Aikman, exercised their termination right on 11/30/07, causing the building to become vacant. Early in 2007, Jones Lang LaSalle marketed Travelers I & II for sale. Offers were made in the \$60/ SF range; however Lehman rejected and took the buildings off of the market. Lehman owns Traveler's I and II 100%. Per discussion with the business Kojaian might buy us out. Continue to monitor.
63	New Deal originated in May. Not set up in database yet.
64	
65	Explanations Appear Reasonable.

	A	B	C	D	E	F
1		PBEY				
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3	SF Equity	All In = Desk Marks are \$69MM below PC Model				
4	<i>Top 10 MV</i>					
5	Equity MTS	Partnership Name	Property Type	Equity Face	Equity Basis	CurVal Under/ (Over) Valuation
6	TG53	LB/L ASW II MASTER LLC	LAND	16.72	15.85	3.24
7	SH16	LB THUNDER SPRINGS	MULTIFAMILY	30.72	17.09	2.96
8	SN71	LB SOUTH BEACH LLC	MULTIFAMILY	116.09	76.55	(29.36)
9	UC97	LB TROXLER RESIDENTIAL VENTURE	LAND	20.58	17.58	(3.41)
10	UG80	PAMI PUBLIC PRIVATE III	MULTIFAMILY	58.63	57.75	11.20
11	UD13	PCCP LB Mountain House LLC	LAND	82.86	52.62	4.56
12	WH4381	LB WINDSOR CAPITAL ONE BLOOR S	MULTIFAMILY	20.31	20.31	1.83
13	WH4483	PCCP LB Lake Travis Ranch, LLC (Covert Ranch)	LAND	18.30	18.30	.51
14	WH5993	Fontainebleau Resorts LLC PIK Preferred	MULTIFAMILY	25.00	25.00	1.36
15	WH5994	Fontainebleau Equity Holdings LLC Class A	MULTIFAMILY	20.00	20.00	.00
16						
17				409.22	321.06	(7.11)
18				\$ 0.78		
19						
20						
21	SF Equity					
22	<i>Positions with negative variance greater than \$5MM per Model</i>					
23	Equity MTS	Partnership Name	Property Type	Equity Face	Equity Basis	CurVal Under/ (Over) Valuation
24	SF35	PCCP-Roseville (PAMI direct)	LAND	1.98	11.98	(11.98)
25	SN71	LB SOUTH BEACH LLC	MULTIFAMILY	116.09	76.55	(29.36)

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5	Pricing Conclusion
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8	Remaining collateral consists of 77 hitel codo units in Miami, FL. GHM was unable to recruit equity and secure financing, and as such a sale with them will not occur. Other interested parties have emerged. Related debt position (SN71B) has a partially offsetting gain. Based upon further review of the Florida market, this debt position was marked down by \$8.3M in January 2008. Continue to monitor progress of sales discussions with Gencom.
9	The property is a 130 unit condominium project located in downtown Los Angeles, CA. The project is built out. There were originally 116 units pre-sold, but closing were delayed due to construction overruns. To date, 84 units out of 130 have sold. Position was marked down by \$3M in May 2008. Continue to monitor.
10	No markup suggested. Collateral consists of 11 assets of various types (office, multifamily, condos) located in New York, New Jersey, and Virginia. Assets are currently under development or renovation. CV = cap * 1.05. Continue to monitor.
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17	Desk Mark above PC Model. Explanations Appear Reasonable.
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23	Pricing Conclusion
24	Project consists of 1,667 acres of land entitled for 4,000 lots located in Roseville, CA. Currently 803 lots have been sold and delivered to homebuilders. All of LB's capital and pref have been returned. Infrastructure is currently being built out. Lot sales have slowed tremendously due to the oversupply of lots in the north Sacramento market. Per IRR modle received from PCCP position is marked appropriately. Continue to monitor.
25	Remaining collateral consists of 77 hitel codo units in Miami, FL. GHM was unable to recruit equity and secure financing, and as such a sale with them will not occur. Other interested parties have emerged. Related debt position (SN71B) has a partially offsetting gain. Based upon further review of the Florida market, this debt position was marked down by \$8.3M in January 2008. Continue to monitor progress of sales discussions with Gencom.

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26	UC24	LB TROXLER RESID VENTURES 16	LAND	10.02	6.87	(6.87)
27	UG68	THE MARK- PARK LOFTS LLC	MULTIFAMILY	16.01	12.35	(12.35)
28	WE68	LB LECRAW PORTFOLIO LLC	MULTIFAMILY	14.78	10.78	(6.50)
29	WE269	LB CONGRESSIONAL VILLAGE LLC	MULTIFAMILY	11.35	11.35	(6.19)
30	WH8580	LB LAKESIDE FOUR LLC	LAND	6.58	6.58	(6.58)
31						
32						
33				176.80	136.46	(79.83)
34						
35				\$ 0.77		
36						
37						
38	SA Equity	All In = Desk Marks are \$910MM below PC Model				
39	<i>Top 10 MV</i>					
40	Equity MTS	Partnership Name	Property Type	Equity Face	Equity Basis	CurVal Under/ (Over) Valuation
41	WB28	LB Stamford LLC	OFFICE	20.65	120.65	(.65)
42	1US400351	LBS Holdings SARL (Starman)	HOTEL	52.54	199.30	22.84
43	WE199	LB 425 PARK AVENUE LLC	OFFICE	69.47	67.81	20.33
44	WH4319	LB DC AREA PORTFOLIO PARTNER L	Office	110.28	101.46	9.78
45	WH5846	ROSSLYN LB SYNDICATION PARTNER	OFFICE	310.00	276.37	60.99
46	WH5859	200 FIFTH AVENUE LB SYNDICATIO	OFFICE	217.30	210.24	17.49

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26	The Project is located in Woodland, CA, and comprises 40 acres of land slated for 235 lots with 4 product types. The developer is attempting to get approval to convert both the 42, R-15 multi-family and 31, R8 small lot SFD lots to high-density SFD. It is estimated that it should take until end of 2008 to get the necessary approvals. Continue to monitor.
27	The Mark is a 244-unit residential condominium project located in San Diego, CA. As of April 08 the project was only 46.72% sold and 44.26% closed. Recent sales include discounts and market remains slow. Related debt position (VE38) has a partially offsetting gain. Per the latest IRR model as a whole this deal is marked appropriately. Continue to monitor sales progress.
28	Portfolio acquired for repositioning. Stronger tenant requirements are being put into place at the properties. Currently 81% occupied. Per discussion with the business, the sponsor on this deal is experiencing difficulties. Position was marked down by \$4M in May. Continue to monitor.
29	The property consists of 404 units within 14 different buildings situated on 7.3 acres located in Rockville, MD. As of March 31, 2008, the Subject was 91.6% occupied, with effective rents of \$1.66 psf, or \$1,614 per unit. No markdown suggested. Continue to monitor.
30	The Property is a 13.3-acre infill site in Pasadena, CA currently home to non-operational St. Luke's Hospital Facility. After proposed development of the site, it will include a 140-unit senior apartments, 180 assisted living units, 5 residential properties, parking structure, a new medical office building, two existing office buildings and a neighborhood park. The CV in the export is based upon the sellout calc. Trimont's latest IRR model shows a \$5M mark adjustment based upon a 30% discount rate for the related debt position. PC believes a 12% discount rate to be more appropriate (weighted average debt rate), and utilizing this discount rate the positions as a whole a marked appropriately. Continue to monitor.
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33	Explanations Appear Reasonable
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40	Pricing Conclusion
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42	Position marked appropriately based on most recent financials and value projections. Continue to monitor.
43	Position consists of equity interest in a sandwich ground lease position located in New York, NY. Consolidated position with no previous impairment. Continue to monitor.
44	Bridge equity position held for syndication, which is going to be at most at par. Difference b/n face and basis represents orig fees. Pricing variance includes pref of \$9M. CV = cap + syndication fees.
45	No mark up suggested. Portfolio consists of seven assets totaling 2.5 million square feet of office space in Rosslyn, VA. Portfolio currently 94% occupied with a DSCR of 1.23. Bridge equity position held for syndication, which is going to be at most at par. None of the equity has been syndicated to date. Cv = cap + syndication fees. Position was marked down by \$5M in January 2008 and \$10M in May to bring our carrying basis to a target investor yield of approx. 19%.
46	Property is a 835,000 sq ft office building located at 200 Fifth ave in Manhattan. 42% of the building was preleased in November 2007. Predevelopment activity completed at the end of April 2008, and construction loan closed at the end of May. Bridge equity position held for syndication, which is going to be at most at par. CV equals cap + syndication fees. Position currently carried at a target yield of approx. 17% which is deemed appropriate. Continue to monitor.

	A	B	C	D	E	F
47	WH5978	AUSTIN PORTFOLIO LB SYNDICATIO	OFFICE	147.50	122.60	33.73
48	WH6272	PLF LB SYNDICATION PARTNER LLC	INDUSTRIAL	574.40	456.42	139.79
49	WH8013	ARCHSTONE LB SYNDICATION PARTN	MULTIFAMILY	2142.02	1615.31	526.71
50	WH8819	230 PARK LB MEZZ HOLDINGS LLC	OFFICE	87.93	81.85	(57.73)
51						
52				3732.09	3252.02	773.26
53				\$ 0.87		
54						
55						
56	SA Equity					
57	<i>Positions with negative variance greater than \$5MM per Model</i>					
58	Equity MTS	Partnership Name	Property Type	Equity Face	Equity Basis	CurVal Under/ (Over) Valuation
59	SM72	LB COLORADO SPRINGS LLC	LAND	10.53	10.53	(10.53)
60	WE13	LB TROXLER RES VENT 40 LLC	MULTIFAMILY	8.21	5.21	(5.21)
61	WH4591	LB ONE 11 PLAZA LLC	OFFICE	11.10	11.10	(8.72)
62	WE312	LB DAV LLC	OFFICE	6.59	6.42	(6.42)
63	WH5927	LB 816 CONGRESS AVE LLC	OFFICE	23.17	12.63	(11.88)

	G
47	Bridge equity position held for syndication, which is going to be at most at par. Cv = cap + syndication fees. Position was marked down by \$2M in Oct' 07 and \$7M in Jan'08 and \$10M in May to bring our carrying basis to a target investor yield of approx. 19%.
48	No mark up suggested; Bridge equity position held for syndication, which is going to be at most at par. Position was marked down \$15M in Oct' 07, \$30M in November, \$5M in January '08, and \$30M in May 2008, to bring its target investor yield to 10%. stabilized industrial portfolio with a 5% cash on cash return. No mark-up required.
49	Bridge equity position held for syndication, which is going to be at most at par. Based upon the business's review this position was marked down by \$200mn in March 2008 and \$89mn in May to bring our carrying basis to a target investor yield of approx. 19%. CV = Capitalization plus syndication fees.
50	Position is a junior preferred equity position on 230 Park Ave located in New York, NY. Trimont CV is a 10 yr DCF assuming a cap rate of 6.85% and a dicount rate of 8%. Property is a Class A trophy property asset in one of the most affluent Manhattan submarkets, per the range of cap rates and discount rates listed in the 1Q08 Korpacz report for the Manhattan market use of lower cap rates and discount rates would be more appropriate. Discussing with Trimont on valuation. Continue to monitor.
51	
52	Desk Marks are below PC Model. Appears Reasonable.
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57	
58	Pricing Conclusion
59	The property is a mixed-use project located on 58-acres in Colorado Springs, Colorado. The master plan for the project is comprised of 120 townhouses, 517 multi-family units, a 40-room hotel, approximately 30,000 square feet of retail space, approximately 210,000 square feet of office space. The developer has indicated that they do not want to continue as developer of the project. Lehman is considering other developers as replacement. The residential market in Colorado Springs continues to be slow. Per Trimont the CV in the export is incorrect. Consolidated position. Based upon the undiscounted cash flows remaining on this position, this position is not impaired. Continue to monitor.
60	The site consists of 5.4 acres in an infill location of Calabasas, CA. The project is a currently a banquet hall known as the Calabasas Inn being leased back to the current operator while Troxler entitles the project for a mixed-use development consisting of 79 residential condo units, and ground level retail. The CV in the export is based upon an assumed bulk selling price of \$11M in April 2009 discounted at 12%. D2 Development has expressed its intention to submit a proposal to buyout our interest. Once a buyout proposal is received, the current business plan will be re-evaluated. Continue to monitor.
61	The property is a 255,477 square foot class B office building located in downtown Phoenix Arizona. Property is currently 39% occupied and has been slow leasing up. Per Trimont, downtown market is solid. Continue to monitor leasing activity.
62	The Portfolio is located in an area known as Peachtree Corners in Norcross, GA. It is made up of three office buildings, 20 Technology, 3720 Davinci and 3740 Davinci totaling 292,270 SF. Currently portfolio is approximately 89% leased. The two davinci buildings are some of the most top quality buildings in the area. Contineu to monitor.
63	Property is a 20 story, 430,113 net rentable square foot Class A-/B+ office building located in the downtown Austin, TX CBD. As of the end of 2007 occupancy was 73%. Leasing has been slower than initially anticipated. Based upon the business's review this position was marked down by \$10M in May. Equity positon assumes repayment of debt at par, however, senior debt and mezz are carried by the large loan group at approx. \$10mn below par. No mark down suggested. Continue to monitor.

	A	B	C	D	E	F
64	WH6237, WH8055	LB Ridge Crossing LLC	MULTIFAMILY	29.33	28.33	(18.32)
65	WH8819	230 PARK LB MEZZ HOLDINGS LLC	OFFICE	87.93	81.85	(57.73)
66						
67				176.86	156.08	(118.82)
68						
69				\$ 0.88		

G	
64	Ridge Crossing Apartments is located in Hoover submarket of Birmingham in Jefferson County, AL. The property is a garden style apartment complex and is a class A product. The property's total net rentable area is 797,492 sf, which is situated on 86 acres. Occupancy at the subject for February 2008 was 94.8%. CV in the export based on current NOI and a cap rate of 6.5%, and doesn't consider lease-up potential & rent increases. Currently discussing with Trimont. Continue to monitor.
65	Position is a junior preferred equity position on 230 Park Ave located in New York, NY. Trimont CV is a 10 yr DCF assuming a cap rate of 6.85% and a dicount rate of 8%. Property is a Class A trophy property asset in one of the most affluent Manhattan submarkets, per the range of cap rates and discount rates listed in the 1Q08 Korpacz report for the Manhattan market use of lower cap rates and discount rates would be more appropriate. Discussing with Trimont on valuation. Continue to monitor.
66	
67	Explanations Appear Reasonable.
68	
69	

	A	B	C	D	E
1	PBEY				
2					
3	REO				
4	Portfolio Value				
5	FACE	MARK	BASIS	Net Variance	
6	\$ 768,770,104.12	\$ 0.70	\$ 541,489,717.35	\$ 67,952,778.88	Desk Mark is below PC Model Mark, Appears Reasonable
7	\$ 594,383,635.71	\$ 0.62	\$ 366,774,645.92	\$ 53,803,360.61	Desk Mark is below PC Model Mark, Appears Reasonable
8	\$ 1,363,153,739.83	\$ 0.67	\$ 908,264,363.27	\$ 121,756,139.49	Desk Mark is below PC Model Mark, Appears Reasonable

	A	B	C	D	E	F	G	H	I	J
1	PBEY									
2										
3										
4	LL FLT	All In = Desk Marks are \$41MM above PC Model								
5	<i>Top 10 MV</i>									
6	MTS #	Asset Name	PropType	Lien	O/S Balance	LB Mark	Cash @ Risk	CurVal Under/ (Over) Valuation	CurVal Under/ (Over) Valuation	Under/ (Over) Based on HC CV
7	WH5291/5293/5295	25 BROAD (Consolidated)	MULTI	First	272.36	95.2	259.21	6.17	10.65	6.17
8	WH8554/55/70	1107 BROADWAY (Consol'td)	MULTI	First	140.00	98.4	137.78	0.86		
9	WH2481	MARBLEHEAD HEARTLAND	OTHER	First	296.06	90.9	269.12	(26.91)		
10	00004596	SUNCAL COMMUNITIES I LL	OTHER	First	276.23	78.6	217.19	(21.72)		
11	00006945	PALMDALE HILLS (RITTER R	OTHER	First	208.48	94.0	196.07	(19.61)	(7.58)	(19.61)
12	WH6266/8973	PROLOGIS (CONSOLT'D)	MULTI	First	317.46	98.7	313.33	3.19	3.19	3.19
13	8618/8619	ARCHSTONE-SMITH (Consol'	MULTI	First	1,964.34	98.8	1,940.62	23.72	23.72	23.72
14	WH6196/6197	GRAND PRIX (Consol'td)	HOTEL	First	363.66	95.4	346.95	(1.51)	(1.51)	(1.51)
15	WH6405/6370/71	ON THE AVENUE (Consol'td)	HOTEL	First	206.00	98.2	202.22	(9.71)	(0.79)	(9.71)
16										
17					4,044.59	\$ 0.96	3,882.49	(45.52)		
18	<i>Positions with negative variance greater than \$5MM per Model</i>									
19	MTS #	Asset Name	PropType	Lien	O/S Balance	LB Mark	Cash @ Risk	CurVal Under/ (Over) Valuation	CurVal Under/ (Over) Valuation	Under/ (Over) Based on HC CV
20	VX65	SUNCAL-NORTHLAKE TERM	OTHER	First	68.50	98.4	67.42	(6.74)		
21	WH2247/2125/23/21	STORAGE DELUXE (CONSO	STORAGE	First	89.91	95.2	85.57	(5.96)		
22	WH2481	MARBLEHEAD HEARTLAND	OTHER	First	296.06	90.9	269.12	(26.91)		
23	00004596	SUNCAL COMMUNITIES I LL	OTHER	First	276.23	78.6	217.19	(21.72)		

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6	Comment
7	Refinancing of a condo conversion project located at 25 Broad Street in NYC. In the process of selling the condo units. Approx. \$3.7mm markdown taken in Nov due to the softening of condo market. The loan is priced as rental. There is a personal guarantee for the value differential between condo and rental. There is an offsetting loss of \$12.4mm in B-note model. Position is currently being marketed and Swig has shown interest as of May 08. Continue to monitor sales activity. No markup suggested.
8	
9	EY notes that SunCal positions are evaluated separately, see SunCal valuation memo
10	EY notes that SunCal positions are evaluated separately, see SunCal valuation memo
11	The Property is a 10,625-acre and 7,158-unit master planned residential community located in the City of Palmdale, CA. \$5.86 mil markdown taken in June-07 and \$9.5mm markdown taken in May-08 due to a decline in collateral value and slowdown in the market. There is an offsetting gain in Ritter Ranch mezz (REIT pricing). Position marked to a 15% IRR in May-08. Conitnue to monitor.
12	Acquisition financing for ProLogis purchase of 25mm sq ft industrial portfolio located in Reno, the Mid-Atlantic, Las Vegas, Chicago and Southern California. Full price flex. \$278.5mm sold to PacLife in May08. No markup suggested due to a slowdown in the real estate market.
13	\$23 bn financing acquisition of Archstone by Tishman and Lehman. It has full price flex. There are offsetting losses in B note model. No markup suggested.
14	Used 345DM
15	Used 500DM
16	
17	Explanations Appear Reasonable.
18	
19	Comment
20	EY notes that SunCal positions are evaluated separately, see SunCal valuation memo
21	
22	EY notes that SunCal positions are evaluated separately, see SunCal valuation memo
23	EY notes that SunCal positions are evaluated separately, see SunCal valuation memo

	A	B	C	D	E	F	G	H	I	J
24	WH1085	SUNCAL PACIFIC POINT TER	OTHER	First	88.12	101.4	89.33	(8.93)	(5.83)	(8.93)
25	WH4707	SUNCAL PALM SPRING VILL	OTHER	First	65.00	96.6	62.82	(6.28)		
26	00006945	PALMDALE HILLS (RITTER R	OTHER	First	208.48	94.0	196.07	(19.61)	(7.58)	(19.61)
27	WH6405/6370/71	ON THE AVENUE (Consol'd)	HOTEL	First	206.00	98.2	202.22	(9.71)		
28										
29					1,298.30	\$ 0.92	1,189.73	(105.87)		
30										
31										
32	JR Note	All In = Desk Marks are \$231MM above PC Model								
33	<i>Top 10 MV</i>									
34	MTS#	Asset Name	Security Type	Rate Type	Type	O/S Bal	Mark	Basis	Variance	
35	WH6328	AUSTIN EOP- FROST BANK B NOTE	B-NOTES	FRM	OFFICE	88,700,000	97.66	86,621,075	(5,999,657)	
36	WH5857	237 PARK BRIDGE MEZZ 2 WHOLE L	MEZZ FLT	ARM	OFFICE	110,436,746	86.51	95,541,465	2,053,342	
37	WH5856	237 PARK BRIDGE MEZZ 1 WHOLE L	MEZZ FLT	ARM	OFFICE	198,915,715	94.67	188,309,086	149,712	
38	WH8758	FOUNTAINBLEU MEZZ BH WHOLE LO	MEZZ FLT	ARM	RETAIL	85,000,000	98.99	84,138,000	(1,767,051)	
39	WH9018	PROJECT DEUCE CROSSED MEZZ A2	MEZZ FLT	ARM	OFFICE	75,946,034	98.11	74,513,122	(1,343,215)	
40	WH8942	PROJECT DEUCE CROSSED MEZZ B W	MEZZ FLT	ARM	OFFICE	90,442,631	95.96	86,784,488	(2,378,865)	
41	WH5889	PROJECT TROIS BRIDGE MEZZ II W	MEZZ FLT	ARM	OFFICE	140,754,216	91.37	128,603,608	7,108,834	
42	WH5888	PROJECT TROIS BRIDGE MEZZ I WH	MEZZ FLT	ARM	OFFICE	312,283,284	95.82	299,227,644	(4,641,055)	
43	WH5864	237 PARK AVE ATRIUM MEZZ WHOLE	MEZZ FXD	FRM	OFFICE	225,000,000	79.07	177,901,290	(940,855)	
44										
45						1,327,478,626	\$ 0.92	1,221,639,778	(7,758,810)	

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24	A master planned community located directly east of the San Diego in Orange County, California. Current mark is based on IRR of 12% and is deemed appropriate. Related Mezz position in PTG book marked down by \$2mm in May-08. No markdown suggested. Continue to monitor.
25	EY notes that SunCal positions are evaluated separately, see SunCal valuation memo
26	The Property is a 10,625-acre and 7,158-unit master planned residential community located in the City of Palmdale, CA. \$5.86 mil markdown taken in June-07 and \$9.5mm markdown taken in May-08 due to a decline in collateral value and slowdown in the market. There is an offsetting gain in Ritter Ranch mezz (REIT pricing). Position marked to a 15% IRR in May-08. Conitnue to monitor.
27	
28	
29	EY notes explanations appear reasonable. Positions without comments
30	are investigated as part of TOC. Please see LL FLT TOC documentation for further analysis.
31	
32	
33	
34	Pricing Conclusion
35	Part of EOP Austin class A office portfolio. Senior note (\$61.3mm) securitized in C3. DSCR of 1.58 at origination. Currently being marketed. Price Flex. No mark down suggested.
36	
37	\$419.6mm securitized in 2007-C3. 237 B note was sold to Prudential at 8.4% yield on 5/30. Based on the sale, it is reasonable to use 1200 spread on this given its LTV of 85%. No markdown suggested.
38	
39	
40	Cross collateralized by five class A office properties in DC, Boston and LA. Current desk spread of 1075 is deemed appropriate for this type of asset/leverage.
41	Senior loans securitized in C3 and C5. Other Proj Trois positions were sold at 700 DM for LTVs ~70% to GS Mezz fund as of 5/30. There is a partially offsetting loss in Proj Trois brige mezz I. No markup suggested.
42	Senior loans securitized in C3 and C5. Other Proj Trois positions were sold at 700 DM for LTVs ~70% to GS Mezz fund as of 5/30. It is reasonable to use 1300 DM for this leverage/asset. There is an offsetting gain in Proj Trois brige mezz II. No markup suggested.
43	\$419.6mm securitized in C3. There is a partially offsetting gain in other 237 Park Ave bridge mezz positions. Position markdown to 77.97 a/o 5/8, which implies an approx yield of 10%. On May 20, 237 Park B-Note was sold at a yield of 8.4% and Rosslyn (a comparable asset) was sold at an average yield of 8.77%. Based on the sale, yield of 9.76% (S+515) is deemed appropriate.
44	
45	Explanations Appear Reasonable.

	A	B	C	D	E	F	G	H	I	J
46										
47										
48	<i>Positions with negative variance greater than \$5MM per Model</i>									
49	MTS#	Asset Name	Security Type	Rate Type	Type	O/S Bal	Mark	Basis	Variance	
50	WH6330	AUSTIN EOP-ONE AMERICAN B NOTE	B-NOTES	FRM	OFFICE	69,100,000	97.44	67,328,703	(6,355,141)	
51	WH6329	AUSTIN EOP-ONE CONGRESS B NOTE	B-NOTES	FRM	OFFICE	71,000,000	97.59	69,287,277	(5,338,914)	
52	WH6328	AUSTIN EOP- FROST BANK B NOTE	B-NOTES	FRM	OFFICE	88,700,000	97.66	86,621,075	(5,999,657)	
53	WH8991	301 HOWARD MEZZ 3 WHOLE LOAN	MEZZ FLT	ARM	OFFICE	19,890,000	89.32	17,765,748	(5,402,713)	
54	WH6460	CALWEST MEZZ 4 WHOLE LOAN	MEZZ FLT	ARM	INDUST	37,500,000	89.08	33,404,776	(11,953,363)	
55	WH6459	CALWEST MEZZ 3 WHOLE LOAN	MEZZ FLT	ARM	INDUST	72,600,000	90.70	65,850,049	(14,420,324)	
56	WH8034	PROJECT EASY LIVING FNMA 10YR	MEZZ FLT	ARM	MULTI	16,361,907	99.00	16,198,288	(5,153,902)	
57	WH8037	PROJECT EASY LIVING FNMA 10 YR	MEZZ FLT	ARM	MULTI	18,416,926	99.00	18,232,757	(5,730,399)	
58	WH8038	PROJECT EASY LIVING FNMA 10YR	MEZZ FLT	ARM	MULTI	24,164,642	99.00	23,922,996	(7,518,792)	
59	WH8026	PROJECT EASY LIVING FHLMC HOLD	MEZZ FLT	ARM	MULTI	30,033,556	99.00	29,733,220	(9,075,736)	
60	WH8022	PROJECT EASY LIVING FHLMC SELL	MEZZ FLT	ARM	MULTI	30,452,701	99.00	30,148,174	(8,953,264)	
61	WH8040	PROJECT EASY LIVING FNMA 10YR	MEZZ FLT	ARM	MULTI	31,751,935	99.00	31,434,415	(9,918,519)	
62	WH8044	PROJECT EASY LIVING 7YR FIXED	MEZZ FLT	ARM	MULTI	31,951,268	99.00	31,631,755	(7,448,155)	
63	WH8024	PROJECT EASY LIVING FHLMC HOLD	MEZZ FLT	ARM	MULTI	32,964,415	99.00	32,634,771	(9,961,402)	

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48	
49	Pricing Conclusion
50	Part of EOP Austin class A office portfolio. Senior note (\$50.9mm) securitized in C3. DSCR of 1.72 at origination. Currently being marketed. Price Flex. No markdown suggested.
51	Part of EOP Austin class A office portfolio. \$57mm securitized in C3. DSCR of 1.68 at origination. Currently being marketed. Price Flex. No mark down suggested.
52	Part of EOP Austin class A office portfolio. Senior note (\$61.3mm) securitized in C3. DSCR of 1.58 at origination. Currently being marketed. Price Flex. No mark down suggested.
53	\$39.6mm securitized in LBFRC C5. The Property is a class A, 23-story, 307,396 square foot office building located in the South Financial District of San Francisco. \$1.83mm markdown taken in Jan 08 on entire 301 Howard positions. Desk marked down to 89.32 or 702 DM on 5/14. On 5/30, mezz 1 was sold to CWCcapital at 599 DM. Based on this sale, current desk spread is deemed reasonable.
54	The loan is secured by a portolio of 97 industrial properties known as CalWest Portfolio which was co-originated with Barclays Capital Real Estate (50%) and Goldman Sachs (25%). \$275mm of senior loan was securitized in LBFRC C5 and \$205.75mm was syndicated. \$8.35mm markdown taken in Jan08. Based on a discussion with desk, current desk WA spread of 543 is deemed appropriate for this type of industrial property portfolio and LTV. (Industrial trades tighter than office properties)
55	The loan is secured by a portolio of 97 industrial properties known as CalWest Portfolio which was co-originated with Barclays Capital Real Estate (50%) and Goldman Sachs (25%). \$275mm of senior loan was securitized in LBFRC C5 and \$205.75mm was syndicated. \$8.35mm markdown taken in Jan08. Based on a discussion with desk, current desk WA spread of 543 is deemed appropriate for this type of industrial property portfolio and LTV. (Industrial trades tighter than office properties)
56	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
57	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
58	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
59	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
60	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
61	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
62	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
63	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.

	A	B	C	D	E	F	G	H	I	J
64	WH8041	PROJECT EASY LIVING FNMA 10YR	MEZZ FLT	ARM	MULTI	43,140,208	99.00	42,708,806	(13,475,934)	
65	WH8020	PROJECT EASY LIVING FHLMC SELL	MEZZ FLT	ARM	MULTI	45,686,010	99.00	45,229,150	(13,431,943)	
66	VC16	757 3RD AVE MEZZ 757 3RD AVE M	MEZZ FXD	FRM	OFFICE	9,928,486	102.96	10,222,111	(5,163,739)	
67	WH5997	BETHANY PHOENIX I - SR MEZZ WH	MEZZ FXD	FRM	MULTI	37,160,000	89.29	33,180,028	(11,056,751)	
68	WH6554	GM BLDG MEZZ 3 WHOLE LOAN	MEZZ FXD	FRM	OFFICE	24,500,000	82.01	20,091,711	(6,954,929)	
69	WH6553	GM BLDG MEZZ 2 WHOLE LOAN	MEZZ FXD	FRM	OFFICE	61,250,000	83.50	51,145,714	(8,671,414)	
70	WH6433	NASHVILLE PORTFOLIO MEZZ WHOLE	MEZZ FXD	FRM	MULTI	32,130,373	86.75	27,872,673	(8,250,855)	
71										
72						828,682,426	0.9468575	784,644,195	(180,235,846)	
73										
74										
75	Securitizeable LL FLT	All In = Desk Marks are \$4.82 Above PC Model								
76	<i>Significant Positions</i>									
77	MTS	Security Name	Rate Type	Property Type	O/S Balance	LB Mark	LB Basis	Model Mk Price	Mk Price	Pricing Variance
78	WH8624/25/05	PROJECT MURPHY (Consol'tc	ARM	HOTEL	1203.237296	92.4503181	1112.3967	92.4503181	92.4503181	\$ (0.00)
79	WH6551/6556	GM BLDG (CONSOLT'D)	FRM	OFFICE	318.5	95.70318	304.81463	95.62512618	95.62512618	\$ (0.25)
80										

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64	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
65	Loan to finance acquisition of Archstone by Tishman and Lehman. Full Price Flex. No markdown suggested.
66	An office building in NYC. Currently the occupancy is at 99.5%. DSCR is currently at 2.7 (at origination 2.41). The property has sufficient cashflow. Per discussion with desk, current desk spread is deemed appropriate for this type of asset & leverage. No markdown suggested.
67	\$164.5mm securitized in C3. The property has a DSCR of 1.17. Additional markdown of \$10mn taken on Jr mezz in Feb-08. The current mark implies a mark of S+770 and is deemed appropriate for this type of asset/leverage in the current market. There is a partially offsetting gain in Bethany Phoenix jr mezz position. No markdown suggested.
68	The Property is a 50-story, 1,931,132 square foot Class A office tower in NYC developed in 1968 by the General Motors Corporation. The Property consists of approximately 1,732,041 square feet of office, 129,515 square feet of retail and 168 parking spaces. The Property is currently 98% leased and has historically maintained an occupancy rate above 98%. \$12.41mm of markdown taken in Jan-08. Sold the entire GM mezz positions to Citi on 5/9 at 89.5 price, which is expected to close in June. No markdown suggested.
69	The Property is a 50-story, 1,931,132 square foot Class A office tower in NYC developed in 1968 by the General Motors Corporation. The Property consists of approximately 1,732,041 square feet of office, 129,515 square feet of retail and 168 parking spaces. The Property is currently 98% leased and has historically maintained an occupancy rate above 98%. \$12.41mm of markdown taken in Jan-08. Sold the entire GM mezz positions to Citi on 5/9 at 89.5 price, which is expected to close in June. No markdown suggested.
70	\$116.77mm securitized in C7. The property has a DSCR of 1.25 and occupancy of 95%. Based on discussion with business, current desk spread is deemed appropriate for this type of property/leverage. Carlyle is currently looking to repay this mezz portion. Continue to monitor progress. No mark down suggested at this time.
71	
72	Explanations Appear Reasonable. See Archstone Valuation Memo for further Archstone discussion & consideration
73	
74	
75	
76	
77	Comment
78	\$126mm of the IG portion of the loans was sold to GE on 5/30 and the sale is expected to close some time in June. The remaining positions have been widened to reflect the sold portion. The WA of the discount margin is 373 and is deemed appropriate. \$4.7mm markdown taken in May to reflect the P/L of the sale.
79	\$147mn of mezz were sold to Citi at 89.5 dollar price or S+327. Based on this sale, 180 is deemed appropriate spread for the senior.
80	

4 MTGE

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Q2 - J1 J2 J3 PTG-Coml Pricing Summary.xls

	A	B	C	D	E	F	G	H	I	J
81					\$ 1,521.74	\$ 0.93	\$ 1,417.21			\$ (0.25)
82										
83				Total Population	\$ 2,039.30	\$ 93.57	\$ 1,908.20			

	K
81	Appears Reasonable.
82	
83	

	A	B	C	D	E	F	G	H
1		PBEY						
2		CMBS Price Verification Results						
3	CMBS Pricing Summary 05/30/2008							
4								
5		Reconciliation					Pricing Breakdown	
6				FACE	Market Value			
7		Conduit Inventory File		\$ 29,892,433,135.34	\$ 995,765,978.44		Bonds priced with External price	
8		Pricing File		\$ 29,892,433,038.00	\$ 995,765,979.00		IO's with External Prices	
9		Difference		\$ 97.34	\$ (0.56)		Bloomberg\Other	
10							Total	
11								

	I	J	K	L	M
1					
2					
3					
4					
5					
6		MV	%	Pricing Variance	
7		\$ 217,741,532.00	22%	\$ 384,277.00	Desk below External Price
8		\$ 248,238,426.00	25%	\$ 5,207,408.00	Desk below External Price
9		\$ 529,786,021.00	53%	\$ (1,704,685.00)	Desk above Model Price, Explanations Appear Reasonable
10		\$ 995,765,979.00	100%	\$ 3,887,000.00	Total Variance is Immaterial
11		\$ -			











	A	B	C	D	E	F	G	H
1	PBC							
2	Lien	Industry	LTV	Combo	Mezz/Second/Other Spread	Base Rate	Aggregate Discount Rate	
3	First	RETAIL	LTV1	FirstRETAILLTV1	0.00%	5.55%	5.55%	
4	First	RETAIL	LTV2	FirstRETAILLTV2	0.00%	6.30%	6.30%	
5	First	RETAIL	LTV3	FirstRETAILLTV3	0.00%	6.27%	6.27%	
6	First	RETAIL	LTV4	FirstRETAILLTV4	0.00%	7.18%	7.18%	
7	First	OFFICE	LTV1	FirstOFFICELTV1	0.00%	5.30%	5.30%	
8	First	OFFICE	LTV2	FirstOFFICELTV2	0.00%	6.30%	6.30%	
9	First	OFFICE	LTV3	FirstOFFICELTV3	0.00%	6.27%	6.27%	
10	First	OFFICE	LTV4	FirstOFFICELTV4	0.00%	7.18%	7.18%	
11	First	MULTIFAMILY	LTV1	FirstMULTIFAMILYLTV1	0.00%	5.30%	5.30%	
12	First	MULTIFAMILY	LTV2	FirstMULTIFAMILYLTV2	0.00%	6.30%	6.30%	
13	First	MULTIFAMILY	LTV3	FirstMULTIFAMILYLTV3	0.00%	6.27%	6.27%	
14	First	MULTIFAMILY	LTV4	FirstMULTIFAMILYLTV4	0.00%	7.18%	7.18%	
15	First	HOTEL	LTV1	FirstHOTELLTV1	0.00%	5.80%	5.80%	
16	First	HOTEL	LTV2	FirstHOTELLTV2	0.00%	7.80%	7.80%	
17	First	HOTEL	LTV3	FirstHOTELLTV3	0.00%	7.40%	7.40%	
18	First	HOTEL	LTV4	FirstHOTELLTV4	0.00%	8.19%	8.19%	
19	First	OTHER	LTV1	FirstOTHERLTV1	0.00%	10.80%	10.80%	
20	First	OTHER	LTV2	FirstOTHERLTV2	0.00%	12.80%	12.80%	
21	First	OTHER	LTV3	FirstOTHERLTV3	0.00%	13.22%	13.22%	
22	First	OTHER	LTV4	FirstOTHERLTV4	0.00%	14.43%	14.43%	
23	First	INDUSTRIAL	LTV1	FirstINDUSTRIALLTV1	0.00%	5.80%	5.80%	
24	First	INDUSTRIAL	LTV2	FirstINDUSTRIALLTV2	0.00%	7.30%	7.30%	
25	First	INDUSTRIAL	LTV3	FirstINDUSTRIALLTV3	0.00%	7.02%	7.02%	
26	First	INDUSTRIAL	LTV4	FirstINDUSTRIALLTV4	0.00%	7.85%	7.85%	
27	Second	RETAIL	LTV1	SecondRETAILLTV1	5.00%	5.55%	10.55%	
28	Second	RETAIL	LTV2	SecondRETAILLTV2	5.00%	6.30%	11.30%	
29	Second	RETAIL	LTV3	SecondRETAILLTV3	5.00%	6.27%	11.27%	
30	Second	RETAIL	LTV4	SecondRETAILLTV4	5.00%	7.18%	12.18%	
31	Second	OFFICE	LTV1	SecondOFFICELTV1	5.00%	5.30%	10.30%	
32	Second	OFFICE	LTV2	SecondOFFICELTV2	5.00%	6.30%	11.30%	
33	Second	OFFICE	LTV3	SecondOFFICELTV3	5.00%	6.27%	11.27%	
34	Second	OFFICE	LTV4	SecondOFFICELTV4	5.00%	7.18%	12.18%	
35	Second	MULTIFAMILY	LTV1	SecondMULTIFAMILYLTV1	5.00%	5.30%	10.30%	
36	Second	MULTIFAMILY	LTV2	SecondMULTIFAMILYLTV2	5.00%	6.30%	11.30%	
37	Second	MULTIFAMILY	LTV3	SecondMULTIFAMILYLTV3	5.00%	6.27%	11.27%	
38	Second	MULTIFAMILY	LTV4	SecondMULTIFAMILYLTV4	5.00%	7.18%	12.18%	
39	Second	HOTEL	LTV1	SecondHOTELLTV1	5.00%	5.80%	10.80%	
40	Second	HOTEL	LTV2	SecondHOTELLTV2	5.00%	7.80%	12.80%	
41	Second	HOTEL	LTV3	SecondHOTELLTV3	5.00%	7.40%	12.40%	

	I	J	K	L	M	N	O	P	Q	R	S	T	U
1													
2	1M Libor	2.80%											
3	Mezz/ Second/												
4	Other Spread	5.00%											
5	Land Adj.	5.00%											
6	>90% LTV spread	5%											
7													
8	Industry Groupings												
9	Office	Office Telco and Office											
10	Retail	Retail											
11	Multifamily	Multifamily											
12	Hotel	Hotel											
13	Other	Land, Sr Living & Other											
14	Industrial	Industrial Telco and Industrial											
15													
16													
17	LTV Groupings												
18	LTV1	< 65%											
19	LTV2	65% ~ 75%											
20	LTV3	75% ~ 90%											
21	LTV4	> 90%											
22													
23	Inputs from Refi	5/26/2008											
24		Spreads over 1M Libor				All-in Rate							
25		LTV1	LTV2	LTV3	LTV4	LTV1	LTV2	LTV3	LTV4				
26	HOTEL	3.00%	5.00%	7.50%	12.50%	5.80%	7.80%	10.3%	15.3%				
27	INDUSTRIAL	3.00%	4.50%	7.50%	12.50%	5.80%	7.30%	10.3%	15.3%				
28	MULTIFAMILY	2.50%	3.50%	7.50%	12.50%	5.30%	6.30%	10.3%	15.3%				
29	OFFICE	2.50%	3.50%	7.50%	12.50%	5.30%	6.30%	10.3%	15.3%				
30	RETAIL	2.75%	3.50%	7.50%	12.50%	5.55%	6.30%	10.3%	15.3%				
31	OTHER	8.00%	10.00%	12.50%	22.50%	10.80%	12.80%	15.3%	25.3%				
32													
33	Weights	65.00%	10.00%	15.00%	10.00%								
34													
35		All-in Comprehensive rates											
36		LTV1	LTV2	LTV3	LTV4								
37	HOTEL	5.80%	7.80%	7.40%	8.19%								
38	INDUSTRIAL	5.80%	7.30%	7.02%	7.85%								
39	MULTIFAMILY	5.30%	6.30%	6.27%	7.18%								
40	OFFICE	5.30%	6.30%	6.27%	7.18%								
41	RETAIL	5.55%	6.30%	6.27%	7.18%								

	A	B	C	D	E	F	G	H
42	Second	HOTEL	LTV4	SecondHOTELLTV4	5.00%	8.19%	13.19%	
43	Second	OTHER	LTV1	SecondOTHERLTV1	5.00%	10.80%	15.80%	
44	Second	OTHER	LTV2	SecondOTHERLTV2	5.00%	12.80%	17.80%	
45	Second	OTHER	LTV3	SecondOTHERLTV3	5.00%	13.22%	18.22%	
46	Second	OTHER	LTV4	SecondOTHERLTV4	5.00%	14.43%	19.43%	
47	Second	INDUSTRIAL	LTV1	SecondINDUSTRIALLTV1	5.00%	5.80%	10.80%	
48	Second	INDUSTRIAL	LTV2	SecondINDUSTRIALLTV2	5.00%	7.30%	12.30%	
49	Second	INDUSTRIAL	LTV3	SecondINDUSTRIALLTV3	5.00%	7.02%	12.02%	
50	Second	INDUSTRIAL	LTV4	SecondINDUSTRIALLTV4	5.00%	7.85%	12.85%	
51	mezz	RETAIL	LTV1	mezzRETAILLTV1	5.00%	5.55%	10.55%	
52	mezz	RETAIL	LTV2	mezzRETAILLTV2	5.00%	6.30%	11.30%	
53	mezz	RETAIL	LTV3	mezzRETAILLTV3	5.00%	6.27%	11.27%	
54	mezz	RETAIL	LTV4	mezzRETAILLTV4	5.00%	7.18%	12.18%	
55	mezz	OFFICE	LTV1	mezzOFFICELTV1	5.00%	5.30%	10.30%	
56	mezz	OFFICE	LTV2	mezzOFFICELTV2	5.00%	6.30%	11.30%	
57	mezz	OFFICE	LTV3	mezzOFFICELTV3	5.00%	6.27%	11.27%	
58	mezz	OFFICE	LTV4	mezzOFFICELTV4	5.00%	7.18%	12.18%	
59	mezz	MULTIFAMILY	LTV1	mezzMULTIFAMILYLTV1	5.00%	5.30%	10.30%	
60	mezz	MULTIFAMILY	LTV2	mezzMULTIFAMILYLTV2	5.00%	6.30%	11.30%	
61	mezz	MULTIFAMILY	LTV3	mezzMULTIFAMILYLTV3	5.00%	6.27%	11.27%	
62	mezz	MULTIFAMILY	LTV4	mezzMULTIFAMILYLTV4	5.00%	7.18%	12.18%	
63	mezz	HOTEL	LTV1	mezzHOTELLTV1	5.00%	5.80%	10.80%	
64	mezz	HOTEL	LTV2	mezzHOTELLTV2	5.00%	7.80%	12.80%	
65	mezz	HOTEL	LTV3	mezzHOTELLTV3	5.00%	7.40%	12.40%	
66	mezz	HOTEL	LTV4	mezzHOTELLTV4	5.00%	8.19%	13.19%	
67	mezz	OTHER	LTV1	mezzOTHERLTV1	5.00%	10.80%	15.80%	
68	mezz	OTHER	LTV2	mezzOTHERLTV2	5.00%	12.80%	17.80%	
69	mezz	OTHER	LTV3	mezzOTHERLTV3	5.00%	13.22%	18.22%	
70	mezz	OTHER	LTV4	mezzOTHERLTV4	5.00%	14.43%	19.43%	
71	mezz	INDUSTRIAL	LTV1	mezzINDUSTRIALLTV1	5.00%	5.80%	10.80%	
72	mezz	INDUSTRIAL	LTV2	mezzINDUSTRIALLTV2	5.00%	7.30%	12.30%	
73	mezz	INDUSTRIAL	LTV3	mezzINDUSTRIALLTV3	5.00%	7.02%	12.02%	
74	mezz	INDUSTRIAL	LTV4	mezzINDUSTRIALLTV4	5.00%	7.85%	12.85%	
75	Other	RETAIL	LTV1	OtherRETAILLTV1	5.00%	5.55%	10.55%	
76	Other	RETAIL	LTV2	OtherRETAILLTV2	5.00%	6.30%	11.30%	
77	Other	RETAIL	LTV3	OtherRETAILLTV3	5.00%	6.27%	11.27%	
78	Other	RETAIL	LTV4	OtherRETAILLTV4	5.00%	7.18%	12.18%	
79	Other	OFFICE	LTV1	OtherOFFICELTV1	5.00%	5.30%	10.30%	
80	Other	OFFICE	LTV2	OtherOFFICELTV2	5.00%	6.30%	11.30%	
81	Other	OFFICE	LTV3	OtherOFFICELTV3	5.00%	6.27%	11.27%	
82	Other	OFFICE	LTV4	OtherOFFICELTV4	5.00%	7.18%	12.18%	
83	Other	MULTIFAMILY	LTV1	OtherMULTIFAMILYLTV1	5.00%	5.30%	10.30%	

	I	J	K	L	M	N	O	P	Q	R	S	T	U
42	OTHER	10.80%	12.80%	13.22%	14.43%								
43													
44													
45													
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81													
82													
83													

EY agreed Discount Rates to REFI, an industry publication w/o/e
 EY notes that PC used 350bps instead of 325 bps. Given market, appears reasonable.
 EY notes that PC used 350bps instead of 300 bps. Given market, appears reasonable.

	A	B	C	D	E	F	G	H
84	Other	MULTIFAMILY	LTV2	OtherMULTIFAMILYLTV2	5.00%	6.30%	11.30%	
85	Other	MULTIFAMILY	LTV3	OtherMULTIFAMILYLTV3	5.00%	6.27%	11.27%	
86	Other	MULTIFAMILY	LTV4	OtherMULTIFAMILYLTV4	5.00%	7.18%	12.18%	
87	Other	HOTEL	LTV1	OtherHOTELLTV1	5.00%	5.80%	10.80%	
88	Other	HOTEL	LTV2	OtherHOTELLTV2	5.00%	7.80%	12.80%	
89	Other	HOTEL	LTV3	OtherHOTELLTV3	5.00%	7.40%	12.40%	
90	Other	HOTEL	LTV4	OtherHOTELLTV4	5.00%	8.19%	13.19%	
91	Other	OTHER	LTV1	OtherOTHERLTV1	5.00%	10.80%	15.80%	
92	Other	OTHER	LTV2	OtherOTHERLTV2	5.00%	12.80%	17.80%	
93	Other	OTHER	LTV3	OtherOTHERLTV3	5.00%	13.22%	18.22%	
94	Other	OTHER	LTV4	OtherOTHERLTV4	5.00%	14.43%	19.43%	
95	Other	INDUSTRIAL	LTV1	OtherINDUSTRIALLTV1	5.00%	5.80%	10.80%	
96	Other	INDUSTRIAL	LTV2	OtherINDUSTRIALLTV2	5.00%	7.30%	12.30%	
97	Other	INDUSTRIAL	LTV3	OtherINDUSTRIALLTV3	5.00%	7.02%	12.02%	
98	Other	INDUSTRIAL	LTV4	OtherINDUSTRIALLTV4	5.00%	7.85%	12.85%	
99								
100								
101								
102								
103	CMBS Spreads Tighten	(EY obtained from REFI via Product Control)						
104								
105								
106								
107	Senior Mortgage Matrix June 4, 2008		3-5 Year			5-10 Year Fixed-Rate		Floating-Rate
108	<65% LTV	>65% LTV	Lender Fee	Property Type	<65% LTV	>65% LTV		
109				Residential				
110	225-250 	250-325 	75-100 bps	Apartments	200-240	250-275		
111				Retail				
112	225-275 	275-300 	75-100 bps	Malls	225-250	250-350		
113	250-300	300-350	75-100 bps	Strip and Power Centers	250-300	300-400		
114				Industrial				
115	250-300	300-350	75-100 bps	Multi-tenant	250-300 	300-450 		
116				Office				
117	200-250 	300-350 	50-100 bps	CBD	225-325	300-400		
118	200-250	300-400	75-100 bps	Suburban	250-350	350-450		
119				Hotel				
120	250-300 	300-500 	50-100 bps	Full-Service	300-400	350-500		
121	250-300	300-500	50-100 bps	Limited-Service	300-450	400-500		
122	1-Month LIBOR	2.85%* (2.47%)		5-Year Treasury	3.41%* (3.02%)			
123	3-Month LIBOR	3.09%* (2.66%*)		10-Year Treasury	4.06%* (3.78%)			
124							1Assumes interest only	
125								

	I	J	K	L	M	N	O	P	Q	R	S	T	U
84													
85													
86													
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103													
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105													
106													
107			Mortgages 2 3	Mortgages 1				Index: One-Month LIBOR			Index: Equivalent Maturity Treasuries		
108													
109													
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114													
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122													
123													
124		2Assumes no I	*Number as of June 4, 2008										
125													

	A	B	C	D	E	F	G	H
126								
127	Mezzanine Financing Matrix June 4, 2008							
128	Debt Provider	Rate	Term	LTV Range (%)	Lender Fee			
129	Hedge/Opportunity Funds	11-18%	1-5 years	>65%	1-3%			
130	Investment Banks	15-18%	1-5 years	>65%	1-2%			
131	Insurance Companies	9-15%	3-10 years	>60-75%	1-2%			
132	Private Sources	8-14%	Six months to 6 years	>70%				
133								
134		i	EY notes that PC used 350bps instead of 325 bps. Given market, appears reasonable.					
135		II	EY notes that PC used 350bps instead of 300 bps. Given market, appears reasonable.					
136								

	I	J	K	L	M	N	O	P	Q	R	S	T	U
126													
127													
128													
129													
130													
131													
132													
133													
134													
135													
136													