

From: Nagioff, Roger <rnagioff@lehman.com>
Sent: Sunday, October 28, 2007 4:55 PM (GMT)
To: Walsh, Mark <mawalsh@lehman.com>
Cc: Cohen, Kenneth <kcohen@lehman.com>; Hughson, Paul A
<phughson@lehman.com>
Subject: Re:

Can speak Monday

----- Original Message -----

From: Walsh, Mark
To: Nagioff, Roger
Cc: Cohen, Kenneth; Hughson, Paul A
Sent: Sat Oct 27 13:42:35 2007
Subject:

Roger, don't want to bother you on vacation but I wanted to give you a heads up... the last few days in the market have been ugly and cmbs is down big.. Not sure why.. Worries of massive supply from dealers being dumped perhaps. Maybe the Merrill think. Nonetheless we will be passing thru a significant write down on monday(50ish). Bbbs gapped out 200 and as u know we have only hedged thru aaa back protections. Also in preparation for the "Dick meeting" Chris has requested the risk guys to re-review everything... I believe this process will result in more marks particularly as the current market tone and prospect of recovery feels particularly poor and some specific deal issues which have surfaced recently(cal land).

I am at a parents weekend in conn today but reachable by cell if you want to talk.
Mark.

Sent from my BlackBerry Handheld.