

From: Younis, Nahill <nyounis@lehman.com>
Sent: Wednesday, July 11, 2007 9:50 PM (GMT)
To: Tonucci, Paolo <paolo.tonucci@lehman.com>
Subject: RE: Alex estimates we may have to fund 10 bn of Leveraged loans over next 2 months if market conditions remain as pertains today. We should discuss our plan if that eventuality arose. Ian
Attach: 3Q MCO Analysis.ppt;2007 Facilities and Pipeline 7-11-07.xls

Paolo,
Our MCO position for this Friday 13th will be -ve 4bn. See attached MCO sources and uses.
Note this is after another \$3.7bn that went out on 2 real-estate deals this week (2.2bn Coeur Defense, 1.5bn Prologis).
Infact Realestate has more than doubled it's net cash cap requirements this year from \$23bn to \$48bn (YTD).

As you will see in the attached table, we've been working hard to tap other sources given we've effectively been locked out of the capital markets.
So far this year we've raised \$15bn LTD outside the capital markets and have another 6~7bn target for the next 4 weeks.

Let's discuss tomorrow how you want to present this.

Nahill

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

From: Tonucci, Paolo
Sent: Wednesday, July 11, 2007 2:17 PM
To: Younis, Nahill
Subject: Fw: Alex estimates we may have to fund 10 bn of Leveraged loans over next 2 months if market conditions remain as pertains today. We should discuss our plan if that eventuality arose. Ian

Will call tomorrow to discuss.

Could you include expected close dates on the issuance update - best guess.

Thanks,
Paolo

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

From: Lowitt, Ian T

To: Tonucci, Paolo
Cc: O'Meara, Chris M (NY)
Sent: Wed Jul 11 14:13:05 2007
Subject: RE: Alex estimates we may have to fund 10 bn of Leveraged loans over next 2 months if market conditions remain as pertains today. We should discuss our plan if that eventuality arose. Ian

Can we move the July 24 meeting up to next week? Also, can someone send on details of the 7 bn and expected close dates. Could nahill describe the contingency plan if we had to fund an extra 10 bn, over next 2 months ? Thanks Ian

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

From: Tonucci, Paolo
Sent: Wednesday, July 11, 2007 2:10 PM
To: Lowitt, Ian T
Cc: O'Meara, Chris M (NY)
Subject: Re: Alex estimates we may have to fund 10 bn of Leveraged loans over next 2 months if market conditions remain as pertains today. We should discuss our plan if that eventuality arose. Ian

The market is difficult so not been able to issue any debt, although desk has mandate to issue 5yr and 30 year sub as soon as bid returns.

On bilaterals we are closing \$7 bill in the next few weeks, so that is proceeding according to plan.

We have set up a meeting for 24th July with key FID and equities managers to discuss what can be syndicated or sold.

Nahill is going to end out a more detailed update on debt position later today.

Paolo

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

From: Lowitt, Ian T
To: Tonucci, Paolo
Cc: O'Meara, Chris M (NY)
Sent: Wed Jul 11 14:02:40 2007
Subject: Alex estimates we may have to fund 10 bn of Leveraged loans over next 2 months if market conditions remain as pertains today. We should discuss our plan if that eventuality arose. Ian

Suspect we should go to FID and see what they can do to liquefy some of their real estate positions. Also, how are we doing on other CC raising? Ian