



Exhaustive, Accurate Coverage

Trepp's Pricing service offers daily valuations for the US CMBS market. Based on the Trepp CMBS Deal Library—the largest commercially available CMBS database—recipients are ensured comprehensive CMBS portfolio coverage as well as the quality and timeliness of Trepp's data. Trepp evaluates CMBS bonds for both daily and month-end valuations. Trepp also has a CUSIP-by-CUSIP history that dates back over a decade, which is critical for volatility and trend analysis.

Tier-Adjusted Approach

Trepp recognizes that CMBS pricing is unique and a traditional matrix approach is not adequate. CMBS bonds with identical ratings and average lives often trade at significantly different spreads in the market; Trepp reflects these nuances by polling the marketplace and assigning each CUSIP a "Tier" that reflects its perception in the CMBS community. Further, Trepp takes into consideration a number of elements when valuing CMBS debt:

BOND LEVEL	LOAN LEVEL	PROPERTY LEVEL
<ul style="list-style-type: none">• Bid list color• Dealer inventory sheets• CMBX levels• Rating agency actions• Dealer research• Daily conversations with market participants	<ul style="list-style-type: none">• Delinquency status• Appraisal reductions• Loan modifications• Loan defeasances	<ul style="list-style-type: none">• Diversity of property type• Ongoing financial performance of collateral• Exposure to troubled tenants• Unique geographical risk

Timely Delivery

Prices are delivered each business day by 4 p.m. via a secure FTP based on the 3 p.m. ET Treasury curve. This allows ample time for end-of-day runs, even for the largest portfolios. Prices are available for download on the web by 6 p.m. ET.

Trepp, founded in 1979, is the leading provider of information, analytics and technology to the CMBS, commercial real estate and banking markets. Trepp provides primary and secondary market participants with the web-based tools and insight they need to increase their operational efficiencies, information transparency and investment performance. From its offices in New York, San Francisco and London, Trepp serves its clients with products and services to support trading, research, risk management, surveillance and portfolio management. Trepp is wholly-owned by DMG Information, the information publishing division of the Daily Mail and General Trust (DMGT).

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Validation of Valuations

Trepp engages in a process of continued validation of its spread tables, in addition to receiving frequent feedback from clients on actual trades executed for specific bonds. The precision of Trepp's CMBS pricing is key when comparing it to that of RMBS, as establishing prices for CMBS bonds requires an in-depth understanding of the collateral backing CMBS due to its unique sensitivity to credit risk.

PRICING FILE SPECIFICATIONS

FIELDS	DESCRIPTION
CUSIP	Tranche CUSIP number
Price	Price of the security- without accrued interest
Yield	Yield of the security- corporate bond equivalent
Spread	Spread to interpolated Treasury rate—spreads are intended to be “bid side”—indicated in basis points
Duration	Duration of the security—modified duration
Weighted Average Life	Weighted Average Life of the security
Yield to Maturity or Call	Indicator of whether pricing cashflows were run on a Yield to Maturity (M) or Yield to Call (C) basis
Prepayment Method	Indicator of prepayment speed methodology used to project cashflows that are in turn used to price bonds
Prepayment Spread	Speed used to project pricing cashflows
Discount Margin	Discount margin—applies to floating rate bonds only
Swap	Swap rate over which wrap spread is based—indicated in basis points
Swap Spread	Spread to interpolated swap—indicated in basis points