

Guidelines with Respect to AUP Reports (Industry) for Newly Issued CMBS

Introduction:

These Guidelines set forth various expectations of the New York Fed in connection with its receipt of AUP Reports (Industry) for newly issued CMBS under the TALF. They apply both to AUP Reports (Industry), and updates thereto, relating to preliminary (“red”) prospectuses or offering documents, and to AUP Reports (Industry), and updates thereto, relating to final (“black”) prospectuses or offering documents.

A. Certain Administrative and Procedural Matters.

The following are certain expectations of the New York Fed relating to administrative and procedural matters in connection with its receipt of AUP Reports (Industry).

1. The issuer of each prospective newly issued CMBS is encouraged to submit draft versions of the forms of AUP Report (Industry) and updates thereto to the New York Fed as early in its transaction process as is reasonably practicable. In any case, the drafts should be submitted to the New York Fed not later than three weeks before the relevant subscription date.* Drafts should be submitted via e-mail to the TALF compliance mailbox (talf.compliance@ny.frb.org, placing the issuer name, the series reference and “Draft AUP Forms” in the subject header).

2. The drafts should reflect the procedures that the issuer is requesting the accounting firm to perform in connection with the issuer’s preparation of the offering documents for the newly issued CMBS. If a form of report contemplates the attachment of manually marked pages from an offering document, the draft should include, or be accompanied by, notes indicating the specific characteristics that would be agreed by means of such an attachment.

3. Following its receipt of the draft versions of the forms of AUP Reports (Industry) and updates thereto, the New York Fed will consider the sufficiency of the forms and stated procedures for its own purposes, and thereafter indicate such sufficiency or identify concerns on a preliminary basis. The New York Fed will endeavor to respond to the issuer with reasonable promptness, but the timing of a response may be affected by the volume of TALF-related activities generally, other administrative matters and the particular circumstances of the prospective transaction.

4. If the procedures described in an AUP Report (Industry) or update thereto are sufficient for the New York Fed’s own purposes, the New York Fed will execute and deliver an acknowledgment of such sufficiency in the form attached hereto as Exhibit A. The relevant accounting firm should prepare such form, with relevant details completed, and submit the form at or near the time of execution of the applicable report or update. Executed acknowledgments would be delivered to the accounting firm at or before the release of the

* For newly issued CMBS to be issued after July 2009.

signed report or update to the New York Fed. Signed, fully-assembled AUP Reports (Industry) and updates thereto should be scanned and submitted via e-mail to the TALF compliance mailbox (talf.compliance@ny.frb.org, placing the issuer name, the series reference and “Signed AUP Report” in the subject header).

B. Certain Substantive Matters.

The following are certain expectations of the New York Fed relating to the substance of the procedures to be reported in AUP Reports (Industry).

1. The New York Fed expects that AUP Reports (Industry) will generally reflect procedures that are at least as favorable to a report recipient as the scope of agreed-upon procedures that was historically common to regular issuance programs in the commercial mortgage-backed securities market. It is anticipated that an update to an AUP Report (Industry) will not restate all the procedures reported in the AUP Report (Industry), and will instead report on procedures to address changes in information that are reflected in the related offering document supplement.

2. In particular, the New York Fed expects that reasonable procedures and assumptions will be used to determine whether the characteristics of the mortgage loans and mortgaged properties enable agreement with various items of information set forth in the applicable offering document or supplement thereto. The following are examples of such items:

- (a) weighted average lives, principal payment windows, decrement tables and final scheduled distribution dates for the applicable classes of newly issued CMBS;
- (b) certain loan-by-loan and property-by-property information commonly set forth in an annex to the principal offering document; and
- (c) stratification tables with respect to property location and certain other characteristics of the loans and properties.

In connection with AUP Reports (Industry), the New York Fed expects the nature and scope of the accounting firm’s inspection of loan file documents to be at least as favorable to report recipients as the inspection contemplated by the form of AUP Report (TALF).

3. Each AUP Report (Industry) and each update thereto must not qualify, limit or condition any AUP Report (TALF).

4. Each AUP Report (Industry) and each update thereto should list the New York Fed as an addressee of the report.

C. Certain General Information.

Set forth below is certain additional, general information regarding these Guidelines and AUP Reports (Industry).

1. These Guidelines are intended as a convenience to enable the delivery of AUP Reports (Industry) and updates thereto in a timely manner without disruption to the offering and subscription processes for a prospective newly issued CMBS. Satisfaction of the terms and conditions relating to AUP Reports (Industry) and updates thereto remain the sole responsibility of the applicable parties as set forth in the terms, conditions and other documents related to the TALF.

2. These Guidelines relate solely to AUP Reports (Industry) and updates thereto. They do not otherwise modify the terms or conditions of the TALF.

3. Acknowledgments delivered by the New York Fed pursuant to these Guidelines will not serve any purpose other than to acknowledge, to the relevant accounting firm, the sufficiency of reported procedures for the New York Fed's own purposes. Acknowledgments will not constitute (a) statements with respect to the acceptability of any offering document or supplement thereto, any information set forth in any offering document or supplement thereto or any CMBS as collateral for a TALF loan or (b) waivers of any of the terms or conditions applicable to the TALF (including the right of the New York Fed to reject a CMBS as collateral for a TALF loan).

4. The New York Fed does not intend, by means of these Guidelines or otherwise, to restrict the performance of additional procedures that may be requested or required by issuers or other transaction participants, or to determine the nature, scope or extent of accountants' procedures that should be performed for or acceptable to such parties for their own purposes.

* * * * *

Exhibit A

[Name of Accounting Firm]
[Address of Accounting Firm]

Ladies and Gentlemen:

Reference is made to the Report Applying Agreed-Upon Procedures or update thereto described below (such report or update, the “Applicable AUP Report (Industry)”):

Report Type:	<input type="checkbox"/> Full AUP Report (Industry) <input type="checkbox"/> Update to AUP Report (Industry)
Report Date:	, 2009
Accounting Firm:	
Depositor Referenced in Report:	
Issuing Entity Referenced in Report:	
Series Reference:	
Title of Offering Document or Supplement Referenced in Report:	
Date of Offering Document or Supplement Referenced in Report:	

The undersigned hereby acknowledges the sufficiency of the procedures described in the Applicable AUP Report (Industry) for its own purposes.

This acknowledgment is dated as of _____, 2009.

Sincerely,

FEDERAL RESERVE BANK OF NEW YORK

By: _____
Name:
Title: