

September 9, 2005

Securitized Products

CMBS Perspectives

A Lesson from History

We examine some previous CMBS credit shocks (events of 9/11 and 2004 hurricanes) in order to assess the potential long-term effects to our market from Hurricane Katrina.

After the attacks of September 11, total delinquencies on CMBS collateral in New York State rose from 0.58% in August 2001 and peaked at 0.74% in December 2001.

Cumulative losses on New York collateral increased by only 2 bp between late 2001 and mid-2003.

Properties in five large high-profile CMBS transactions suffered damage from the 9/11 attacks, however, none of those transactions became delinquent or recorded losses.

To date, transactions we identified as having heavy exposure to last year's Florida hurricanes have not incurred additional losses due to the storms.

According to August 2005 Remittance reports, delinquencies on all CMBS improved 7 bp to 0.85% of current balances.

This month, the cumulative loss rate on all CMBS declined 1 bp to 0.38%.

The new issue CMBS pipeline resumed this week with three transactions in the market. Although no deals priced this week, we widened our new issue spreads based on trading levels in the secondary market.

Ten-year super-senior AAAs are trading at swaps + 27 bp, while 10-year mezzanine AAAs are trading at swaps + 32 bp and 10-year junior AAAs are trading at swaps + 36 bp.

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Strategy

A Lesson from History

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- We examine some previous CMBS credit shocks (events of 9/11 and 2004 hurricanes) in order to assess the potential long-term effects to our market from Hurricane Katrina.
- After the attacks of September 11, total delinquencies on CMBS collateral in New York State rose from 0.58% in August 2001 and peaked at 0.74% in December 2001.
- Cumulative losses on New York collateral increased by only 2 bp between late 2001 and mid-2003.
- Properties in five large high-profile CMBS transactions suffered damage from the 9/11 attacks, however, none of those transactions became delinquent or recorded losses.
- To date, transactions we identified as having heavy exposure to last year's Florida hurricanes have not incurred additional losses due to the storms.

The new issue CMBS market remained fairly quiet this week, with only three transactions in the market. Most investor inquires during the week focused on any potential damage to buildings within CMBS caused by Hurricane Katrina.

Servicers are still in the process of gathering information regarding specific insurance coverage and any potential damage to buildings. In the meantime, we examine some previous CMBS credit shocks in order to assess the potential long-term effects to our market from Hurricane Katrina.

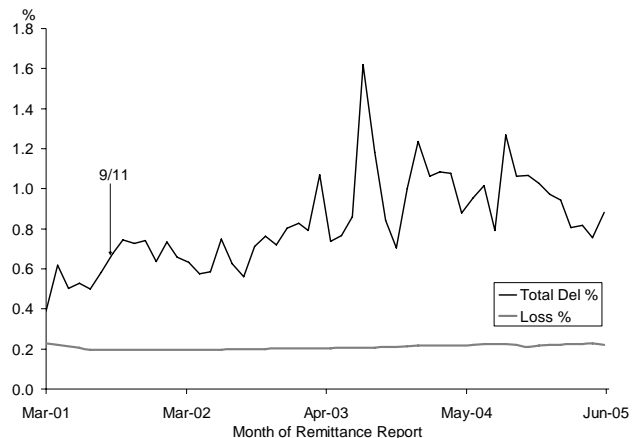
Although the CMBS market has a fairly short history (ten years), it has experienced two physical damage shocks, the events of September 11, 2001 and the hurricane season of 2004. We examine the change in delinquencies and losses resulting from both events.

Events of September 11, 2001

After the attacks of September 11, total delinquencies on CMBS collateral in New York State rose from 0.58% in August 2001 to 0.74% in December 2001.

Exhibit 1

Delinquencies and Cumulative Loss Rates for New York CMBS



Source: Morgan Stanley, Intex

Although delinquencies increased 20 bp during the several months following the attacks, cumulative losses on New York collateral increase by only 2 bp between late 2001 and mid-2003.

Five large high-profile CMBS transactions suffered damage from the 9/11 attacks (GMACC 2001-WTCA (1 & 2 WTC), BALL 2001-7WTC (7 WTC), MLMI 1996-WFPD, MLMI 1996-WFPB and GSMS 2001-LIBA). None of those transactions became delinquent or recorded any losses. GMACC 2001-WTCA paid off in full with no loss in Jan 2004 and BALL 2001-7WTC (7 WTC) paid off in full in Feb 2005.

It is worth noting that the spike in New York delinquencies that occurred in October 2003 resulted from the \$68 million Paramount Hotel loan in CSFB 1997-C2 and the \$57 million loan on the Crystal Pavilion/Petry Building in CSFB 2001-CP4 becoming delinquent.

The resulting significant rise in the New York delinquency rate was specific to those transactions rather than a broader credit event such as attacks of September 11, 2001.

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Exhibit 2

New York CMBS Delinquencies

Remittance Month	30 Day Del. (%)	60 Day Del. (%)	90 Day Del. (%)	Fore. (%)	REO (%)	Total Del (%)	Total Del (%)
Jul-01	0.13	0.01	0.13	0.20	0.03	0.50	0.50
Aug-01	0.16	0.06	0.10	0.20	0.06	0.58	0.58
Sep-01	0.24	0.06	0.11	0.21	0.06	0.68	0.68
Oct-01	0.26	0.06	0.11	0.25	0.06	0.74	0.74
Nov-01	0.28	0.01	0.15	0.22	0.07	0.73	0.73
Dec-01	0.10	0.20	0.15	0.23	0.07	0.74	0.74
Jan-02	0.08	0.04	0.22	0.23	0.07	0.64	0.64
Feb-02	0.19	0.01	0.24	0.22	0.07	0.73	0.73
Mar-02	0.10	0.03	0.23	0.05	0.25	0.66	0.66
Apr-02	0.12	0.01	0.22	0.06	0.22	0.63	0.63
May-02	0.09	0.06	0.16	0.05	0.22	0.57	0.57

Source: Morgan Stanley, Intex

Exhibit 4

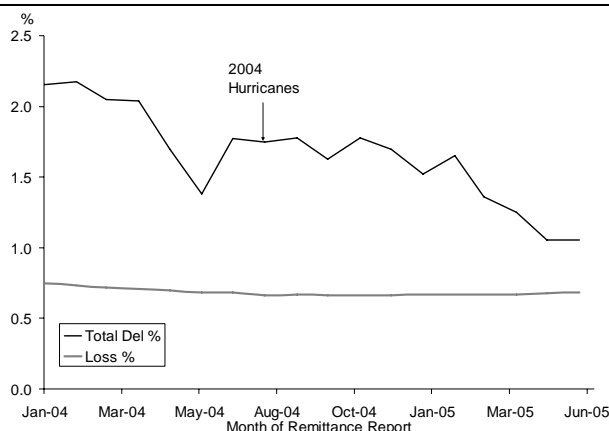
Florida CMBS Delinquencies

Remittance Month	30 Day Delinquent (%)	60 Day Delinquent (%)	90 Day Delinquent (%)	Fore. (%)	REO (%)	Total Del (%)
Jul-04	0.52	0.00	0.38	0.30	0.57	1.77
Aug-04	0.22	0.28	0.35	0.26	0.63	1.75
Sep-04	0.23	0.11	0.61	0.20	0.63	1.78
Oct-04	0.07	0.08	0.75	0.05	0.67	1.62
Nov-04	0.23	0.02	0.58	0.21	0.75	1.78
Dec-04	0.22	0.05	0.51	0.09	0.83	1.70
Jan-05	0.07	0.04	0.30	0.27	0.84	1.52
Feb-05	0.28	0.01	0.32	0.23	0.82	1.65
Mar-05	0.13	0.00	0.31	0.19	0.73	1.36
Apr-05	0.02	0.05	0.28	0.18	0.72	1.25
May-05	0.05	0.04	0.24	0.18	0.54	1.06

Source: Morgan Stanley, Intex

Exhibit 3

Delinquencies and Cumulative Loss Rates for Florida CMBS



Source: Morgan Stanley, Intex

Florida 2004 Hurricane Season

We also examined the change in credit performance of CMBS collateral located in Florida after four hurricanes hit the state last year. CMBS delinquencies declined from 1.77% in July 2004 to 1.70% in December 2004, suggesting the four hurricanes had little impact on CMBS.

We also examined credit performance of the transactions which we identified last year as having at least 15% exposure to all four Florida storms.¹

Delinquencies on those transactions rose from 3.49% in July 2004 and peaked at 4.07% in December 2004 (See Exhibit 5). Most of the change is attributable to a rise in 30-day delinquencies, which increased from 0% in August 2004 to 1.14% in December 2004.

Exhibit 5

Delinquencies of Transactions with Significant Exposure to 2004 Hurricanes

Remittance Month	30 Day Delinquent (%)	60 Day Delinquent (%)	90 Day Delinquent (%)	Fore. (%)	REO (%)	Total Del (%)
Jul-04	0.68	0.05	0.57	0.41	1.78	3.49
Aug-04	0.00	0.44	0.59	0.39	1.76	3.18
Sep-04	0.07	0.00	0.71	0.45	1.77	3.01
Oct-04	0.06	0.09	0.92	0.08	2.17	3.32
Nov-04	0.53	0.01	0.50	0.32	2.35	3.70
Dec-04	1.14	0.03	0.47	0.09	2.34	4.07
Jan-05	0.27	0.01	0.21	0.38	2.47	3.34
Feb-05	0.39	0.03	0.14	0.39	2.47	3.42
Mar-05	0.16	0.03	0.15	0.33	2.30	2.97
Apr-05	0.15	0.04	0.15	0.33	2.26	2.93
May-05	0.14	0.05	0.17	0.33	2.21	2.90
Jun-05	0.05	0.00	0.15	0.33	2.10	2.63

Source: Morgan Stanley, Intex

The 60-day delinquency bucket remained relatively constant between September 2004 and June 2004. Therefore, most of the loans that were 30 days delinquent in December 2004 did not migrate to the more severe delinquency buckets.

¹ See *Update on Hurricanes and CMBS*, dated September 30, 2004 for the list of transactions.

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In other words, while some loans in the affected areas experienced payment difficulties after the hurricanes, the long-term impact was fairly limited.

To date, transactions we identified as having heavy exposure to last year's hurricanes have not incurred additional losses due to the storms. Obviously, this analysis is limited to only 12 months of historical data.

What is Different About Katrina?

Examining prior CMBS shocks gives us some comfort that the credit implications from Hurricane Katrina on CMBS should be minimal. However, the circumstances surrounding the storm are different from hurricanes last season.

Although the anticipated insured losses from both events is similar (\$20-30 billion), a majority of the damage caused by Katrina was concentrated in one MSA (New Orleans) and maybe identified as flood damage (covered by a flood insurance policy) rather than wind damage (covered by a property and casualty policy).

As we mentioned in our piece last week, flood insurance is typically issued in a policy separate from the property and casualty policy and may be capped by the underwriter.²

Rating Agencies Comment on Katrina

On Thursday, Standard & Poor's (S&P) issued a press release discussing CMBS exposure to Hurricane Katrina.

S&P identified 12 transactions—CCMSC 2000-FL1A, ASC 1996-MD6, GSMS 2003-FL6A, DLJMA 1995-CF2, CCMSC 2000-3, GMACC 2001-C1, CSFB 2004-C2, BSCMS 2002-TOP6, WBCMT 2004-WL4A, JPMCC 2005-CB11, MCFI 1998-MC3, and LBUBS 2002-C1—as having a material exposure (4% of the transaction's outstanding balance) to Hurricane Katrina.

In addition, 15 deals—FULB 1997-C1, MLMI 1997-C2, WBCMT 2004-WHL3, LBUBS 2000-C5, GMACC 2004-C3, GCCFC 2003-C1, GECCM 2004-C1, NLFC 1998-2, GMACC 2002-C1, MSDWC 2000-LIFE, PCMT 2003-PWR1, MSC 1998-WF1, BACM 2003-1, MLMI 1999-C1, and BSCMS 2003-T10—were identified as having concentrated exposure to Hurricane Katrina.

The agency is reviewing these 27 transactions to determine if the outstanding ratings are appropriate at their current credit support levels, given their exposure to Katrina.

In cases where flood insurance coverage is appropriate, S&P expects the coverage to be at least the lesser of the principal balance of the loan or the maximum amount of insurance that is available under current Federal Insurance Administration standards.

Moody's held a conference call on Thursday discussing the effects of Katrina on the insurance industry. Moody's current estimate of insured losses represents 5% of the property & casualty (P&C) insurance industry's statutory surplus on an after-tax basis.

While the rating agency mentioned several challenges facing the insurance industry, it also stated several strengths that should protect the industry.

Challenges facing the industry noted on the call included:

- Potential controversy over whether damage should be covered by P&C policies or flood insurance policies
- The current limited access insurance companies have to the affected areas in order to assess damage
- Potential future claims from more storms this hurricane season

Strengths of the industry noted during the call were:

- Claims from the storm are diversified across many companies covering the damaged areas
- US insurers have built up significant reserves in recent years
- Moody's expects insurers have already predicted and planned for a storm the size of Katrina based on improved modeling capabilities

² See *Hurricane Katrina and CMBS* dated September 8, 2005.

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CMBS Delinquencies

CMBS Cumulative Losses Steady at 0.38%

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- According to August 2005 Remittance reports, delinquencies on all CMBS improved 7 bp to 0.85% of current balances.
- Delinquencies on seasoned transactions (aged over one year) improved 5 bp, to 1.37%.
- This month, the cumulative loss rate on all CMBS declined 1 bp to 0.38%.
- Cumulative losses for the seasoned universe rose 2 bp to 0.67%.
- The 2001 vintage experienced the greatest movement in delinquencies, with delinquencies declining 12 bp to 1.45%.
- Delinquencies in hotel collateral declined 32 bp this month to 1.81% of current balances.
- Thirty-five of the 235 transactions we track with our credit coordinate matrix moved into a different quadrant during the month.
- Seven deals moved into the "sweet spot": CSFB 1995-WF1, MLMI 1995-C3, DLJCM 1998-CF1, BSCMS 1999-C1, CSFB 2001-CK6, CSFB 2002-CP3, and MSDWC 2002-IQ2.

According to August 2005 remittance reports, delinquencies on all CMBS improved 7 bp to 0.85% of current balances. Sixty-plus day delinquencies declined 4 bp, to 0.72%.

Delinquencies on seasoned transactions (aged over one year) improved 5 bp, to 1.37%. Sixty-plus day delinquencies on seasoned transactions declined 5 bp to 1.16%.

Exhibit 2

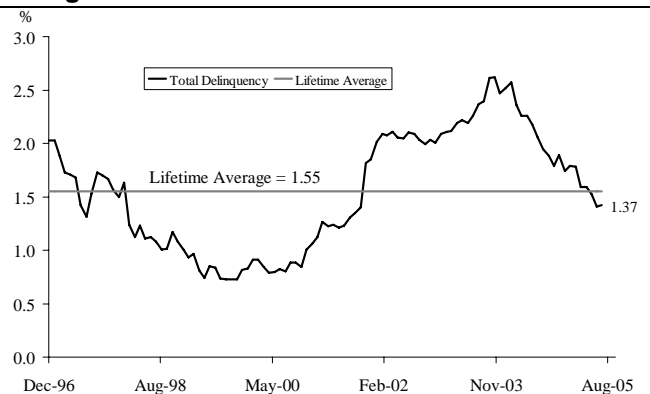
Credit Migration Matrix (based on July and August 2005 remittance reports)

Loan Status in July 2005	Loan Status in August 2005 (% by Current Balance)								
	Current	30 Days Delinquent	60 Days Delinquent	90+ Days Delinquent	Foreclosures	REO	Paid in Full	Liquidation	Foreclosure Sale
Current	99.4	0.1	0.0	0.0	0.0	0.0	0.5	0.0	0.0
30 Days Delinquent	31.9	22.2	39.3	0.7	1.0	1.7	1.7	1.4	0.0
60 Days Delinquent	9.2	11.8	7.0	69.0	0.0	3.0	0.0	0.0	0.0
90+ Days Delinquent	2.4	0.4	0.1	86.6	1.0	2.6	0.2	6.7	0.0
Foreclosures	0.0	2.7	0.0	5.0	73.5	5.2	0.6	13.0	0.0
REO	0.0	0.0	0.0	0.3	0.1	90.4	1.8	7.4	0.0

Source: Morgan Stanley, Intex

Exhibit 1

Delinquencies in Seasoned CMBS Deals and Lifetime Average



Source: Morgan Stanley, Intex

Credit Migration Matrix

This month, the 60 days delinquent and foreclosure buckets posted the most significant movements based on our Credit Migration Matrix.

Among the loans that were 60 days delinquent in July, 7% remained 60 days delinquent in August, while 69% became 90+ days delinquent. Last month, 26% of loans that were 60 days delinquent remained in the 60 days delinquent bucket, while 38% became 90+ days delinquent.

In addition, 13% of all foreclosed loans were liquidated in August, compared to only 4% in July.

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Exhibit 3

CMBS Delinquencies by Year of Origination (in %)
(As of August 2005 Remittance Reports)

Year	Original Balance (in billions of \$)	Current Balance (in billions of \$)	30/60/90+ days	Forc. & REO	Total	Change From Last Month	% Cum Loss	Change From Last Month
1990	0.9	0.1	0.38	0.00	0.38	0.30	2.24	0.03
1991	0.7	0.0	0.00	0.00	0.00	0.00	1.00	0.03
1992	1.1	0.2	0.00	0.00	0.00	0.00	0.61	0.01
1993	2.4	0.3	0.00	1.17	1.17	0.02	0.52	0.03
1994	4.1	0.4	2.87	0.00	2.87	0.46	0.66	-1.00
1995	8.4	1.7	0.27	3.45	3.72	-0.34	1.47	-0.07
1996	18.1	6.6	0.85	0.79	1.64	0.04	0.98	0.01
1997	43.8	25.4	1.31	1.30	2.61	-0.34	1.48	0.05
1998	73.5	53.6	0.80	0.80	1.60	0.02	0.89	0.02
1999	39.7	32.2	1.20	0.94	2.14	-0.03	0.77	0.01
2000	37.8	29.6	1.05	1.18	2.23	0.03	0.59	0.05
2001	60.5	48.5	0.64	0.81	1.45	-0.12	0.15	0.03
2002	55.3	43.6	0.47	0.13	0.60	-0.03	0.07	0.01
2003	79.6	69.9	0.12	0.05	0.17	-0.01	0.01	0.00
2004	104.2	99.4	0.05	0.00	0.05	0.02	0.00	0.00
2005	85.5	85.3	0.03	0.00	0.03	0.03	0.00	0.00
Total/Average	615.7	496.7	0.44	0.41	0.85	-0.07	0.38	-0.01

Source: Morgan Stanley, Intex

Origination Year

Of the cohorts with more than \$20 billion in collateral, the 2001 vintage experienced the greatest movement in delinquencies, improving 12 bp to 1.45%.

Most of the improvement in delinquencies is attributable to the \$115 million Informart loan in GMACC 2002-FL1A. The loan matured in May 2005, and is currently paying as agreed with the special servicer.

Hotel Delinquencies Improve

Delinquencies in hotel collateral declined 32 bp this month to 1.81% of current balances. About half of the improvement is

due to the liquidation of six loans (loss severity in parenthesis): Sheraton Orlando North (79%) in FULB 1997-C2, Lincoln Plaza Hotel (1%) in CSFB 1998-C2, two Holiday Inns (56% and 77%) in LBCMT 1995-C2, Gateway Inn (5%) in BSCMS 1999-C1, and Comfort Inn- Cleveland (68%) in DLJCM 1998-CF1.

Multifamily Delinquencies Improved

Performance of multifamily loans improved 7 bp in August, to 1.64%. Most of the improvement is attributable to the Seattle Multifamily – Rollup loan in GCCFC 2003-FL1 returning to current status.

Exhibit 4

CMBS Delinquencies by Property Type (in %) (As of August 2005 Remittance Reports)

Year	Original Balance (in billions of \$)	Current Balance (in billions of \$)	30/60/90+ days	Forc. & REO	Total	Change From Last Month	% Cum Loss	Change From Last Month
Hotel-Motel	50.4	37.1	0.61	1.19	1.81	-0.32	1.20	-0.03
Industrial-Warehouse	29.6	23.6	0.75	0.53	1.28	0.00	0.46	0.00
Mixed	28.7	21.8	0.20	0.19	0.39	-0.10	0.00	0.00
Mobile Home	11.3	9.6	0.19	0.15	0.35	0.00	0.09	0.00
Multifamily	107.6	83.7	1.01	0.63	1.64	-0.07	0.29	0.02
Office	153.4	127.6	0.33	0.40	0.72	-0.09	0.26	-0.01
Retail	179.4	149.9	0.24	0.15	0.38	-0.03	0.33	-0.03
Self-Storage	9.2	8.0	0.06	0.01	0.08	-0.16	0.02	0.00
Senior Housing	5.6	3.4	2.61	1.27	3.88	-0.12	4.49	0.06
Other	40.4	32.1	0.08	0.29	0.37	0.03	0.45	0.04
Total/Average	615.7	496.7	0.44	0.41	0.85	-0.07	0.38	-0.01

Source: Morgan Stanley, Intex

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Cumulative Losses

This month, the cumulative loss rate on all CMBS declined 1 bp to 0.38%. Cumulative losses for the seasoned universe rose 2 bp to 0.67%.

JPMCC 2002-C3 had the greatest increase in cumulative loss, rising 98 bp to 0.98%. The \$10.7 million 318 West Adams Street loan in Illinois was liquidated, with a loss severity of 68%.

Exhibit 5

CMBS Delinquencies by State (in %) (As of August 2005 Remittance Reports)

State	Original Balance (in billions of \$)	Current Balance (in billions of \$)	% Total Delinq.	Change From Last Month	% Cum Loss	Change From Last Month
CA	89.2	72.6	0.39	-0.01	0.16	-0.01
NY	77.1	64.5	0.29	0.02	0.08	0.00
TX	43.0	34.1	2.26	-0.26	0.81	0.00
FL	37.6	31.0	0.73	-0.05	0.49	0.01
IL	19.8	16.3	1.01	-0.39	0.54	0.04
VA	19.3	16.3	0.33	-0.06	0.16	-0.01
NJ	18.1	14.7	0.38	0.02	0.45	0.00
MD	14.7	12.5	0.30	-0.06	0.03	0.00
PA	15.2	12.5	0.75	-0.17	0.48	0.01
MA	15.1	12.0	0.85	0.05	0.38	0.01
Total/Avg	349.2	286.4	0.69	-0.07	0.27	0.00

Source: Morgan Stanley, Intex

Exhibit 7

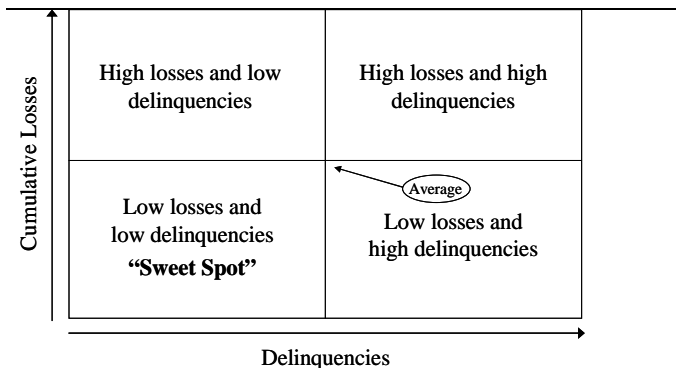
CMBS Delinquencies by Property Type and Year (in %) (As of August 2005 Remittance Reports)

Product Type	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Hotel-Motel	5.73	NA	NA	0.00	0.00	13.17	6.09	7.35	2.70	0.97	0.76	7.60	0.00	0.00	0.00	0.00
Industrial-Warehouse	0.00	0.00	0.00	0.00	0.00	0.00	0.61	4.88	1.08	1.63	3.23	1.10	1.21	1.07	0.07	0.00
Mixed	0.00	NA	0.00	NA	0.00	0.00	0.00	3.11	1.19	0.43	3.09	0.50	0.00	0.00	0.00	0.00
Mobile Home	NA	NA	0.00	0.00	0.00	0.00	0.00	0.31	0.84	1.35	0.86	0.00	1.51	0.00	0.00	0.00
Multifamily	0.46	0.00	0.00	0.00	0.00	3.45	1.09	1.33	1.91	2.84	3.72	4.69	1.95	0.61	0.30	0.15
Office	0.00	0.00	0.00	0.00	0.97	0.28	2.49	1.16	2.40	3.09	3.17	0.72	0.30	0.04	0.02	0.00
Retail	0.00	0.00	0.00	6.80	0.00	2.99	0.28	1.54	0.53	1.87	1.10	0.23	0.19	0.02	0.00	0.05
Self-Storage	NA	NA	NA	NA	NA	0.00	0.00	0.40	0.58	0.00	0.00	0.00	0.00	0.16	0.00	0.00
Senior Housing	NA	NA	NA	NA	0.00	0.00	5.76	9.38	3.38	2.22	0.94	0.00	0.00	0.00	0.00	0.00
Other	NA	0.00	0.00	0.00	36.44	0.00	0.00	7.26	3.77	2.26	0.00	0.00	0.00	0.00	0.00	0.00

Source: Morgan Stanley, Intex

Exhibit 6

Credit Coordinate Matrix



Source: Morgan Stanley

Credit Coordinate Matrix

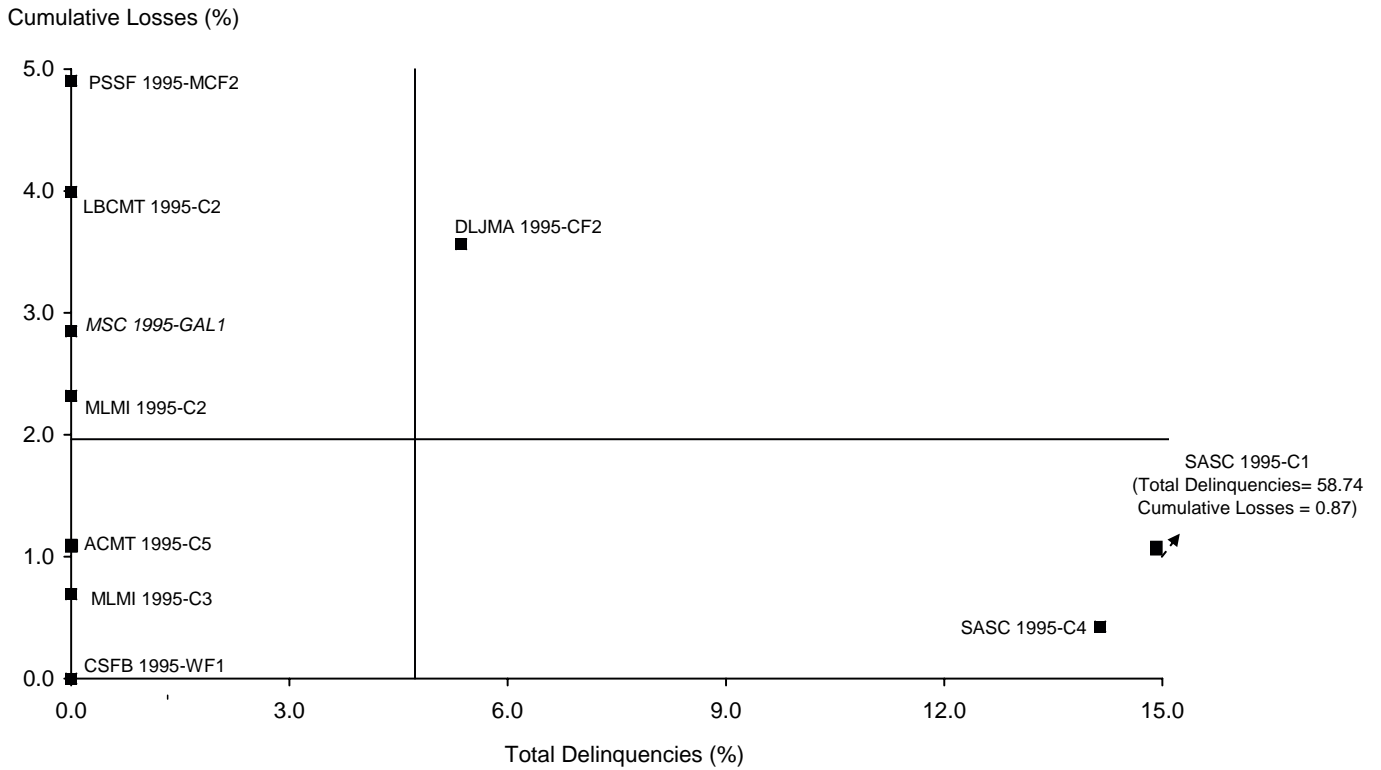
Thirty-five of the 235 transactions we track with our credit coordinate matrix moved into a different quadrant during the month.

Seven deals moved into the "sweet spot": CSFB 1995-WF1, MLMI 1995-C3, DLJCM 1998-CF1, BSCMS 1999-C1, CSFB 2001-CK6, CSFB 2002-CP3, and MSDWC 2002-IQ2.

Six transactions — DLJMA 1995-CF2, CSFB 1998-C1, SBM7 1999-C1, CSFB 2000-C1, FUNBC 2000-C2, and FUNBC 2002-C1—moved into the "high losses and high delinquencies" quadrant.

Exhibit 8

Transactions Priced in 1995: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)

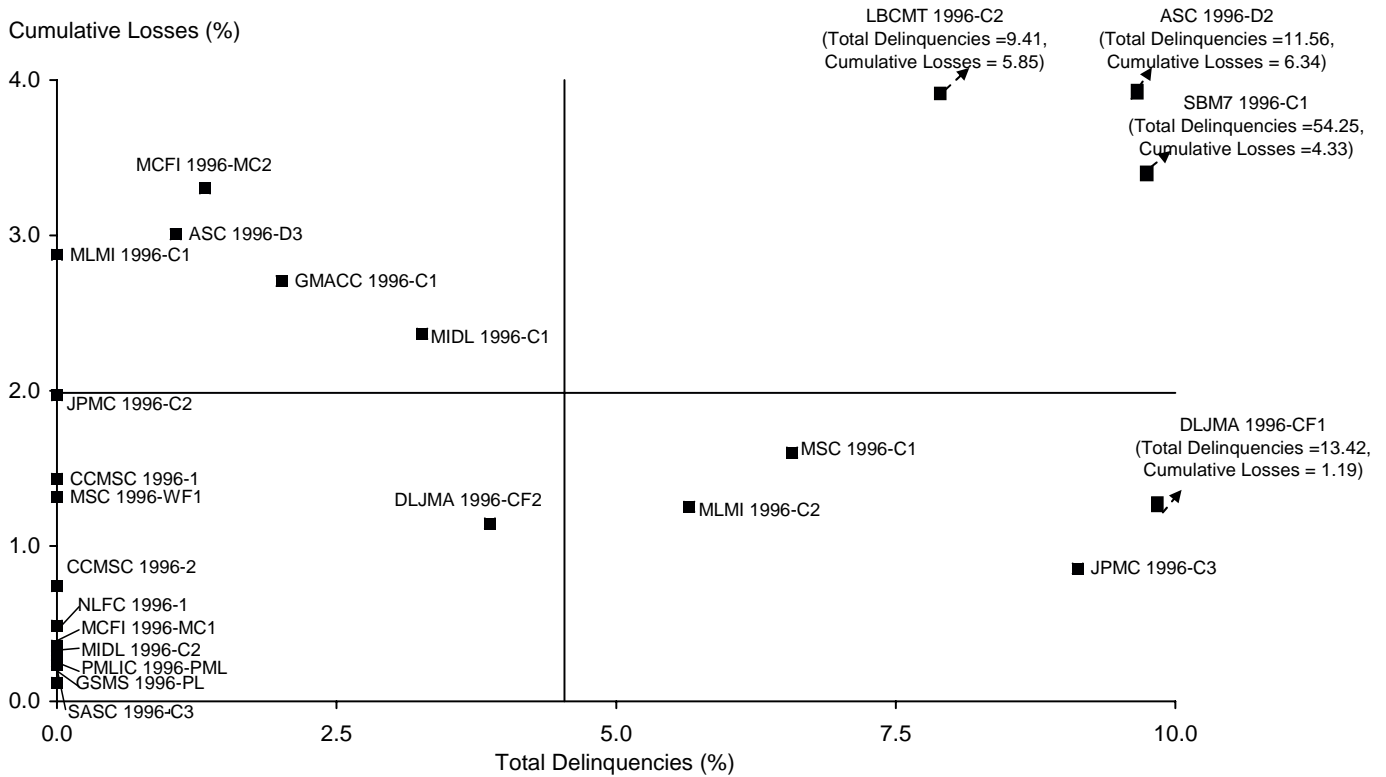


Source: Morgan Stanley, Intex

September 9, 2005
 CMBS Perspectives
 CMBS Cumulative Losses Steady at 0.38%

Exhibit 9

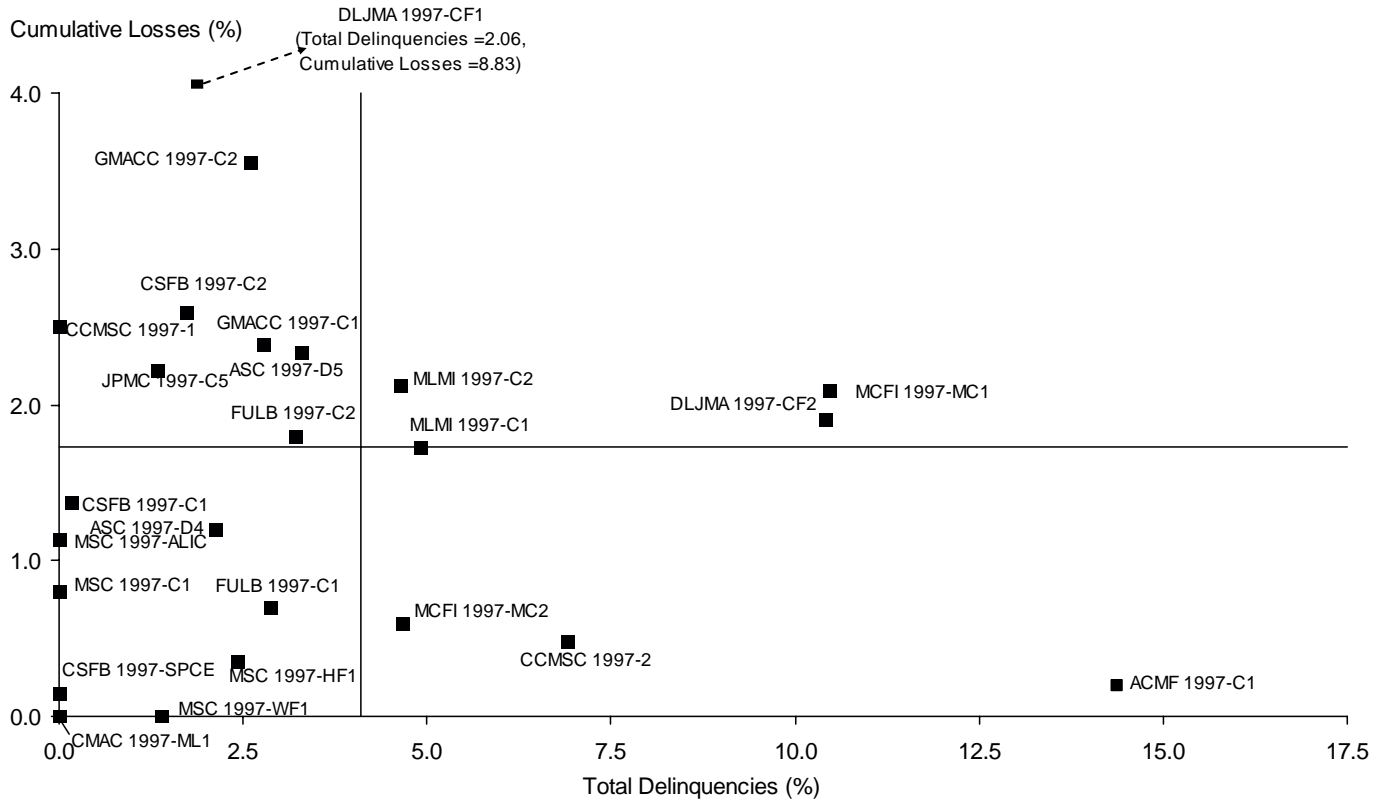
Transactions Priced in 1996: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)



Source: Morgan Stanley, Intex

Exhibit 10

Transactions Priced in 1997: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)

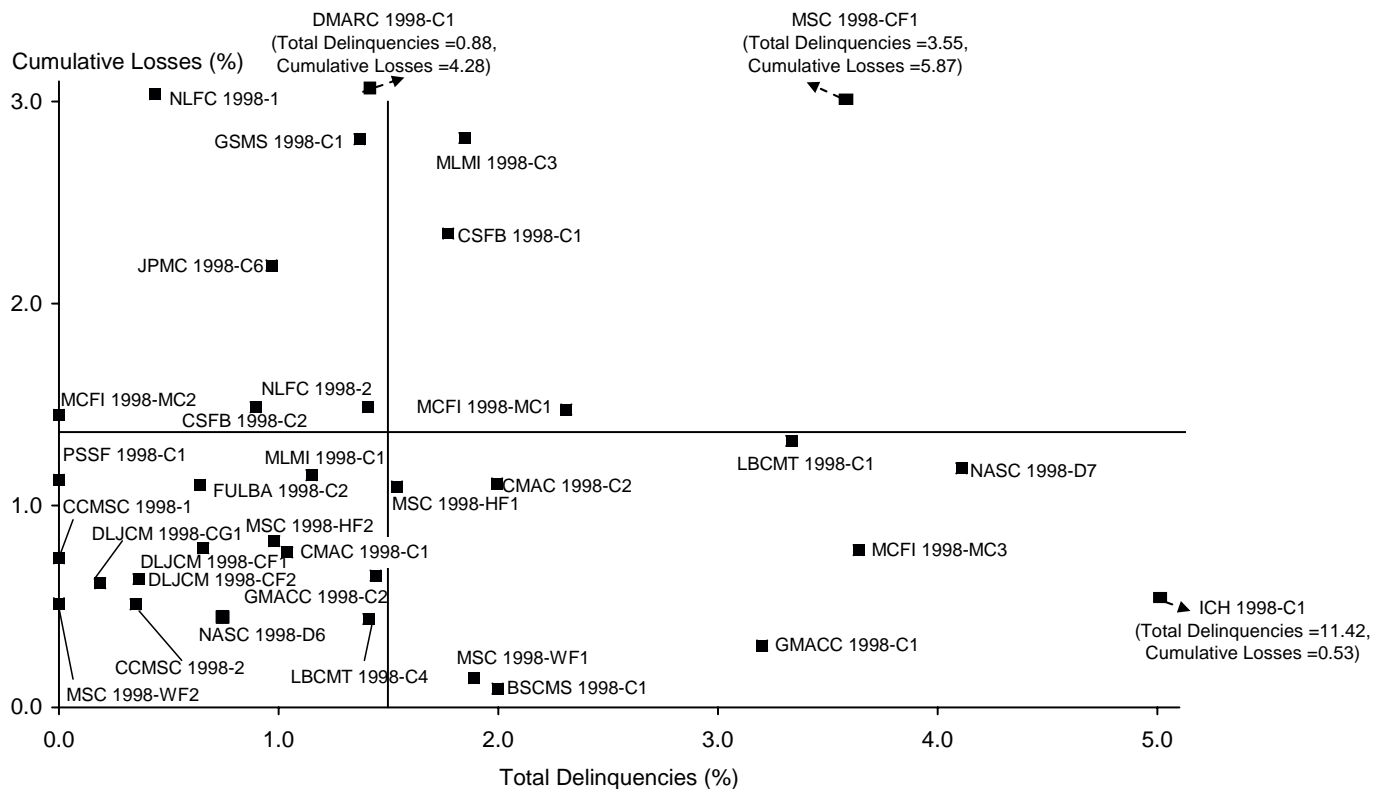


Source: Morgan Stanley, Intex

September 9, 2005
 CMBS Perspectives
 CMBS Cumulative Losses Steady at 0.38%

Exhibit 11

Transactions Priced in 1998: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)

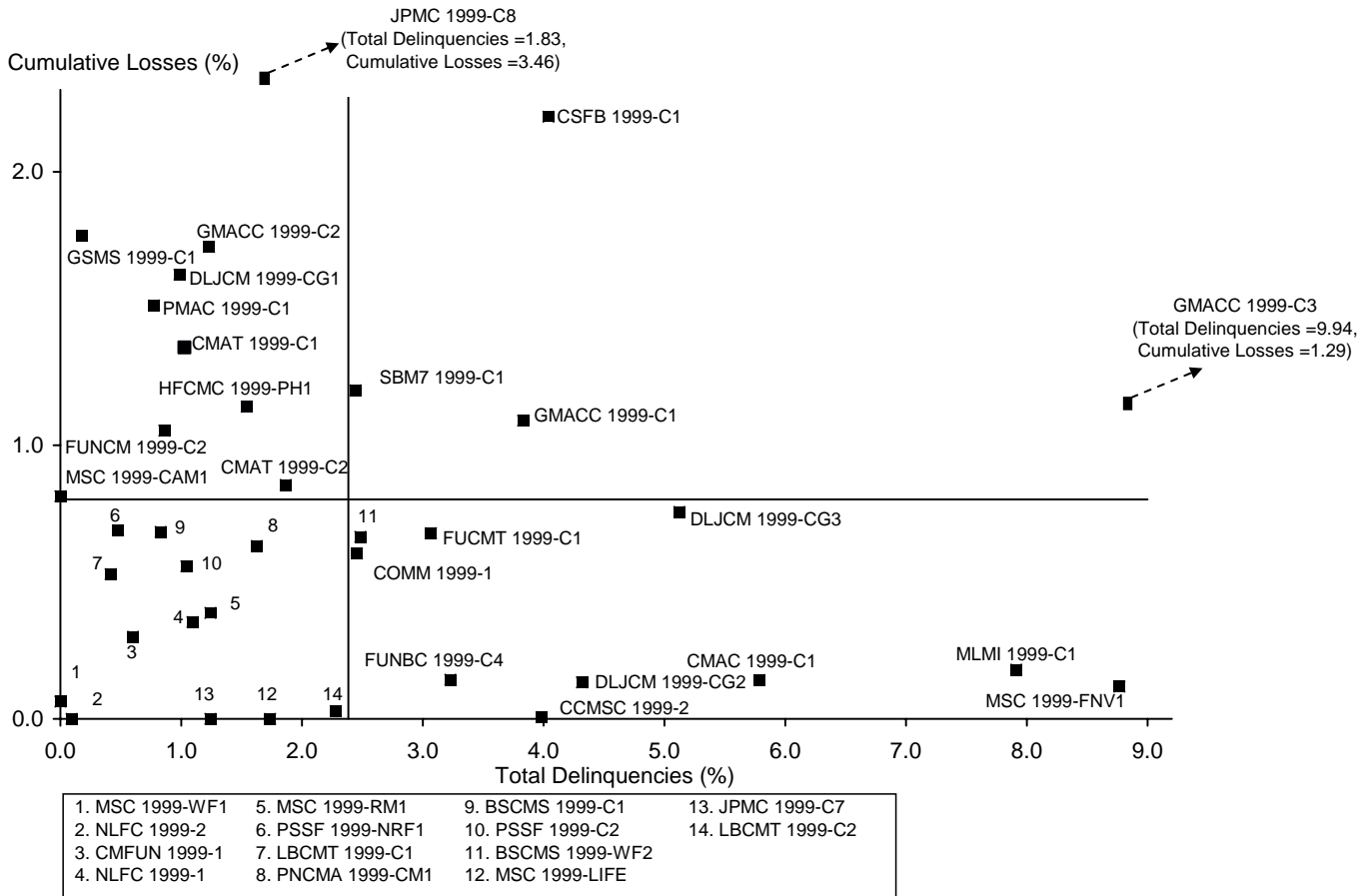


Source: Morgan Stanley, Intex

September 9, 2005
CMBS Perspectives
 CMBS Cumulative Losses Steady at 0.38%

Exhibit 12

Transactions Priced in 1999: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)

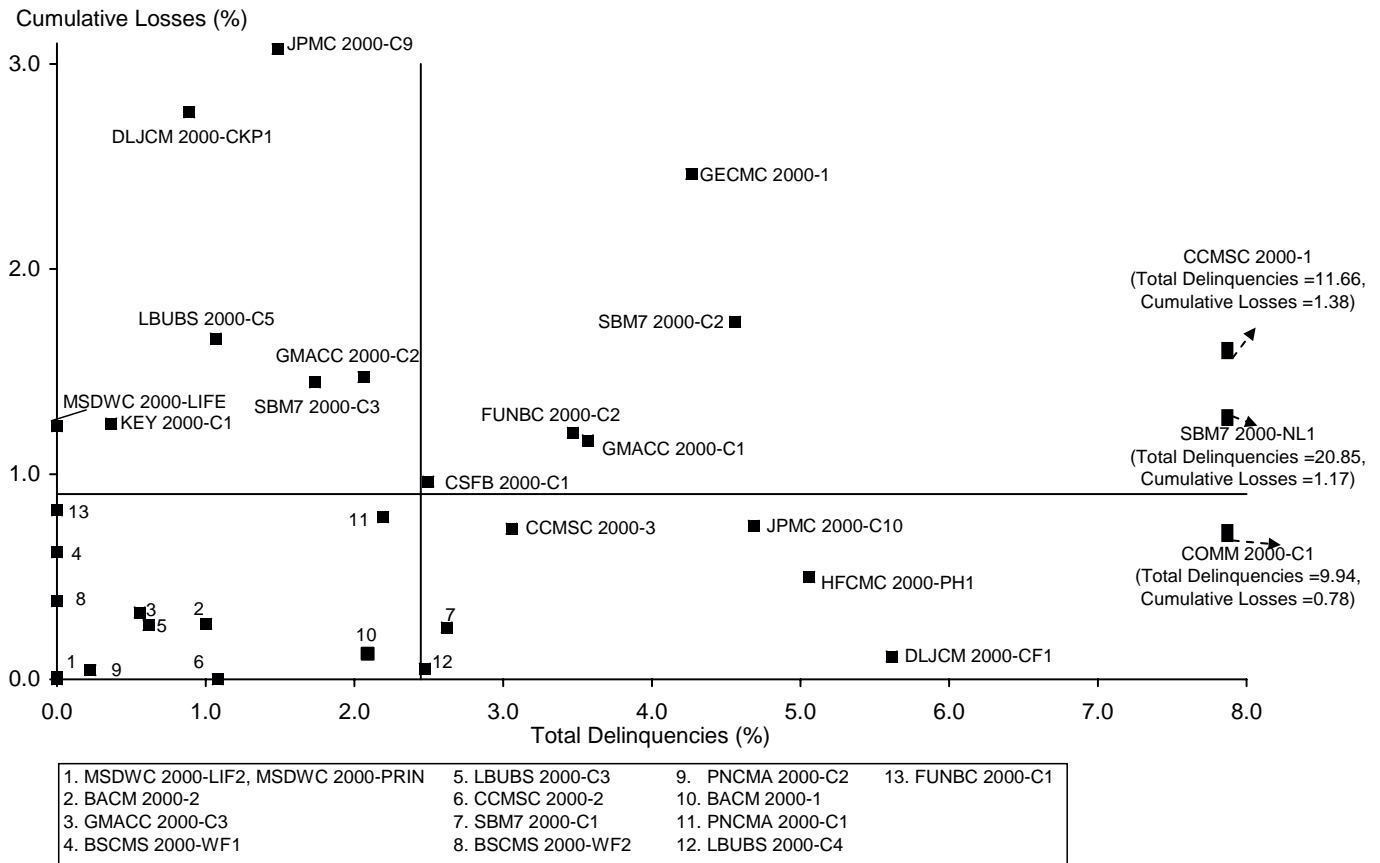


Source: Morgan Stanley, Intex

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 CMBS Cumulative Losses Steady at 0.38%

Exhibit 13

Transactions Priced in 2000: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)

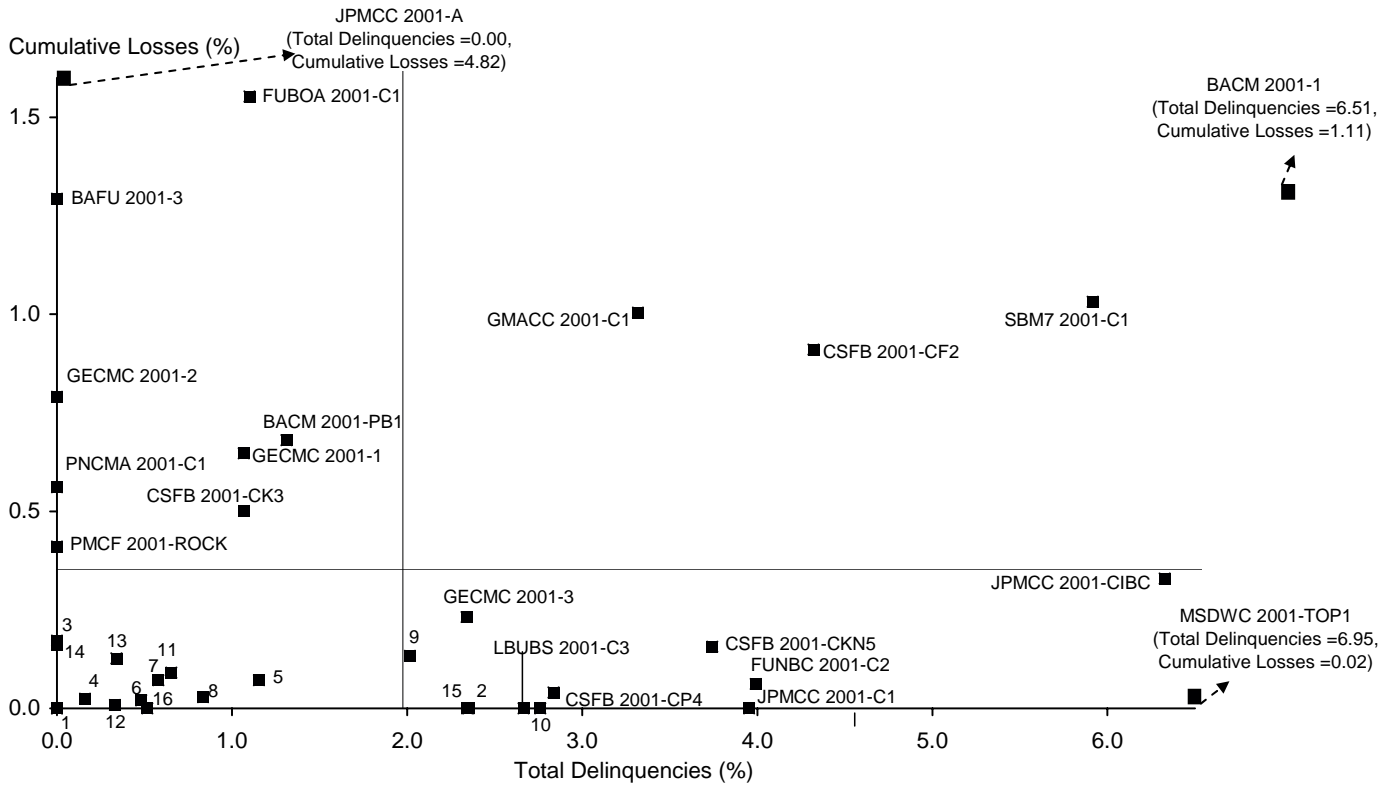


Source: Morgan Stanley, Intex

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 CMBS Cumulative Losses Steady at 0.38%

Exhibit 14

Transactions Priced in 2001: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)



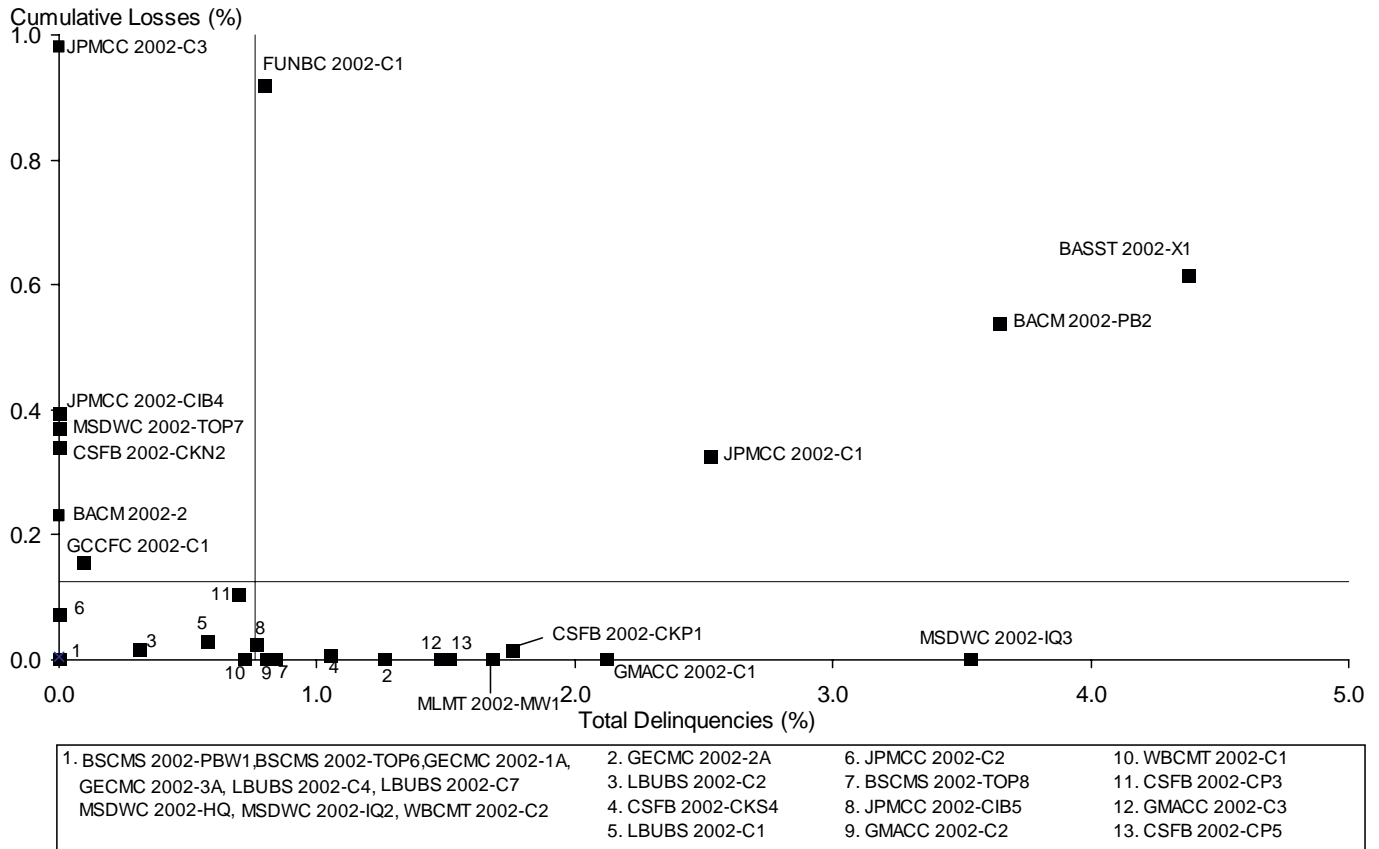
1. MSDWC 2001-PPM, MSDWC 2001-TOP5	5. JPMCC 2001-C1B2	9. FUNBC 2001-C3	13. BSCMS 2001-TOP2
2. LBUBS 2001-C2	6. LBUBS 2001-C7	10. SBM7 2001-C2	14. JPMCC 2001-C1B3
3. TIAA 2001-C1A	7. MSDWC 2001-TOP3	11. CSFB 2001-CK1	15. MSDWC 2001-IQA
4. GMACC 2001-C2	8. CSFB 2001-CK6	12. FUNBC 2001-C4	16. BSCMS 2001-TOP4

Source: Morgan Stanley, Intex

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 CMBS Cumulative Losses Steady at 0.38%

Exhibit 15

Transactions Priced in 2002: Total Delinquencies and Cumulative Losses (As of August 2005 Remittance Reports)



Source: Morgan Stanley, Intex

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 CMBS Perspectives
 CMBS Cumulative Losses Steady at 0.38%

Exhibit 16

Seasoned Multi-Borrower CMBS Delinquencies (%)
 (As of August 2005 Remittance Reports)

Issue	Original Balance	Current Balance	Factor	30, 60 & 90+	Forc. & REO	Total Del	Change from Jun.	Cum Loss	Change from Jun.
Aetna Commercial Mortgage Trust, 1995-C5	443.3	16.9	0.04	0.00	0.00	0.00	0.00	1.09	0.00
AMRESKO Commercial Funding I Corp, 1997-C1	511.5	154.0	0.30	9.99	4.38	14.37	0.24	0.20	0.00
Asset Securitization Corporation, 1996-D2 (Nomura)	879.5	601.8	0.68	5.95	5.61	11.56	0.00	6.34	0.00
Asset Securitization Corporation, 1996-D3	784.2	486.2	0.62	0.59	0.47	1.06	-0.44	3.01	0.00
Asset Securitization Corporation, 1997-D4	1,437.1	1,022.0	0.71	2.13	0.00	2.13	-1.85	1.20	0.17
Asset Securitization Corporation, 1997-D5	1,788.3	1,465.8	0.82	0.00	3.29	3.29	0.01	2.34	0.00
Nomura Asset Securities Corp, 1998-D6	3,722.7	3,306.9	0.89	0.14	0.61	0.75	0.04	0.45	0.00
Capco America Securitization Corporation, 1998-D7	1,249.0	1,046.6	0.84	1.51	2.60	4.11	0.01	1.18	0.00
Commercial Mortgage Asset Trust, 1999-C1	2,375.0	1,957.3	0.82	0.11	0.91	1.03	0.00	1.36	0.00
Commercial Mortgage Asset Trust, 1999-C2	775.2	699.5	0.90	0.00	1.86	1.86	0.00	0.86	0.00
Banc of America Commercial Mortgage, 2000-1	795.2	622.1	0.78	2.09	0.00	2.09	0.72	0.12	0.00
Banc of America Commercial Mortgage, 2000-2	896.5	804.0	0.90	0.73	0.27	1.00	0.00	0.27	0.00
Banc of America Commercial Mortgage, 2001-1	953.3	823.7	0.86	1.60	4.91	6.51	-0.66	1.11	0.00
Banc of America Commercial Mortgage, 2001-PB1	941.7	832.3	0.88	0.00	1.31	1.31	-0.62	0.68	0.01
Banc of America Commercial Mortgage, 2002-2	1,753.8	1,657.0	0.94	0.00	0.00	0.00	0.00	0.23	0.00
Banc of America Commercial Mortgage, 2002-PB2	1,129.8	1,037.0	0.92	0.00	3.65	3.65	0.00	0.54	0.00
Banc of America Commercial Mortgage, 2003-1	1,164.4	1,005.4	0.86	0.00	0.00	0.00	0.00	0.00	0.00
Banc of America Commercial Mortgage, 2003-2	1,876.1	1,650.6	0.88	0.00	0.00	0.00	0.00	0.00	0.00
Banc of America Commercial Mortgage, 2004-1	1,542.3	1,312.0	0.85	0.00	0.00	0.00	0.00	0.00	0.00
Banc of America Commercial Mortgage, 2004-2	1,138.8	1,124.0	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Banc of America Commercial Mortgage, 2004-3	1,266.9	1,143.4	0.90	0.00	0.00	0.00	0.00	0.00	0.00
Banc of America Structured Securities Trust, 2002-X1	296.5	255.5	0.86	4.38	0.00	4.38	0.22	0.62	0.00
Bank of America, N.A. - First Union National Bank, 2001-C3	1,140.3	1,032.8	0.91	0.00	0.00	0.00	-2.36	1.29	0.70
Bear Stearns Commercial Mortgage Securities Inc., 1998-C1	716.1	626.4	0.87	0.30	1.70	2.00	0.00	0.09	0.00
Bear Stearns Commercial Mortgage Securities Inc., 1999-C1	479.6	415.3	0.87	0.00	0.83	0.83	-1.80	0.68	0.06
Bear Stearns Commercial Mortgage Securities Inc., 1999-WF2	1,088.0	811.5	0.75	1.34	1.15	2.48	0.09	0.67	0.00
Bear Stearns Commercial Mortgage Securities Inc., 2000-WF1	892.6	707.5	0.79	0.00	0.00	0.00	0.00	0.62	0.00
Bear Stearns Commercial Mortgage Securities Inc., 2000-WF2	842.8	737.9	0.88	0.00	0.00	0.00	-0.51	0.38	0.00
Bear Stearns Commercial Mortgage Securities Inc., 2001-TOP2	1,015.5	919.2	0.91	0.00	0.34	0.34	0.00	0.13	0.00
Bear Stearns Commercial Mortgage Securities Corp, 2001-TOP4	911.4	819.6	0.90	0.52	0.00	0.52	0.02	0.00	0.00
Bear Stearns Commercial Mortgage Securities Corp, 2002-TOP6	1,122.6	1,057.0	0.94	0.00	0.00	0.00	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities Corp, 2002-TOP8	845.9	810.5	0.96	0.00	0.84	0.84	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities Inc, 2003-TOP10	1,215.9	1,174.2	0.97	0.00	0.00	0.00	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities Corp, 2002-PBW1	925.2	876.1	0.95	0.00	0.00	0.00	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities, 2003-PWR2	1,238.1	1,034.8	0.84	0.27	0.00	0.27	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities Inc, 2003-TOP12	1,166.4	1,129.1	0.97	0.00	0.00	0.00	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities, 2004-PWR3	1,112.7	1,087.7	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities, 2004-PWR4	954.9	944.6	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Bear Stearns Commercial Mortgage Securities, 2004-TOP14	894.5	883.2	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Chase Commercial Mortgage Securities Corp, 1996-1	445.4	96.8	0.22	0.00	0.00	0.00	0.00	1.43	0.00
Chase Commercial Mortgage Securities Corp, 1996-2	263.2	147.3	0.56	0.00	0.00	0.00	0.00	0.74	0.00
Chase Commercial Mortgage Securities Corp, 1997-1	540.6	283.2	0.52	0.00	0.00	0.00	0.00	2.51	0.00
Chase Commercial Mortgage Securities Corp, 1997-2	817.8	491.8	0.60	2.03	4.88	6.91	-0.67	0.49	0.00
Chase Commercial Mortgage Securities Corp, 1998-1	820.2	561.8	0.68	0.00	0.00	0.00	0.00	0.74	0.00
Chase Commercial Mortgage Securities Corp, 1998-2	1,270.8	1,065.5	0.84	0.35	0.00	0.35	0.00	0.51	0.00
Chase Commercial Mortgage Securities Corp, 1999-2	783.4	732.2	0.93	2.93	1.05	3.98	0.00	0.01	0.00
Chase Commercial Mortgage Securities Corp, 2000-1	698.3	569.8	0.82	4.50	7.16	11.66	4.50	1.38	0.00
Chase Commercial Mortgage Securities Corp, 2000-2	739.6	680.1	0.92	0.18	0.90	1.08	0.18	0.00	0.00
Chase Commercial Mortgage Securities Corp, 2000-3	769.4	702.4	0.91	3.06	0.00	3.06	0.00	0.73	0.00
Chase Manhattan Bank - First Union National Bank, 1999-1	1,402.9	1,301.8	0.93	0.35	0.25	0.60	-0.22	0.30	0.15
Citigroup Commercial Mortgage Securities Trust, 2004-C1	1,185.7	582.2	0.49	0.00	0.00	0.00	0.00	0.00	0.00
Commercial Mortgage Acceptance Corporation, 1997-ML1	850.9	597.6	0.70	0.00	0.00	0.00	0.00	0.00	0.00
Commercial Mortgage Acceptance Corporation, 1998-C1	1,192.2	793.0	0.67	1.04	0.00	1.04	0.02	0.77	0.00
Commercial Mortgage Acceptance Corporation, 1998-C2	2,900.1	2,102.9	0.73	1.87	0.12	1.99	-0.10	1.11	0.00
Commercial Mortgage Acceptance Corporation, 1999-C1	736.5	633.1	0.86	2.08	3.71	5.79	0.00	0.14	0.00
COMM 1999-1	1,318.8	1,148.8	0.87	0.51	1.94	2.46	0.18	0.60	0.00

Source: Morgan Stanley, Intex

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CMBS Perspectives
CMBS Cumulative Losses Steady at 0.38%

Exhibit 16 (Cont.)

Seasoned Multi-Borrower CMBS Delinquencies (%)
(As of August 2005 Remittance Reports)

Issue	Original Balance	Current Balance	Factor	30, 60 & 90+	Forc. & REO	Total Del	Change from Jun.	Cum Loss	Change from Jun.
COMM 2000-C1	908.4	805.0	0.89	9.00	0.94	9.94	0.00	0.78	0.00
COMM, 2003-LNB1	1,130.4	823.8	0.73	0.50	0.00	0.50	0.00	0.00	0.00
COMM, 2004-LNB2	963.8	944.7	0.98	0.12	0.00	0.12	0.12	0.00	0.00
COMM, 2004-LNB3	1,335.4	1,324.2	0.99	0.34	0.00	0.34	0.00	0.00	0.00
CS First Boston Mortgage Securities, 1995-WF1	245.0	0.5	0.00	0.00	0.00	0.00	-61.43	0.00	0.00
CS First Boston Mortgage Securities Corp, 1997-C1	1,363.5	849.0	0.62	0.00	0.18	0.18	0.00	1.38	0.00
CS First Boston Mortgage Securities Corp, 1997-C2	1,468.1	987.4	0.67	0.92	0.80	1.72	0.02	2.60	0.00
CS First Boston Mortgage Securities Corp, 1998-C1	2,488.1	1,956.7	0.79	0.87	0.90	1.77	0.49	2.35	0.00
CS First Boston Mortgage Securities Corp, 1998-C2	1,923.1	1,568.9	0.82	0.35	0.55	0.89	0.00	1.49	0.00
CS First Boston Mortgage Securities Corp, 1999-C1	1,175.9	982.9	0.84	1.02	3.02	4.04	0.81	2.20	0.00
CS First Boston Mortgage Securities Corp, 2000-C1	1,118.5	1,008.6	0.90	2.50	0.00	2.50	1.32	0.96	0.00
CS First Boston Mortgage Securities Corp, 2003-C3	1,769.0	1,684.8	0.95	0.18	0.00	0.18	-0.12	0.00	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2001-CF2	1,131.5	961.7	0.85	3.13	1.19	4.32	-0.12	0.91	0.10
Credit Suisse First Boston Mortgage Securities Corp. 2002-CKN2	920.9	873.2	0.95	0.00	0.00	0.00	-0.14	0.34	-0.01
CS First Boston Mortgage Securities Corp, 2001-CK1	1,001.1	911.2	0.91	0.65	0.00	0.65	0.00	0.09	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2001-CK3	1,128.9	1,058.2	0.94	1.07	0.00	1.07	-0.76	0.50	0.08
Credit Suisse First Boston Mortgage Securities Corp, 2001-CP4	1,215.0	1,156.8	0.95	2.84	0.00	2.84	1.52	0.04	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2001-CKN5	1,076.4	1,010.9	0.94	2.80	0.94	3.74	-0.29	0.16	0.05
Credit Suisse First Boston Mortgage Securities Corp, 2001-CK6	992.1	912.5	0.92	0.67	0.16	0.83	-2.32	0.03	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2002-CKP1	997.7	950.2	0.95	1.44	0.32	1.76	0.00	0.02	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2002-CKS4	1,237.7	1,185.4	0.96	0.82	0.23	1.05	0.00	0.01	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2002-CP3	897.0	862.8	0.96	0.69	0.00	0.69	0.00	0.11	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2002-CP5	1,188.7	1,148.0	0.97	0.69	0.82	1.51	0.00	0.00	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2003-CP1	1,009.5	980.6	0.97	3.62	0.00	3.62	0.25	0.00	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2003-CK2	1,005.9	961.7	0.96	0.16	0.00	0.16	0.00	0.00	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2003-C4	1,343.3	1,306.4	0.97	0.00	0.00	0.00	0.00	0.09	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2003-C5	1,268.3	1,213.1	0.96	0.05	0.00	0.05	0.00	0.00	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2004-C1	1,628.3	1,593.5	0.98	0.44	0.08	0.51	0.00	0.00	0.00
Credit Suisse First Boston Mortgage Securities Corp, 2004-C2	966.8	954.8	0.99	0.00	0.00	0.00	0.00	0.00	0.00
CS First Boston Mortgage Securities Corp, 1997-SPICE	352.3	10.1	0.03	0.00	0.00	0.00	0.00	0.14	0.00
Deutsche Mortgage & Asset Receiving Corp. 1998-C1	1,821.8	1,178.1	0.65	0.39	0.48	0.88	-0.25	4.28	0.00
DLJ Mortgage Acceptance Corp, 1995-CF2	510.2	66.9	0.13	5.36	0.00	5.36	-1.87	3.56	0.00
DLJ Mortgage Acceptance Corp, 1996-CF1	472.1	110.1	0.23	0.00	13.42	13.42	0.00	1.19	0.00
DLJ Mortgage Acceptance Corp, 1996-CF2	510.2	92.1	0.18	3.87	0.00	3.87	1.74	1.15	0.00
DLJ Mortgage Acceptance Corp, 1997-CF1	449.0	180.6	0.40	1.01	1.06	2.06	0.00	8.83	0.00
DLJ Mortgage Acceptance Corp, 1997-CF2	663.1	406.0	0.61	0.00	10.40	10.40	0.24	1.90	-0.03
DLJ Commercial Mortgage Corp, 1998-CF1	841.1	691.4	0.82	0.00	0.66	0.66	-1.03	0.79	0.43
DLJ Commercial Mortgage Corp, 1998-CF2	1,111.1	924.8	0.83	0.15	0.21	0.36	0.00	0.64	0.16
DLJ Commercial Mortgage Corp, 2000-CF1	887.6	842.5	0.95	0.00	5.61	5.61	-0.06	0.11	0.00
DLJ Commercial Mortgage Corp, 1998-CG1	1,567.8	1,190.0	0.76	0.19	0.00	0.19	-0.21	0.62	0.05
DLJ Commercial Mortgage Corp, 1999-CG1	1,243.2	1,073.7	0.86	0.99	0.00	0.99	-0.95	1.62	0.13
DLJ Commercial Mortgage Corp, 1999-CG2	1,554.0	1,399.7	0.90	1.59	2.73	4.32	0.53	0.13	0.00
DLJ Commercial Mortgage Corp, 1999-CG3	901.2	813.1	0.90	4.14	0.98	5.12	0.12	0.76	0.00
DLJ Commercial Mortgage Corp, 2000-CKP1	1,294.5	1,112.7	0.86	0.00	0.89	0.89	-0.02	2.76	0.02
First Union-Lehman Brothers Commercial Mortgage Trust, 1997-C1	1,308.8	587.3	0.45	1.03	1.85	2.87	-0.92	0.70	0.16
First Union-Lehman Brothers Commercial Mortgage Trust, 1997-C2	2,209.5	1,232.2	0.56	0.88	2.32	3.20	-1.41	1.80	0.57
First Union-Lehman-Bank of America 1998-C2	3,417.4	2,565.4	0.75	0.00	0.64	0.64	0.00	1.10	0.00
First Union National Bank Commercial Mortgage Trust, 1999-C1	1,171.2	954.8	0.82	1.02	2.04	3.07	0.00	0.68	0.00
First Union National Bank Commercial Mortgage Trust, 1999-C4	890.0	725.4	0.82	0.00	3.23	3.23	0.00	0.14	0.00
First Union National Bank Commercial Mortgage Trust, 2000-C1	782.0	699.3	0.89	0.00	0.00	0.00	0.00	0.82	0.00
First Union National Bank Commercial Mortgage Trust, 2000-C2	1,149.4	1,025.7	0.89	1.55	1.92	3.47	1.55	1.20	0.00
First Union National Bank Commercial Mortgage Trust, 2001-C2	1,004.1	945.3	0.94	3.66	0.33	3.99	3.13	0.06	0.00
First Union National Bank Commercial Mortgage Trust, 2001-C3	820.4	732.9	0.89	0.29	1.73	2.02	-0.08	0.13	0.04
First Union National Bank Commercial Mortgage Trust, 2001-C4	981.2	919.8	0.94	0.00	0.33	0.33	-1.04	0.01	0.00
First Union National Bank Commercial Mortgage Trust, 2002-C1	729.5	689.2	0.94	0.79	0.00	0.79	0.00	0.92	0.00
First Union National Bank - Bank of America, N.A., 2001-C1	1,313.4	1,145.3	0.87	1.10	0.00	1.10	0.00	1.55	0.00

Source: Morgan Stanley, Intex

September 9, 2005
CMBS Perspectives
CMBS Cumulative Losses Steady at 0.38%

Exhibit 16 (Cont.)

Seasoned Multi-Borrower CMBS Delinquencies (%)
 (As of August 2005 Remittance Reports)

Issue	Original Balance	Current Balance	Factor	30, 60 & 90+	Forc. & REO	Total Del	Change from Jun.	Cum Loss	Change from Jun.
First Union-Chase Commercial Mortgage Trust, 1999-C2	1,188.3	952.1	0.80	0.86	0.00	0.86	-0.86	1.05	0.12
GE Capital Commercial Mortgage Corporation, 2000-1	708.1	637.7	0.90	1.90	2.37	4.27	0.00	2.46	0.00
GE Capital Commercial Mortgage Corporation, 2001-1	1,131.5	1,057.8	0.93	1.07	0.00	1.07	-1.87	0.65	0.55
GE Capital Commercial Mortgage Corporation, 2001-2	1,004.7	888.9	0.88	0.00	0.00	0.00	-0.99	0.79	0.32
GE Capital Commercial Mortgage Corporation, 2001-3	965.3	909.8	0.94	0.00	2.34	2.34	0.00	0.23	0.00
GE Capital Commercial Mortgage Corp. 2002-1	1,041.0	998.2	0.96	0.00	0.00	0.00	0.00	0.00	0.00
GE Capital Commercial Mortgage Corp. 2002-2	973.4	941.5	0.97	1.26	0.00	1.26	0.00	0.00	0.00
GE Capital Commercial Mortgage Corp. 2002-3	1,299.7	1,134.5	0.87	0.00	0.00	0.00	0.00	0.00	0.00
GE Commercial Mortgage Corp, 2003-C1	1,290.3	1,154.0	0.89	0.00	0.88	0.88	0.00	0.00	0.00
GE Commercial Mortgage Corp, 2003-C2	1,357.7	1,154.6	0.85	0.43	0.00	0.43	0.00	0.00	0.00
GE Commercial Mortgage Corp, 2004-C1	1,660.6	1,244.1	0.75	0.00	0.00	0.00	0.00	0.00	0.00
GE Commercial Mortgage Corp, 2004-C2	1,403.3	1,355.8	0.97	0.00	0.00	0.00	0.00	0.00	0.00
GFCM LLC, 2003-1	870.9	725.6	0.83	0.00	0.00	0.00	0.00	0.00	0.00
GMAC Commercial Mortgage Securities Inc., 1996-C1	459.8	86.7	0.19	2.01	0.00	2.01	0.34	2.71	0.00
GMAC Commercial Mortgage Securities Inc., 1997-C1	1,716.1	945.4	0.55	0.26	2.52	2.78	-0.18	2.38	0.00
GMAC Commercial Mortgage Securities Inc., 1997-C2	1,074.4	647.6	0.60	0.00	2.59	2.59	0.02	3.56	0.00
GMAC Commercial Mortgage Securities Inc., 1998-C1	1,444.1	1,017.1	0.70	3.20	0.00	3.20	-0.08	0.31	0.00
GMAC Commercial Mortgage Securities Inc., 1998-C2	2,530.6	2,022.9	0.80	1.40	0.04	1.44	0.17	0.65	0.00
GMAC Commercial Mortgage Securities Inc., 1999-C1	1,338.3	1,112.4	0.83	2.71	1.12	3.83	1.29	1.09	0.00
GMAC Commercial Mortgage Securities Inc., 1999-C2	976.5	825.2	0.85	1.03	0.20	1.23	-0.46	1.73	-0.04
GMAC Commercial Mortgage Securities Inc., 1999-C3	1,154.8	1,027.0	0.89	9.94	0.00	9.94	0.00	1.29	0.00
GMAC Commercial Mortgage Securities Inc., 2000-C1	882.3	779.9	0.88	0.40	3.17	3.57	0.00	1.16	-0.02
GMAC Commercial Mortgage Securities Inc., 2000-C2	775.9	663.4	0.86	1.73	0.00	1.73	-4.02	1.45	0.00
GMAC Commercial Mortgage Securities Inc., 2000-C3	1,320.0	1,197.0	0.91	0.56	0.00	0.56	0.00	0.33	0.00
GMAC Commercial Mortgage Securities Inc., 2001-C1	865.7	784.5	0.91	0.78	2.54	3.32	0.00	1.00	0.00
GMAC Commercial Mortgage Securities Inc., 2001-C2	756.5	707.4	0.94	0.16	0.00	0.16	0.16	0.03	0.00
GMAC Commercial Mortgage Securities Inc., 2002-C1	712.7	674.4	0.95	1.58	0.54	2.12	0.17	0.00	0.00
GMAC Commercial Mortgage Securities Inc. 2002-C2	739.8	712.4	0.96	0.80	0.00	0.80	0.00	0.00	0.00
GMAC Commercial Mortgage Securities Inc. 2002-C3	779.9	752.2	0.96	1.48	0.00	1.48	0.00	0.00	0.00
GMAC Commercial Mortgage Securities Inc. 2003-C1	1,054.2	1,020.2	0.97	1.11	0.00	1.11	0.00	0.00	0.00
GMAC Commercial Mortgage Securities Inc. 2003-C2	1,292.6	1,261.2	0.98	0.00	0.00	0.00	-0.17	0.00	0.00
GMAC Commercial Mortgage Securities Inc. 2003-C3	1,675.6	1,226.9	0.73	0.12	0.00	0.12	0.00	0.00	0.00
GMAC Commercial Mortgage Securities Inc. 2004-C1	721.4	707.2	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Greenwich Capital Commercial Funding Corp, 2002-C1	1,180.6	1,141.9	0.97	0.09	0.00	0.09	0.00	0.16	0.00
Greenwich Capital Commercial Funding Corp, 2003-C1	1,218.1	1,185.6	0.97	0.00	0.00	0.00	-0.30	0.00	0.00
Greenwich Capital Commercial Funding Corp, 2003-C2	1,738.0	1,714.3	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Greenwich Capital Commercial Funding Corp, 2004-GG1	2,627.2	2,599.6	0.99	0.00	0.00	0.00	0.00	0.00	0.00
GS Mortgage Securities Corp. II, 1996-PL	554.1	62.5	0.11	0.00	0.00	0.00	0.00	0.23	0.00
GS Mortgage Securities Corp. II, 1998-C1	1,868.8	1,441.7	0.77	0.71	0.66	1.37	0.00	2.81	-0.01
GS Mortgage Securities Corp. II, 1999-C1	897.5	647.9	0.72	0.18	0.00	0.18	-2.59	1.77	0.00
GS Mortgage Securities Corp. II, 2003-C1	1,610.6	1,584.2	0.98	0.00	0.00	0.00	0.00	0.00	0.00
GS Mortgage Securities Corp. II, 2004-C2	892.3	886.4	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Heller Financial Commercial Mortgage Asset Corp, 1999-PH1	1,016.5	848.5	0.83	0.90	0.64	1.54	0.90	1.14	0.00
Heller Financial Commercial Mortgage Asset Corp, 2000-PH1	960.7	828.9	0.86	4.32	0.74	5.06	2.53	0.50	0.00
Impac Commercial Holdings, Inc., 1998-C1	320.2	173.2	0.54	13.22	0.00	13.22	1.81	0.53	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2001-A	116.5	87.1	0.75	0.00	0.00	0.00	0.00	4.82	0.00
JP Morgan Commercial Mortgage Finance Corp, 1996-C2	354.3	29.9	0.08	0.00	0.00	0.00	0.00	1.97	0.00
JP Morgan Commercial Mortgage Finance Corp, 1996-C3	451.3	90.6	0.20	0.00	9.13	9.13	0.73	0.86	0.00
JP Morgan Commercial Mortgage Finance Corp, 1997-C5	1,039.5	460.5	0.44	0.93	0.41	1.34	0.00	2.22	-0.01
JP Morgan Commercial Mortgage Finance Corp, 1998-C6	800.9	429.7	0.54	0.00	0.97	0.97	-1.38	2.19	0.00
JP Morgan Commercial Mortgage Finance Corp, 1999-C7	808.8	614.2	0.76	0.00	1.24	1.24	0.02	0.00	0.00
JP Morgan Commercial Mortgage Finance Corp, 1999-C8	735.9	555.8	0.76	0.83	1.00	1.83	-4.77	3.46	0.07
JP Morgan Commercial Mortgage Finance Corp, 2000-C9	817.5	609.6	0.75	0.16	1.32	1.48	-2.14	3.07	0.53
JP Morgan Commercial Mortgage Finance Corp, 2000-C10	745.4	651.4	0.87	4.29	0.40	4.69	-0.29	0.75	0.21
JP Morgan Chase Commercial Mortgage Securities Corp, 2001-C1	1,069.5	1,023.2	0.96	0.39	3.56	3.95	0.28	0.00	0.00
JP Morgan Commercial Mortgage Finance Corp, 2001-CIBC1	1,017.8	907.3	0.89	4.22	2.11	6.33	2.44	0.33	0.00

Source: Morgan Stanley, Intex

September 9, 2005
CMBS Perspectives
CMBS Cumulative Losses Steady at 0.38%

Exhibit 16 (Cont.)

Seasoned Multi-Borrower CMBS Delinquencies (%)
(As of August 2005 Remittance Reports)

Issue	Original Balance	Current Balance	Factor	30, 60 & 90+	Forc. & REO	Total Del	Change from Jun.	Cum Loss	Change from Jun.
JP Morgan Commercial Mortgage Finance Corp, 2001-CIBC2	963.7	906.2	0.94	0.00	1.15	1.15	-0.38	0.07	0.04
JP Morgan Chase Commercial Mortgage Securities Corp, 2001-CIBC3	869.8	820.1	0.94	0.00	0.00	0.00	-1.07	0.16	0.16
JP Morgan Chase Commercial Mortgage Securities Corp. 2002-CIBC4	801.2	752.1	0.94	0.00	0.00	0.00	0.00	0.39	0.00
JP Morgan Chase Commercial Mortgage Securities Corp. 2002-CIBC5	1,025.9	966.9	0.94	0.00	0.76	0.76	0.00	0.03	0.00
JP Morgan Chase Commercial Mortgage Securities Corp. 2003-CIBC6	1,065.2	1,011.5	0.95	0.00	0.00	0.00	0.00	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp. 2003-CIBC7	1,786.0	1,350.5	0.76	0.00	0.14	0.14	0.00	0.15	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2002-CI	819.5	781.8	0.95	2.52	0.00	2.52	0.00	0.33	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2002-C2	1,054.2	983.4	0.93	0.00	0.00	0.00	-0.73	0.07	0.07
JP Morgan Chase Commercial Mortgage Securities Corp, 2002-C3	746.8	700.4	0.94	0.00	0.00	0.00	-1.51	0.98	0.98
JP Morgan Chase Commercial Mortgage Securities Corp, 2003-C1	1,087.8	1,036.0	0.95	0.00	0.68	0.68	0.00	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2003-ML1	928.8	899.2	0.97	0.43	0.00	0.43	0.43	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2003-LN1	1,319.4	1,168.3	0.89	0.00	0.00	0.00	0.00	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2003-PM1	1,161.3	1,115.7	0.96	0.11	0.00	0.11	0.11	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2004-C1	1,439.1	967.5	0.67	0.00	0.00	0.00	0.00	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2004-C2	1,063.0	1,016.2	0.96	0.00	0.00	0.00	0.00	0.05	0.05
JP Morgan Chase Commercial Mortgage Securities Corp, 2004-CIBC8	1,650.3	1,237.5	0.75	0.00	0.00	0.00	0.00	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2004-CIBC9	1,097.4	1,089.2	0.99	0.00	0.00	0.00	0.00	0.00	0.00
JP Morgan Chase Commercial Mortgage Securities Corp, 2004-PNC1	1,101.9	1,085.5	0.99	0.00	0.00	0.00	0.00	0.00	0.00
LB Commercial Mortgage Trust 1995-C2	261.9	26.5	0.10	0.00	0.00	0.00	0.00	3.99	0.00
LB Commercial Mortgage Trust 1996-C2	399.5	92.7	0.23	0.96	8.46	9.41	0.19	5.85	-0.02
LB Commercial Mortgage Trust 1998-C1	1,731.1	1,124.7	0.65	2.97	0.36	3.33	0.01	1.32	0.00
LB Commercial Mortgage Trust 1998-C4	2,028.5	1,652.0	0.81	0.16	1.25	1.41	0.19	0.44	0.00
LB Commercial Mortgage Trust 1999-C1	1,584.9	1,335.9	0.84	0.17	0.24	0.42	0.00	0.53	0.00
LB Commercial Mortgage Trust 1999-C2	893.5	752.0	0.84	0.80	1.48	2.28	0.00	0.03	0.00
LB-UBS Commercial Mortgage Trust, 2000-C3	1,305.7	1,148.5	0.88	0.00	0.62	0.62	0.00	0.26	0.00
LB-UBS Commercial Mortgage Trust, 2000-C4	1,001.6	885.2	0.88	0.98	1.49	2.47	0.55	0.05	0.00
LB-UBS Commercial Mortgage Trust, 2000-C5	998.9	886.2	0.89	0.68	0.39	1.07	0.00	1.66	0.00
LB-UBS Commercial Mortgage Trust, 2001-C2	1,322.3	1,246.1	0.94	0.00	2.35	2.35	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust, 2001-C3	1,384.0	1,319.7	0.95	1.11	1.56	2.67	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust, 2001-C7	1,213.4	1,155.8	0.95	0.00	0.48	0.48	0.00	0.02	0.00
LB-UBS Commercial Mortgage Trust, 2002-C1	1,245.3	1,187.9	0.95	0.57	0.00	0.57	0.00	0.03	0.00
LB-UBS Commercial Mortgage Trust 2002-C2	1,212.0	1,167.1	0.96	0.00	0.31	0.31	0.00	0.02	0.00
LB-UBS Commercial Mortgage Trust 2002-C4	1,457.9	1,397.5	0.96	0.00	0.00	0.00	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust 2002-C7	1,189.6	1,153.1	0.97	0.00	0.00	0.00	-0.27	0.00	0.00
LB-UBS Commercial Mortgage Trust 2003-C1	1,374.3	1,335.8	0.97	0.00	0.00	0.00	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust 2003-C3	1,432.4	1,301.1	0.91	0.00	0.00	0.00	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust 2003-C5	1,437.6	1,370.0	0.95	0.27	0.00	0.27	0.27	0.00	0.00
LB-UBS Commercial Mortgage Trust 2003-C7	1,504.7	1,420.4	0.94	0.00	0.00	0.00	-0.16	0.02	0.02
LB-UBS Commercial Mortgage Trust 2003-C8	1,466.5	1,368.9	0.93	0.00	0.00	0.00	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust 2004-C1	1,556.1	1,398.5	0.90	0.00	0.34	0.34	0.00	0.00	0.00
LB-UBS Commercial Mortgage Trust 2004-C2	1,289.3	1,224.5	0.95	0.47	0.00	0.47	0.47	0.00	0.00
LB-UBS Commercial Mortgage Trust 2004-C4	1,411.7	1,399.5	0.99	0.15	0.00	0.15	0.15	0.00	0.00
Merrill Lynch Mortgage Investors, 1995-C2	1,075.7	39.4	0.04	0.00	0.00	0.00	0.00	2.32	0.00
Merrill Lynch Mortgage Investors, 1995-C3	644.7	54.7	0.08	0.00	0.00	0.00	-9.66	0.69	0.00
Merrill Lynch Mortgage Investors, 1996-C1	648.3	106.0	0.16	0.00	0.00	0.00	0.00	2.88	0.00
Merrill Lynch Mortgage Investors, 1996-C2	1,138.3	454.9	0.40	0.69	4.96	5.65	0.15	1.25	0.00
Merrill Lynch Mortgage Investors, 1997-C1	844.5	293.3	0.35	2.32	2.59	4.91	0.17	1.73	0.00
Merrill Lynch Mortgage Investors, 1997-C2	687.3	416.1	0.61	0.92	3.73	4.64	-0.26	2.12	0.18
Merrill Lynch Mortgage Investors, 1998-C2	1,093.8	603.6	0.55	2.84	2.28	5.12	0.05	2.76	0.00
Merrill Lynch Mortgage Investors, 1998-C3	640.8	465.3	0.73	0.00	1.85	1.85	0.01	2.82	0.00
Merrill Lynch Mortgage Investors, 1999-C1	594.4	491.7	0.83	1.26	6.65	7.91	0.00	0.18	0.00
Merrill Lynch Mortgage Investors, 1998-C1-CTL	751.0	524.7	0.70	1.15	0.00	1.15	0.00	1.15	0.00
Merrill Lynch Mortgage Trust 2002-MW1	1,085.5	1,043.4	0.96	0.84	0.84	1.68	0.00	0.00	0.00
Merrill Lynch Mortgage Trust 2003-KEY1	1,163.0	1,041.1	0.90	0.00	0.00	0.00	0.00	0.00	0.00
Merrill Lynch Mortgage Trust, 2004-MKB1	979.9	969.4	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Mezz Cap Commercial Mortgage Trust, 2004-C1	50.6	50.4	0.99	1.23	0.00	1.23	0.00	0.00	0.00

Source: Morgan Stanley, Intex

September 9, 2005
CMBS Perspectives
CMBS Cumulative Losses Steady at 0.38%

Exhibit 16 (Cont.)

Seasoned Multi-Borrower CMBS Delinquencies (%)
(As of August 2005 Remittance Reports)

Issue	Original Balance	Current Balance	Factor	30, 60 & 90+	Forc. & REO	Total Del	Change from Jun.	Cum Loss	Change from Jun.
Midland Realty Acceptance Corp, 1996-C1	373.5	67.8	0.18	3.27	0.00	3.27	0.71	2.37	0.00
Midland Realty Acceptance Corp, 1996-C2	513.8	143.2	0.28	0.00	0.00	0.00	0.00	0.30	0.00
Morgan Stanley Capital I Inc., 1997-ALIC	802.7	60.0	0.07	0.00	0.00	0.00	0.00	1.14	0.00
Morgan Stanley Capital I Inc., 1996-C1	340.5	50.6	0.15	6.57	0.00	6.57	1.21	1.60	0.00
Morgan Stanley Capital I Inc., 1997-C1	640.7	237.6	0.37	0.00	0.00	0.00	0.00	0.81	0.00
Morgan Stanley Capital I Inc., 1999-CAM1	806.5	458.0	0.57	0.00	0.00	0.00	0.00	0.81	0.00
Morgan Stanley Capital I Inc., 1998-CF1	1,107.3	747.2	0.67	2.05	1.50	3.55	0.96	5.87	0.00
Morgan Stanley Capital I Inc., 1999-FNV1	632.1	562.6	0.89	0.00	8.77	8.77	-0.34	0.12	0.00
<i>Morgan Stanley Capital I Inc., 1995-GAL1</i>	272.3	0.0	0.00	0.00	0.00	0.00	0.00	2.85	0.00
Morgan Stanley Capital I Inc., 1997-HF1	622.4	179.9	0.29	2.42	0.00	2.42	-0.37	0.35	0.00
Morgan Stanley Capital I Inc., 1998-HF1	1,283.7	746.0	0.58	1.38	0.15	1.54	0.03	1.09	0.00
Morgan Stanley Capital I Inc., 1998-HF2	1,066.3	811.8	0.76	0.98	0.00	0.98	0.02	0.82	0.00
Morgan Stanley Dean Witter Capital I Inc, 2002-HQ	867.5	691.3	0.80	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Dean Witter Capital I Inc., 2001-IQ1	756.6	498.0	0.66	2.34	0.00	2.34	0.18	0.00	0.00
Morgan Stanley Dean Witter Capital I Inc., 2002-IQ2	778.6	620.3	0.80	0.00	0.00	0.00	-1.02	0.01	0.00
Morgan Stanley Dean Witter Capital I Inc., 2002-IQ3	942.9	838.8	0.89	3.54	0.00	3.54	0.01	0.00	0.00
Morgan Stanley Capital I Inc., 2003-IQ4	741.3	696.9	0.94	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Capital I Inc., 2003-IQ5	789.6	737.4	0.93	3.48	0.00	3.48	0.05	0.00	0.00
Morgan Stanley Capital I Inc., 2003-IQ6	1,001.2	975.9	0.97	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Capital I Inc., 2004-IQ7	863.0	848.3	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Capital I Inc., 2004-T13	1,215.5	1,187.9	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Capital I Inc., 2004-HQ3	1,327.6	1,311.3	0.99	0.33	0.00	0.33	0.33	0.00	0.00
Morgan Stanley Capital I Inc., 1999-LIFE1	594.0	551.0	0.93	0.00	1.74	1.74	0.00	0.00	0.00
Morgan Stanley Capital I Inc., 2000-LIFE1	689.0	600.5	0.87	0.00	0.00	0.00	0.00	1.23	-0.01
Morgan Stanley Dean Witter Capital I Inc, 2000-LIFE2	776.8	674.1	0.87	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Dean Witter Capital I Inc., 2001-PPM	623.6	380.4	0.61	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Dean Witter Capital I Inc., 2000-PRIN	598.0	405.9	0.68	0.00	0.00	0.00	0.00	0.01	0.00
Morgan Stanley Capital I Inc., 1999-RM1	867.1	685.0	0.79	1.12	0.12	1.24	0.00	0.39	0.00
Morgan Stanley Capital I Inc., 2001-TOP1	1,172.2	1,000.3	0.85	5.75	1.21	6.95	0.12	0.02	0.00
Morgan Stanley Capital I Inc., 2001-TOP3	1,031.2	963.5	0.93	0.58	0.00	0.58	0.00	0.07	0.00
Morgan Stanley Dean Witter Capital I Inc, 2001-TOP5	1,048.1	952.7	0.91	0.00	0.00	0.00	0.00	0.00	0.00
Morgan Stanley Dean Witter Capital I Trust 2002-TOP7	976.6	876.0	0.90	0.00	0.00	0.00	0.00	0.37	0.00
Morgan Stanley Dean Witter Capital I Trust 2003-TOP9	1,076.5	1,043.0	0.97	0.78	0.00	0.78	0.00	0.00	0.00
Morgan Stanley Dean Witter Capital I Trust 2003-TOP11	1,201.2	1,162.1	0.97	2.17	0.00	2.17	0.00	0.00	0.00
Morgan Stanley Dean Witter Capital I Trust 2003-HQ2	931.0	848.1	0.91	0.00	0.00	0.00	0.00	0.56	0.00
Morgan Stanley Capital I Inc., 1996-WF1	605.4	167.9	0.28	0.00	0.00	0.00	0.00	1.32	0.00
Morgan Stanley Capital I Inc., 1997-WF1	559.2	280.3	0.50	1.40	0.00	1.40	0.00	0.00	0.00
Morgan Stanley Capital I Inc., 1998-WF1	1,392.2	871.2	0.63	0.21	1.68	1.89	-0.27	0.15	0.15
Morgan Stanley Capital I Inc., 1998-WF2	1,062.0	804.1	0.76	0.00	0.00	0.00	0.00	0.52	0.00
Morgan Stanley Capital I Inc., 1999-WF1	968.5	715.9	0.74	0.00	0.00	0.00	0.00	0.06	0.00
<i>Mortgage Capital Funding Inc., 1995-MC1</i>	231.4	0.0	0.00	0.00	0.00	0.00	0.00	0.44	0.00
Mortgage Capital Funding Inc., 1996-MC1	490.9	157.8	0.32	0.00	0.00	0.00	0.00	0.36	0.00
Mortgage Capital Funding Inc., 1996-MC2	460.3	94.7	0.21	0.00	1.32	1.32	0.00	3.30	0.00
Mortgage Capital Funding Inc., 1997-MC1	660.4	234.1	0.35	2.45	8.01	10.46	0.24	2.09	0.15
Mortgage Capital Funding Inc., 1997-MC2	872.3	489.2	0.56	2.47	2.18	4.66	-0.43	0.60	0.01
Mortgage Capital Funding Inc., 1998-MC1	1,298.7	983.8	0.76	0.70	1.61	2.31	-0.43	1.48	0.00
Mortgage Capital Funding Inc., 1998-MC2	1,012.5	660.4	0.65	0.00	0.00	0.00	0.00	1.45	0.00
Mortgage Capital Funding Inc., 1998-MC3	915.0	639.8	0.70	1.66	1.99	3.64	-0.71	0.78	-0.01
NationsLink Funding Corp. 1996-1	324.2	24.0	0.07	0.00	0.00	0.00	0.00	0.49	0.00
NationsLink Funding Corp. 1998-1	1,024.1	546.7	0.53	0.44	0.00	0.44	-2.93	3.04	-0.03
NationsLink Funding Corp. 1998-2	1,592.1	1,110.8	0.70	1.41	0.00	1.41	0.25	1.49	-0.04
NationsLink Funding Corp. 1999-1	1,228.4	965.8	0.79	0.00	1.09	1.09	0.00	0.35	0.00
NationsLink Funding Corp. 1999-2	1,167.6	676.7	0.58	0.09	0.00	0.09	0.00	0.00	0.00
Paine Webber Mortgage Acceptance Corp. V, 1999-C1	700.5	573.0	0.82	0.78	0.00	0.78	0.43	1.51	0.08
Penn Mutual Life Insurance Co. Series, 1996-PML	781.6	60.9	0.08	0.00	0.00	0.00	0.00	0.12	0.00

Source: Morgan Stanley, Intex

September 9, 2005
 CMBS Perspectives
 CMBS Cumulative Losses Steady at 0.38%

Exhibit 16 (Cont.)

Seasoned Multi-Borrower CMBS Delinquencies (%)
 (As of August 2005 Remittance Reports)

Issue	Original Balance	Current Balance	Factor	30, 60 & 90+	Forc. & REO	Total Del	Change from Jun.	Cum Loss	Change from Jun.
PNC Mortgage Acceptance Corp, 1999-CM1	763.4	663.0	0.87	1.63	0.00	1.63	0.81	0.63	0.00
PNC Mortgage Acceptance Corp, 2000-C1	808.6	676.0	0.84	2.07	0.13	2.19	0.01	0.79	0.00
PNC Mortgage Acceptance Corp, 2000-C2	1,083.3	971.7	0.90	0.22	0.00	0.22	-0.28	0.04	0.00
PNC Mortgage Acceptance Corp, 2001-C1	885.3	821.3	0.93	0.00	0.00	0.00	0.00	0.56	0.00
Prudential Securities Financing Corp, 1998-C1	1,154.6	784.2	0.68	0.00	0.00	0.00	0.00	1.13	0.00
Prudential Securities Secured Financing Corp, 1999-C2	875.1	657.4	0.75	0.20	0.84	1.04	-0.19	0.56	0.04
Prudential Securities Secured Financing Corp, KEY 2000-C1	821.2	691.6	0.84	0.09	0.28	0.36	0.00	1.25	0.00
Prudential Securities Financing Corp, 1995-MCF2	222.8	32.0	0.14	0.00	0.00	0.00	-8.83	4.91	0.02
Prudential Securities Secured Financing Corp, 1999-NRF1	934.5	721.4	0.77	0.18	0.30	0.48	-0.20	0.69	0.11
Prudential Mortgage Capital II, 2001-ROCK1	915.1	844.0	0.92	0.00	0.00	0.00	0.00	0.41	0.00
Prudential Commercial Mortgage Trust 2003-PWR1	959.2	924.6	0.96	0.00	0.00	0.00	0.00	0.00	0.00
Salomon Brothers Mortgage Securities VII Inc., 1996-C1	213.2	20.1	0.09	0.00	54.25	54.25	0.01	4.33	0.00
Salomon Brothers Mortgage Securities VII Inc., 1999-C1	744.7	584.7	0.79	2.44	0.00	2.44	0.09	1.20	0.00
Salomon Brothers Mortgage Securities VII Inc., 2000-C1	719.9	638.8	0.89	2.33	0.29	2.62	0.38	0.25	0.00
Salomon Brothers Mortgage Securities VII Inc., 2000-C2	787.1	646.2	0.82	2.29	2.27	4.56	0.00	1.74	0.00
Salomon Brothers Mortgage Securities VII Inc., 2000-C3	923.0	801.8	0.87	0.40	1.67	2.06	-0.01	1.47	0.00
Salomon Brothers Mortgage Securities VII Inc., 2001-C1	957.9	839.8	0.88	2.30	3.62	5.92	0.12	1.03	0.00
Salomon Brothers Mortgage Securities VII, 2001-C2	881.2	839.2	0.95	2.76	0.00	2.76	1.44	0.00	0.00
Salomon Brothers Mortgage Securities VII Inc., 2000-NL1	340.0	55.2	0.16	20.85	0.00	20.85	0.00	1.17	-0.01
Structured Assets Securities Corp, 1994-C1	454.7	3.6	0.01	0.00	0.00	0.00	0.00	0.11	0.00
Structured Assets Securities Corp, 1995-C1	525.0	20.9	0.04	58.74	0.00	58.74	0.00	0.87	0.00
Structured Assets Securities Corp, 1995-C4	234.8	7.0	0.03	14.15	0.00	14.15	0.00	0.43	0.00
Structured Assets Securities Corp, 1996-C3	280.7	2.0	0.01	0.00	0.00	0.00	0.00	0.26	0.00
TIAA CMBS I Trust, 2001-C1	1,523.7	1,075.0	0.71	0.00	0.00	0.00	0.00	0.17	0.00
Wachovia Bank Commercial Mortgage Trust 2002-C1	953.8	914.4	0.96	0.72	0.00	0.72	0.72	0.00	0.00
Wachovia Bank Commercial Mortgage Trust 2002-C2	876.4	844.4	0.96	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust 2003-C3	939.1	909.5	0.97	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust 2003-C4	893.2	857.4	0.96	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2003-C5	1,204.5	1,170.8	0.97	2.02	0.00	2.02	-0.53	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2003-C6	955.1	933.5	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2003-C7	1,013.6	993.3	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2003-C8	976.0	950.7	0.97	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2003-C9	1,314.1	1,127.8	0.86	0.55	1.64	2.18	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2004-C10	1,315.1	1,303.8	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2004-C11	1,041.5	1,028.7	0.99	0.00	0.00	0.00	0.00	0.00	0.00
Wachovia Bank Commercial Mortgage Trust, 2004-C12	1,076.7	1,054.5	0.98	0.00	0.00	0.00	0.00	0.00	0.00
Total/Weighted Average	325,209.8	263,646.0	0.81	0.74	0.63	1.37	-0.05	0.67	0.02

Source: Morgan Stanley, Intex

CMBS/REIT/Corporate Spreads

Primary Analyst: Victor Yeung (212) 761-2601

- The new issue CMBS pipeline resumed this week with three transactions in the market. Although no deals priced this week, we widened our new issue spreads based on trading levels in the secondary market. Ten-year super-senior AAAs are trading at swaps + 27 bp, while 10-year mezzanine AAAs are trading at swaps + 32 bp and 10-year junior AAAs are trading at swaps + 36 bp.
- The secondary CMBS market had another active week of trading, with about \$1 billion trading on various bid lists. Ten-year super-senior AAA CMBS widened 1 bp in the secondary market, to swaps + 27 bp.
- Ten-year unsecured agency debt widened to swaps this week. Ten-year Fannie Mae and ten-year Freddie Mac papers are now both trading at swaps – 9 bp. AAA CMBS are now trading 38 bp wider than Fannie Mae paper, versus a two-year average of 29 bp wider.
- This week, the REIT names we track tightened 2 bp to Treasuries. BBB CMBS are now trading 37 bp wider than unsecured REIT debt, versus a two-year average of 25 bp wider.

CMBS Sector Spread Data¹

Spreads to LIBOR	Close as of 09/07/05	Spread Change			During the Past Year			Std. Dev.	Deviation from Average
		1 Week	1 Month	3 Months	High	Low	Avg.		
Swap Spreads (3-mo. LIBOR)									
5-yr	44	2	-2	4	47	38	42	2	0.8
10-yr	44	0	-2	4	47	38	42	3	0.6
Conduit CMBS									
<i>Fixed</i>									
AAA Wide Window 5-yr	28	1	1	0	30	19	25	3	0.8
AAA Tight Window 5-yr	25	1	0	-1	27	10	19	5	1.2
AAA 10-yr	29	1	0	-2	32	22	28	3	0.3
AAA Super Senior 10-yr	27	2	1	-3	31	21	26	3	0.5
AAA Mezzanine 10-yr	32	1	1	-2	34	30	32	1	0.0
AAA Junior 10-yr	36	1	1	-3	39	26	32	4	1.0
AA 10-yr	44	0	0	-1	46	29	38	6	1.1
A 10-yr	54	0	0	-1	56	38	48	6	1.1
BBB 10-yr	105	0	0	-5	120	85	94	12	0.9
BBB- 10-yr	155	0	0	5	165	125	139	15	1.1
BB 10-yr	246	0	2	-4	299	244	268	19	-1.1
B 10-yr	656	0	2	-4	759	654	703	39	-1.2
Large Loan CMBS									
<i>Floating (1-mo. LIBOR)</i>									
AAA	12	0	-1	-2	15	11	14	1	-1.4
AA	28	0	3	3	35	23	29	4	-0.2
A	42	0	0	-3	55	42	49	5	-1.5
BBB	90	0	0	-15	130	90	118	13	-2.1
Multifamily Agency CMBS									
FNMA DUS 10/9.5	19	0	-1	-3	26	16	21	3	-0.6
FNMA DUS 10/7	38	0	-1	-3	46	35	40	3	-0.7
FNMA DUS 7/6.5	17	0	-1	-3	24	14	19	3	-0.6
FNMA DUS 7/5	31	0	-1	-3	39	28	33	3	-0.7
Agency Debentures									
FNMA 10-yr	-9	2	4	-3	10	-13	-3	7	-1.0
FHLMC 10-yr	-9	1	4	-2	8	-13	-4	6	-0.8
Credit Card ABS									
AAA 10-yr	9	0	0	0	17	7	11	3	-0.6

¹Represents new issue, mid-tier, mid-market spreads; during weeks with no new issue pricings, spreads represent hypothetical levels
 Source: Morgan Stanley, Bloomberg Financial Markets

September 9, 2005
 CMBS Perspectives
 CMBS/REIT/Corporate Spreads

CMBS

Victor Yeung (212) 761-2601

CMBS Sector Spread Data¹

Spreads to Treasurys	Close as of 09/07/05	Spread Change (bp)			During the Past Year			Std. Dev.	Deviation from Average
		1 Week	1 Month	3 Months	High	Low	Avg.		
Treasury Yields									
2-yr	3.85	3	-27	24	4.11	2.46	3.37	48	1.0
5-yr	3.94	8	-30	22	4.31	3.25	3.77	27	0.6
10-yr	4.14	12	-25	20	4.64	3.94	4.19	16	-0.3
Conduit CMBS									
<i>Fixed</i>									
AAA Wide Window 5-yr	72	3	-1	4	76	58	68	4	1.0
AAA Tight Window 5-yr	69	3	-2	3	71	48	61	7	1.2
AAA 10-yr	73	1	-2	2	78	60	70	5	0.5
AAA Super Senior 10-yr	71	2	-1	1	75	59	68	4	0.8
AAA Mezzanine 10-yr	76	1	-1	2	79	72	75	2	0.3
AAA Junior 10-yr	80	1	-1	1	83	64	74	6	1.0
AA 10-yr	88	0	-2	3	91	67	81	7	1.0
A 10-yr	98	0	-2	3	101	76	90	7	1.0
BBB 10-yr	149	0	-2	-1	163	123	137	13	0.9
BBB- 10-yr	199	0	-2	9	210	163	181	16	1.1
BB 10-yr	290	0	0	0	340	290	310	18	-1.1
B 10-yr	700	0	0	0	800	700	745	38	-1.2
Multifamily Agency CMBS									
FNMA DUS 10/9.5	63	0	-3	1	71	54	63	4	-0.1
FNMA DUS 10/7	82	0	-3	1	91	74	83	4	-0.2
FNMA DUS 7/6.5	61	1	-3	1	77	54	64	5	-0.5
FNMA DUS 7/5	75	1	-3	1	92	69	78	5	-0.6
Agency Debentures									
FNMA 10-yr	33	2	2	0	56	30	38	6	-0.9
FHLMC 10-yr	34	1	2	3	50	29	36	5	-0.4
Credit Card ABS									
AAA 10-yr	53	0	-2	4	63	46	53	4	-0.2

¹Represents new issue, mid-tier, mid-market spreads; during weeks with no new issue pricings, spreads represent hypothetical levels
 Source: Morgan Stanley, Bloomberg Financial Markets

MSCI US CMBS Index (As of September 7, 2005)

Name	Mod Dur (Yrs.)	Coupon (%)	Avg Life (Yrs.)	Spread to Libor	Yield (%)	Market Value (\$Bn)	MTD Total Ret. (%)	YTD Total Ret. (%)	Since Inception Jan 1, 2000 (%)
CMBS	4.1	6.09	4.9	24	4.65	36.0	-0.06	2.59	61.28
CMBS (by Rating)									
CMBS AAA	4.0	5.98	4.7	23	4.64	30.6	-0.03	2.46	58.51
CMBS AA	4.8	6.46	5.9	23	4.67	2.1	-0.10	2.7	69.27
CMBS A	4.9	6.80	6.1	10	4.54	1.9	-0.27	4.02	74.89
CMBS BBB	5.0	7.18	6.3	65	5.10	1.4	-0.25	3.28	80.43
CMBS (by Maturity)									
CMBS 1-3.5 yr AL	2.4	6.28	2.6	20	4.49	11.2	0.05	1.44	39.31
CMBS 3.5-6 yr AL	3.9	6.66	4.5	23	4.60	13.0	0.09	2.22	54.22
CMBS 6-8.5 yr AL	6.1	5.31	7.5	27	4.75	11.5	-0.31	3.6	68.05
CMBS 8.5+ yr AL	7.1	5.46	9.1	23	4.78	0.3	-0.33	4.25	78.21

Source: Morgan Stanley

September 9, 2005
 CMBS Perspectives
 CMBS/REIT/Corporate Spreads

REIT/Corporate

Victor Yeung (212) 761-2601

Spreads to LIBOR	Close as of 09/07/05	Spread Change (bp)			During the Past Year			Std. Dev.	Deviation from Average
		1 Week	1 Month	3 Months	High	Low	Avg.		
REITs^{1,2}									
<i>Office & Industrial</i>									
CarrAmerica	76	0	8	-5	88	50	74	10	0.2
Equity Office Properties	67	1	12	-6	81	52	67	8	-0.1
<i>Retail</i>									
Simon	66	-1	2	-5	83	50	67	8	-0.1
<i>Apartment</i>									
AvalonBay	54	-1	6	-8	69	39	56	8	-0.3
BRE Properties	71	-2	4	-8	83	52	69	8	0.3
<i>Self-Storage</i>									
Shurgard	119	-1	12	5	119	76	102	12	1.4
Corporates (10-yr)³									
<i>Bank & Finance</i>									
AAA	28	-1	4	-4	40	7	27	8	0.1
AA	36	-1	0	10	50	17	36	8	0.0
A	33	-5	5	-6	50	28	38	5	-0.9
BBB	44	0	1	-6	59	37	46	6	-0.3
<i>Corporate Industrial</i>									
AAA	15	0	4	0	25	0	14	6	0.2
AA	20	-3	5	-1	25	5	17	5	0.6
A	38	2	10	3	39	14	30	6	1.2
BBB	74	1	5	0	88	49	71	10	0.3
BB	239	20	61	24	251	132	196	28	1.5
B	307	7	30	-32	384	205	297	43	0.2
Corporate Names (10-yr)^{1,4}									
<i>Bank & Finance</i>									
Citigroup Inc. (AA)	27	-4	5	-2	33	14	26	4	0.4
Wells Fargo & Company (AA-)	27	-3	11	4	48	17	29	10	-0.2
Bank of America Corp. (AA-)	29	-2	5	0	31	13	23	4	1.5
The Goldman Sachs Group, Inc. (A+)	49	-3	13	-10	69	36	49	7	-0.1
JP Morgan Chase & Co. (A)	33	-3	8	-11	47	23	37	6	-0.6
Lehman Brothers Holdings Inc. (A)	37	-2	13	-7	48	23	38	6	-0.2
Merrill Lynch & Co. Inc. (A+)	38	-4	8	-5	51	27	40	7	-0.3
Wachovia Corp. (A)	35	1	9	3	46	21	30	4	1.0
Washington Mutual Inc. (A-)	54	-4	9	-2	67	35	54	8	0.0
<i>Autos</i>									
Ford Motor Company (BBB-)	340	23	54	27	489	161	261	101	0.8
General Motors Corporation (BBB-)	379	41	64	-43	559	185	316	109	0.6

¹Bid Side Spreads

²CRE 7.125% 1/15/12, EOP 4.750% 3/15/14, SPG 5.100% 6/15/15, AVB 5.375% 4/15/14, BRE 7.125% 2/15/13, SHU 5.875% 3/15/13

³For Bank & Finance, single-A and BBB are the Bank Index. For Corporate Industrials, BB is the Ba3 Index; B is the B3 Index

⁴C 4.700% 5/29/15, WFC 4.750% 2/9/15, BAC 4.750% 08/01/15, GS 5.125% 1/15/15, JPM 4.750% 3/1/15, LEH 4.800% 3/13/14, MER 5.000% 1/15/15, WB 4.875 2/1/15, WM 5.125% 1/15/15, F 7.000% 10/1/13, GM 6.750% 12/01/14

Source: Morgan Stanley, Bloomberg Financial Markets

REIT/Corporate (Cont.)

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Spreads to Treasurys	Close as of 09/07/05	Spread Change (bp)			During the Past Year			Std. Dev.	Deviation from Average
		1 Week	1 Month	3 Months	High	Low	Avg.		
REITs^{1,2}									
<i>Office & Industrial</i>									
CarrAmerica	105	-2	2	-2	112	70	93	13	0.9
Equity Office Properties	105	0	9	-3	118	88	104	8	0.1
<i>Retail</i>									
Simon	109	-1	0	0	122	88	107	9	0.2
<i>Apartment</i>									
AvalonBay	93	-2	3	-5	105	75	94	9	-0.1
BRE Properties	105	-3	0	-5	115	80	97	11	0.7
<i>Self-Storage</i>									
Shurgard	153	-2	8	8	155	104	131	16	1.4
Corporates (10-yr)³									
<i>Bank & Finance</i>									
AAA	72	-1	3	0	81	50	69	8	0.3
AA	80	-1	-2	13	91	64	78	7	0.2
A	77	-5	3	-2	91	73	80	5	-0.8
BBB	88	0	-1	-2	100	80	88	5	-0.1
<i>Corporate Industrial</i>									
AAA	58	0	3	4	64	45	56	5	0.5
AA	64	-2	3	3	68	47	60	5	0.9
A	81	2	8	7	82	57	72	6	1.6
BBB	118	1	3	3	131	93	113	10	0.5
BB	282	20	59	28	297	176	238	29	1.5
B	351	7	29	-28	430	250	340	44	0.3
Corporate Names (10-yr)^{1,4}									
<i>Bank & Finance</i>									
Citigroup Inc. (AA)	70	-4	3	0	75	51	65	5	1.0
Wells Fargo & Company (AA-)	69	-3	8	6	88	59	71	9	-0.2
Bank of America Corp. (AA-)	72	-2	3	6	74	50	62	5	1.9
The Goldman Sachs Group, Inc. (A+)	90	-3	10	-8	107	75	90	8	-0.1
JP Morgan Chase & Co. (A)	75	-3	5	-9	97	64	79	6	-0.6
Lehman Brothers Holdings Inc. (A)	75	-3	10	-4	85	65	74	4	0.1
Merrill Lynch & Co. Inc. (A+)	79	-4	5	-3	97	70	81	7	-0.4
Wachovia Corp. (A)	76	0	6	5	88	62	72	4	0.8
Washington Mutual Inc. (A-)	95	-4	6	0	112	76	95	8	-0.1
<i>Autos</i>									
Ford Motor Company (BBB-)	376	22	51	30	525	190	294	104	0.8
General Motors Corporation (BBB-)	419	40	62	-41	600	206	348	118	0.6

¹Bid Side Spreads

²CRE 7.125% 1/15/12, EOP 4.750% 3/15/14, SPG 5.100% 6/15/15, AVB 5.375% 4/15/14, BRE 7.125% 2/15/13, SHU 5.875% 3/15/13

³For Bank & Finance, single-A and BBB are the Bank Index. For Corporate Industrials, BB is the Ba3 Index; B is the B3 Index

⁴C 4.700% 5/29/15, WFC 4.750% 2/9/15, BAC 4.750% 08/01/15, GS 5.125% 1/15/15, JPM 4.750% 3/1/15, LEH 4.800% 3/13/14, MER 5.000% 1/15/15, WB 4.875 2/1/15, WM 5.125% 1/15/15, F 7.000% 10/1/13, GM 6.750% 12/01/14

Source: Morgan Stanley, Bloomberg Financial Markets

Securitized Products Group Research

US CMBS Research

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September 9, 2005
 CMBS Perspectives

Credit Products Rating Distribution Table

(as of September 1, 2005)

Rating	Coverage Universe		Investment Banking Clients (IBC)		
	Count	% of Total	Count	% of Total IBC	% of Rating Category
Overweight	176	26%	98	25%	56%
Equal-weight	373	55%	230	58%	62%
Underweight	133	20%	67	17%	50%
Total	682		395		

Coverage includes all companies that we currently rate. Investment Banking Clients are companies from whom Morgan Stanley or an affiliate received investment banking compensation in the last 12 months.

Analyst Ratings Definitions

Overweight (O) Over the next 6 months, the fixed income instrument's total return is expected to exceed the average total return of the relevant benchmark, as described in this report, on a risk adjusted basis.

Equal-weight (E) Over the next 6 months, the fixed income instrument's total return is expected to be in line with the average total return of the relevant benchmark, as described in this report, on a risk adjusted basis.

Underweight (U) Over the next 6 months, the fixed income instrument's total return is expected to be below the average total return of the relevant benchmark, as described in this report, on a risk adjusted basis.

More volatile (V) The analyst anticipates that this fixed income instrument is likely to experience significant price or spread volatility in the short term.

Important Disclosures on Subject Companies

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