



Insight beyond the rating

Performance Update

Merrill Lynch Financial Assets Inc.,

Series 2005-Canada 16

JANUARY 2009

CONTACT INFORMATION FOR MERRILL LYNCH FINANCIAL ASSETS INC., SERIES 2005-CANADA 16

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Merrill Lynch Financial Assets Inc., Series 2005-Canada 16

CAPITAL STRUCTURE										
Class	Outstanding Balance		Interest Shortfall (1)	Credit Enhancement (C/E)		DBRS Ratings			COMP Range C/E	
	Original	Current		Original	Current	Original	Current	Trend	Low	High
A1	\$229,000,000	\$199,257,959		10.01%	10.79%	AAA	AAA	Stable	9.8%	29.2%
A2	\$183,800,000	\$183,800,000		10.01%	10.79%	AAA	AAA	Stable	9.8%	29.2%
B	\$8,000,000	\$8,000,000		8.27%	8.91%	AA	AA	Positive	8.2%	20.2%
C	\$10,400,000	\$10,400,000		6.00%	6.47%	A	A	Stable	5.9%	14.3%
D1	\$9,759,000	\$9,759,000		3.88%	4.18%	BBB	BBB	Stable	3.7%	7.3%
D2	\$1,000	\$1,000		3.88%	4.18%	BBB	BBB	Stable	3.7%	7.3%
E1	\$2,293,000	\$2,293,000		3.38%	3.64%	BBB (low)	BBB (low)	Stable	3.1%	6.5%
E2	\$1,000	\$1,000		3.38%	3.64%	BBB (low)	BBB (low)	Stable	3.1%	6.5%
F	\$3,442,000	\$3,442,000		2.63%	2.83%	BB (high)	BB (high)	Stable	2.4%	7.1%
G	\$1,720,000	\$1,720,000		2.25%	2.43%	BB	BB	Stable	1.9%	4.9%
H	\$1,147,000	\$1,147,000		2.00%	2.16%	BB (low)	BB (low)	Stable	1.6%	4.3%
J	\$1,720,000	\$1,720,000		1.63%	1.75%	B (high)	B (high)	Stable	1.4%	2.6%
K	\$1,720,000	\$1,720,000		1.25%	1.35%	B	B	Stable	1.1%	2.7%
L	\$1,147,000	\$1,147,000		1.00%	1.08%	B (low)	B (low)	Stable	1.0%	2.0%
M	\$4,587,879	\$4,587,879	\$350	0.0%	0.0%	NR	NR	n/a	n/a	n/a
XP1*	\$330,000,000	\$263,283,155		n/a	n/a	AAA	AAA	Stable	9.8%	29.2%
XP2*	\$111,475,000	\$88,937,845		n/a	n/a	AAA	AAA	Stable	9.8%	29.2%
XC*	\$458,737,879	\$428,995,838		n/a	n/a	AAA	AAA	Stable	9.8%	29.2%

Note:
All figures in Canadian dollars, unless otherwise noted.
(1) If shortfalls exist, further detail is found in the Unique Structural Features Section and on page 6.
(2) Notional balance.
* Interest Only Class

DBRS Ratings Viewpoint
When last reviewed, DBRS changed the trend of Class B from Stable to Positive due to the defeasance of the second largest loan in the pool, Cityplace (7.8% of the current pool balance). The pool has exhibited stable financial performance since Issuance. The pool benefits from several factors including: investment-grade shadow-ratings on four of the top ten loans; full or partial recourse on 25 loans (48% of the current pool balance); as well as the fact that all of the loans provide some amount of amortization during the term. There is one loan on the DBRS HotList. The pool's WADSCR has improved to 1.77x from 1.53x at issuance and its WALTV has improved from 70.1% at issuance to 61.5%. However, loans representing just 70% of the current pool balance reported 2007 financials, some of which were only partial-year. The transaction benefits from having six loans (34% of the current pool balance) shadow-rated by DBRS.

Unique Structural Features
One loan – EPR Pooled Senior Interest (10.2% of the pool) – has a subordinate B-Note (\$29 million) held outside the trust as well as a pari passu senior interest (\$45 million). The controlling pari passu companion loan of the EPR Pooled Senior Interest is part of the Merrill Lynch 2005-Canada 15 transaction. Four loans – Brant Street Retail (4.8% of the pool), Chrislea Mixed Use (1.5% of the pool), Volvo Villa (1.2% of the pool) and Boulevard Plaza I & II (0.9% of the pool) – have secured subordinate debt in place. The transaction is a standard sequential-pay pass-through structure. Structural elements of the trust, such as servicing fees and appraisal reductions on defaulted loans, give rise to the potential for interest shortfalls to bondholders.



COLLATERAL SUMMARY			CONCENTRATIONS					
	Original Closing July 2005	Current Cut-off January 2009	Property Type	Original	Current	Province/State	Original	Current
Balance	\$458,737,879	\$425,555,558	Retail	54.9%	55.1%	AB	5.4%	5.4%
Whole Loan Balance	\$458,737,879	\$425,555,558	Lodging	0.0%	0.0%	ON	48.1%	47.8%
# of Loans	48	48	Multi-Family	6.0%	6.0%	MB	15.2%	7.4%
WAC	5.41%	5.40%	Office	16.2%	8.4%	BC	1.3%	1.3%
WALTV	66.0%	61.5%	Industrial	7.8%	7.8%	NS	2.7%	2.7%
WADSCR	1.58	1.85	Self Storage	4.7%	4.7%	QC	22.1%	22.2%
			Mixed Use	1.5%	1.4%	NB	4.4%	4.5%
			Health Care	1.8%	1.8%	SK	0.0%	0.0%
			MHC	5.9%	6.0%	PE	0.0%	0.0%
			Other	1.2%	1.1%	NL	0.9%	0.9%
			Securities	0.0%	7.8%			

Loan Size	With Multi-Family				Without Multi-Family			
	% of Pool	Average DSCR	Average LTV	% Reporting	% of Pool	Average DSCR	Average LTV	% Reporting
Loans 1-10	63.2%	2.04	61.6%	85.9%	63.1%	2.04	61.6%	85.9%
Loans 11-20	19.8%	1.13	68.2%	78.2%	17.8%	1.20	68.4%	75.7%
Total Pool	100.0%	1.67	65.4%	69.7%	94.0%	1.74	64.1%	70.7%

Concentration Comments

The pool is concentrated with 63% of the current loan balance in the top ten loans; however, four of these loans (30% of the current pool balance) are shadow-rated investment grade by DBRS. Moreover, the second largest loan, Cityplace (7.8% of the current pool balance), has defeased. The other large loans have, with the exception of Sunnybrook Plaza (ID# 11), which has no updated reporting, exhibited stable financial performance. The pool also has a high concentration of retail properties (55% of the current pool balance), as well as properties located in the provinces of Ontario (48%) and Quebec (22%). The heavy retail concentration is mitigated by the fact that four of the retail properties, representing 24% of the current pool balance, are shadow-rated investment-grade by DBRS due to strong sponsorship and/or tenant quality, and 96% of the retail property balance is secured by anchored shopping centres.

LARGE LOAN PERFORMANCE SUMMARY

Loan Name	Property Type	Balance	% of Pool	Loan/Unit	% Change from Underwriting (UW)			Original/Current Shadow Rating	Pari Passu
					NCF	Revenue	Expenses		
EPR Pooled Senior Interest	Retail	\$42,104,157	9.89%	43	21%	18%	10%	AAA/AAA	Y
Cityplace	Securities	\$33,202,847	7.80%			<i>Defeased</i>			N/A
RioCan Mega Centre Notre Dame	Retail	\$32,995,074	7.75%	181	133%	124%	116%	BBB/BBB	N/A
Grant Park Shopping Centre	Retail	\$31,683,571	7.45%	86	7%	9%	22%	n/a	N/A
Calloway St. Catharines	Retail	\$28,618,945	6.73%	80	-1%	10%	46%	A/A	N/A
Kitchener Food Basics	Retail	\$27,340,475	6.42%	161	7%	8%	14%	n/a	N/A
RONA Distribution Centre	Industrial	\$23,035,501	5.41%	29	5%	81%	7405%	BBB/BBB	N/A
Brant Street Retail	Retail	\$20,993,048	4.93%	183	5%	-2%	-6%	n/a	N/A
360 St. Jacques	Office	\$16,539,839	3.89%	49	50%	17%	4%	n/a	N/A
Sunnybrook Plaza	Retail	\$12,270,753	2.88%	242	n.a.	n.a.	n.a.	n/a	N/A

Note: DSCR figures are based on whole-loan debt service.



SHADOW-RATED LOANS IN THE POOL										
Prospectus ID	Property Name	Property Type	Shadow-Rating (Original/Current)	Current % of Pool	Loan per Unit	Maturity Date	Most Recent Occupancy	Occupancy Date	Issuer UW DSCR (A-Note)	Most Recent DSCR (A-Note)
1	EPR Pooled Senior Interest	Retail	AAA/AAA	9.9%	\$42.77	Mar-2014	97%	2007/12/31	2.16	1.98
	<p>Commentary The loan is secured by four retail/entertainment properties located in Whitby, Mississauga, Oakville and Kanata, each anchored by 24- or 16-screen AMC theatres. The loan benefits from a staggered rollover schedule with major tenants on long-term leases that extend beyond the loan term. The sponsor is Entertainment Properties Trust, a publicly traded REIT with large theatre holdings in Canada and the United States. Given the loan's high DSCR, low leverage and experienced sponsorship, DBRS considers the credit qualities associated with this loan to be AAA.</p>									
3	RioCan Mega Centre Notre Dame	Retail	BBB/BBB	7.8%	\$181.22	Jul-2015		2007/12/31	1.33	3.10
	<p>Commentary The collateral is a 182,000 sf retail centre consisting of 14 single-storey buildings that were constructed in 2003 in Laval, QC. The subject is part of a larger centre and is shadow-anchored by Pharmaprix, Zellers, Winners and Super C. The loan has exhibited strong performance since issuance and was 100% occupied as of YE 2007. According to the most recent rent roll, the subject has no leases expiring until August 2011. The borrower, RioCan Holdings Inc., is wholly owned by RioCan REIT [rated BBB (high) by DBRS], which provides 100% recourse and also serves as the property manager. Given the loan's high DSCR and strong sponsorship and recourse to RioCan, DBRS considers the credit qualities associated with this loan to be BBB.</p>									
5	Calloway St. Catharines	Retail	A/A	6.7%	\$79.93	Sep-2014	95%	2007/12/31	1.84	1.68
	<p>Commentary The loan is secured by a nine-building power centre built in stages from 1999 and 2005 in St. Catharines, ON. The centre is anchored by a 130,000 sf Wal-Mart that is leased to August 2019. The property is owned and managed by Calloway REIT, whose website lists current occupancy for the centre at 100%. The largest rollover within the loan term occurs in 2013, when leases of seven tenants (18% of NRA) expire. Given the low leverage and credit quality of Wal-Mart and the borrower, Calloway REIT, DBRS considers the credit qualities associated with this loan to be "A".</p>									
7	RONA Distribution Centre	Industrial	BBB/BBB	5.4%	\$29.17	Jun-2015	100%	2007/12/31	1.48	1.56
	<p>Commentary The loan is secured by a single-tenant industrial property located in Montréal, QC. The property serves as the head office and distribution centre for RONA [rated BBB by DBRS], a publicly traded company and leading retail distributor in the Canadian home improvement industry. RONA's lease runs through August 2019. The loan has low leverage and is also 100% recourse to the borrower, H&R REIT [rated BBB by DBRS]. Given the loan's strong sponsorship and the credit rating of the single tenant, DBRS shadow rates the loan BBB.</p>									
13	International Gateway Centre	Retail	BBB (low)/BBB (low)	2.6%	\$118.35	Jul-2015	98%	2007/12/31	1.24	1.60
	<p>Commentary The loan is secured by a 93,000 sf anchored retail centre consisting of four buildings located in Fort Erie, ON. The property is anchored by Sobeys [rated BBB (low) by DBRS], which occupies 38% of the NRA and is leased through October 2021. Shopper's Drug Mart [rated A (low) by DBRS] leases 13% of the space through 2017. Along with TD Canada Trust [rated AA by DBRS] credit-rated tenants almost cover the loan's debt service on their own (0.92x). The improvements were constructed between 2001 and 2004 and DBRS considers the property quality above average. Given the subject's strong tenancy on long-term leases, DBRS considers the credit qualities associated with this loan to be BBB (low).</p>									
17	Uplands Common Shopping Centre	Retail	BBB/BBB	1.8%	\$146.12	May-2015	98%	2007/12/31	1.40	1.42
	<p>Commentary The loan is secured by a 53,000 sf grocery-anchored retail centre located in Lethbridge, AB. The property consists of three buildings and is anchored by a Sobeys Garden Market [rated BBB (low) by DBRS], which accounts for 75% of the NRA. Sobeys lease runs through March 2023. Sobeys rent covers annual debt service at 1.05x. The loan is sponsored by First Capital Realty, which is a publicly traded company on the TSX and is rated BBB by DBRS. Given the property's strong tenancy, strong management and sponsorship by First Capital Realty and low leverage, DBRS considers the credit qualities associated with this loan to be BBB.</p>									



DBRS HOTLIST FINDINGS							
Number of Loans on DBRS HotList		1		Number of Loans on Servicer Watchlist		3	
% of Pool		4.9%		% of Pool		7.3%	
HOTLIST LOANS							
Loan Name	Property Type	City	State/Province	Balance	% of Pool	A-Note DSCR	Performance Challenge(s)
Brant Street Retail	Retail	Burlington	ON	\$20,993,048	4.9%	1.41	4F: Largest tenant will be vacating in 2009
Prospectus ID	8		HotList Performance Challenge(s)				
Property Name	Brant Street Retail		4F: Largest tenant will be vacating in 2009				
Property Type	Retail		Description & Performance				
Trust Loan Balance	\$20,993,048		The loan is secured by an 114,749 sf anchored retail centre located in Burlington, Ontario. The main building (87,230 sf) is occupied by Best Buy, Linens 'N Things, PetsMart and Sportmart. Linens 'N Things announced that it will be closing Canadian stores, as well as the U.S. stores. Linens 'N Things occupies 32,332 sf and 28% of total NRA at subject and is on the confirmed closing list. The tenant is expected to operate until the end of January 2009. The third largest tenant, PetSmart, has a co-tenancy clause with Linens 'N Things in which PetSmart's base rent will be reduced to 50% after the Linens 'N Things space is vacant for 120 days or longer.				
% of Pool	4.9%		The borrower has leases out to both Home Outfitters and Bed Bath & Beyond to occupy the entire space. They are negotiating lease terms with both tenants and will accept the more favorable. The DSCR without Linens 'N Things will fall to 1.02x. The borrowing entity is owned by a family investment business with a net worth of \$50 million at the time of issuance. The principal of the family business is an experienced real estate developer who has been in commercial real estate for more than 30 years.				
Total Loan Balance	\$20,993,048						
Loan psf	\$183						
Location	Burlington, ON						
DEFAULTED/DELINQUENT/MATURED PERFORMING LOANS							
						DBRS Update	
Prospectus ID							
Property Name							
Property Type							
Loan Balance							
% of Pool							
Loan psf							
Expected Loss							
Advances							
Value							
Valuation Date							
Advances/Value Ratio							
INTEREST SHORTFALLS							
Cumulative Interest Shortfall	\$350						
Shortfall Description	This amount represents remaining unpaid distributable certificate interest.						

The deal has no delinquent or defaulted loans.



EPR Pooled Senior Interest [AAA] \$42,104,157 (9.89% of the pool)

Various locations

Loan Overview

Loan ID	1	Date of Maturity	March 1, 2014
Current Trust Balance	\$42,104,157	Remaining Amort. (mos.)	182
Whole Loan Balance	\$111,535,192 *	Remaining Term (mos.)	62
A-Note Loan per SF	85.53	Interest Rate	6.74%
Whole Loan per SF	113.29	Interest Only Period	n/a
Orig./Curr. Shadow	AAA/AAA	Annual Payment	4,441,058

Historical Operations

Year of Operations	Issuer UW	DBRS UW	2006	2007
Occupancy Rate	95.6%	90.1%	96.0%	97.0%
Occupancy Date	June 1, 2005	June 1, 2005	Dec. 31, 2006	Dec. 31, 2007
Revenue	30,790,099	30,299,984	34,888,240	36,238,628
Expenses	10,959,244	10,939,639	11,375,095	12,029,485
NCF	19,141,618	18,355,485	22,479,633	23,175,631
DSCR Whole Loan	1.63	1.56	1.92	1.98
DSCR A-Note	2.16	2.07	2.53	2.61

DBRS LOAN VIEWPOINT

The four properties have exhibited stable financial performance with revenue increasing significantly over issuance. The increase in revenue is attributable to improved occupancy over original underwritten estimates. The sponsor is Entertainment Properties Trust, a publicly traded REIT that had a portfolio of 54 theatres and 1,107 screens in Canada and the United States as of issuance. As a result of a strong DSCR, a low LTV, strong theatre sales and an experienced sponsor, DBRS shadow-rates the A-note trust asset at AAA.

Tenant Rollover Commentary

The loan benefits from a staggered rollover schedule with major tenants on long-term leases that extend beyond the loan term and with no significant tenant lease expiration until 2011. The four theatres (36.9% of NRA, 43.3% of base rent) are all on 20-year leases with expiration dates ranging from 2018 to 2021.

Market Comments

The theatres are generally located favorably, with good access to major highway interchanges. They represent the dominant shopping and entertainment destinations for their respective markets.

***Pari Passu/Additional Debt**

The A-note is divided into two equally weighted pari passu pieces with current balances of \$42.6 million. The controlling companion loan is part of the Merrill Lynch 2005-Canada 15 transaction. Additionally, the loan has a subordinate B-Note in place with a current balance of \$27 million that is held outside of the trust.

Property Overview

DBRS Property Type	Retail
Year Built	1998
Year Renovated	n.a.
Net Rentable SF	984,509
# of Buildings	4
# of Storeys	Various

NRA Rollover - June 30, 2007

Year	%	Cum. %	#
Vacancy	8.0%	8.0%	11
expired	2.6%	10.6%	7
2008	0.0%	10.6%	-
2009	33.6%	44.2%	21
2010	8.7%	52.9%	25
2011	21.5%	74.4%	29
2012	14.0%	88.3%	17
2013	9.2%	97.6%	3
2014+	2.4%	100.0%	2

Property Description

Maturity

The collateral consists of four retail/entertainment properties, each anchored by 24- or 16-screen AMC theatres. Additional tenants include restaurants, fitness centres, leisure and specialty retail stores. The Whitby and Mississauga properties are encumbered by ground leases on the parking lot portion of each property. The ground leases generally have long-term extension and/or purchase options.

Top Tenants

Name	SF	% NRA	% Base Rent	Major Tenants
Oakville	206,146	21%	23%	AMC, Family Fitness
Kanata	387,659	39%	35%	AMC, HBC Home Outfitters
Whitby	213,910	22%	23%	AMC, Extreme Fitness
Mississauga	173,193	18%	18%	AMC, Intl. Family Fitness

Map





RioCan Mega Centre Notre Dame [BBB] **\$32,995,074 (7.75% of the pool)**

Rue Notre Dame et Autoroute Chomedey (Hwy. 13), Laval, QC, H7X 4C9

Loan Overview

Loan ID	3	Date of Maturity	July 1, 2015
Current Trust Balance	\$32,995,074	Remaining Amort. (mos.)	318
Whole Loan Balance	\$32,995,074	Remaining Term (mos.)	78
A-Note Loan per SF	181.22	Interest Rate	4.76%
Whole Loan per SF	181.22	Interest Only Period	n/a
Orig./Curr. Shadow	BBB/BBB	Annual Payment	2,193,090

Historical Operations

Year of Operations	Issuer UW	DBRS UW	2006	2007	2008
Occupancy Rate	100.0%	95.0%	99.0%	100.0%	
Occupancy Date	June 1, 2005	June 1, 2005	0725/06/2007	Dec. 31, 2007	
Revenue	n.a.	4,693,416	9,739,147	10,546,202	n.a.
Expenses		1,728,299	3,279,172	3,687,367	
NCF	2,917,038	2,866,851	6,379,588	6,805,760	
DSCR	1.33	1.31	2.91	3.10	

DBRS LOAN VIEWPOINT

The loan continues to maintain stable performance as it is 100% occupied as of the YE2007 rent roll. The collateral for the loan is a part of a larger retail development, consisting of more than 800,000 sf of retail space. The loan's NCF in YE2006 and YE2007 is more than double the NCF from Issuer UW as it appears these financials include revenue and expenses for non-collateral portions of the centre. DBRS has requested new financials detailing the loan-specific collateral but with no current vacancies and scheduled tenant rent bumps, the loan's DSCR is estimated to be above Issuer UW. The borrower for the loan is RioCan Holdings (Québec) Inc., a company wholly owned by RioCan REIT (RioCan), which provides 100% recourse and also serves as the property manager. DBRS currently rates RioCan at BBB (high). Given the performance of the asset and the loan's strong sponsorship, DBRS shadow rates the loan at BBB.

Tenant Rollover Commentary

As of the latest rent roll from YE2007, the subject has no expiring leases until August 2011. The largest scheduled rollover occurs in 2014 (one year prior to loan maturity) when 15 tenant leases (36.5% of NRA) will expire. This risk is mitigated by the number of tenants the rollover is spread across and by the strong shadow anchors at the subject that help increase customer traffic at the centre.

Market Comments

The centre has excellent accessibility and visibility from a major arterial highway and is well located at the southwest corner of Notre Dame Road and Highway 13 (a major north-south artery connecting to Montréal's major east-west autoroutes, including Highways 20, 40 and 440). Notre Dame Road is a major east-west artery servicing the southern portion of Laval. As of 2006, within a ten-minute drive-time, the population totaled 82,793 and had an average household income of \$62,097 (Talbot Consultants International). Immediately to the south of the subject is First Pro Centre Ste-Dorothee, which is a big-box centre anchored by Wal-Mart, Reno-Depot, Canadian Tire, Future Shop and Sobeys.

Property Overview

DBRS Property Type	Retail
Year Built	2003
Year Renovated	n/a
Net Rentable SF	182,075
# of Buildings	14
# of Storeys	1

NRA Rollover - December 31, 2007

Year	%	Cum. %	#
2008-2010	0.0%	0.0%	-
2011	17.5%	17.5%	6
2012	4.0%	21.5%	2
2013	5.5%	27.0%	3
2014	36.5%	63.5%	15
2015	17.3%	80.8%	13
2016	6.6%	87.4%	2
2017+	12.6%	100.0%	5

Maturity

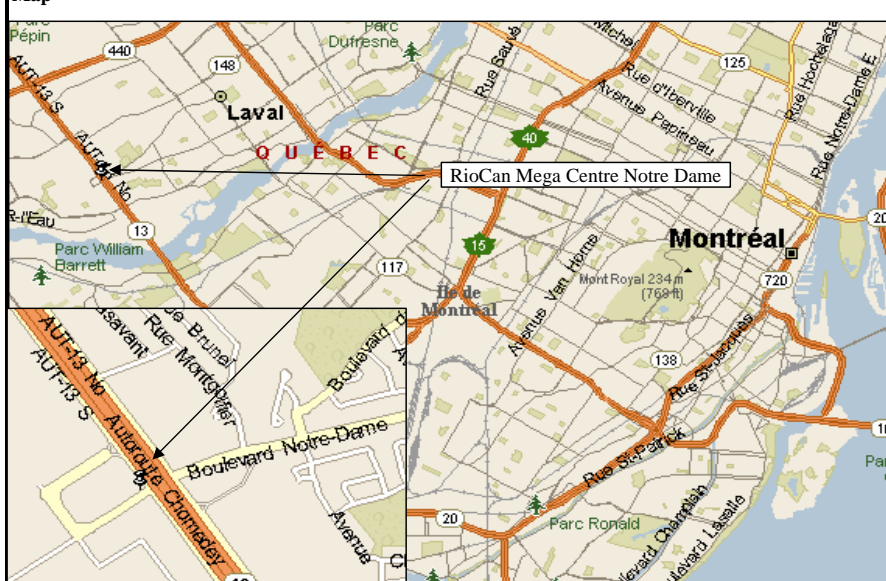
Property Description

The collateral is an anchored retail centre consisting of 14 single-storey buildings that were constructed in 2003. The subject is part of a larger centre and is shadow-anchored by Pharmaprix, Zellers, Winners and Super C.

Top Tenants

Name	SF	% NRA	% Base Rent	Lease Expiry	DBRS
Jacob Outlet	11,538	6%	5%	Sep. 30, 2014	n/a
Tommy Hillfiger	8,400	5%	4%	Oct. 31, 2011	n/a
Clement	7,932	4%	3%	Jul. 31, 2016	n/a

Map





Grant Park Shopping Centre **\$31,683,571 (7.45% of the pool)**

1080, 1120, 1150 and 1216 Grant Avenue, 425 Nathaniel Street and 400 Wilton Street., Winnipeg, MB, R3M 2A6

Loan Overview

Loan ID	4	Date of Maturity	July 1, 2015
Current Trust Balance	\$31,683,571	Remaining Amort. (mos.)	282
Whole Loan Balance	\$31,683,571	Remaining Term (mos.)	78
A-Note Loan per SF	86.17	Interest Rate	5.03%
Whole Loan per SF	86.17	Interest Only Period	n/a
Orig./Curr. Shadow	n/a	Annual Payment	2,300,613

Property Overview

DBRS Property Type	Retail
Year Built	1962
Year Renovated	2003
Net Rentable SF	367,692
# of Buildings	5
# of Storeys	1/2

NRA Rollover - April 24, 2008

Year	%	Cum. %	#
Vacancy	0.7%	0.7%	2
Expired/MTM	8.0%	8.6%	15
2008	0.0%	8.6%	-
2009	28.8%	37.4%	21
2010	12.3%	49.7%	13
2011	4.0%	53.7%	9
2012	2.3%	56.0%	5
2013	1.1%	57.1%	1
2014+	42.9%	100.0%	6

Historical Operations

Year of Operations	Issuer UW	2006	2007	2008
Occupancy Rate	95.6%	98.0%	99.0%	99.0%
Occupancy Date	Jun. 1, 2005	Dec. 31, 2006	Dec. 31, 2007	Apr. 24, 2008
Revenue	7,715,555	8,222,527	8,501,635	
Expenses	3,311,354	3,727,253	4,047,654	n.a.
NCF	4,047,865	4,387,140	4,322,260	
DSCR	1.76	1.91	1.88	

Property Description

The property is a 367,692 sf anchored retail centre located in Winnipeg, Manitoba. The property consists of a one-storey enclosed mall with a partial second floor containing office space and four free-standing pad buildings. Major tenants include Zellers, Safeway, Shoppers Drug Mart, Manitoba Liquor Control Commission and an eight-screen Empire theatre.

DBRS LOAN VIEWPOINT

Performance has been steady since issuance, with YE2007 NCF 7% higher than it was at issuance. The rent roll dated April 24, 2008 indicates that occupancy has stayed high at 99%. There are several tenants whose leases have since expired, but there is no information regarding lease renewal status. Given that those tenants cumulatively represent 8.0% of NRA, it is unlikely that DSCR would be significantly impacted in the event that several tenants did not renew. The loan benefits from strong sponsorship and property management. The principals behind the borrowing entity include two prominent Winnipeg families and BRR Trust, an affiliate of Primaris REIT (Primaris, formerly known as Borealis Retail REIT). Primaris has a portfolio of 14 properties across Canada totalling approximately 6.1 million sf. The property is managed by an affiliate of Oxford Properties, one of Canada's most experienced managers. The loan is non-recourse.

Tenant Rollover Commentary

There is significant tenant rollover (29% of NRA) in 2009, due mainly to the Safeway (16% of NRA) lease expiry. At issuance, Safeway reported strong sales of \$556 psf. Based on that sales level, gross occupancy cost would be less than 2.5%. If Safeway is able to sustain these sales levels, it is likely to exercise its five-year renewal option upon lease expiry.

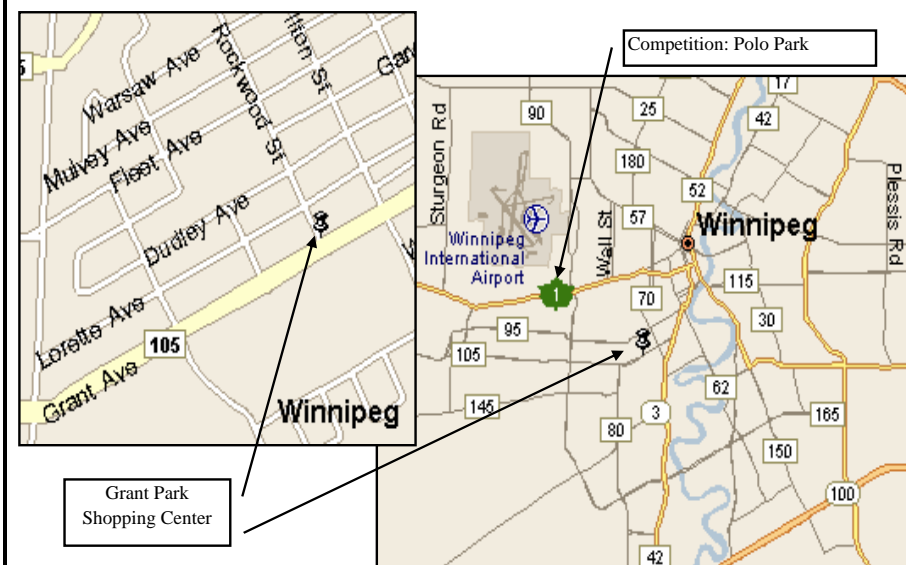
Market Comments

Per Statcan, the City of Winnipeg had an estimated 2006 population of 633,451 and a diversified economic base. The property is located in a residential neighbourhood with numerous high-density rental apartments located across the street from the property and single-family houses in the surrounding streets. The competition comes from two enclosed malls – Polo Park, a 1.2 million sf regional mall located approximately three km. to the northwest and St. Vital Centre, an 830,000 sf regional mall located approximately four km. to the southeast. Another competitor is a power centre located six km. to the southwest, which is anchored by Wal-Mart, Safeway, Canadian Tire, HomeSense, Cinema City and Costco.

Top Tenants

Name	SF	% NRA	% EGI	Lease Expiry	DBRS Rating
Zellers	116,573	32%	11%	Aug. 31, 2016	n/a
Safeway	57,312	16%	11%	May. 7, 2009	BBB
Empire Theaters	32,083	9%	7%	Aug. 31, 2010	n/a

Map





Calloway St. Catharines [A] **\$28,618,945 (6.73% of the pool)**

420 Vansickle Road, St. Catharines, ON, L2R 6P9

Loan Overview

Loan ID	5	Date of Maturity	September 1, 2014
Current Trust Balance	\$28,618,945	Remaining Amort. (mos.)	309
Whole Loan Balance	\$28,618,945	Remaining Term (mos.)	68
A-Note Loan per SF	79.93	Interest Rate	5.84%
Whole Loan per SF	79.93	Interest Only Period	n/a
Orig./Curr. Shadow	A/A	Annual Payment	2,151,595

Historical Operations

Year of Operations	Issuer UW	2006	2007
Occupancy Rate	92.2%	92.0%	95.0%
Occupancy Date	June 1, 2005	Dec. 31, 2006	Dec. 31, 2007
Revenue	5,901,614	6,059,217	6,474,452
Expenses	1,702,968	2,392,731	2,481,122
NCF	3,967,747	3,612,778	3,939,622
DSCR	1.84	1.68	1.83

DBRS LOAN VIEWPOINT

The loan is secured by an anchored retail property, in which the largest tenants are subject to long-term leases that extend beyond the maturity date of the loan. In addition to the Wal-Mart anchor, the property is shadow-anchored by Canadian Tire and a Real Canadian Superstore. The rent roll that DBRS has is from 2007; however, the property is owned and managed by Calloway REIT, whose website states the property is 100% occupied. Calloway also states that the site can accommodate a Wal-Mart expansion if space becomes an issue for the retailer. Calloway REIT is rated BBB by DBRS and, in addition to the strong sponsorship, the loans credit profile is consistent with an 'A' shadow rating.

Tenant Rollover Commentary

The property has minimal rollover during the near term. The largest rollover within the loan term occurs in 2013, one year prior to maturity, when leases of seven tenants (18% of NRA) expire.

Market Comments

St. Catharines is the largest city in the Niagara area. Its population in 2006 was 131,000, up only slightly from the 2001 count. The median income is \$63,000. The City enjoys a diverse economic base with manufacturing and construction industries being the largest employers at 21.8% of the local labour force, followed by the wholesale and retail trade, which employs 17.9% of the labour force. There is another Wal-Mart anchored power centre (which also includes Canadian Tire and No-Frills) similar to the subject that serves the east side of the city and has co-existed with the subject since it was built in 1999.

* Both Designer Depot and Home Outfitters are divisions of Canadian retailer HBC, which was sold to the private equity firm, NRDC Equity Partners, in July 2008.

Property Overview

DBRS Property Type	Retail
Year Built	1999
Year Renovated	
Net Rentable SF	358,056
# of Buildings	9
# of Storeys	1

NRA Rollover - March 2007

Year	%	Cum. %	#
Vacancy	7.1%	7.1%	-
Expired	0.0%	7.1%	-
2008	2.0%	9.0%	1
2009	1.4%	10.4%	1
2010	0.4%	10.8%	1
2011	7.3%	18.2%	6
2012	5.9%	24.1%	5
2013	18.0%	42.1%	7
2014+	57.9%	100.0%	9

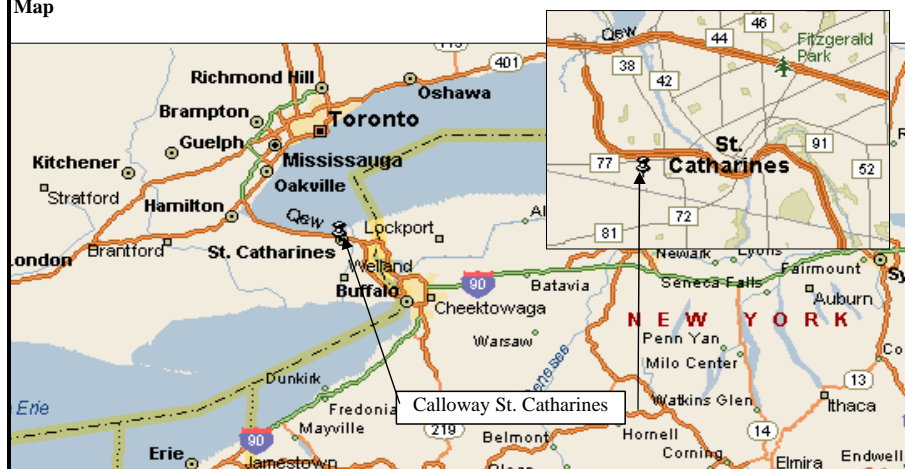
Property Description

This power centre was built in stages from 1999 to 2005 and consists of nine buildings, located in St. Catharines, Ontario. The centre is approximately 358,000 sf in size and is anchored by Wal-Mart. Complementing the anchor is a mix of national and regional tenants.

Top Tenants

Name	SF	% NRA	% Base Rent	Lease Expiry	DBRS
Wal-Mart	127,791	36%	16%	8/19/2019	AA
Designer Depot*	32,107	9%	11%	10/13/2020	n/a
Home Outfitters*	31,975	9%	11%	10/19/2020	n/a

Map





Kitchener Food Basics **\$27,340,475 (6.42% of the pool)**

655 Fairway Road South, Kitchener, ON, N2C 1X4

Loan Overview

Loan ID	6	Date of Maturity	June 1, 2015
Current Trust Balance	\$27,340,475	Remaining Amort. (mos.)	317
Whole Loan Balance	\$27,340,475	Remaining Term (mos.)	77
A-Note Loan per SF	161.47	Interest Rate	5.17%
Whole Loan per SF	161.47	Interest Only Period	n/a
Orig./Curr. Shadow	n/a	Annual Payment	1,899,909

Historical Operations

Year of Operations	Issuer UW	DBRS UW	2006	2007
Occupancy Rate	98.5%	95.0%	100.0%	100%
Occupancy Date	June 1, 2005	June 1, 2005	Dec. 31, 2006	Dec. 31, 2007
Revenue	4,053,413	4,039,975	4,255,628	4,363,332
Expenses	1,451,137	1,450,599	1,663,145	1,655,238
NCF	2,530,249	2,484,095	2,592,483	2,708,094
DSCR	1.33	1.31	1.36	1.43

DBRS LOAN VIEWPOINT

Cash flow has increased year-over-year from issuance due to increased revenues from additional tenants. The property is a well-located, high-quality asset that benefits from its location on a major commercial corridor and its strong national retail tenants. The lack of direct competition for grocery anchors, and the strong presence of the only Winners/HomeSense (together) in the Kitchener/Waterloo region, positions the subject for strong and stable operating performance. Additional stability is derived by strong management from First Capital Realty Inc. (First Capital), which provides a 50% guarantee for the loan. First Capital is a publicly traded company on the TSX and is rated BBB (low) by DBRS.

Tenant Rollover Commentary

Tenant rollover is slightly concentrated as there are only 18 tenants at the subject. There are no significant tenant lease expiries in the near term; however, Winners 'N More's lease expires in 2013, before loan maturity. Years 2014 and 2015 also pose a concern as they are near the loan's maturity and 17% and 19% of NRA have lease expiration, respectively. However, both 2014 and 2015 expirations are each spread across five tenants. Also, the sponsor is a strong manager, which will prove beneficial during times of increased lease rollover.

Market Comments

The centre is well-located on Fairway Road, a major commercial corridor that runs west-east through the City of Kitchener with daily traffic in excess of 53,000 vehicles per day. There are many retail facilities located along Fairway Road near the subject, including an enclosed regional shopping centre anchored by Wal-Mart, Sears and The Bay, and big-box retailers such as Toys "R" Us, Canadian Tire and Best Buy. There are no other grocery stores in the immediate vicinity and the Winners/HomeSense store at the subject site is its only presence in the Kitchener/Waterloo region. The City of Kitchener is situated in southwestern Ontario and has an estimated population of 207,028, according to Financial Post Markets Canadian Demographic 2005. The average household income in the city is \$65,000, 3% below the national average, but the retail sales per household are 9% above the national average at \$30,800.

Property Overview

DBRS Property Type	Retail
Year Built	2004
Year Renovated	n/a
Net Rentable SF	169,318
# of Buildings	6
# of Storeys	1

NRA Rollover - Rent Roll Date

Year	%	Cum. %	#
Vacancy	0.0%	0.0%	-
2008	0.0%	0.0%	-
2009	4.0%	4.0%	3
2010	3.0%	7.0%	3
2011	2.9%	9.9%	1
2012	0.0%	9.9%	-
2013	30.7%	40.6%	1
2014+	59.4%	100.0%	10

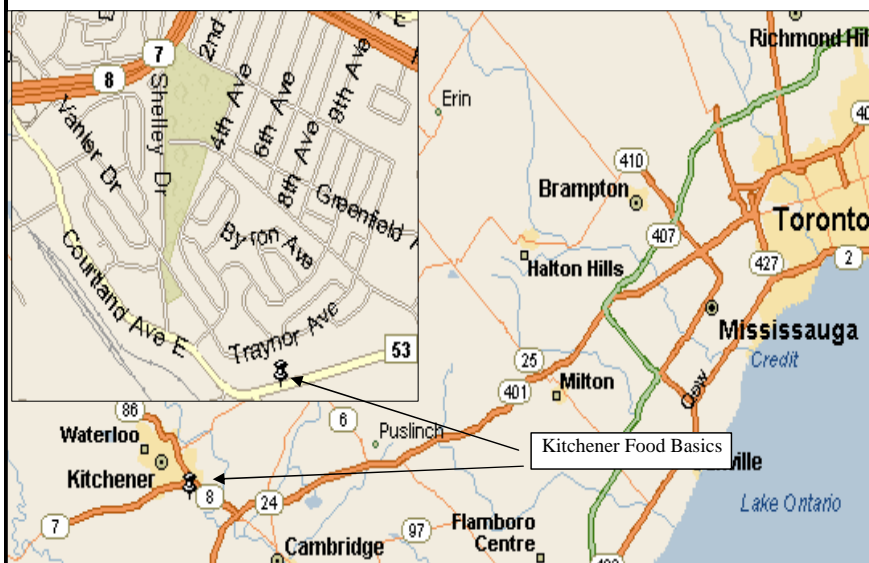
Property Description

The property, a grocery-anchored retail plaza consisting of six buildings, was built in 2004. The property is anchored by a Food Basics Supermarket and also has a Winners/HomeSense store. The property has a good tenant mix with a large number of national tenants including Pier One Imports, Sport Chek and Super Pet.

Top Tenants

Name	SF	% NRA	% of Rent	Lease Expiry	DBRS
Winners 'N More	51,972	31%	27%	Nov. 30, 2013	n/a
A&P Properties	40,606	24%	17%	Dec. 31, 2018	n/a
Sport Check	17,330	10%	9%	Jan. 31, 2015	n/a

Map





RONA Distribution Centre [BBB] \$23,035,501 (5.41% of the pool)

220 Chemin du Tremblay, Boucherville, QC, J4B 8H7

Loan Overview

Loan ID	7	Date of Maturity	June 1, 2015
Current Trust Balance	\$23,035,501	Remaining Amort. (mos.)	257
Whole Loan Balance	\$23,035,501	Remaining Term (mos.)	77
A-Note Loan per SF	29.17	Interest Rate	5.03%
Whole Loan per SF	29.17	Interest Only Period	n/a
Orig./Curr. Shadow	BBB/BBB	Annual Payment	1,759,188

Historical Operations

Year of Operations	Issuer UW	DBRS UW	2006	2007	2008
Occupancy Rate	100.0%	100.0%	100.0%	100.0%	
Occupancy Date	Jun. 1, 2005	Jun. 1, 2005	Dec. 31, 2006	Dec. 31, 2007	
Revenue		2,730,315	4,164,079	4,817,235	n.a.
Expenses	n.a.	81,909	1,408,609	2,067,800	
NCF	2,609,332	2,529,939	2,755,470	2,749,435	
DSCR	1.48	1.44	1.57	1.56	

DBRS LOAN VIEWPOINT

The property is leased to a high-quality tenant on a long-term lease through 2019, four years beyond loan maturity. As such, the property's performance remains stable with a DSCR of 1.56x (as of YE2007). RONA inc.'s (RONA) 20-year lease is for 727,966 sf at \$3.58 psf, which is below current market rents for comparable space. However, the lease does include a scheduled rent bump to \$3.99 psf in August 2009. In 2005, the loan's reporting was modified to include real estate taxes, but this does not affect the loan as the lease is NNN. The loan has a low loan per square foot of \$29.42 and also is 100% recourse to H&R REIT (rated BBB by DBRS), further minimizing the loan's default risk. Given the loan's strong sponsorship and the credit-rating of the single tenant, DBRS shadow rates the loan at BBB.

Market Comments

The property is located in the South Shore district of the City of Montréal within the former City of Boucherville. The property has excellent access to Highway 20, a major east-west artery through the Montréal area. As of Q2 2008, industrial properties in the Boucherville submarket totaled 16.6 million sf and had an average availability rate of 5.0% and average asking net rental rates of \$5.38 psf. The surrounding area consists of other industrial properties and is home to a number of other prominent distribution facilities including Provigo and Sobeys.

Property Overview

DBRS Property Type	Industrial
Year Built	1999
Year Renovated	2005
Net Rentable SF	789,773
# of Buildings	1
# of Storeys	2

NRA Rollover - December 31, 2007

Year	%	Cum. %	#
Vacancy	0.0%	0.0%	-
2009-2014	0.0%	0.0%	-
2015	0.0%	0.0%	-
2016	0.0%	0.0%	-
2017	0.0%	0.0%	-
2018	0.0%	0.0%	-
2019	100.0%	100.0%	1
2020	0.0%	100.0%	-
2021+	0.0%	100.0%	-

Property Description

The secured collateral is a single-tenant industrial property located in Montréal, Québec. The collateral includes a 789,773 sf distribution centre that was built in 1999, and a 57,560 sf office expansion along with a free-standing 4,247 sf hazardous products storage facility, both of which were completed in May 2005 at a cost of \$10 million and was funded by the tenant. The property serves as the head office and distribution centre for RONA, which is a publicly traded company and a leading retail distributor in the Canadian home improvement industry.

Top Tenants

Name	SF	% NRA	% Base Rent	Lease Expiry	DBRS
RONA inc.*	789,773	100%	100%	Aug. 31, 2019	BBB

Map



* Rated BBB, with a Stable trend by DBRS.



Brant Street Retail **\$20,993,048 (4.93% of the pool)**

1200 Brant Street, Burlington, ON, L7P 5C6

Loan Overview

Loan ID	8	Date of Maturity	June 1, 2015
Current Trust Balance	\$20,993,048	Remaining Amort. (mos.)	317
Whole Loan Balance	\$20,993,048	Remaining Term (mos.)	77
A-Note Loan per SF	182.95	Interest Rate	5.34%
Whole Loan per SF	182.95	Interest Only Period	n/a
Orig./Curr. Shadow	n/a	Annual Payment	1,484,645

Historical Operations

Year of Operations	Issuer UW	2006	2007
Occupancy Rate	100.0%	100.0%	100.0%
Occupancy Date	June 1, 2005	Dec. 31, 2006	Dec. 31, 2007
Revenue	2,994,002	2,666,192	2,946,283
Expenses	904,773	846,991	845,971
NCF	2,009,181	1,819,201	2,100,312
DSCR	1.35	1.23	1.41

DBRS LOAN VIEWPOINT

Linens 'N Things (LNT), the largest tenant, filed for Chapter 11 bankruptcy protection in May 2008 and subsequently announced its intention to liquidate all its assets. According to the borrower, LNT will likely close its store in January 2009. Removing LNT's base rent and pro-rata share of recoveries while keeping expenses at YE2007 level would result in a projected DSCR of 0.89x. PetSmart has a co-tenancy clause that allows it to reduce its rent by 50% 90 days after LNT closes. This would further reduce DSCR to 0.79x. However, the borrower has indicated that it has two leases out to prospective tenants (each would lease entire space) and is negotiating for the most favorable terms. A replacement tenant would reset PetSmart's rental rate to its original amount. The high income population within a growing trade area provides a positive demographic base for the property and should help off-set the tenant rollover near the loan maturity. The loan is non-recourse.

Tenant Rollover Commentary

Rollover is minimal until the year prior to loan maturity, when three tenants (Best Buy, PetSmart and Norwalk), representing 44.4% of NRA expire. Best Buy renewed its lease in 2008. The existing national tenant base, combined with the ability to re-sign Best Buy, speaks to the desirability of the centre and ultimately to a high predicted retention ratio.

Market Comments

The centre is located approximately 50 kilometers west of Toronto at the junction of the Queen Elizabeth Highway (QEW) and Brant Street, a north-south arterial route that leads directly to downtown Burlington. The centre benefits from a complementary tenant mix in the adjacent Burlington Power Centre to the north that is anchored by Sobeys, Famous Players Cinemas, Office Depot and Indigo Books, and from a Costco warehouse outlet across the street to the east. The city has an estimated population of 164,415, according to the 2006 census, and has enjoyed a 9% increase in population from 2001. As of Q2 2008, Cushman & Wakefield reported that the 3.7% increase in retail sales for Ontario in 2007 has held steady through the first quarter of 2008, a result they attribute largely to the 'strong retail market' in the Greater Toronto Area. The report also stated that Shopping Centre vacancy was 7.4%.

Property Overview

DBRS Property Type	Retail
Year Built	2004
Year Renovated	n/a
Net Rentable SF	114,749
# of Buildings	4
# of Storeys	1

NRA Rollover - January 6, 2008

Year	%	Cum. %	#
Vacancy	0.0%	0.0%	-
Expired	0.0%	0.0%	-
2008-2009	0.0%	0.0%	-
2010	7.7%	7.7%	3
2011-2013	0.0%	7.7%	-
2014	30.4%	38.1%	2
Maturity 2015	41.8%	79.9%	2
2016	10.7%	90.6%	2
2017+	9.4%	100.0%	2

Property Description

The loan is secured by an 114,749 sf anchored retail centre located in Burlington, Ontario. The main building (87,230 sf) is occupied by Best Buy, Linens 'N Things, PetsMart and Sportmart. There is a freestanding 6,000 sf Milestone's restaurant and two smaller multi-tenant buildings at the front of the site along Brant Street.

Top Tenants

Name	SF	% NRA	% Base Rent	Lease Expiry	DBRS
Best Buy Canada Ltd.	30,716	27%	23%	Sep. 14, 2014	n/a
PetSmart	16,255	14%	13%	Feb. 28, 2015	n/a
Milestone's Restaurant, Inc.	6,409	6%	6%	Feb. 5, 2020	n/a

Map



Brant Street Retail



360 St. Jacques **\$16,539,839 (3.89% of the pool)**

360 St. Jacques Street, Montréal, QC, H2Y 1P5

Loan Overview

Loan ID	9	Date of Maturity	April 1, 2015
Current Trust Balance	\$16,539,839	Remaining Amort. (mos.)	315
Whole Loan Balance	\$16,539,839	Remaining Term (mos.)	75
A-Note Loan per SF	48.60	Interest Rate	5.47%
Whole Loan per SF	48.60	Interest Only Period	n/a
Orig./Curr. Shadow	n/a	Annual Payment	1,188,058

Historical Operations

Year of Operations	Issuer UW	DBRS UW	2006	2007
Occupancy Rate	91.9%	91.3%	95.0%	99.1%
Occupancy Date	Jun. 1, 2005	Jun. 1, 2005	Dec. 31, 2006	Dec. 31, 2007
Revenue	6,063,579	5,993,276	6,900,837	7,113,334
Expenses	3,439,229	3,475,451	3,747,385	3,571,092
NCF	1,979,831	1,901,235	2,579,554	2,968,344
DSCR	1.67	1.99	2.17	2.50

DBRS LOAN VIEWPOINT

The subject's performance has been strong, with a DSCR since issuance over 2.0x. The most recent rent roll indicates that multiple current tenants have recently expanded their space at lease rates comparable to market rents and in-line with the previous lease. Altus-InSite lists current occupancy at 98.8%. The loan is non-recourse. The property is subject to a 99-year land lease expiring in 2061, 26 years after the amortization of the loan. The current land rent is \$234,000 per annum, but will increase to \$303,000 per annum at the time of the rent adjustment date in 2012.

Tenant Rollover Commentary

The property is currently leased mainly to banks, government agencies, maritime transportation firms and IT companies. The largest five tenants occupy more than 178,000 sf, representing 54% of NRA and more than 55% of rental income, which include Service d'immigration du Québec [rated A (high) by DBRS, 16% of the NRA with lease expiry in 2012 and 2013], Royal Bank of Canada [rated AA by DBRS, 11% of the NRA with lease expiry in 2012], and the Government of Canada [rated AAA by DBRS, 9% of the NRA with lease expiry in 2019]. Rollover is concentrated towards the later years of the loan term and currently all tenants are paying rents within market levels.

Market Comments

The current vacancy rate for Class B office space in the Old Montréal sub-market is 5.2%. Asking lease rates at the subject range from \$16.00 psf to \$20.00 gross, whereas the submarket average is closer to \$24 gross, according to Altus-InSite.

Property Overview

DBRS Property Type	Office
Year Built	1928
Year Renovated	2002
Net Rentable SF	340,352
# of Buildings	1
# of Storeys	21

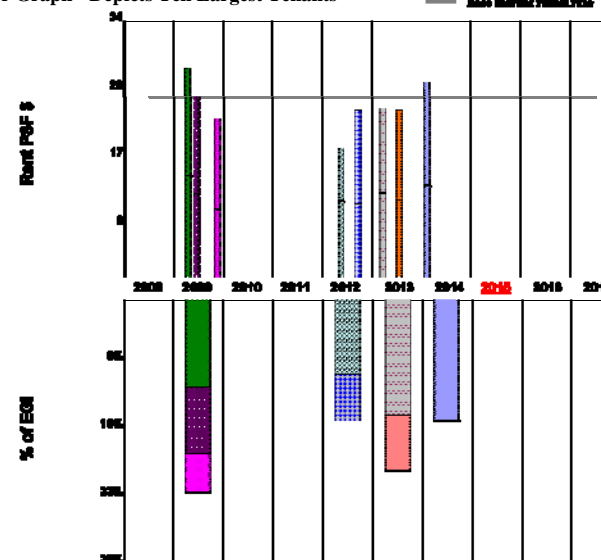
NRA Rollover - Rent Roll Date

Year	%	Cum. %	#
Vacancy	0.9%	0.9%	6
Expired	0.9%	1.8%	2
2007	0.0%	1.8%	-
2008	0.0%	1.8%	-
2009	22.9%	24.7%	26
2010	3.0%	27.7%	11
2011	2.1%	29.8%	5
2012	21.9%	51.7%	13
2013+	48.3%	100.0%	25

Property Description

The collateral is a landmark 21-storey, Class B office building originally built in 1928 with a good tenant profile. The 340,352 sf building is located in downtown Montréal, Québec, within the Old Montréal district, Canada's original financial district. The subject has extraordinary interior architectural features that enhance the aesthetic appeal of the property. The property has undergone substantial renovations from 2002 through 2005 including elevator modernization, HVAC improvements and asbestos removal.

EGI Rollover Graph - Depicts Ten Largest Tenants



The ten largest tenants are assigned a unique colour/pattern for both the upper and lower portions of the graph. The grey line (upper portion) represents base market rental rate. The columns (upper portion) represent each tenant's rental rate. A black notch separates expense recoveries (above the notch) from base rent (below the notch). The bottom portion's columns represent % of EGI rolling in each year.



Sunnybrook Plaza **\$12,270,753 (2.88% of the pool)**

660 Eglinton Avenue East, Toronto, ON, M4P 1N8

Loan Overview

Loan ID	11	Date of Maturity	July 1, 2015
Current Trust Balance	\$12,270,753	Remaining Amort. (mos.)	282
Whole Loan Balance	\$12,270,753	Remaining Term (mos.)	78
A-Note Loan per SF	241.71	Interest Rate	5.02%
Whole Loan per SF	241.71	Interest Only Period	n/a
Orig./Curr. Shadow	n/a	Annual Payment	890,095

Historical Operations

Year of Operations	Issuer UW	DBRS UW	2006	2007
Occupancy Rate	97.4%	95.0%	90.0%	96.3%
Occupancy Date	June 1, 2005	June 1, 2005	Dec. 31, 2006	June 1, 2008
Revenue	2,113,021	2,085,386	2,223,521	n.a.
Expenses	816,756	805,497	1,005,389	
NCF	1,264,834	1,234,414	1,218,132	
DSCR	1.42	1.39	1.37	

DBRS LOAN VIEWPOINT

The loan saw a slight drop-off in performance in 2006 due to a temporary decrease in occupancy and thus a decline in expense reimbursements. The rise in expenses is mostly due to an increase in R&M expenses. Though no 2007 financials have been reported as yet, the June 2008 rent roll suggests that occupancy has recovered to just slightly below that at issuance. Average in-place rents as of the June 2008 rent roll are \$29 psf on a NNN basis, which is in-line with the market average of \$25-\$30 psf, according to a 2Q 2008 report by Cushman Wakefield.

Tenant Rollover Commentary

The largest tenant, Pharma Plus, is currently paying \$31 psf NNN on a long-term lease through July 2022. The third largest tenant, Cyrildene, is paying \$25 psf and will roll in March of this year. Cyrildene's rent is at the low end of the market asking rate and the property should be able to find another tenant at that rate should Cyrildene chose to vacate at lease expiry.

Market Comments

The subject is located in the fully developed in-fill area of midtown Toronto, approximately 8 km. northeast of the downtown core. This is a high-demand location due to its proximity to the downtown core and the high density commercial and residential properties in the area. As of Q2 2008, Cushman & Wakefield reported a 3.7% increase in retail sales for Ontario in 2007 that has held steady through the first quarter of 2008, with much of that growth attributable to the strong retail market in the Greater Toronto Area. Also according to the report, Shopping Centre vacancy was 7.4% in Q1 2008.

Property Overview

DBRS Property Type	Retail
Year Built	1952
Year Renovated	1997
Net Rentable SF	50,766
# of Buildings	1
# of Storeys	1 & partial 2

NRA Rollover - June 1, 2008

Year	%	Cum. %	#
Vacancy	3.7%	3.7%	1
Expired	5.9%	9.7%	4
2008	0.0%	9.7%	0
2009	23.9%	33.6%	8
2010	8.7%	42.3%	4
2011	13.3%	55.7%	5
2012	21.3%	77.0%	5
2013	1.6%	78.5%	1
2014+	21.5%	100.0%	2

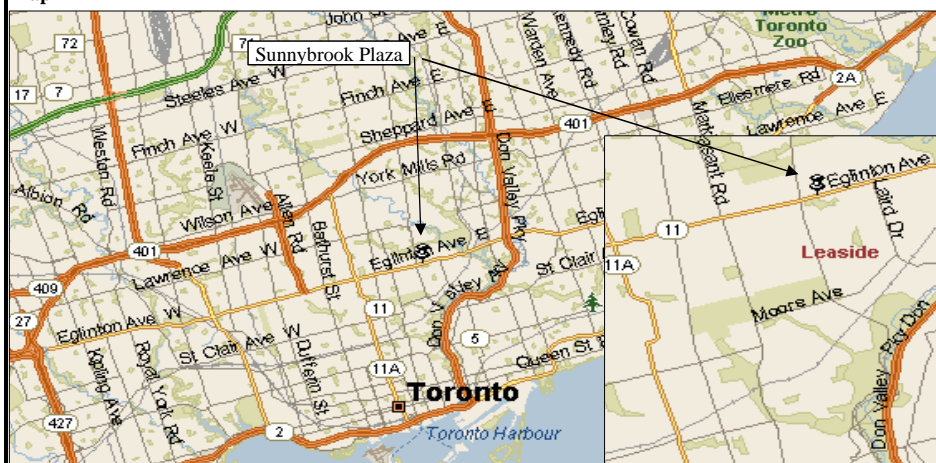
Property Description

The loan is secured by a 50,766 sf retail plaza located in midtown Toronto. The subject was built in 1952 and renovated in 1997, and is comprised 45,179 sf of retail space (88% of NRA) and 5,587 sf of 2nd-floor office space (11% of NRA). A Metro grocery store is located across the street to the west.

Top Tenants

Name	SF	% Base Rent	Lease Expiry	DBRS	
Pharma Plus	9,993	20%	21%	Jul. 31, 2022	n/a
Rogers Video	5,597	11%	11%	Oct. 31, 2012	n/a
Cyrildene	3,820	8%	7%	Mar. 31, 2009	n/a

Map



Glossary

Notes

ADR = average daily rate
Avg. HH = 2000 average annual household income
BR = bedroom
capex = capital expenditures
CBD = central business district
CMBS = commercial mortgage-backed securities
DSCR = debt service coverage ratio
EGI = effective gross income
F&B = food & beverage
FF&E = furniture fixtures & equipment
G&A = general and administrative
GPR = gross potential rent
IO = interest only
LC = leasing commission
LTV = loan-to-value
MHC = mobile home community
MTM = month to month
MSA = metropolitan statistical area
n.a. = not available
n/a = not applicable
NCF = net cash flow
NNN = triple net
NOI = net operating income
NRA = net rentable area
OSAR = operating statement analysis report
PPL = pari passu loan
psf = per square foot
R&M = repairs & maintenance
REIT = real estate investment trust
RevPAR = revenue per available room
sf = square foot/square feet
SPE = special purpose entity
TI = tenant improvement
TIC = tenants in common
T-12 = trailing 12 months
UW = underwriting
WA = weighted average
WAC = weighted-average coupon
WH = warehouse
x = times
YE = year-end
YTD = year-to-date

Glossary

capital expenditure (capex) – Costs incurred in the improvement of a property that will have a life of more than one year.

debt service coverage ratio (DSCR) – A measure of a mortgaged property's ability to cover monthly debt service payments, defined as the ratio of net operating income (NOI) or net cash flow (NCF) to the debt service payments.

effective gross income (EGI) – Rental revenue minus vacancies plus miscellaneous income.

issuer UW – Issuer underwritten from Annex A or servicer reports.

loan-to-value (LTV) – The ratio between the principal amount of the mortgage balance, at origination or thereafter, and the most recent appraised value of the underlying real estate collateral, generally from origination.

net cash flow (NCF) – The revenues earned by a property's ongoing operations less the expenses associated with such operations and the capital costs of tenant improvements, leasing commissions and capital expenditures (or reserves). Moreover, NCF is net operating income (NOI) less tenant improvements, leasing commissions and capital expenditures.

NNN (triple net) – A lease that requires the tenant to pay operating expenses such as property taxes, insurance and maintenance, in addition to the rent.

net operating income (NOI) – The revenues earned by a property's ongoing operations less the expenses associated with such operations but before mortgage payments, tenant improvements, replacement reserves and leasing commissions.

net rentable area (NRA) – The area (sf) for which rent can be charged. NRA includes the tenant's premises plus an allocation of the common area directly benefiting the tenant, such as common corridors and restrooms.

revenue per available room (RevPAR) – A measure that divides revenue by the number of available rooms, not the number of occupied rooms. It is a measure of how well the hotel has been able to fill rooms in the off-season, when demand is low even if rates are also low, and how well it fills the rooms and maximizes the rate in the high season, when there is high demand for hotel rooms.

tenant improvements (TIs) – The expense to physically improve the property or space, such as new improvements or remodeling, paid by the borrower.

weighted average (WA) – Calculation is weighted by the size of each mortgage in the pool.

weighted-average coupon (WAC) – The average coupon or interest payment on a set of mortgages, weighted by the size of each mortgage in the pool.



Insight beyond the rating.

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