Insight beyond the rating

Surveillance Report

Schooner Trust, Series 2006-5

MARCH 2010

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CAPITAL STRUCTURE

Class	Original Balance	Current Balance	Interest Shortfall	Original C/E	Current C/E	Original DBRS Rating	Current DBRS Rating	Trend
A-1	$192,600,000	$149,671,056		10.89%	11.95%	AAA	AAA	Stable
A-2	$241,000,000	$241,000,000		10.89%	11.95%	AAA	AAA	Stable
B	$9,200,000	$9,200,000		9.00%	9.87%	AA	AA (high)	Stable
C	$10,340,000	$10,340,000		6.88%	7.54%	A	A	Stable
D	$13,399,322	$13,399,322		4.12%	4.52%	BBB	BBB	Stable
E	$3,041,325	$3,041,325		3.50%	3.84%	BBB (low)	BBB (low)	Stable
F	$3,649,591	$3,649,591		2.75%	3.02%	BB (high)	BB (high)	Stable
G	$1,824,795	$1,824,795		2.37%	2.60%	BB	BB	Stable
H	$1,216,530	$1,216,530		2.12%	2.33%	BB (low)	BB (low)	Stable
J	$1,216,530	$1,216,530		1.87%	2.06%	B (high)	B (high)	Stable
K	$1,216,530	$1,216,530		1.62%	1.78%	B	B	Stable
L	$2,433,060	$2,433,060		1.12%	1.23%	B (low)	B (low)	Stable
M	$5,474,385	$5,474,385		n/a	n/a	NR	NR	n/a
X-C	$486,612,068	$443,683,124		n/a	n/a	AAA	AAA	Stable
X-P	$467,214,004	$361,864,169		n/a	n/a	AAA	AAA	Stable

DBRS RATINGS VIEWPOINT

DBRS has today upgraded Class B to AA (high) and confirmed the remaining classes of the transaction with Stable trends. The upgrade reflects the positive outlook for the transaction, following significant collateral reduction and three loans (5.1% of the pool) being collateralized by Government of Canada securities. After approximately 48 months of seasoning, all 91 loans remain in the pool and have collectively amortized 8.8% since issuance. In addition, two top ten loans loans, Springdale Square and Greenwood Beach Retail Centre (combined 6.6% of the pool) are shadow-rated at BBB (low) and BBB, respectively. DBRS shadow rates five additional loans in the pool, representing 3.4% of the current pool balance. While the majority of the underlying properties have been able to address the challenges brought on by a difficult economic environment, DBRS applied significant cash flow stresses to account for potential future declines in performance when modeling this transaction. However, given the amortization schedules and performance of the underlying loans to date, DBRS expects the transaction to maintain stable performance. DBRS has, however, removed the shadow rating of 6405 Sherbrooke Street (0.8% of the pool), see page 7 of this report for more details.

STRUCTURAL FEATURES

This transaction is a sequential-pay pass-through structure. Structual elements of the trust, such as servicing fees and appraisal reductions on defaulted loans, give rise to the potential for interest shortalls to bondholders. As an investor note, as of February 2010, 2007 financials for nine loans (5.1% of the pool) were being classified as preceding fiscal year financials by the master servicer.

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COLLATERAL SUMMARY	Original Closing Mar-2010	Current Cut-Off Feb-2010
Trust Balance	$486,612,072	$443,683,126
Whole Loan Balance	$486,612,072	$443,683,126
Number of Loans	91	91
WAC	5.3%	5.3%
WALTV	68.6%	62.8%
WADSCR	1.46x	1.58x
DSCR % Reporting	100.0%	100.0%

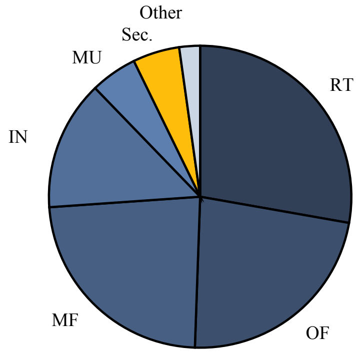
LARGE LOAN CONCENTRATIONS

	With Multifamily				Without Multifamily			
Loan Size	% of Pool	WADSCR	WALTV	% Reporting	% of Pool	WADSCR	WALTV	% Reporting
Loans 1-10	38.2%	1.60x	62.6%	100.0%	25.0%	1.55x	63.5%	100.0%
Loans 11-20	19.3%	1.55x	65.0%	100.0%	17.8%	1.57x	64.5%	100.0%
Total Pool	100.0%	1.58x	62.8%	100.0%	76.8%	1.60x	62.3%	100.0%

DSCR Reporting	% of Pool
2008	73.8%
2009	20.8%

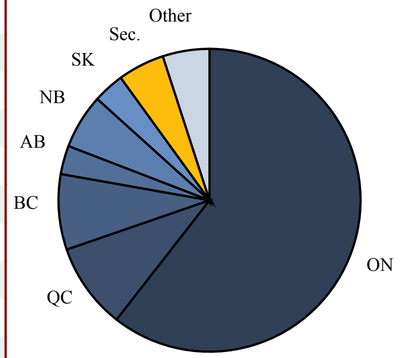
PROPERTY TYPE CONCENTRATION

Property Types	Issuance	Current
Retail (RT)	28.2%	28.0%
Office (OF)	28.1%	22.8%
Multifamily (MF)	22.8%	23.3%
Industrial (IN)	14.0%	13.9%
Mixed Use (MU)	5.0%	5.0%
Self Storage (SS)	1.8%	1.8%
Mobile Home Park (MHC)	0.2%	0.2%
Securities (Sec.)	0.0%	5.1%



GEOGRAPHIC CONCENTRATION

State/Province	Issuance	Current
ON	61.1%	60.8%
QC	9.2%	9.2%
BC	7.8%	7.9%
AB	7.6%	3.2%
NB	5.6%	5.7%
SK	3.3%	3.4%
MB	2.8%	2.8%
NS	2.1%	2.1%
PE	0.6%	0.0%
Securities	0.0%	5.1%



CONCENTRATION COMMENTARY

All 91 loans remain in the pool from issuance and collectively, the pool has amortized 8.8%, as of February 2010. There are no IO loans in this transaction (full or partial) as well as no subordinate debt held against any of the trust collateral. The transaction is concentrated geographically with 60.7% of the pool located in Ontario. This risk is mitigated by the fact that 63.3% of these properties are located in urban markets and by the miminmal geographic concentration in Alberta (3.2%). Three loans are fully defeased representing 5.1% of the transaction.

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LARGE LOAN PERFORMANCE SUMMARY

Loan Name	Property Type	Balance	% of Pool	Whole-Loan/Unit	% Change from Underwriting NCF	Revenue	Expenses	Original/Current Shadow Rating	Pari Passu
Briton House	Multifamily	$28,155,899	6.4%	$122,417	4.6%	n.a.	n.a.	n/a	N
Lindsay Square	Retail	$19,382,753	4.4%	$100	7.0%	n.a.	n.a.	n/a	N
PetroFina Building	Securities	$19,132,261	4.3%	$115	n/a	n.a.	n.a.	n/a	N
380 & 400 Waterloo Avenue	Multifamily	$17,551,416	4.0%	$66,990	-0.1%	n.a.	n.a.	n/a	N
Springdale Square	Retail	$16,449,482	3.7%	$156	0.4%	n.a.	n.a.	BBB (low)/BBB (low)	N
Place Heritage Court	Office	$16,376,065	3.7%	$63	37.0%	n.a.	n.a.	n/a	N
Dundeal Properties	Mixed Use	$14,010,567	3.2%	$67	8.3%	n.a.	n.a.	n/a	N
Greenwood Beach Retail Centre	Retail	$12,915,382	2.9%	$123	11.2%	n.a.	n.a.	BBB/BBB	N
Davenport Apartments	Multifamily	$12,759,442	2.9%	$45,246	-4.0%	n.a.	n.a.	n/a	N
1085 Homer Street	Office	$12,456,526	2.8%	$232	12.7%	n.a.	n.a.	n/a	N
March? Lavaltrie	Retail	$3,792,349	0.9%	$113	-2.2%	n.a.	n.a.	BBB (high)/BBB	N
6405 Sherbrooke Street	Retail	$3,581,600	0.8%	$167	-18.2%	n.a.	n.a.	A (low)/NR	N
Shoppers Drug Mart	Mixed Use	$3,327,571	0.8%	$126	5.2%	n.a.	n.a.	A (low)/A (low)	N
McArthur Plaza	Retail	$3,272,213	0.7%	$81	8.4%	n.a.	n.a.	BBB (high)/BBB (high)	N
Shoppers Drug Mart1	Retail	$2,593,685	0.6%	$123	8.9%	n.a.	n.a.	A (low)/A (low)	N
Shoppers Drug Mart2	Retail	$2,145,982	0.5%	$127	9.2%	n.a.	n.a.	A (low)/A (low)	N
Waterfront Place Office Building	Securities	$2,120,484	0.5%	$65	n/a	n.a.	n.a.	A (low)/NR	N

TOP TEN & SHADOW-RATED LOANS

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
1	**Briton House**	**Multifamily**	**n/a**	**6.4%**	**$122,417**	**Nov-2015**	**90.0%**	**Apr-2009**	**1.91x**	**1.99x**

Commentary

The subject property is a high-rise retirement residence consisting of 230 units in Toronto. Ten of these units were added in 2007 following renovations at an estimted cost of $1.25 million. The loan has exhibited stable performance, with the T-12 2009 NCF reported at 4.6% above issuance levels, resulting in a DSCR of 1.99x. The loan has amortized down 8.7% since issuance and, as of April 2009, reported a 89.6% occupancy rate. The property is configured into two towers joined by an atrium above a retail space and received an Excellent rating from a July 2009 servicer site inspection. The two retail units are occupied by Timothy's World Coffee and a Sobeys/IGA grocery store (January 2016 lease expiration). Although the property had an expense ratio of 63% in 2009, this is considered to be inline with typical levels for the property type. Additionally, the property is located in an upscale area and has continued to command higher rental rates. At $122,417 per unit, leverage is considered to be reasonable with the collateral's infill location. The property is managed by the Wells family, the sponsor of the loan and beneficial owner of the property, which has invested substantial capital in the property renovation since issuance. The loan is non recourse.

Commentary Continued on Next Page

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TOP TEN & SHADOW-RATED LOANS

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
2	**Lindsay Square**	**Retail**	**n/a**	**4.4%**	**$100**	**Jan-2016**	**96.0%**	**Dec-2008**	**1.28x**	**1.37x**

Commentary

The subject property continues to mantain stable performance after reporting a YE2008 DSCR of 1.37x. Lindsay Square was built in 1970, expanded in 1990 and renovated in 2005 and is located in Lindsay, Ontario, 127 km northeast of Toronto. As of February 2009, the enclosed community mall was 96.3% occupied with Zellers serving as the anchor (50.6% of the NRA), on a lease until August 2012. Other national tenants include Pharma Plus (5.3% of the NRA), Buck or Two (4.4% of the NRA) and Stitches (2.1% of the NRA). Lease rollover is well staggered through the term with an exception in 2012 when Zellers' lease is scheduled to expire. Zellers has operated at this location since 1972 and currently represents 11.5% of the base rent. At issuance, Zellers reported historical sales per square foot of $300 which was well above the chain average of $155 psf at the time (updated sales figures are unavailable). However, Zellers and other tenants at the property are expected to experience increased competition from a new Wal-Mart that is slated to begin construction in 2010, just north of the subject. Given the size of the local community and the opening of the new Wal-Mart, the likelihood of Zellers renewing in 2012 is uncertain. The property has been well maintained and was noted to be in Good condition in a May 2009 servicer site inspection. The property's location is the largest retail node in the area with excellent accessibility and visibility from Highway 7. The borrower, whose principals are pension funds, has strong experience in owning and managing shopping centres, office buildings and industrial complexes. The loan is non recourse.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
3	**PetroFina Building**	**Securities**	**n/a**	**4.3%**	**$115**	**Jan-2016**	**n/a**	**n/a**	**1.29x**	**n/a**

Commentary

This loan is fully defeased, effective August 2007.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
4	**380 & 400 Waterloo Avenue**	**Multifamily**	**n/a**	**4.0%**	**$66,990**	**Jan-2016**	**96.0%**	**Sep-2008**	**1.34x**	**1.34x**

Commentary

This loan is secured by two 11-storey apartment buildings in Guelph, Ontario. Property performance has been stable since issuance and inline with Issuer UW figures. The unit mix consists of 88 one-bedroom units and 174 two-bedroom units and as of February 2009, the complex reported a 96.2% occupancy rate. According to CB Richard Ellis (CBRE), market vacancy in the Waterloo region was 3.1%, as of Q4 2009. In addition, there were 35 transactions executed in the market in 2009, at an average price per unit of $133,549 (CBRE). This compares favorably with the subject's leverage point of $66,990 unit, decreasign from $71,574 at issuance. The property has been well maintained and was noted to be in Good condition in the March 2009 servicer site inspeciton. Homestead Land Holdings Limited provides full recourse for the loan which is one of the largest multifamily operators in Canada.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
6	**Springdale Square**	**Retail**	**BBB (low)/BBB (low)**	**3.7%**	**$156**	**Dec-2014**	**100.0%**	**Dec-2008**	**1.42x**	**1.42x**

Commentary

This loan is secured by a 105,453 sf retail property in Brampton, Ontario. The centre was built in 1996 and has been anchored since issuance by a Fortinos (58.8% of the NRA) whose parent company, Loblaw Companies Limited, is rated BBB by DBRS. Through 2011, leases represting 76.9% of the NRA are scheduled to expire, includning Fortinos' lease in March 2011. Other notable tenants include Blockbuster Video (5.7% of the NRA), Bank of Nova Scotia (4.8% of the NRA) and McDonald's (3.2% of the NRA). The property was last inspected in May 2009 and received a rating of Good, with no deferred maintenance. The inspector also noted the property was 98.2% occupied with one vacant unit, which was previously leased to Nu Sportwear through December 2011. Mitigating the 2011 rollover risk is the property's stable performance since issuance (1.42x DSCR at YE2007 and YE2008) and by the fact Fortinos has historically performed well at this location, reporting sales of $589 psf at issuance. Additionally, the loan is full recourse to Canadian Real Estate Investment Trust (CREIT, rated BBB (low) by DBRS) whose portfolio consits of more than 160 properties measuring greater than 22 million square feet. Given this strong sponsorship, DBRS shadow-rates the loan at BBB (low).

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
5	**Place Heritage Court**	**Office**	**n/a**	**3.7%**	**$63**	**Nov-2015**	**99.0%**	**Aug-2009**	**1.36x**	**1.86x**

Commentary

Collateral for the loan consists of a six-storey, 234,972 sf Class B office building and a single storey, 26,039 sf building, originally constructed in 1918 and renovated in 1981. Located in Moncton, New Brunswick, the subject has exhibited strong performance since issuance and most recently reported a T-12 2009 DSCR of 1.86x (Issuer UW DSCR was 1.36x). However, as of the latest rent roll from December 2009, 99.9% of the NRA is scheduled to expire by the end of 2012, including the property's three largest tenants: Exxon Mobile (40.3% of the NRA), Government of Canada (31.3% of the NRA) and UPS (10.0% of the NRA). The remaining tenancy includes an insurance company, a life insurance company, doctor offices, a credit union, and a café. Tenant rollover risk is mitigaged by the property's tenant mix, stable occupancy (99.7% since issuance) and desirable location in the downtown core. The sponsor of the non-recourse loan is Basic Properties Ltd. which is owned by Richard Carpenter Family Trust and controlled by Richard Carpenter. It is worthy to note a major portion of the parking lot is included in three land leases which expire in 2030 and all are leased from related companies beneficially owned by the Carpenter family.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
7	**Dundeal Properties**	**Mixed Use**	**n/a**	**3.2%**	**$67**	**Feb-2016**	**100.0%**	**Dec-2008**	**1.35x**	**1.46x**

Commentary

The loan is secured by two properties (one office and one industrial asset), both of which are occupied by single tenants and are located in Mississauga, Ontario. 2285 Speakman Drive is a 29-year old, 130,335 sf, four-storey office building fully leased to Atomic Energy of Canada (AEC). AEC, a Crown Corporation, has been in occupancy since 1981 and in 2009, renewed its lease for ten years at a slightly higher rate of $13.25 psf, stepping to $15.50 psf over the term. 199 Traders Boulevard East measures 77,449 sf with a two-level office component representing 30% of the building, with the remaining space used for industrial purposes. The property is fully leased to Macro Engineering and Technology (Macro Enginerring, lease expiration August 2015). Macro Engineering has the right to increase its lease space by expanding the building by up to 40,000 sf, which would become part of the loan’s collateral, this option likely adds to the tenant's renewal probability. There was limited new construction in the local market in 2009 with approximately 100,000 sf of Class A office space added, according to Altus InSite. In addition, GE Canada Real Estate Equity Holdings, a wholly owned subsidiary of General Electric, provides full recourse for the loan.

Commentary Continued on Next Page

TOP TEN & SHADOW-RATED LOANS

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
8	**Greenwood Beach Retail Centre**	**Retail**	**BBB/BBB**	**2.9%**	**$123**	**Oct-2015**	**97.0%**	**May-2009**	**1.61x**	**1.79x**

Commentary

As of the T-12 2009 reporting, performance improved at this property with the DSCR and occupancy rising from 1.67x and 88% in 2008, to 1.79x and 97%, respectively. Collateral for the loan consists of a retail and entertainment facility, in the affluent area of Toronto known as The Beaches. The property exhibits a staggered roll-over schedule through 2012 when the lease of the largest tenant, Ontario Jockey Club (OJC, 40.3% of the NRA), is scheduled to expire. OJC has been on-site since 1881, and required an off-track betting facility be operated at the location during the original land transaction. Given this and the fact that OJC renewed its space just after issuance, it is anticipated that they will again renew in 2012. The second largest tenant, Alliance Atlantis Cinema (28.7% of the NRA) has a lease expiration in June 2019, while the lease of the third largest tenant, Beach Fitness Centre (9.2% of the NRA), expires in June 2013. Based on the original loan documents, recourse on the loan was reduced with OJC's renewal in 2007 from 100% to 33%. This guarantee is provided by Ayrfield Holdings Limited and Con-Drain Company Limited, both of which have principals that are highly regarded developers with have several decades of successful real estate experience. Given the property's desirable location, strong performance and favorable leverage ($90 psf at loan maturity), DBRS shadow rates this loan at BBB.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
9	**Davenport Apartments**	**Multifamily**	**n/a**	**2.9%**	**$45,246**	**Jan-2016**	**100.0%**	**Dec-2008**	**1.47x**	**1.41x**

Commentary

As of March 2010, the loan was assumed by Avila Investments Limited for $19 million, equating to a loan to purchase price ratio of 67.2%. This new value is slightly below the property's appraised value at issuance of $19.8 million. Avila Investments was formed in 1980 and is primarily engaged in the rental of commercial property. Additionally, both the original owner and the new owner will be considered indemnitors for the non-recourse loan. The loan was addedd to the servicer's watchilist in December 2009 for having an unapproved second and third mortgage on the property. As a condition of closing, the servicer is requiring these liens be discharged. Davenport Apartments was constructed in 1989 and is locaated in Waterloo, Ontario. It is comprised of two, six-storey apartment buildings, each containing 141 units, all except two of which are one-bedroom units. As of November 2009, the subject was 98% occupied and the loan's DSCR for the first ten months of 2009 was 1.49x. According to CBRE, market vacancy in the Waterloo region was 3.1%, as of Q4 2009. In addition, there were 35 transactions executed in the market in 2009 at an average price per unit of $133,549, up significantly from just under a $100,000 per unit in 2008 (CBRE). While the local market average sales price per unit is significantly higher than that of Davenport Apartments, the Waterloo region comprises a large area with varying property qualities and relative sales comparables are not available.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
10	**1085 Homer Street**	**Office**	**n/a**	**2.8%**	**$232**	**Feb-2016**	**100.0%**	**Dec-2008**	**1.30x**	**1.46x**

Commentary

The subject property consists of a 53,621 sf Class A office building in downtown Vancouver. Combined, the property's two largest tenants, Cossette Communications (Cossette) and Bodyco Fitness, represent 77.3% of the NRA and are on leases through September 2015 and October 2013, respectively. The subject reported a YE2008 DSCR of 1.46x and, as of May 2009, was 100% occupied. Cossette pays $21 psf which is below the current Class A average asking rent of $24.11 in the Yaletown node (Altus InSite). In addition, a monthly escrow will be established if Cossette does not renew six months prior to its lease expiry to collect a reserve of no less than $5 psf for any to-be vacated space. The loan is 50% recourse and while leverage is above average at $232 psf, the property was built for office/retail use and features larger floor plates, unlike many of the buildings in Yaletown which were converted from warehouse uses.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
37	**March? Lavaltrie**	**Retail**	**BBB (high)/BBB**	**0.9%**	**$113**	**Jan-2011**	**100.0%**	**Dec-2008**	**1.29x**	**1.26x**

Commentary

This loan is secured by a 33,516 sf retail property in Lavaltrie, Québec, approximately 59 km north of Montréal. The property is 100% occupied by an IGA, a subsidiary of Sobeys Inc., on a lease through Febrary 2025. As of YE2008, the loan reported a DSCR of 1.26x and the leverage at $113 psf is considered to be reasonable. The shadow rating of the loan is BBB, based on the current corporate rating of the parent company of the single tenant.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
42	**6405 Sherbrooke Street**	**Retail**	**A (low)/NR**	**0.8%**	**$167**	**Feb-2016**	**75.0%**	**Mar-2009**	**1.29x**	**1.06x**

Commentary

The subject collateral is a two-storey mixed-use building located in Montréal. The property was built in 1910 and renovated in 2005, with the lower level anchored by Pharmaprix (a subsidiary of Shoppers Drug Mart) and a second storey of apartment units. Occupancy at the subject has declined from 100% at YE2008 to 75%, as of Q1 2009, resulting in a DSCR of 1.06x. In addition, a June 2009 servicer site inspection rated the property at Fair, with moderate deferred maintenance. During the inspection, the borrower also discussed the possibility of converting the apartments into a long term care facility and additing two additional storeys to the property. The loan was originally shadow rated based on DBRS rating of Shoppers Drug Mart but as a result of the decline in performance and uncertainty with the asset, the shadow rating has been removed.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
44	**Shoppers Drug Mart**	**Mixed Use**	**A (low)/A (low)**	**0.8%**	**$126**	**Feb-2016**	**81.0%**	**Dec-2008**	**1.48x**	**1.56x**

Commentary

The subject collateral is a 26,460 sf mixed-use property in eastern Dartmouth, Nova Scotia. The property is anchored by Shoppers Drug Mart (65.8% of the NRA) on a lease through September 2020. The loan's A (low) shadow rating is based on the DBRS corporate rating of the anchor tenant and the rent on its long term lease that produces a DSCR above 1.0x.

Commentary Continued on Next Page

Schooner Trust, Series 2006-5

TOP TEN & SHADOW-RATED LOANS

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
45	**McArthur Plaza**	**Retail**	**BBB (high)/BBB (high)**	**0.7%**	**$81**	**Feb-2016**	**100.0%**	**Dec-2008**	**2.20x**	**2.38x**

Commentary

The subject collateral is a 40,636 sf retail centre in downtown Ottawa. The property was built in 2005 and is anchored by a free-standing Price Chopper (78.3% of the NRA), a subsidiary of Sobeys Inc., on a lease through February 2012. As of YE2008, the loan reported a DSCR of 2.38x, and the leverage at $81 psf is considered favorable. The shadow rating of the loan is BBB, based on the current corporate rating of the parent company of the single tenant.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
52	**Shoppers Drug Mart1**	**Retail**	**A (low)/A (low)**	**0.6%**	**$123**	**Dec-2015**	**92.0%**	**Dec-2008**	**1.63x**	**1.78x**

Commentary

The subject collateral is a 21,131 sf anchored retail centre located in Antigonish, Nova Scotia. The property was constructed in 2005 and is anchored by Shoppers Drug Mart (75.2% of the NRA), on a lease through July 2020. The loan's A (low) shadow rating is based on the DBRS corporate rating of the anchor tenant and the rent on its long term lease that produces a DSCR above 1.0x.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
62	**Shoppers Drug Mart2**	**Retail**	**A (low)/A (low)**	**0.5%**	**$127**	**Dec-2015**	**100.0%**	**Dec-2008**	**1.72x**	**1.88x**

Commentary

The subject collateral is a 16,912 sf anchored retail centre located in New Glasgow, Nova Scotia. The property was constructed in 2005 and is anchored by Shoppers Drug Mart (single tenant) on a lease through July 2020. The loan's A (low) shadow rating is based on the DBRS corporate rating of the anchor tenant and the rent on its long term lease that produced a YE2008 DSCR of 1.88x.

Prospectus ID	Property Name	Property Type	Shadow-Rating	Current % of Pool	Whole-Loan/Unit	Maturity Date	Occupancy	Recent FY Date	Whole-Loan Issuer DSCR	Recent FY DSCR
53	**Waterfront Place Office Building**	**Securities**	**A (low)/NR**	**0.5%**	**$65**	**Oct-2015**	**n.a.**	**n/a**	**1.33x**	**n/a**

Commentary

This loan fully defeased in February 2006.

Schooner Trust, Series 2006-5

DBRS HOTLIST FINDINGS

Number of Loans on DBRS HotList	1	**Number of Loans on Servicer Watchlist**	5
Percent of Pool	0.5%	**Percent of Pool**	4.2%

HOTLIST LOANS

Loan Name	Property Type	City	State/Province	Balance	Percent of Pool	Recent FY DSCR	Performance Challenges
675 Yonge Street	Mixed Use	Toronto	ON	$2,180,936	0.5%	1.91x	Decline in occupancy

Prospectus ID	56	**Percent of Pool**	0.5%
Property Name	675 Yonge Street	**Whole-Loan/Unit**	$93
Property Type	Mixed Use	**Location**	Toronto, ON
Trust Loan Balance	$2,180,936	**HotList Performance Challenge(s)**	Decline in occupancy

Description & Performance

This loan is HotListed for a decline in occupancy. The property's largest tenant, Fitness One Ladies Spa (68.6% of the NRA), was on a lease through November 2011 but was evicted in 2008 for non-payment of rent, and the company was subsequently closed. As a result, occupancy at the subject is now 35.4% and the 2009 DSCR will be below 1.0x. The collateral consists of a 23,482 sf, four-storey building in downtown Toronto with tenants including Starbucks and McDonalds. Fitness One Ladies Spa had occupied floors 2,3 and 4 but following the departure, the borrower decided to gut this space and convert it to office space. In addition, a June 2009 servicer site inspection noted plans for a new HVAC system, extensive repairs to the roof, and the installation of a new elevator. According to the servicer, renovations were scheduled to be completed by December 2009 and the space is currently being marketed. The loan amortizes on a 20-year schedule and combined with the recent improvements invested by the borrower, DBRS believes the loan's default risk is minimal. The loan is 25% recourse.

Schooner Trust, Series 2006-5

DELINQUENT/SPECIALLY SERVICED LOANS

Number of Defaulted/Delinquent/Matured Performing Loans	0
Percent of Pool	0.0%

Loan Name	Property Type	City	State/Province	Balance	Percent of Pool	Recent FY DSCR

INTEREST SHORTFALLS

Cumulative Interest Shortfall	$0

Shortfall Description

The trust has no interest shortfalls.

Notes & Glossary

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
ERV = estimated rental value
F&B = food & beverage
FF&E = furniture fixtures & equipment
G&A = general and administrative
GPR = gross potential rent
ICR = interest coverage ratio
IPD = interest payment date, generally quarterly
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
NCF = net cash flow
NNN = triple net
NOI = net operating income
NRA = net rentable area
NRI = net rentable income
NR PIF = not rated paid in full
OSAR = operating statement analysis report
P&B = payroll and benefits
P&I = principal and interest
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

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 propertys 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.

maximum debt service The maximum actual annual debt service obligations of the borrower throughout the term of the loan.

net cash flow (NCF) The revenues earned by a propertys 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 propertys 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 tenants 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 remodelling, 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.

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