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FOR IMMEDIATE RELEASE**Morningstar Credit Ratings, LLC Affirms its 'MOR CS1' Commercial Mortgage Primary, Master, and Special Servicer Rankings for Midland Loan Services**

NEW YORK, Dec. 19, 2013--Morningstar Credit Ratings, LLC today affirmed its 'MOR CS1' rankings for Midland Loan Services (Midland) as a commercial mortgage primary, master, and special servicer. The forecast for all three rankings remains Stable. The affirmed rankings reflect Morningstar's assessment of Midland's operational infrastructure and portfolio administration capabilities. In particular, the affirmed rankings are based on the following composite factors:

- Expertise with client and investor reporting: Midland has a high degree of experience and a successful performance record as a commercial mortgage-backed securities (CMBS) primary and master servicer with respect to timely and accurate reporting, investor satisfaction, responding to information requests, the overall quality of asset-level reporting content, controlled advance determination procedures, proactive sub-servicer oversight and auditing, investor website functionality, and the management of other duties covering large and complex transactions. Midland did not incur any material reporting errors or restatements during 2012 or the first half of 2013. In addition, Morningstar holds a positive opinion of Midland's CMBS master servicing capabilities as demonstrated by the company's capacity to meet its ongoing advancing responsibilities and representations regarding its financial resources.
- Excellent technology: Midland has effective technology tools, which provide high levels of automation and centralized data management, to accommodate a large and diverse servicing portfolio with a high degree of operating efficiency.
- Solid management depth: Midland has overall operational stability and a significant amount of industry experience among its management and portfolio management staff, although the servicing staff as a whole has less-than-average industry-related experience compared to other

master servicers Morningstar reviews. Midland continues to maintain a centralized servicing operation within the United States and does not use offshore servicing functions.

- Comprehensive audit program more aligned with its parent audit requirements: Midland has improved upon its already comprehensive audit program by aligning the depth of review with its parent bank's audit program. As a result, Midland undergoes more stringent security-level testing related to its technology and servicing operations as a whole. An independent quality control and regulatory compliance department examines a broad range of loan administration and portfolio management processes, and is supplemented with a number of performance monitoring activities and compliance routines embedded in the company's daily workflow practices.
- Well-controlled asset management practices and effective conflicts of interest management: Midland demonstrates best practices for proactive asset management and portfolio oversight, and maintains effective policies and procedures to manage conflicts of interest. A subsidiary of Midland's parent bank, The PNC Financial Services Group, Inc., does have an approximate 20 percent ownership interest in BlackRock, Inc., which invests in CMBS. With respect to conflicts of interest, Midland stated that, as part of a regulated bank, it must comply with federal regulations in its interaction with affiliates, and as a result, must treat BlackRock the same as any other non-affiliated entity. Overall, Morningstar views Midland as a special servicer that operates essentially without the potential conflicts of interest inherent in many CMBS transactions in which the special servicer has a close affiliation with the first loss (B-piece) investor. In addition, Midland does not use affiliates to purchase assets from securitization trusts as the company's business model requires it to act as an independent, third-party special servicer without any investment in subordinate CMBS.
- Continuing successful performance as a special servicer: Midland continues to have a very successful asset resolution performance record as a special servicer and is proactive, particularly with respect to monitoring advances and asset valuations.

As of June 30, 2013, Midland's combined primary and master servicing portfolio, inclusive of shared servicing, was approximately \$309 billion based on aggregate unpaid principal balances (UPB) and 33,124 loans, representing 22 percent and 7 percent increases by UPB and loan count, respectively, compared to June 30, 2012. As of June 30, 2013, Midland was the master servicer on 96 CMBS transactions, primary/master combined servicer on 183 CMBS transactions, and the named special servicer on 129 CMBS transactions. This compares to Midland's 67 CMBS transactions as the master servicer only, 139 CMBS transactions as the

primary/master combined servicer, and 113 CMBS transactions as the named special servicer, as of June 30, 2012.

As of June 30, 2013, Midland's entire CMBS portfolio consisted of 10,993 loans with an aggregate UPB of \$138 billion, compared to 10,688 loans with an aggregate UPB of \$116 billion as of June 30, 2012.

Additionally, as of Nov. 18, 2013, Midland was the named servicer on Invitation Homes 2013-SFR1, a single-family rental securitization collateralized by 3,207 single-family rental properties with an aggregate UPB of \$479.1 million and rated by Morningstar Credit Ratings.

During the first half of 2013, Midland resolved approximately 52 percent of its active special servicing inventory, by asset count, compared to 39 percent as of June 30, 2012. As of June 30, 2013, Midland's special servicing portfolio contained 173 active assets with an aggregate UPB of approximately \$1.1 billion, compared to 335 active assets with an aggregate UPB of approximately \$3.2 billion as of June 30, 2012.

The forecast for all three rankings is Stable. Morningstar believes that Midland is fully capable of serving as an effective primary, master, and special servicer for its investor clients.

To access Morningstar Credit Ratings' operational risk assessment methodology and all published reports, please visit <https://ratingagency.morningstar.com>.

About Morningstar Credit Ratings, LLC and Morningstar, Inc.

Morningstar Credit Ratings, LLC is a Nationally Recognized Statistical Rating Organization (NRSRO) that specializes in structured credit research and ratings, and offers a wide array of services including new-issue ratings and analysis, operational risk assessments, surveillance services, data, and technology solutions.

Morningstar Credit Ratings' rankings, forecasts, and assessments contained in this press release are evaluations and opinions of non-credit related risks, and therefore, are not credit ratings within the meaning of Section 3 of the Securities Exchange Act of 1934 ("Exchange Act") or credit ratings subject to the Exchange Act requirements and regulations promulgated thereunder with respect to credit ratings issued by NRSROs.

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