

June 6, 2011

Re: Realpoint Annual Review and Rebranding

Dear Realpoint Client:

I would like to take this opportunity to thank you for your business, review some of our accomplishments over the last 12 months, and share some exciting new developments for 2011 with you.

In May 2010, we announced that Realpoint had been acquired by Morningstar, Inc., a leading provider of independent investment research. Our first year as part of Morningstar has been exciting and successful and has allowed us to continue with the strategic expansion of our business during a difficult market environment.

### **Rebranding**

In June, we'll begin a new chapter by rebranding our name under Morningstar. We're proud of the reputation we've built in the commercial mortgage-backed securities market, and equally proud to be adopting a trusted name like Morningstar.

You can be assured that we'll continue to deliver our services with the same focus and professionalism you've come to expect from us. There was always one clear reason we believed the combination of Realpoint and Morningstar would be successful: the unrelenting focus of both firms on helping investors. Our advocacy for investors will continue to be the cornerstone of our business for the long term.

### **New Issue CMBS Ratings**

Our participation in the CMBS new issue ratings market continues to flourish, with stronger-than-ever investor demand for our ratings analysis. Since the beginning of 2010, we've provided new issue ratings on 13 CMBS transactions, with a combined deal balance of \$11,474,855,558. We believe that our pre-sale analysis, our comprehensive approach to underwriting the assets in the transactions, and the transparency of our approach have been the keys to our success. The pipeline for new issue CMBS deals looks strong for the balance of 2011, and we hope to build on our current success with additional ratings assignments.

### **Operational Risk Assessment**

In March, we launched an operational risk assessment practice, focused on evaluating commercial and residential mortgage servicing firms, loan originators, and service providers to both of these businesses. The operational risk assessment adds another important component to our analytical scope and enhances our transaction-level ratings and analysis of mortgage-backed securities.

### **CMBS Surveillance**

Our CMBS surveillance product continues to be a strong anchor for our business, with hundreds of institutional firms using our surveillance analysis. It has been almost 10 years since we entered the market, and we're proud to have served you throughout a good, bad, and now recovering market cycle. We continue to look for ways to improve our surveillance process, and recently implemented quantitative modeling to produce our "High Risk Loan" and "Expected Loss" analysis. We've also worked hard to

incorporate our ratings and loss analysis in our surveillance reporting, workstation tools, and automated data feeds for clients who wish to use our information in proprietary or third-party systems.

We're proud of these accomplishments, but more importantly, we're excited about our future and the opportunity to develop innovative products and solutions as part of Morningstar.

**Entering RMBS Market**

In the fourth quarter of 2011, we expect to enter the residential mortgage-backed securities market with a surveillance and ratings solution. We've been hard at work for the last year recruiting experienced market professionals, developing models, establishing ratings criteria and a methodology, and developing a delivery platform for our RMBS solution. For years, many of you have been seeking our analysis for RMBS, and we're excited to bring it to the market.

Our primary goal is to provide investors with the thought leadership, insightful analysis, and analytical tools they demand to navigate the challenges of today's volatile investment market. Our focus on the investor is unwavering, and our commitment to our clients is strong. We appreciate your business over the years and your continued support. Please contact me at (267) 960-6001 if you would like to discuss our future business initiatives in more detail. I look forward to hearing from you.

Best regards,



Robert Dobilas  
President  
Realpoint LLC