

News

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MOODY'S ANALYTICS LAUNCHES COMMERCIAL REAL ESTATE SUITE

Helps CRE Lenders Make Better-Informed Origination and Portfolio Management Decisions

NEW YORK - May 11, 2011 - Moody's Analytics, a leader in risk management solutions, today announced the release of its Commercial Real Estate Suite, an integrated credit risk management solution that helps commercial real estate lenders make data-driven lending and portfolio management decisions and streamline their origination process.

Based on Moody's Analytics CMM® (Commercial Mortgage Metrics), RiskAnalyst™ and RiskOrigins™ products, the Commercial Real Estate Suite incorporates industry-leading credit analysis and workflow management into the commercial real estate lending process.

"As commercial real estate lending begins to return to pre-recession levels, lenders are strongly focused on shaping loan quality to meet regulatory and internal risk policy requirements, which means enforcing rigorous standards throughout the loan origination process," said Jodi Alperstein, Managing Director, Moody's Analytics Enterprise Risk Solutions. "Moody's Analytics Commercial Real Estate Suite helps meet this need by offering an integrated, data-driven loan approval process, which includes industry-leading analytical models and efficiency-enabling workflows."

The Suite simplifies and standardizes the collection of CRE borrower data by providing convenient data templates for common property types. Borrower and loan information is then analyzed using a model, built on 30 years of market and default data, to calculate key credit metrics, including probability of default (PD) and loss given default (LGD). Metrics are available for multi-family, retail, industrial, office and hotel properties.

CRE relationship managers and credit managers can analyze how newly-originated CRE loans may impact their portfolio and determine whether a loan exceeds pre-defined limits before it is sent for final approval. The Suite also includes convenient CRE Scorecards, which provide a snapshot of qualitative and quantitative assessments that can be easily shared with loan review committees. Portfolio managers and others can use the Suite to perform stress testing for loan portfolios and to determine loss provisions.

"CRE lenders are concerned not only about having world-class analytics but also a standardized and transparent underwriting process. It's more than just quantifying the risk and severity of default; it's about deploying products that can integrate those data points into an overall workflow that leverages

that information into better CRE origination and portfolio management decisions” said Frank Bria, Research Director at TowerGroup, a Corporate Executive Board company.

The Commercial Real Estate Suite is fully-integrated and modular, allowing lenders to use the origination tools they need to support their workflow and add capabilities as their needs evolve. Because it is based on an open architecture, it can be integrated with third-party applications and internally-developed rating models. Loan data is stored in a single database that is easily retrieved for reporting and audit needs.

For more information, visit www.moodyanalytics.com/cre.

ABOUT MOODY'S ANALYTICS

Moody's Analytics helps capital markets and risk management professionals worldwide respond to an evolving marketplace with confidence. The company offers unique tools and best practices for measuring and managing risk through expertise and experience in credit analysis, economic research and financial risk management. By providing leading-edge software, advisory services and research, including the proprietary analysis of Moody's Investors Service, Moody's Analytics integrates and customizes its offerings to address specific business challenges. Moody's Analytics is a subsidiary of Moody's Corporation (NYSE: MCO), which reported revenue of \$2 billion in 2010, employs approximately 4,500 people worldwide and maintains a presence in 26 countries. Further information is available at www.moodyanalytics.com.

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