

Offering Circular Supplement
(To Offering Circular
Dated December 31, 2007)

\$994,648,000
(Approximate)



Freddie Mac
Structured Pass-Through Certificates
(SPCs), Series K-004

Offered Classes: Classes of SPCs shown below
Underlying Classes: Each Class of SPCs represents a pass-through interest in a separate class of securities issued by the Underlying Trust
Underlying Trust: FREMF 2009-K4 Mortgage Trust
Mortgages: Fixed-rate, balloon multifamily mortgages
Underlying Originators: Capmark Bank, CBRE Capital Markets, Inc., CBRE Melody & Company, CWCapital LLC, Deutsche Bank Berkshire Mortgage, Inc., Grandbridge Real Estate Capital LLC, Holliday Fenoglio Fowler, L.P., Johnson Capital Group, Inc., KeyCorp Real Estate Capital Markets, Inc., NorthMarq Capital, LLC, PNC ARCS LLC, Sierra Capital Partners, Inc. (which was acquired by CWCapital LLC), Wachovia Multifamily Capital, Inc., Walker & Dunlop, LLC and Wells Fargo Bank, National Association
Underlying Seller: Freddie Mac
Underlying Depositor: Deutsche Mortgage & Asset Receiving Corporation
Underlying Master Servicer: Midland Loan Services, Inc.
Underlying Special Servicer: DB Mortgage Services, LLC
Underlying Trustee and Underlying Custodian: Wells Fargo Bank, National Association
Payment Dates: Monthly beginning in November 2009
Optional Termination: The Underlying Trust and the SPCs are subject to 1% clean-up calls as described in this Supplement
Form of SPCs: Book-entry on Depository System of DTC
Offering Terms: The placement agents named below are offering the SPCs in negotiated transactions at varying prices
Closing Date: On or about October 22, 2009

<u>Class</u>	<u>Original Balance(1)</u>	<u>Class Coupon</u>	<u>CUSIP Number</u>	<u>Final Payment Date</u>
A-1.....	\$ 167,500,000	3.413%	31398JZR7	May 25, 2019
A-2.....	729,027,000	4.186	31398JZS5	August 25, 2019
A-3.....	98,121,000	4.241	31398JZT3	August 25, 2019
A-X1.....	1,075,295,763	(2)	31398JZU0	August 25, 2019

(1) Approximate. May vary by up to 5%.
(2) Variable rate. See *Terms Sheet — Interest*.

The SPCs may not be suitable investments for you. You should not purchase SPCs unless you have carefully considered and are able to bear the associated prepayment, interest rate, yield and market risks of investing in them. *Certain Risk Considerations* on page S-2 highlights some of these risks.

You should purchase SPCs only if you have read and understood this Supplement, the attached Offering Circular and the documents listed under *Available Information*.

We guarantee certain principal and interest payments on the SPCs. These payments are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac. The SPCs are not tax-exempt. Because of applicable securities law exemptions, we have not registered the SPCs with any federal or state securities commission. No securities commission has reviewed this Supplement.

Co-Lead Managers and Joint Bookrunners

Deutsche Bank Securities

Goldman, Sachs & Co.

Co-Managers

Banc of America Securities LLC

JPMorgan

October 7, 2009

CERTAIN RISK CONSIDERATIONS

Although we guarantee the payments on the SPCs, and so bear the associated credit risk, as an investor you will bear the other risks of owning mortgage securities. This section highlights some of these risks. You should also read *Risk Factors* and *Prepayment, Yield and Suitability Considerations* in the Offering Circular and *Risk Factors* in the Information Circular for further discussions of these risks.

SPCs May Not be Suitable Investments for You. The SPCs are complex securities. You should not purchase SPCs unless you are able to understand and bear the associated prepayment, basis redemption, interest rate, yield and market risks.

Prepayments Can Reduce Your Yield. Your yield could be lower than you expect if:

- You buy your SPCs at a premium over their principal amount and prepayments on the underlying Mortgages are faster than you expect. This is especially true for A-X1, which is an Interest Only Class.
- You buy your SPCs at a discount to their principal amount and prepayments on the underlying Mortgages are slower than you expect.

Rapid prepayments on the Mortgages, especially those with relatively high interest rates, would reduce the yield on A-X1 and could even result in the failure of investors in A-X1 to recover their investments.

A-X1 Will Be Subject to Basis Risk. A-X1 bears interest based in part on the **Weighted Average Net Mortgage Pass-Through Rate**. As a result, A-X1 will be subject to basis risk, which may reduce its yield.

The SPCs are Subject to Redemption Risk. If the Underlying Trust is terminated or the SPCs are redeemed, the effect on the SPCs will be similar to a full prepayment of all the Mortgages.

The SPCs are Subject to Market Risks. You will bear all of the market risks of your investment. The market value of your SPCs will vary over time, primarily in response to changes in prevailing interest rates. If you sell your SPCs when their market value is low, you may experience significant losses. The placement agents named on the front cover (the “**Placement Agents**”) intend to deliver the SPCs on our behalf to third party purchasers; however, if the SPCs are not placed with third parties, they will be resold to us by the Placement Agents.

TERMS SHEET

This Terms Sheet contains selected information about this Series. You should refer to the remainder of this Supplement and to the attached documents for further information.

Our Giant and Other Pass-Through Certificates Offering Circular dated December 31, 2007 and the related Offering Circular Supplements dated July 18, 2008 and March 11, 2009 (together, the “**Offering Circular**”), attached to this Supplement, define many of the terms we use in this Supplement. The Underlying Depositor’s Information Circular dated the same date as this Supplement (the “**Information Circular**”), also attached to this Supplement, defines terms that appear in **bold type** on their first use and are not defined in this Supplement or the Offering Circular.

In this Supplement, we sometimes refer to Classes of SPCs only by their number and letter designations. For example, “A-1” refers to the A-1 Class of this Series.

General

Each Class of SPCs represents the entire undivided interest in a separate pass-through pool. Each pass-through pool consists of a class of securities (the “**Underlying Class**”) issued by the Underlying Trust. Each Underlying Class has the same designation as its corresponding Class of SPCs. Each Mortgage is a fixed-rate, multifamily balloon mortgage loan that provides for (1) an amortization schedule that is significantly longer than its remaining term to stated maturity and (2) a substantial payment of principal on its maturity date.

In addition to the Underlying Classes, the Underlying Trust is issuing three other classes of securities: the **series 2009-K4 class A-X2, class B and class R certificates**.

Interest

A-1, A-2 and A-3 each will bear interest at its Class Coupon shown on the front cover.

A-X1 bears interest at a Class Coupon equal to the interest rate of its Underlying Class which is based, in part, upon the Weighted Average Net Mortgage Pass-Through Rate less the **Guarantee Fee Rate**, as described in the Information Circular. Accordingly, its Class Coupon will vary from month to month. The initial Class Coupon of A-X1 is approximately 1.484% per annum.

See *Payments — Interest* in this Supplement and *Description of the Underlying Mortgage Loans — Certain Terms and Conditions of the Underlying Mortgage Loans and Description of the Series 2009-K4 Certificates — Distributions — Interest Distributions* in the Information Circular.

Interest Only (Notional) Class

A-X1 does not receive principal payments. To calculate interest payments, A-X1 has a notional principal amount equal to the then-current sum of the principal balances of all the **series 2009-K4 principal balance certificates** issued by the Underlying Trust.

For more specific information, see *Description of the Series 2009-K4 Certificates — Distributions — Interest* in the Information Circular.

Principal

On each Payment Date, we pay principal on each Class of SPCs (other than A-X1) in an amount equal to the principal, if any, required to be paid on that Payment Date on its corresponding Underlying Class.

See *Payments — Principal and Prepayment and Yield Analysis* in this Supplement and *Description of the Series 2009-K4 Certificates — Distributions — Principal Distributions* in the Information Circular.

Federal Income Taxes

If you own a Class of SPCs, you will be treated for federal income tax purposes as owning an undivided interest in the related Underlying Class. Each Underlying Class represents ownership in a REMIC “regular interest.”

See *Certain Federal Income Tax Consequences* in this Supplement, in the Offering Circular and in the Information Circular.

Weighted Average Lives

The Information Circular shows weighted average lives and declining principal balances for each Underlying Class other than A-X1 and pre-tax yields for A-X1. The weighted average lives, declining principal balances and pre-tax yields, as applicable, for each Class of SPCs would be the same as those shown in the Information Circular for its corresponding Underlying Class, based on the assumptions described in the Information Circular. These assumptions are likely to differ from actual experience in many cases.

See *Yield and Maturity Considerations — Weighted Average Lives of the Offered Series 2009-K4 Principal Balance Certificates*, — *Yield Sensitivity of the Class A-X1 Certificates* and *Exhibits C and D* in the Information Circular.

AVAILABLE INFORMATION

You should purchase SPCs only if you have read and understood:

- This Supplement.
- The Offering Circular.
- The Underlying Depositor's Information Circular.
- The Incorporated Documents (as defined in the Offering Circular Supplement dated March 11, 2009).

This Supplement incorporates the Incorporated Documents by reference. You should rely only on the most current information provided or incorporated by reference in this Supplement.

You may read and copy any document we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding companies that file electronically with the SEC.

You can obtain, without charge, copies of the Incorporated Documents, any documents we subsequently file with the SEC, the Pass-Through Trust Agreement and current information concerning the Certificates, as well as the disclosure documents and current information for any other securities we issue, from our Investor Inquiry Department or our internet website as described on page 4 of the Offering Circular.

You can also obtain the Information Statement from the Placement Agent named below at:

Deutsche Bank Securities Inc.
Attn: Syndication Operations
60 Wall Street
New York, New York 10005
(212) 469-5000

Goldman, Sachs & Co.
Attn: Prospectus Department
85 Broad Street
New York, New York 10004
(866) 471-2526

The Underlying Depositor has prepared the Information Circular in connection with its sale of the Underlying Classes to us. The Underlying Depositor is responsible for the accuracy and completeness of the Information Circular, and we do not make any representations that it is accurate or complete.

GENERAL INFORMATION

Pass-Through Agreement

We will create the SPCs under the Pass-Through Master Trust Agreement dated December 31, 2007 and a Terms Supplement dated the Closing Date (together, the "**Pass-Through Trust Agreement**").

You should refer to the Pass-Through Trust Agreement for a complete description of your rights and obligations and those of Freddie Mac. You will acquire your SPCs subject to the terms and conditions of the Pass-Through Trust Agreement, including the Terms Supplement.

Form of SPCs

The SPCs are issued, held and transferable on the Depository System. DTC or its nominee is the Holder of each Class. As an investor in SPCs, you are not the Holder. See *Description of Pass-Through Certificates — Form of Pass-Through Certificates, Holders and Payment Procedures* in the Offering Circular.

Denominations of SPCs

A-1, A-2 and A-3 will be issued, and may be held and transferred, in minimum original principal amounts of \$1,000 and additional increments of \$1. A-X1 will be issued, and may be held and transferred, in minimum original notional principal amounts of \$100,000 and additional increments of \$1.

Structure of Transaction

General

Each Class of SPCs represents the entire interest in a pass-through pool consisting of its corresponding Underlying Class. Each Underlying Class represents an interest in the Underlying Trust formed by the Underlying Depositor. The Underlying Trust consists primarily of the Mortgages described under *Description of the Underlying Mortgage Loans* in the Information Circular. Each Class of SPCs receives the payments of principal and/or interest that are made on its corresponding Underlying Class.

In addition to the Underlying Classes, the Underlying Trust is issuing three other classes, two of which are subordinate to Underlying Classes A-1, A-2, A-3 and A-X1. These additional classes will not be assets underlying the Classes of SPCs offered hereby. The pooling and servicing agreement for the Underlying Trust (the “**Pooling Agreement**”) governs the Underlying Classes and these additional classes.

Each Underlying Class will bear interest at the same rate, and at all times will have the same principal or notional balance, as its corresponding Class of SPCs. On the Closing Date, we will acquire the Underlying Classes from the Underlying Depositor. We will hold the Underlying Classes in certificated form on behalf of investors in the SPCs.

See *Description of Pass-Through Certificates — Structured Pass-Through Certificates* in the Offering Circular.

Credit Enhancement Features of the Underlying Trust

The Underlying Classes will have a payment priority over the subordinated classes issued by the Underlying Trust. Subordination is designed to provide the holders of the Underlying Classes with protection against most losses realized when the remaining unpaid amount on a Mortgage exceeds the amount of net proceeds recovered upon the liquidation of that Mortgage. In general, this is accomplished by allocating the realized losses among subordinated certificates as described in the Information Circular. See *Description of the Series 2009-K4 Certificates — Distributions — Subordination* in the Information Circular.

Underlying Classes A-1 and A-2, in that order, will receive all of the principal payments on the underlying Mortgages until they are retired. Thereafter, Underlying Class A-3 shall be entitled to such principal payments.

Private Rating of Underlying Principal Balance Certificates

Without taking into account the Freddie Mac Guarantee, **Fitch** has determined that as of, and only as of, their date of issuance, Underlying Classes A-1 and A-2 issued by the Underlying Trust (and which back A-1 and A-2 offered hereby) would each carry a rating of “AAA” and Underlying Class A-3 issued by the Underlying Trust (and which backs A-3 offered hereby) would carry a rating of “BBB.” The ratings assigned to Underlying Classes A-1, A-2 and A-3 will not be subject to on-going monitoring, upgrades or downgrades or any further assessment by Fitch after the date of issuance of such Underlying Classes.

The Mortgages

The Mortgages consist of 46 fixed-rate mortgage loans, secured by 46 multifamily properties. The Mortgages have an initial total principal balance of approximately \$1,075,295,763 as of October 1, 2009. All of the Mortgages are balloon mortgage loans.

All of the Mortgages permit the borrowers to defease the Mortgages, if certain conditions are met. See *Description of the Underlying Mortgage Loans — Certain Terms and Conditions of the Underlying Mortgage Loans — Release of Property Though Defeasance* in the Information Circular.

Description of the Underlying Mortgage Loans and *Exhibits A-1, A-2 and A-3* in the Information Circular further describe the Mortgages.

PAYMENTS

Payment Dates; Record Dates

We make payments of principal and interest on the SPCs on each Payment Date, beginning in November 2009. A “**Payment Date**” is the 25th of each month or, if the 25th is not a **Business Day**, the next Business Day.

On each Payment Date, DTC credits payments to the DTC Participants that were owners of record at the close of business on the last Business Day of the related Accrual Period.

Method of Payment

The Registrar makes payments to DTC in immediately available funds. DTC credits payments to the accounts of DTC Participants in accordance with its normal procedures. Each DTC Participant, and each other financial intermediary, is responsible for remitting payments to its customers.

Interest

General

We pay interest on each Payment Date on each Class of SPCs. The Classes bear interest as described under *Terms Sheet — Interest* in this Supplement.

Accrual Period

The “**Accrual Period**” for each Payment Date is the preceding calendar month.

We calculate interest based on a 360-day year of twelve 30-day months.

Principal

We pay principal on each Payment Date on each Class of SPCs (other than A-X1) to the extent principal is payable on its corresponding Underlying Class. Investors receive principal payments on a pro rata basis among the SPCs of their Class.

See *Terms Sheet — Principal* in this Supplement and *Description of the Series 2009-K4 Certificates — Priority of Distributions* and *— Distributions — Principal Distributions* in the Information Circular.

Class Factors

General

We make Class Factors for the Classes of SPCs available on or prior to each Payment Date. See *Description of Pass-Through Certificates — Payments — Class Factors* in the Offering Circular.

Use of Factors

You can calculate principal and interest payments by using the Class Factors.

For example, the reduction in the balance of a Class in February will equal its original balance times the difference between its January and February Class Factors. The amount of interest to be paid on a Class in February will equal interest at its Class Coupon, accrued during the related Accrual Period, on its balance determined by its January Class Factor.

Guarantees

We guarantee to each Holder of each Class of SPCs (a) the timely payment of interest at its Class Coupon; (b) the payment of principal on each Class of SPCs (other than A-X1), on or before the Payment Date immediately following the maturity date of each mortgage loan (to the extent of principal on such Class of SPCs that would have been payable from such mortgage loan); (c) the reimbursement of any **Realized Losses** and any **Additional Issuing Entity Expenses** allocated to each Class of SPCs; and (d) the ultimate payment of principal on each such Class by the Final Payment Date of each Class of SPCs (other than A-X1). Our guarantee does not cover any loss of yield on A-X1 following a reduction of its notional principal amount due to a write-down of any Underlying Classes. See *Description of Pass-Through Certificates — Guarantees* in the Offering Circular and *Description of the Series 2009-K4 Certificates — Distributions — Freddie Mac Guarantee* in the Information Circular.

Optional Termination; Redemption

The **Directing Certificateholder** for the Underlying Trust, the Underlying Master Servicer or the Underlying Special Servicer will have the option to purchase the Mortgages and other trust property and terminate the Underlying Trust on any Payment Date on or after which the aggregate outstanding principal balance of the Mortgages would be less than 1% of the initial mortgage pool balance. See *The Series 2009-K4 Pooling and Servicing Agreement — Termination* in the Information Circular.

If a termination of the Underlying Trust occurs, each Class of SPCs will receive its unpaid principal amount, if any, plus interest for the related Accrual Period. We will give notice of termination to Holders not later than the fifth Business Day of the month in which the termination will occur, and each Class Factor we publish in that month will equal zero.

In addition, we will have the right to redeem the outstanding SPCs on any Payment Date when the aggregate remaining principal balance of A-1, A-2 and A-3 would be less than 1% of their aggregate original principal balance. We will give notice of any exercise of this right to Holders 30 to 60 days before the redemption date. We will pay a redemption price equal to the unpaid principal amount, if any, of each Class redeemed plus interest for the related Accrual Period.

PREPAYMENT AND YIELD ANALYSIS

Mortgage Prepayments

The rates of principal payments on the Classes will depend primarily on the rates of principal payments, including prepayments, on the related Mortgages. Each Mortgage provides for a prepayment lock-out and a defeasance period, during which voluntary prepayments are prohibited (although, for a portion of that period, beginning no sooner than the second anniversary of the date of issuance of the SPCs, the mortgage loan may be defeased), followed by an open period during which voluntary prepayments may be made without any restriction or prepayment consideration. Mortgage prepayment rates may fluctuate continuously and, in some market conditions, substantially.

See *Prepayment, Yield and Suitability Considerations — Prepayments* in the Offering Circular for a discussion of mortgage prepayment considerations and risks. *Risk Factors, Description of the Underlying Mortgage Loans* and *Yield and Maturity Considerations* in the Information Circular discuss prepayment considerations for the Underlying Classes.

Yield

As an investor in SPCs, your yield will depend on:

- Your purchase price.
- The rate of principal payments on the underlying Mortgages.
- Whether an optional termination of the Underlying Trust occurs or the SPCs are redeemed.
- The actual characteristics of the underlying Mortgages.
- In the case of A-X1, the extent to which its Class Coupon formula results in reductions or increases in its Class Coupon.
- The delay between each Accrual Period and the related Payment Date.

See *Prepayment, Yield and Suitability Considerations — Yields* in the Offering Circular for a discussion of yield considerations and risks.

Suitability

The SPCs may not be suitable investments for you. See *Prepayment, Yield and Suitability Considerations — Suitability* in the Offering Circular for a discussion of suitability considerations and risks.

FINAL PAYMENT DATES

The Final Payment Date for each Class of SPCs is the latest date by which it will be paid in full and will retire. The Final Payment Dates generally reflect the maturity dates of the Mortgages and assume, among other things, no prepayments or defaults on the Mortgages. The actual retirement of each Class may occur earlier than its Final Payment Date.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

Any discussion of tax matters herein and in the Offering Circular was not intended or written to be used, and cannot be used, by any person for the purpose of avoiding tax penalties that may be imposed on such person. Such discussion was written to support the promotion and marketing of the SPCs. Investors should consult their own independent tax advisors regarding the SPCs and each investor's particular circumstances.

The following is a general discussion of federal income tax consequences of the purchase, ownership and disposition of the Classes of SPCs. It does not address all federal income tax consequences that may apply to particular categories of investors, some of which may be subject to special rules. The tax laws and other authorities for this discussion are subject to change or differing interpretations, and any change or interpretation could apply retroactively. You should consult your tax advisor to determine the federal, state, local and any other tax consequences that may be relevant to you.

Neither the SPCs nor the income derived from them is exempt from federal income, estate or gift taxes under the Code by virtue of the status of Freddie Mac as a government-sponsored enterprise. Neither the Code nor the Freddie Mac Act contains an exemption from taxation of the SPCs or the income derived from them by any state, any possession of the United States or any local taxing authority.

Classification of Investment Arrangement

The arrangement under which each Class of SPCs is created and sold and the related pass-through pool is administered will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. As an investor in SPCs, you will be treated for federal income tax purposes as the owner of a pro rata undivided interest in the related Underlying Class.

Status of Classes

Upon the issuance of the Underlying Classes, Cadwalader, Wickersham & Taft LLP, counsel for the Underlying Depositor, will deliver its opinion generally to the effect that, assuming compliance with all the provisions of the Pooling Agreement and certain other documents:

- Specified portions of the assets of the Underlying Trust will qualify as multiple REMICs under the Code.
- Each Underlying Class will represent ownership of a "regular interest" in one of those REMICs.

Accordingly, an investor in a Class of SPCs will be treated as owning a REMIC regular interest.

For information regarding the federal income tax consequences of investing in an Underlying Class, see *Certain Federal Income Tax Consequences* in the Information Circular.

Information Reporting

We will provide each Holder of each Class, within a reasonable time after the end of each calendar year, information to assist beneficial owners in preparing their federal income tax returns, or to enable the Holder to make such information available to investors or financial intermediaries for which the Holder holds the SPCs as nominee.

LEGAL INVESTMENT CONSIDERATIONS

You should consult your legal advisor to determine whether the SPCs are a legal investment for you and whether you can use the SPCs as collateral for borrowings. See *Legal Investment Considerations* in the Offering Circular.

ERISA CONSIDERATIONS

A U.S. Department of Labor regulation provides that, if an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974 (“**ERISA**”) acquires a “guaranteed governmental mortgage pool certificate,” then, for purposes of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code, the plan’s assets include the certificate and all of its rights in the certificate, but do not, solely by reason of the plan’s holding of the certificate, include any of the assets underlying the certificate. Under this regulation, the term “guaranteed governmental mortgage pool certificate” includes a certificate “backed by, or evidencing an interest in, specified mortgages or participation interests therein” if Freddie Mac guarantees the interest and principal payable on the certificate.

The regulation makes it clear that Freddie Mac and other persons, in providing services for the assets in the pool, would not be subject to the fiduciary responsibility provisions of Title I of ERISA, or the prohibited transaction provisions of Section 406 of ERISA or Code Section 4975, merely by reason of the plan’s investment in a certificate.

The SPCs should qualify as “guaranteed governmental mortgage pool certificates.”

PLAN OF DISTRIBUTION

Under an agreement with the Placement Agents, they have agreed to purchase all of the SPCs not placed with third parties for resale to us.

Our agreement with the Placement Agents provides that we will indemnify them against certain liabilities.

LEGAL MATTERS

Our General Counsel (or one of our Deputy General Counsels) will render an opinion on the legality of the SPCs. Cadwalader, Wickersham & Taft LLP is representing the Underlying Depositor and the Placement Agents on legal matters concerning the SPCs. That firm is also rendering certain legal services to us with respect to the SPCs.

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**Offering Circular Supplement
(To Offering Circular
Dated December 31, 2007)**

**Freddie Mac
Giant and Other Pass-Through Certificates**

The Offering Circular, as amended by the Offering Circular Supplement dated July 18, 2008, is being amended as follows, effective immediately:

Under "Additional Information," the following paragraph replaces the second paragraph in its entirety:

As described below, we incorporate certain documents by reference in this Offering Circular, which means that we are disclosing information to you by referring you to those documents rather than by providing you with separate copies. We incorporate by reference in this Offering Circular (1) our Annual Report on Form 10-K for the year ended December 31, 2008, filed with the SEC on March 11, 2009; (2) all other reports we have filed with the SEC pursuant to Section 13(a) of the Exchange Act since December 31, 2008, excluding any information "furnished" to the SEC on Form 8-K; and (3) all documents that we file with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act after the date of this Offering Circular and prior to the completion of the offering of the related Pass-Through Certificates, excluding any information we "furnish" to the SEC on Form 8-K. These documents are collectively referred to as the "Incorporated Documents" and are considered part of this Offering Circular. You should read this Offering Circular and any applicable Offering Circular Supplement, in conjunction with the Incorporated Documents. Information that we incorporate by reference will automatically update information in this Offering Circular. Therefore, you should rely only on the most current information provided or incorporated by reference in this Offering Circular and any applicable Offering Circular Supplement.

Under "Summary--Types of Pass-Through Certificates--Giant Certificates--Giant PCs," the following paragraph replaces the existing paragraph in its entirety:

Giant PCs are Giant Certificates whose underlying assets are Freddie Mac PCs, other Giant PCs or Freddie Mac REMIC securities.

Offering Circular Supplement dated March 11, 2009

Under "Description of Pass-Through Certificates--Giant Certificates," the following paragraph replaces the first paragraph in its entirety:

"Giant Certificates" are single-class securities entitled to payments of both principal and interest received on the related assets. When we issue Giant Certificates, we form a Pass-Through Pool that typically consists of PCs (including Freddie Mac REMIC securities backed by PCs) or GNMA Certificates. If the assets are PCs (including Freddie Mac REMIC securities backed by PCs), the Giant Certificates we issue are **"Giant PCs."** If the assets are GNMA Certificates, the Giant Certificates we issue are **"Giant Securities."** A Pass-Through Pool for Giant Certificates also may include other Giant Certificates of the same type.

Under "Certain Federal Income Tax Consequences -- "Giant Certificates -- General," the following paragraph becomes the first paragraph:

If you own a Giant PC backed by Freddie Mac REMIC securities, you should review the related supplement to this Offering Circular for a description of the underlying Freddie Mac REMIC securities, and the offering documents related to the Freddie Mac REMIC securities for a description of the federal income tax consequences of owning the underlying assets.

Capitalized terms used in this Supplement have the meanings given to them in the Offering Circular.

**Offering Circular Supplement
(To Offering Circular
Dated December 31, 2007)**

Freddie Mac Giant and Other Pass-Through Certificates

The Offering Circular is being amended as follows, effective immediately:

Under “**ADDITIONAL INFORMATION**,” the following five paragraphs replace the first three paragraphs in their entirety:

We registered our common stock with the U.S. Securities and Exchange Commission (“**SEC**”) under the Securities Exchange Act of 1934 (“**Exchange Act**”), effective July 18, 2008. As a result, we now file annual, quarterly and current reports, proxy statements and other information with the SEC. Prior to July 18, 2008, we prepared an annual Information Statement (containing annual financial disclosures and audited consolidated financial statements) and Information Statement Supplements (containing periodic updates to the annual Information Statement).

As described below, we incorporate certain documents by reference in this Offering Circular, which means that we are disclosing information to you by referring you to those documents rather than by providing you with separate copies. We incorporate by reference in this Offering Circular our proxy statement, and all documents that we file with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act, after July 18, 2008 and prior to the completion of the offering of the related Pass-Through Certificates, excluding any information that we may “furnish” to the SEC but that is not deemed to be “filed.” We also incorporate by reference our Registration Statement on Form 10, in the form declared effective by the SEC on July 18, 2008 (the “**Registration Statement**”). These documents are collectively referred to as the “**Incorporated Documents**” and are considered part of this Offering Circular. You should read this Offering Circular and any applicable Offering Circular Supplement, in conjunction with the Incorporated Documents. Information that we incorporate by reference will automatically update information in this Offering Circular. Therefore, you should rely only on the most current information provided or incorporated by reference in this Offering Circular and any applicable Offering Circular Supplement.

You may read and copy any document we file with the SEC at the SEC’s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from the SEC’s web site at <http://www.sec.gov>.

We also prepare offering circulars for our Mortgage Participation Certificates (the “**PC Offering Circular**”).

You can obtain, without charge, copies of this Offering Circular, any related Supplement, the Registration Statement, any documents we subsequently file with the SEC, the Pass-Through Certificates Master Trust Agreement dated as of December 31, 2007 (as amended from time to time, the “**Pass-Through Certificates Trust Agreement**”), as well as the disclosure documents for our Pass-Through Certificates and other securities, from:

<p>Freddie Mac – Investor Inquiry 1551 Park Run Drive, Mailstop D5B McLean, VA 22102-3110 Telephone: 1-800-336-3672 (571-382-4000 within the Washington, D.C. area) E-mail: Investor_Inquiry @freddiemac.com</p>

Offering Circular Supplement dated July 18, 2008

Under “**ADDITIONAL INFORMATION**,” the first sentence of the sixth paragraph is revised as follows, “This Offering Circular is relates to PCs issued on and after July 18, 2008.”

In **Appendix I (INDEX OF TERMS)** to the Offering Circular, the terms “Exchange Act,” “Incorporated Documents,” “Registration Statement” and “SEC” are added in alphabetical order and the corresponding page number “4” is added in the case of each of the new terms.

Unless defined in this Supplement, capitalized terms used in this Supplement have the meanings given to them in the Offering Circular.



Freddie Mac

Giant and Other Pass-Through Certificates

Giant Certificates
Stripped Giant Certificates
Stripped Interest Certificates
Callable Pass-Through Certificates
Structured Pass-Through Certificates

The Pass-Through Certificates

Freddie Mac issues and guarantees several types of Pass-Through Certificates. Pass-Through Certificates are securities that represent interests in pools of assets that are held in trust for investors and are backed by residential mortgages.

Freddie Mac's Guarantee

We guarantee the payment of interest and principal on the Pass-Through Certificates as described in this Offering Circular. **Principal and interest payments on the Pass-Through Certificates are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac.** We alone are responsible for making payments on our guarantee.

Freddie Mac Will Provide More Information for Each Offering

This Offering Circular describes the general characteristics of Pass-Through Certificates. For each offering of Pass-Through Certificates, we prepare an offering circular supplement. The supplement will describe more specifically the particular Pass-Through Certificates included in that offering.

Tax Status and Securities Law Exemptions

The Pass-Through Certificates are not tax-exempt. Because of applicable securities law exemptions, we have not registered the Pass-Through Certificates with any federal or state securities commission. No securities commission has reviewed this Offering Circular.

Pass-Through Certificates may not be suitable investments for you. You should consider carefully the risks of investing in Pass-Through Certificates. The *Risk Factors* section beginning on page 8 highlights some of these risks.

If you intend to purchase Pass-Through Certificates, you should rely on the information in this Offering Circular and in the related supplement for those Pass-Through Certificates, including the information in any disclosure documents that we incorporate by reference. We have not authorized anyone to provide you with different information.

This Offering Circular, the related supplement and any incorporated documents may not be correct after their dates.

We are not offering the Pass-Through Certificates in any jurisdiction that prohibits their offer.

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The *Index of Terms* (Appendix I) shows where definitions of capitalized terms appear.

FREDDIE MAC

Freddie Mac is a stockholder-owned company chartered by Congress in 1970 under the Federal Home Loan Mortgage Corporation Act (the “**Freddie Mac Act**”) to stabilize the nation’s residential mortgage markets and expand opportunities for homeownership and affordable rental housing. We are one of the largest purchasers of mortgage loans in the U.S. We bring innovation and efficiency to the mortgage lending process.

Our mission is to provide liquidity, stability and affordability to the U.S. housing market. We fulfill our mission by purchasing residential mortgages and mortgage-related securities in the secondary mortgage market from mortgage lenders and securities dealers and by providing our credit guarantees of payment of principal and interest on the mortgage-related securities we issue. We purchase mortgages that meet our underwriting and product standards, then bundle them into mortgage-related securities that can be sold to investors. We can use the proceeds to purchase additional mortgages from primary market mortgage lenders, thus providing them with a continuous flow of funds. We also purchase mortgage loans and mortgage-related securities for our investment portfolio, which we finance primarily by issuing a variety of debt instruments in the capital markets.

Though we are chartered by Congress, our business is funded completely with private capital. We are responsible for making payments on our securities. Neither the U.S. government nor any other agency or instrumentality of the U.S. government is obligated to fund our mortgage purchase or financing activities or to guarantee our securities and other obligations.

Our statutory purposes, as stated in our charter, are:

- To provide stability in the secondary market for residential mortgages;
- To respond appropriately to the private capital market;
- To provide ongoing assistance to the secondary market for residential mortgages (including activities related to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return received on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and
- To promote access to mortgage credit throughout the U.S. (including central cities, rural areas and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

ADDITIONAL INFORMATION

We prepare annual Information Statements that describe our business and operations, and contain our audited financial statements. We also prepare Information Statement Supplements from time to time. As of any given date, this Offering Circular incorporates by reference the most recent Information Statement and any subsequent Information Statement Supplements. You should rely only on the most recent information provided or incorporated by reference in this Offering Circular and any applicable Supplement.

We also prepare offering circulars for our Mortgage Participation Certificates (the “**PC Offering Circular**”).

You can obtain any of these documents and the Pass-Through Certificates Master Trust Agreement dated as of December 31, 2007, as well as the disclosure documents for our Pass-Through Certificates and other securities, from:

Freddie Mac — Investor Inquiry
1551 Park Run Drive, Mailstop D5N
McLean, Virginia 22102-3110
Telephone: 1-800-336-3672
(571-382-4000 within the Washington, D.C. area)
E-mail: [Investor Inquiry@freddiemac.com](mailto:InvestorInquiry@freddiemac.com)*

We also make these documents available on our internet website at this address:

www.freddiemac.com*

This Offering Circular relates to Pass-Through Certificates issued on and after December 31, 2007. For information about Pass-Through Certificates issued before that date, see the related Offering Circular (available on our internet website) that was in effect at the time of issuance of those Pass-Through Certificates. However, under the Pass-Through Certificates Master Trust Agreement, Freddie Mac has agreed to act as Trustee for and to administer all existing Pass-Through Certificates substantially in accordance with that Trust Agreement, as described in this Offering Circular.

* We are providing this internet address solely for the information of prospective investors. We do not intend this internet address to be an active link and we are not using reference to this address to incorporate additional information into this Offering Circular or any supplement, except as specifically stated in this Offering Circular.

SUMMARY

This summary highlights selected information about the Pass-Through Certificates. Before buying Pass-Through Certificates, you should read the remainder of this Offering Circular and the supplement for the particular offering and the other disclosure documents referred to in *Additional Information*. You should rely on the information in the supplement if it is different from the information in this Offering Circular.

**Trustee, Depositor,
Administrator and**

Guarantor Federal Home Loan Mortgage Corporation, or “**Freddie Mac**,” a shareholder-owned government-sponsored enterprise.

Pass-Through Certificates As Depositor, we transfer and deposit mortgage-related assets that we have acquired into various trust funds established pursuant to the applicable Pass-Through Trust Agreement (as defined in this Offering Circular). As Trustee for these trust funds, we create and issue under the Pass-Through Trust Agreement “**Pass-Through Certificates**” representing beneficial ownership interests in “**Pass-Through Pools**,” which are pools of assets held by those trust funds.

Assets and Mortgages The assets in each Pass-Through Pool may include Freddie Mac PCs, GNMA Certificates, Pass-Through Certificates, other securities backed by residential mortgages that we have purchased or other mortgage-related assets, all proceeds of those assets, amounts on deposit in a custodial account of collections from those assets and the right to receive payments pursuant to our guarantee. The mortgages underlying the assets (the “**Mortgages**”) may be secured by single-family or multifamily residential properties, and have either a fixed or an adjustable interest rate.

Types of Pass-Through Certificates:

- **Giant Certificates** Giant Certificates are single-class securities that receive principal and interest from their underlying assets. They may have either a fixed or an adjustable interest rate, called a class coupon, depending on the underlying Mortgages.

- **Giant PCs** Giant PCs are Giant Certificates whose underlying assets are Freddie Mac PCs or other Giant PCs.

- **Giant Securities** Giant Securities are Giant Certificates whose underlying assets are GNMA Certificates or other Giant Securities.

- **Stripped Giant Certificates** Stripped Giant Certificates are issued in series consisting of two or more classes that receive principal only, interest only or both principal and interest from their underlying asset. Each series is backed by a single Giant Certificate. If you own proportionate amounts of each of the classes from the same series, you may exchange them for an equivalent amount of the underlying asset, and vice versa.

- **Modifiable And Combinable**

Securities (MACS) . . . MACS are Stripped Giant Certificates issued in series consisting of a fixed rate interest only class, a principal only class and multiple fixed rate classes that receive both principal and interest with different class coupons, ranging from deep discount to high premium coupons. A series of MACS also may include multiple floating rate and inverse floating rate classes, some of which receive both principal and interest and some of which are interest only classes. If you own appropriate amounts of MACS classes, you may exchange them for other classes of the same series with different class coupons or interest rate formulas, or for an equivalent amount of the underlying asset, and vice versa.

- **Stripped Interest**

Certificates Stripped Interest Certificates are issued in series consisting of one or more classes that receive interest payments from one or more assets. Each series is backed by a portion of interest payments from Mortgages included in various pools that back Freddie Mac PCs.

- **Callable Pass-Through**

Certificates (CPCs) CPCs are issued in series consisting of pairs of callable and call classes, and are backed by Giant Certificates. The callable class receives principal and interest from the underlying assets. The call class receives no principal or interest, but has the right to call the related callable class for redemption and to receive the underlying securities.

- **Structured Pass-Through**

Certificates (SPCs) SPCs are issued in series consisting of one or more classes. Each class receives payments from one or more assets. The assets usually are REMIC classes issued by Freddie Mac or another party.

Payments As Administrator, Freddie Mac passes through any payment of principal and interest due on a Pass-Through Certificate monthly on the applicable Payment Date. As described in more detail later, Payment Dates fall on or about:

- The 15th of each month, for classes backed by PCs.
- The 17th or 20th of each month, as applicable, for classes backed by GNMA Certificates.

- **Interest** Freddie Mac pays interest on each class of Pass-Through Certificates at its class coupon. Interest payable on a Payment Date accrues during the monthly accrual period specified in this Offering Circular or the applicable supplement.

• **Principal** Pass-Through Certificates receive principal payments in the same amounts and the same periods as their underlying assets. Holders of a class of Pass-Through Certificates entitled to principal receive principal payments proportionately with each other, based on the principal amounts of their Pass-Through Certificates.

Trustee Freddie Mac serves as Trustee for each issue of Pass-Through Certificates pursuant to the terms of the Pass-Through Trust Agreement for that issue.

Accounting Considerations . . . Various factors may influence the accounting treatment applicable to various types of Pass-Through Certificates. You should consult your own accountant regarding the appropriate accounting treatment for Pass-Through Certificates or an exchange of Pass-Through Certificates.

Form of Pass-Through

Certificates Pass-Through Certificates that are backed by PCs or GNMA Certificates in most cases will be issued, held and transferable on the book-entry system of the Federal Reserve Banks (the “**Fed System**”).

In some cases, Pass-Through Certificates may be issued, held and transferable on the book-entry system (the “**DTC System**”) of The Depository Trust Company or its successor (“**DTC**”).

Some classes, including call classes, will be issued in registered, certificated form. They will be transferable at our office, in our capacity as registrar, or at the office of any successor registrar we designate (the “**Registrar**”).

Holder As an investor in Pass-Through Certificates, you are not necessarily the Holder of those Pass-Through Certificates. You will ordinarily hold your Pass-Through Certificates through one or more financial intermediaries. Your rights as an investor may be exercised only through the Holder of your Pass-Through Certificates, and Freddie Mac may treat the Holder as the absolute owner of your Pass-Through Certificates. The term “**Holder**” means:

- For a class held on the Fed System, any entity that appears on the records of a Federal Reserve Bank as a holder of that class.
- For a class held on the DTC System, DTC or its nominee.
- For a certificated class, any entity or individual that appears on the records of the Registrar as a registered holder of that class.

RISK FACTORS

Although Freddie Mac guarantees the payments on Pass-Through Certificates, and so bears the associated credit risk, as an investor you will bear the other risks of owning mortgage securities. This section highlights some of these risks. *Prepayment, Yield and Suitability Considerations* discusses them in more detail. You should also review the *Risk Factors* section of the PC Offering Circular for discussions of the risks related to PCs and the underlying Mortgages.

Pass-Through Certificates May Not be Suitable Investments for You. Pass-Through Certificates are complex securities. You need to understand the risks of your investment, and you need to be able to analyze the information in the related offering documents as well as the economic and other factors that may affect your investment. If you require a definite payment stream, or a single payment on a specific date, Pass-Through Certificates are not suitable investments for you. If you purchase Pass-Through Certificates, you need to have enough financial resources to bear all of the risks related to your Pass-Through Certificates.

Principal Payment Rates are Uncertain. Principal payment rates on the Pass-Through Certificates will depend on the rates of principal payments on the underlying Mortgages. Mortgage principal payments include scheduled payments and prepayments. Prepayment rates fluctuate continuously and (in some market conditions) substantially. In general, prepayments tend to increase when current interest rates decline, as more borrowers choose to refinance their existing Mortgages. As current interest rates increase, refinancings and prepayments generally decline.

Prepayments Can Reduce Your Yield. Your yield on a class of Pass-Through Certificates will depend on its price, the rate of prepayments on its underlying Mortgages and the actual characteristics of those Mortgages. The Mortgages may be prepaid at any time, in most cases without penalty. The yield on your class of Pass-Through Certificates could be lower than you expect if either:

- You buy your class at a discount to its principal amount and principal payments are slower than you expect.
- You buy your class at a premium over its principal amount and principal payments are faster than you expect.

If you purchase an interest only class (including a class of Stripped Interest Certificates) or any other class at a significant premium and prepayments are very fast, you may not even recover your investment.

Index Levels Can Reduce Your Yield if You Own a Floating Rate or Inverse Floating Rate Class. The yield on your class could be lower than you expect if:

- You own a floating rate class and the levels of the applicable index are lower than you expect.
- You own an inverse floating rate class and the levels of the applicable index are higher than you expect.

If you buy an interest only floating rate class, you may not even recover your investment if the level of the applicable index is low or prepayments are fast. If you buy an interest only inverse floating rate class, you may not even recover your investment if the level of the applicable index is high or prepayments are fast.

Reinvestment of Principal Payments May Produce Lower Yields. Mortgages tend to prepay fastest when current interest rates are low. When you receive principal payments in a low interest rate environment, you may not be able to reinvest them in comparable securities with as high a yield as your Pass-Through Certificates.

Index Levels Will Affect Yields of Your Adjustable Rate Pass-Through Certificates. If your Pass-Through Certificates are backed by adjustable-rate Mortgages, and the index level used to adjust the interest rates on those Mortgages is lower than you expect, the yield on your investment could be lower than you expect, especially if prepayments are slow. Even if the index level is high but prepayments are fast, your yield could be lower than you expect.

Pass-Through Certificates are Subject to Market Risks. The market values of your Pass-Through Certificates will vary over time, primarily in response to changes in prevailing interest rates. If you sell your Pass-Through Certificates when their market values are low, you may experience significant losses. A secondary market for some types of Pass-Through Certificates may not develop. Even if a market does develop, it may not be liquid enough to allow you to sell your Pass-Through Certificates easily or at your desired price.

The Pass-Through Certificates are Complex Financial Instruments. Before investing, you should have sufficient knowledge and experience to evaluate, either alone or with the help of a financial, legal, accounting or tax advisor, (1) the merits and risks of the Pass-Through Certificates and the information contained in this Offering Circular, the applicable supplement and the documents incorporated by reference, (2) the economic, interest rate and other factors that may affect your investment and (3) the terms of the Pass-Through Certificates and any investment restrictions that may apply to you. Because each investor has different investment needs and different risk tolerances, you should consult your own financial, legal, accounting and tax advisors to determine if the Pass-Through Certificates are suitable investments for you.

You May Not be Allowed to Buy Some Pass-Through Certificates. If you are subject to legal investment laws and regulations or to review by regulatory authorities, you may not be allowed to invest in some types of Pass-Through Certificates. See *Legal Investment Considerations*.

If You Own Pass-Through Certificates Backed by Assets that You Transferred to Us, Your Voting and Consent Rights May Be Limited. Under certain circumstances, if you transferred assets to us in exchange for Pass-Through Certificates, when determining whether Holders of Pass-Through Certificates have given any request, demand, authorization, direction, notice, consent or waiver, any Pass-Through Certificates beneficially held by you may be disregarded and deemed not to be outstanding or may be otherwise limited in voting rights.

APPLICATION OF PROCEEDS

Most Certificates are issued in exchange for the underlying Assets, in which case we do not receive cash proceeds. In some instances, we may issue Certificates backed by Assets that we already own. In those transactions, we use the net proceeds received from the sale of the Certificates to the related dealers for cash to provide funds for general corporate purposes, including the purchase and financing of additional Mortgages and mortgage securities.

DESCRIPTION OF PASS-THROUGH CERTIFICATES

GENERAL

As Depositor, we transfer and deposit mortgage-related securities and other mortgage-related assets into Pass-Through Pools within the related trust funds. As Trustee, we create and issue Pass-Through Certificates under the related Pass-Through Trust Agreement representing interests in those pools. Each Pass-Through Pool has its own identification number assigned by us, as Administrator. The securities in the Pass-Through Pools are backed by Mortgages that we have purchased.

A Pass-Through Pool usually includes a single type of asset. These assets are typically:

- Freddie Mac PCs or Giant PCs.
- GNMA Certificates or Freddie Mac Giant Securities.
- Securities that represent “regular interests” in a real estate mortgage investment conduit (“REMIC”).
- Other Pass-Through Certificates offered under this Offering Circular.
- Other mortgage-related assets identified in the related supplement.
- Other securities identified as assets in the related supplement.

As Trustee, we hold legal title to the assets, directly or through our agent, in each Pass-Through Pool and related trust fund for the benefit of the investors in the related Pass-Through Certificates. Below we describe more specifically the types of Pass-Through Certificates and the characteristics of their underlying assets. In addition, if we issue any other type of Pass-Through Certificates, we will describe them in the related supplement.

GIANT CERTIFICATES

“**Giant Certificates**” are single-class securities entitled to payments of both principal and interest received on the related assets. When we issue Giant Certificates, we form a Pass-Through Pool that typically consists of PCs or GNMA Certificates. If the assets are PCs, the Giant Certificates we issue are “**Giant PCs**.” If the assets are GNMA Certificates, the Giant Certificates we issue are “**Giant Securities**.” A Pass-Through Pool for Giant Certificates also may include other Giant Certificates of the same type.

Giant Certificates may bear interest at a fixed rate or an adjustable rate. The assets underlying fixed-rate Giant Certificates usually have the same fixed interest rate as the related Giant Certificates. However, we sometimes issue fixed-rate Giant Certificates with an interest rate that is higher or lower than the rate payable on the related assets by retaining a portion of the principal or interest payments on the assets.

The interest rate of an adjustable rate Giant Certificate adjusts each month based on the weighted average of the interest rates of the related assets. The interest rates on all of the adjustable rate Mortgages (“**ARMs**”) backing an adjustable rate Giant Certificate adjust based on the same index and using the same means of adjustment, but do not necessarily adjust on the same date.

The minimum original principal balance of a Pass-Through Pool backing Giant Certificates is \$1 million.

STRIPPED GIANT CERTIFICATES

“**Stripped Giant Certificates**” are issued in series, each consisting of two or more classes. These classes receive unequal proportions of the principal and interest paid on a single underlying asset. When the underlying asset is a Giant PC, the Stripped Giant Certificates we issue are “**Stripped Giant PCs**.” When the underlying asset is a Giant Security, the Stripped Giant Certificates we issue are “**Stripped Giant Securities**.”

Stripped Giant Certificates include interest only classes (“**Interest Only Classes**” or “**IO Classes**”), principal only classes (“**Principal Only Classes**” or “**PO Classes**”) and interest/principal classes (“**IP Classes**”). IO Classes receive all or a portion of the interest payments from the underlying asset and no principal. PO Classes receive all or a portion of the principal payments from the underlying asset and no interest. IP Classes receive a portion of both the principal and interest payments from the underlying asset.

IO and IP Classes may bear interest at a fixed, adjustable, floating or inverse floating rate.

In order to calculate the interest due each month, a notional principal amount is assigned to each IO Class. The original notional principal amount will equal the original principal amount of the underlying asset, and will decline proportionately with the principal amount of that asset.

The minimum original principal balance of a Pass-Through Pool backing Stripped Giant Certificates is \$1 million.

Stripped Giant Certificates include a feature that permits you to exchange them for their underlying asset. To exchange your Stripped Giant Certificates for an equivalent amount of the underlying Giant Certificate, you must own proportionate interests in the principal and notional principal amounts of all classes of the same series. Similarly, if you own a Giant Certificate that has been reconstituted by an exchange, you may exchange it for equivalent interests in the related Stripped Giant Certificates. Stripped Giant Certificates may be recombined and restripped in this manner repeatedly.

We may charge you a fee for an exchange. We have described the procedures for exchanging Stripped Giant Certificates in *Appendix II*.

“**Modifiable And Combinable Securities**” or “**MACS**” are Stripped Giant Certificates that are issued in a range of possible class coupons or class coupon formulas and that are exchangeable for other classes of the same series having different class coupons or class coupon formulas. Each series of MACS is backed by a single fixed-rate Giant PC or Giant Security.

A series of MACS typically includes a fixed rate IO Class, a PO Class and multiple fixed rate IP Classes with class coupons ranging in 50 basis point increments from 0.5% to as high as 24.0%. We designate the IP classes of each series by their class coupons, calling a class with a class coupon of 0.5% the “0.5 Class,” a class with a class coupon of 24.0% the “24.0 Class” and so forth. A series of MACS also may include multiple floating rate and inverse floating rate classes, some of which are IP Classes and some of which are IO Classes.

We offer MACS classes in *maximum* original principal or notional principal amounts. The maximum amount for each class is considered individually for that class and without regard to the amounts of the other classes. It represents the largest amount of the class that the underlying asset could support.

You can exchange classes of MACS for one or more different classes of the same series. You can also exchange one or more classes of MACS for a portion of the underlying Giant Certificate, and vice versa. To make any of these exchanges, follow the procedures in *Appendix II*. *Appendix III* shows examples of exchanges involving MACS.

The classes of a series of MACS that are outstanding at any given time will depend upon which classes were issued initially and upon any exchanges that have occurred. The aggregate outstanding principal amount of all classes, not including the notional principal amounts of IO Classes, will equal the remaining principal amount of the underlying asset at all times. Similarly, the outstanding classes will receive interest payments, in the aggregate, equal to the interest payments made on the underlying asset.

STRIPPED INTEREST CERTIFICATES

“Stripped Interest Certificates” or **“SCs”** are issued in series, each consisting of one or more classes. These classes receive interest paid on their underlying assets. The underlying assets may consist of certain interest amounts payable on Mortgages that have been included in Freddie Mac PCs.

SCs consist of IO Classes that receive a portion of the interest payments from the related Mortgages and no principal. IO Classes may bear interest at a fixed rate, an adjustable rate or a weighted average rate.

In order to calculate the interest due each month, a notional principal amount is assigned to each IO Class. The original notional principal amount will equal or be derived from the original principal amount of the underlying asset, and will decline proportionately with the principal amount of that asset or as otherwise described in the related supplement.

CALLABLE PASS-THROUGH CERTIFICATES

“Callable Pass-Through Certificates” or **“CPCs”** represent interests in a Pass-Through Pool that contains a single Giant PC or a Giant Security as its primary asset. Classes of CPCs are issued in pairs of **“Callable Classes”** and **“Call Classes.”** If you own a Callable Class, you will receive all of the interest and principal payments made on the asset. If you own a Call Class, you will not receive any payments of principal or interest because the Call Class does not represent an ownership interest in the underlying asset.

There can be only one Holder at a time of a Call Class. If you are the Holder of a Call Class, you will have the right (the “**Call Right**”):

1. To direct Freddie Mac, as Administrator, to redeem the related Callable Class on any Payment Date during the period specified in the applicable supplement.
2. To exchange your Call Class for the related Callable Assets.

The “**Callable Assets**” will be:

- If the related Pass-Through Pool contains a Giant PC, that Giant PC.
- If the related Pass-Through Pool contains a Giant Security, the GNMA Certificates (and any Giant Securities) underlying that Giant Security.

You must pay a Call Fee and a Call Payment to exercise the Call Right. *Appendix IV* describes the procedures for exercising the Call Right.

STRUCTURED PASS-THROUGH CERTIFICATES

“**Structured Pass-Through Certificates**” or “**SPCs**” represent interests in Pass-Through Pools that contain one or more of the following:

- REMIC classes issued by Freddie Mac or a third party.
- Pass-Through Certificates.
- Freddie Mac debt instruments.
- Other securities described in the related supplement.

The Pass-Through Pools typically contain, and the related SPCs represent interests in, separate classes or types of assets. The supplement for each series of SPCs will provide information on the assets for that series. A series of SPCs typically contains two or more classes, and each class of SPCs is backed by its own Pass-Through Pool.

CATEGORIES OF CLASSES

For purposes of principal and interest payments, classes of Pass-Through Certificates are categorized as shown below.

The following chart identifies and generally defines most categories of classes. The first column of the chart shows our standard abbreviation for each category. Each supplement may identify the categories of classes of the related series by means of one or more of these abbreviations.

Principal Types

<u>Freddie Mac Standard Abbreviation</u>	<u>Category of Class</u>	<u>Definition</u>
NTL	Notional	Classes having only a notional principal amount. A notional principal amount is the amount used as a reference to calculate the amount of interest due on an Interest Only Class. We indicate parenthetically the type of class with which a Notional Class will reduce.
PT	Pass-Through	Classes that receive all or a specified portion of the principal payments on the underlying Giant PC or other Pass-Through Pool assets.

Interest Types

<u>Freddie Mac Standard Abbreviation</u>	<u>Category of Class</u>	<u>Definition</u>
FIX	Fixed Rate	Classes with class coupons that are fixed throughout the life of the class.
FLT	Floating Rate	Classes with class coupons that are reset periodically based on an index and that vary directly with changes in the index.
INV	Inverse Floating Rate	Classes with class coupons that are reset periodically based on an index and that vary inversely with changes in the index.
IO	Interest Only	Classes that receive some or all of the interest payments made on the underlying Giant PC or other Pass-Through Pool assets and no principal. Interest Only Classes have a notional principal amount.
PO	Principal Only	Classes that do not receive any interest.
S	Structured Formula	Floating Rate and Inverse Floating Rate Classes with class coupons that are periodically reset using a formula other than an index (without any multiplier) plus a constant, in the case of Floating Rate Classes, or a constant minus an index (without any multiplier), in the case of Inverse Floating Rate Classes, and which are not designated as Toggle Classes.
T	Toggle	Floating Rate, Inverse Floating Rate and Weighted Average Coupon Classes with Class Coupons that change significantly as a result of very small changes in the applicable index. The change in Class Coupon may not be a continuous function of changes in the index; rather, a change in the index may result in a “shift” from a predetermined rate or formula to a different predetermined rate or formula.
W	WAC (or Weighted Average Coupon)	Classes whose class coupons represent a blended interest rate that may change from period to period. WAC Classes may consist of components with different interest rates or may be backed by assets with different interest rates.

PASS-THROUGH POOL ASSETS

General

Each Pass-Through Pool will contain one or more assets. This section describes the general characteristics of PCs and GNMA Certificates, which directly or indirectly back most of our Pass-Through Certificates. Pass-Through Pools can also contain Giant Certificates, REMIC classes, other Pass-Through Certificates or any other securities or mortgage-related assets that are purchased by Freddie Mac and identified as assets in the related supplement.

PCs

Freddie Mac Mortgage Participation Certificates, or “PCs,” are single-class securities, guaranteed by Freddie Mac, that represent undivided interests in pools of residential Mortgages. Nearly all Mortgages that back PCs are conventional mortgages, which means that neither the United States nor any federal agency or instrumentality guarantees or insures them.

If the underlying Mortgages have a fixed rate of interest, the PCs may be either “**Gold PCs**” or “**Original PCs**.” If the underlying Mortgages are ARMs, the related PCs are called “**ARM PCs**.”

For Gold PCs, there is a delay of approximately 45 days between the time interest begins to accrue and the time the PC investor receives his interest payment. This time period is a “**Payment Delay**.” For ARM PCs and Original PCs there is a Payment Delay of approximately 75 days.

Giant PCs have names — “**Gold Giant PCs**,” “**Original Giant PCs**” and “**ARM Giant PCs**” — that identify their underlying assets. Thus, if you invest in a Giant PC, the name of the Giant PC will identify for you the type of underlying PC and the applicable Payment Delay.

Some PCs represent interests in special types of Mortgages, such as relocation Mortgages, cooperative share Mortgages or extended buydown Mortgages. These types of Mortgages may prepay differently than standard Mortgages. If any one of these types of PCs represents more than 10%, or if any combination of them represents more than 15%, of the original principal balance of a Pass-Through Pool, the applicable supplement will disclose this.

Some PCs represent interests in other special types of Mortgages, such as initial interest Mortgages, reduced servicing fee Mortgages, biweekly Mortgages, assumable Mortgages or prepayment protection Mortgages. If any of these types of PCs are included in a Pass-Through Pool, the applicable supplement will disclose this.

See the PC Offering Circular and our internet website for information on how PC pool numbers and prefixes indicate the general type of Mortgages backing a PC.

We may issue Giant PCs backed by Gold PCs issued under our cash and multilender swap programs. In forming such Giant PCs, we, as Depositor, will deposit Mortgages purchased under those programs into PC pools and contribute the resulting Gold PCs to the Giant Pass-Through Pool.

Under our cash program, we purchase Mortgages for cash and contribute them to PC pools. Under our multilender swap program, a mortgage seller can sell Mortgages to us in exchange for the same principal amount of Gold PCs backed by the Mortgages transferred by that mortgage seller and/or by other mortgage sellers.

Our PC Offering Circular describes the characteristics of the various types of PCs. Supplements for Pass-Through Certificates backed by PCs will incorporate by reference the current PC Offering Circular.

GNMA Certificates

“**GNMA Certificates**” are mortgage-backed securities that the Government National Mortgage Association (“**GNMA**”) guarantees. GNMA is a corporate instrumentality of the United States within the Department of Housing and Urban Development (“**HUD**”). GNMA guarantees the timely payment of principal and interest on certificates that are backed by pools of mortgages insured or guaranteed by the Federal Housing Administration, the Department of Veterans Affairs, the Rural Housing Service or HUD.

Investors in GNMA Certificates receive monthly payments of interest and scheduled principal, even if the borrowers on the underlying mortgages have not made their monthly payments.

GNMA's guarantee obligations, unlike Freddie Mac's, are backed by the full faith and credit of the United States.

Mortgage banking companies and other financial concerns approved by GNMA issue and service GNMA Certificates. GNMA guarantees securities under its GNMA I program ("**GNMA I Certificates**") and GNMA II program ("**GNMA II Certificates**"). Holders of GNMA I Certificates and GNMA II Certificates have substantially similar rights, although a few differences do exist.

Under the GNMA I program, a single GNMA issuer assembles a pool of mortgages and issues and markets GNMA I Certificates that are backed by that pool. The origination date of mortgages in the pool must be within two years of the date that the related GNMA I Certificates are issued. All mortgages underlying a particular GNMA I Certificate must be of the same type (for example, all single-family, level payment mortgages) and have the same fixed interest rate. The pass-through rate on each GNMA I Certificate is 50 basis points less than the interest rate on the mortgages included in the pool. Holders of GNMA I Certificates receive payments on or about the 15th of each month. GNMA I Certificates have a Payment Delay of approximately 45 days.

Under the GNMA II program, a pool may consist of mortgages submitted by more than one GNMA issuer. The resulting pool backs a single issue of GNMA II Certificates, which each participating issuer markets to the extent that it contributed mortgages to the pool. Each GNMA II Certificate issued from a multiple issuer pool, however, represents an interest in the entire pool, not just in mortgages contributed to the pool by a particular GNMA issuer. GNMA II Certificates also may be backed by a custom pool of fixed-rate mortgages formed by a single issuer. Holders of GNMA II Certificates receive payments on or about the 20th of each month. GNMA II Certificates have a Payment Delay of approximately 50 days.

Each GNMA II Certificate pool consists entirely of fixed-rate mortgages or entirely of ARMs. Fixed-rate mortgages underlying any particular GNMA II Certificate must be of the same type, but may have annual interest rates that vary from each other by up to 100 basis points. The pass-through rate on each fixed-rate GNMA II Certificate will be 50 to 150 basis points per annum, in the case of GNMA II Certificates issued prior to July 1, 2003, and 25 to 75 basis points per annum, in the case of GNMA II Certificates issued on or after July 1, 2003, less than the highest per annum interest rate on any mortgage included in the pool.

ARMs underlying any particular GNMA II Certificate will have interest rates that adjust annually based on the one-year U.S. Department of the Treasury (the "**Treasury**") index. GNMA pooling specifications require that all ARMs in a given pool have an identical first adjustment date, annual interest adjustment date, first payment adjustment date, index reference date and means of adjustment. All of the ARMs underlying a particular GNMA II Certificate issued prior to July 1, 2003 must have interest rates that are 50 to 150 basis points per annum above the interest rate of the GNMA II Certificate. In addition, the mortgage margin for those ARMs must be 50 to 150 basis points per annum greater than the margin for the related GNMA II Certificate. All of the ARMs underlying a particular GNMA II Certificate issued on or after July 1, 2003 must have interest rates that are 25 to 75 basis points per annum above the interest rate of the related GNMA II Certificate. In addition, the mortgage margin with respect to those ARMs must be 25 to 75 basis points per annum greater than the margin for the related GNMA II Certificate. The ARMs and GNMA II Certificates have an annual adjustment cap of $\pm 1\%$ and lifetime cap of $\pm 5\%$ above or below the

initial interest rate; provided however, that with respect to GNMA II Certificates issued on or after October 1, 2003 and backed by 7-year and 10-year hybrid ARMs, these GNMA II Certificates and the related mortgage loans will be subject to an annual adjustment cap of $\pm 2\%$ and a lifetime cap of $\pm 6\%$ above or below the initial interest rate. Thirty days after each annual interest adjustment date, the payment amount of an ARM resets so that its remaining principal balance would fully amortize in equal monthly payments over its remaining term to maturity, assuming its interest rate were to remain constant at the new rate.

Under its “Platinum” program, GNMA guarantees certificates that represent ownership interests in pools of GNMA I Certificates or GNMA II Certificates. The terms “GNMA I Certificates” and “GNMA II Certificates” include certificates guaranteed under the Platinum program.

PAYMENTS

Class Factors

General

As Administrator, we calculate and make available each month (including on our internet website) the Class Factor for each class of Pass-Through Certificates having a principal amount.

The “**Class Factor**” for any class for any month is a truncated eight-digit decimal which, when multiplied by the original principal amount of a Pass-Through Certificate of that class, will equal its remaining principal amount. The Class Factor for any month reflects payments of principal to be made on the Payment Date:

- In the same month, for classes backed by Gold PCs or GNMA Certificates.
- In the following month, for classes backed by Original PCs or ARM PCs.

Class Factors will be available on or about:

- The fifth Business Day (as defined below) of each month, for classes backed by Gold PCs, ARM PCs or Original PCs.
- The tenth Business Day of each month, for classes backed by GNMA Certificates.

A Class Factor for a class that has a notional principal amount will reflect the remaining notional principal amount of a Pass-Through Certificate of that class in the same manner.

Each class of Stripped Giant Certificates has the same Class Factor as its underlying Giant Certificate. The Class Factor for a class of Stripped Giant Certificates may not reflect the outstanding amount of the class as a whole, because that amount may decrease or increase due to exchanges.

The Class Factor for each class for the month of issuance is 1.0000000.

Class Factors for GNMA Certificates

We calculate Class Factors for classes backed by GNMA Certificates by using GNMA Certificate factors reported each month. Currently, the reported factors that we use are preliminary and subject to revision. In addition, there may not be reported factors for some GNMA Certificates. If a factor has not been reported, we will estimate it on the basis of

assumed mortgage amortization schedules. Our estimate will reflect payment factor information previously reported and estimated subsequent scheduled amortization (but not prepayments) on the related mortgages.

Because GNMA factors may be preliminary, and we must estimate factors when reported factors are not available, there may be variances between the principal payments we receive on the GNMA Certificates in any month and the amounts we pay on the related Pass-Through Certificates, as reflected by their Class Factors for that month. However, the Class Factor for any month will reconcile any variances that occurred in the preceding month. Our determination of the Class Factors in the manner described above will be final.

Payment Dates

As Administrator, we will make payments to the Holders of Pass-Through Certificates on each applicable Payment Date. The “**Payment Date**” will be:

- For classes backed by PCs, the 15th of each month or, if the 15th is not a Business Day, the next Business Day.
- For classes backed entirely by GNMA I Certificates, the 17th of each month or, if the 17th is not a Business Day, the next Business Day.
- For classes backed entirely or partly by GNMA II Certificates, the 20th of each month or, if the 20th is not a Business Day, the next Business Day after the 20th.

For this purpose, “**Business Day**” means a day other than:

- A Saturday or Sunday.
- A day when Freddie Mac is closed.
- For Pass-Through Certificates on the Fed System, a day when the Federal Reserve Bank of New York (or other agent acting as Freddie Mac’s fiscal agent) is closed or, as to any Holder, a day when the Federal Reserve Bank that maintains the Holder’s account is closed.
- For any Pass-Through Certificates on the DTC System, a day when DTC is closed.

Payments of Principal

On each Payment Date, we will pay principal to the Holders of each class on which principal is then due. The Holders of Pass-Through Certificates of any class will receive principal payments on a pro rata basis.

Holders of IO Classes and Call Classes of CPCs will not receive principal payments.

For any Payment Date, you can calculate the amount of principal to be paid on a Pass-Through Certificate by multiplying its original principal amount by:

- The difference between its Class Factors for the preceding and current months, for a class backed by Gold PCs or GNMA Certificates.
- The difference between its Class Factors for the two preceding months, for a class backed by Original PCs or ARM PCs.

Payments of Interest

Interest will accrue on each Pass-Through Certificate during each Accrual Period at the class coupon described in the related supplement. In the case of a fixed-rate Pass-Through Certificate, the class coupon is set at the time of issuance and does not change. In the case of an adjustable rate Pass-Through Certificate, the class coupon adjusts monthly based on the interest rate, or the weighted average of the interest rates, of the assets or as otherwise described in the applicable supplement. Generally, we compute interest on the basis of a 360-day year of twelve 30-day months.

Floating Rate and Inverse Floating Rate Classes bear interest using interest formulas shown in the applicable supplements. Unless otherwise provided, their class coupons are based on LIBOR. “LIBOR” is the arithmetic mean of the London interbank offered quotations for Eurodollar deposits with a maturity of one month.

As Administrator, we calculate the class coupons of LIBOR-based Floating Rate and Inverse Floating Rate Classes for each Accrual Period (after the first) on the second business day before the Accrual Period begins (an “**Adjustment Date**”). For this purpose, a “business day” is a day on which banks are open for dealing in foreign currency and exchange in London, New York City and Washington, D.C. We determine LIBOR by using the “Interest Settlement Rate” for one-month U.S. dollar deposits set by the British Bankers’ Association (the “**BBA**”) as of 11:00 a.m. (London time) on the Adjustment Date.

The BBA’s Interest Settlement Rates are currently displayed on Reuters page 3750. That page, or any other page that may replace page 3750 on that service or any other service the BBA nominates as the information vendor to display the BBA’s Interest Settlement Rates for deposits in U.S. dollars, is a “**Designated Reuters Page.**” Reuters Monitor Money Rates Service page “LIBOR01” and Bloomberg L.P. page “BBAM” also currently display the BBA’s Interest Settlement Rates. The BBA’s Interest Settlement Rates currently are rounded to five decimal places.

If the BBA’s Interest Settlement Rate does not appear on the Designated Reuters Page as of 11:00 a.m. (London time) on an Adjustment Date, or if the Designated Reuters Page is not then available, we will obtain the Interest Settlement Rate from Reuters’ page “LIBOR01” or Bloomberg’s page. If neither of those two pages publishes the Interest Settlement Rate for the Adjustment Date, LIBOR for that date will be the most recently published Interest Settlement Rate. If the BBA no longer sets an Interest Settlement Rate, we will designate an alternative index that has performed, or that we expect to perform, in a manner substantially similar to the BBA’s Interest Settlement Rate. We will select an alternative index only if tax counsel advises us that the alternative index will not cause the related Pass-Through Pool to lose its classification as a grantor trust.

Absent clear error, our determination of the applicable LIBOR levels and our calculation of the class coupons for the Floating Rate and Inverse Floating Rate Classes for each Accrual Period will be final and binding. You can get the class coupons for the current and all preceding Accrual Periods from our internet website or from Investor Inquiry at Freddie Mac. Our method for determining LIBOR is subject to modification as necessary to reflect technological and market changes.

Holders of PO Classes and Call Classes of CPCs will not receive interest payments.

Interest will accrue on the principal or notional principal amount of a Pass-Through Certificate as determined by its Class Factor for:

- The month preceding the Payment Date, for a class backed by Gold PCs or GNMA Certificates.
- The second month preceding the Payment Date, for a class backed by Original PCs or ARM PCs.

Unless otherwise provided in the applicable supplement, the “**Accrual Period**” relating to any Payment Date will be:

- The calendar month preceding the month of the Payment Date, for a Fixed Rate Class backed by Gold PCs or GNMA Certificates.
- The 15th of the preceding month to the 15th of the month of that Payment Date, for a Floating Rate or Inverse Floating Rate Class.
- The second calendar month preceding the month of the related Payment Date, for a class backed by Original PCs or ARM PCs.

The class coupon for Pass-Through Certificates backed by ARMs adjusts as of the first day of each Accrual Period and will equal the weighted average of the interest rates of the assets as of the same date, truncated at the third decimal place. Investors can obtain the class coupons for the current Accrual Period on our internet website or by contacting Investor Inquiry at Freddie Mac.

Record Dates

As Administrator, we pass through payments on each Payment Date to Holders as of the related Record Date. The “**Record Date**” for any Payment Date is the close of business on the last day of:

- The preceding month, for a class backed by Gold PCs or GNMA Certificates.
- The second preceding month, for a class backed by Original PCs or ARM PCs.

Final Payment Date

The “**Final Payment Date**” for each class of Pass-Through Certificates usually reflects the latest final payment date of the underlying PCs, GNMA Certificates or other assets. The final payment dates of the assets are determined by various methods depending upon their type and date of issuance, as described in the applicable offering materials. The actual final payment on any class of Pass-Through Certificates could occur significantly earlier than its Final Payment Date.

You will receive the final payment on your Pass-Through Certificates on or before the Payment Date that falls (a) in the same month as the applicable Final Payment Date, for Gold Pass-Through PCs and Pass-Through Securities, and (b) in the month after the applicable Final Payment Date, for Original Pass-Through PCs and ARM Pass-Through PCs.

GUARANTEES

With respect to each Pass-Through Pool, as Guarantor, we guarantee to the Trustee and to each Holder of a Pass-Through Certificate:

- The timely payment of interest at its class coupon.
- The payment of principal as principal payments are made on the underlying assets.
- The final payment of its entire principal amount by the Payment Date that falls (a) in the month of its Final Payment Date, for Gold Pass-Through PCs and Pass-Through Securities, and (b) in the month after its Final Payment Date, for Original Pass-Through PCs and ARM Pass-Through PCs.
- In the case of the Holder of a Call Class of CPCs, all proceeds due to the Holder upon exercise of its Call Right.

Freddie Mac also guarantees:

- For all PCs, the timely payment of interest and the full and final payment of principal on the underlying Mortgages.
- For Gold PCs only, the timely payment of scheduled principal on the underlying Mortgages, calculated as described in the applicable PC Offering Circular.
- For other assets issued by Freddie Mac, the payment of interest and principal as described in the applicable offering materials.

FORM OF PASS-THROUGH CERTIFICATES, HOLDERS AND PAYMENT PROCEDURES

Form and Denominations

Fed System. Investors who own Pass-Through Certificates held on the Fed System typically are not the Holders of those Pass-Through Certificates. Only banks and other entities eligible to maintain book-entry accounts with a Federal Reserve Bank (“**Fed Participants**”) may be Holders of Pass-Through Certificates held on the Fed System.

Pass-Through Certificates held on the Fed System are subject to the HUD regulations governing Freddie Mac’s book-entry securities (24 C.F.R. Part 81, Subpart H) and any procedures that Freddie Mac and a Federal Reserve Bank may agree to. These regulations and procedures relate to the issuance and recordation of, and transfers of interests (including security interests) in, all of Freddie Mac’s book-entry securities held on the Fed System, regardless of when the securities were issued. Fed Participants’ individual accounts are governed by operating circulars and letters of the Federal Reserve Banks.

DTC System. DTC is a New York-chartered limited purpose trust company that performs services for its participants (“**DTC Participants**”), mostly brokerage firms and other financial institutions. Pass-Through Certificates held on the DTC System will be represented by certificates registered in the name of the DTC or its nominee. Therefore, DTC or its nominee is the Holder of Pass-Through Certificates held on the DTC System.

Certificated Classes. Certificated classes will be transferable only at the office of the Registrar. A Holder may have to pay a service charge to the Registrar for any registration of transfer of a certificated class, and will have to pay any transfer taxes or other governmental charges.

Each Call Class will be issued as a single certificate in an original notional principal amount equal to the original principal amount of its related Callable Class and will be held and transferable only as a single certificate.

CUSIP Number. Each class of Pass-Through Certificates will have a unique nine-character designation, known as a “**CUSIP Number,**” used to identify that class.

Denominations. Holders on the Fed System or the DTC System must hold and transfer their Pass-Through Certificates in minimum original principal or notional principal amounts of \$100,000 (for IO, PO, Inverse Floating Rate, Structured Formula and Toggle Classes) or \$1,000 (for other Classes) and additional increments of \$1. A Holder may not transfer a Pass-Through Certificate if, as a result of the transfer, the Holder would have remaining in its account Pass-Through Certificates of any class having an original principal or notional principal amount of less than \$100,000 or \$1,000, as applicable. A Holder of Pass-Through Certificates on the Fed System will also have to comply with any Federal Reserve Bank minimum wire transfer requirements.

Holders

A Holder of a Pass-Through Certificate is not necessarily its beneficial owner. Beneficial owners ordinarily will hold classes through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. For example, as an investor, you may hold a class through a brokerage firm which, in turn, holds through a Fed Participant. In that case, you would be the beneficial owner and the participant would be the Holder.

If your class is held on the DTC System, your ownership will be recorded on the records of the brokerage firm, bank or other financial intermediary where you maintain an account for that purpose. In turn, the financial intermediary’s interest in the class will be recorded on the records of DTC (or of a DTC Participant that acts as agent for the financial intermediary, if the intermediary is not itself a DTC Participant).

A Holder that is not also the beneficial owner of a Pass-Through Certificate, and each other financial intermediary in the chain between the Holder and the beneficial owner, will be responsible for establishing and maintaining accounts for their customers. Freddie Mac and any Federal Reserve Bank will not have a direct obligation to a beneficial owner of a Pass-Through Certificate that is not also the Holder. A Federal Reserve Bank or DTC will act only upon the instructions of the Fed Participant or DTC Participant, as applicable, in recording transfers of a class.

Freddie Mac, the Registrar, the Federal Reserve Banks and DTC may treat the Holder as the absolute owner of a Pass-Through Certificate for the purpose of receiving payments and for all other purposes, regardless of any notice to the contrary. Your rights as a beneficial owner of a Pass-Through Certificate may be exercised only through the Holder.

Payment Procedures

Federal Reserve Banks will credit payments on classes held on the Fed System to the appropriate Fed Participants.

We or, in some cases, the Registrar will make payments on classes held on the DTC System in immediately available funds to DTC. DTC will be responsible for crediting the payment to the accounts of the appropriate DTC Participants in accordance with its normal procedures.

The Registrar will make payments on a certificated class by check mailed to the addresses of the Holders shown on the Registrar's records or, if the related supplement provides, by wire transfer to the Holders. However, a Holder will receive the final payment on a certificated class only upon presentation and surrender of the Holder's certificate to the Registrar.

Each Holder and each other financial intermediary will be responsible for remitting payments to the beneficial owners of a class that it represents.

If a principal or interest payment error occurs, we may correct it by adjusting payments to be made on future Payment Dates or in any other manner we consider appropriate.

PREPAYMENT, YIELD AND SUITABILITY CONSIDERATIONS

PREPAYMENTS

The rates of principal payments on the assets and the Pass-Through Certificates will depend on the rates of principal payments on the related Mortgages. Mortgage principal payments may be in the form of scheduled amortization or partial or full prepayments. Prepayments include:

- Prepayments by the borrower.
- Liquidations resulting from default, casualty or condemnation.
- Payments made by Freddie Mac, as Guarantor, or GNMA under their guarantees of principal (other than payments of scheduled amortization).

The Mortgages may be prepaid at any time, in most cases without penalty. We cannot make any representation regarding the likely prepayment experience of the Mortgages underlying any pass-through pool.

Mortgage prepayment rates are likely to fluctuate significantly over time. Prepayment rates are influenced by many factors, especially mortgage interest rates. In general, as mortgage interest rates decline, borrowers tend to refinance their current mortgages, which results in faster prepayment rates on a mortgage pool. On the other hand, as mortgage interest rates increase, borrowers tend not to refinance their mortgages, which results in slower prepayment rates on a mortgage pool. Either of these scenarios can affect the yield of your investment in a Pass-Through Certificate, as discussed in more detail below.

The characteristics of particular Mortgages may also influence their principal payment rates. For example, ARMs tend to have higher default rates than fixed-rate Mortgages. In addition, the rate of principal payments on Pass-Through Certificates backed by ARMs may be affected by changes in scheduled amortization resulting from adjustments in the interest rates and monthly payment amounts of the underlying ARMs.

Transfers of mortgaged properties also influence prepayment rates. The Mortgages underlying fixed-rate PCs generally include "due-on-transfer" clauses which provide that the holder of the Mortgage may demand full payment of the Mortgage upon the transfer of the mortgaged property. Freddie Mac, in most cases, requires mortgage servicers to enforce these clauses where permitted by applicable law. PC Offering Circulars discuss this further. ARMs and Mortgages underlying GNMA Certificates generally do not include due-on-transfer clauses.

If you are purchasing a Pass-Through Certificate backed by PCs, you should review the discussion of prepayments and yields in the PC Offering Circular.

YIELDS

General

In general, your yield on any class of Pass-Through Certificates will depend on several variables, including:

- The price you paid for that class.
- The rate of principal prepayments on the underlying Mortgages.
- The actual characteristics of the underlying Mortgages.
- In the case of adjustable rate Pass-Through Certificates, the levels of the interest rates on the underlying ARMS, as adjusted from time to time.

You should carefully consider the yield risks associated with Pass-Through Certificates, including these:

- If you purchase a class at a discount to its principal amount and the rate of principal payments on the underlying Mortgages is slower than you expect, you will receive payments over a longer period than you expect, so the yield on your investment will be lower than you expect. This is especially true for a PO Class.
- If you purchase a class at a premium over its principal amount and the rate of principal payments on the underlying Mortgages is faster than you expect, you will receive payments over a shorter period than you expect, so the yield on your investment will be lower than you expect.
- If you purchase an IO Class or any other class at a significant premium over its principal amount and there are fast principal payments on the underlying Mortgages, you may not even recover your investment in that class.
- In general, the rate of Mortgage prepayments early in your investment has the greatest effect on your yield to maturity. As a result, a negative effect on your yield produced by principal prepayments at a higher (or lower) rate than you expect in the period immediately following your purchase of a Pass-Through Certificate is not likely to be offset by an equivalent reduction (or increase) in that rate in later periods.
- Mortgages tend to prepay fastest when prevailing interest rates are low. When this happens, you may not be able to reinvest your principal payments in comparable securities at as high a yield.

Yields of Floating Rate and Inverse Floating Rate Classes

If you invest in a Floating Rate or Inverse Floating Rate Class, you should consider the following additional risks:

- If you own a Floating Rate Class, index levels lower than you expect could result in yields lower than you expected, especially if the class coupon varies based on a multiple of the index. Also, the class coupon of your class can never be higher than its stated

maximum rate, regardless of the level of the index. If you own an Interest Only Floating Rate Class, you may not even recover your investment if the level of the applicable index is low or Mortgage prepayments are fast.

- If you own an Inverse Floating Rate Class, index levels higher than you expect could result in yields lower than you expected, especially if the class coupon varies based on a multiple of the index. The class coupons of most Inverse Floating Rate Classes can fall as low as 0%. If you own an Interest Only Inverse Floating Rate Class, you may not even recover your investment if the level of the applicable index is high or Mortgage prepayment rates are fast.
- When mortgage interest rates are generally low, which usually results in faster prepayments, the applicable index value may be high. On the other hand, when mortgage interest rates are generally high, which usually results in slower prepayments, the applicable index value could be low. Either of these scenarios could result in a lower than expected yield on your Pass-Through Certificates.
- No index will remain constant at any value. Even if the average value of an index is consistent with what you expect, the timing of any changes in that value may affect your actual yield. In general, the earlier a change in the value of the applicable index, the greater the effect on your yield. As a result, a negative effect on your yield produced by an index value that is higher (or lower) than you expect early in your investment is not likely to be offset by an equivalent reduction (or increase) in that value in later periods.

Yields of ARM Pass-Through Certificates

If you invest in adjustable rate Pass-Through Certificates, you should consider the following additional risks:

- If the index levels used to adjust the underlying ARMs are lower than you expect, the yield on your investment could be lower than you expect.
- The interest rates on ARMs are subject to limits on the amount they can adjust on each adjustment date. The total amount that an ARM can adjust may also be limited by lifetime ceilings and, in some cases, lifetime floors.
- Class coupons for adjustable rate Pass-Through Certificates generally adjust monthly, based on a weighted average of the interest rates on the underlying ARMs. The interest rates on the underlying ARMs may adjust monthly, semi-annually, annually or at other intervals. As a result, the class coupon of your Pass-Through Certificates may not fully reflect current interest rates.
- Disproportionate principal payments, including prepayments, on ARMs that have relatively low and high interest rates compared to the other ARMs in the same pool will affect the level of the class coupons for the related Pass-Through Certificates, even if the interest rates on those ARMs remain unchanged.
- When mortgage interest rates are generally low, which usually results in faster prepayments, the index value may be high. On the other hand, when mortgage interest rates are generally high, which usually results in slower prepayments, the

index value could be low. Either of these scenarios could result in a lower than expected yield on adjustable rate Pass-Through Certificates.

- No index will remain constant at any value. Even if the average value of an index is consistent with what you expect, the timing of any changes in that value may affect your actual yield. In general, the earlier a change in the value of the applicable index, the greater the effect on your yield. As a result, a negative effect on your yield produced by an index value that is higher (or lower) than you expect early in your investment is not likely to be offset by an equivalent reduction (or increase) in that value in later periods.

Payment Delay

The effective yield on any interest-bearing Pass-Through Certificate with a Payment Delay will be less than the yield that its class coupon and purchase price would otherwise produce, because:

- On its first Payment Date, 30 days' interest will be payable on the Pass-Through Certificate even though interest began to accrue approximately 45 to 75 days earlier, depending on its Payment Delay.
- On each Payment Date after the first, the interest payable on the Pass-Through Certificate will accrue during its Accrual Period, which will end approximately 15 to 45 days before that Payment Date, depending on its Payment Delay.

SUITABILITY

Pass-Through Certificates may not be suitable investments for you. You should consider the following before you invest in Pass-Through Certificates.

- Pass-Through Certificates are not appropriate investments if you require a single lump sum payment on a date certain, or if you require an otherwise definite payment stream.
- A market may not develop for the sale of some types of Pass-Through Certificates after their initial issuance. Even if a market develops, it may not continue. As a result, you may not be able to sell your Pass-Through Certificates easily or at prices that will allow you to realize your desired yield.
- The market values of your Pass-Through Certificates are likely to fluctuate, primarily in response to changes in prevailing interest rates. Such fluctuations may result in significant losses to you.
- The secondary markets for mortgage-related securities have experienced periods of illiquidity in the past, and can be expected to do so in the future. Illiquidity can have a severely negative effect on the prices of Pass-Through Certificates, especially those that are particularly sensitive to prepayment, redemption or interest rate risk or that have been structured to meet the investment needs of limited categories of investors.
- The Pass-Through Certificates of some classes may not be eligible to back Freddie Mac REMIC classes or other Freddie Mac structured transactions. This may impair the liquidity of those classes.
- Pass-Through Certificates are complex securities. Before investing in a Pass-Through Certificate, you should be able, either alone or with a financial advisor, to evaluate the

information contained and incorporated in this Offering Circular and in the related supplement. You should evaluate the information in the context of your personal financial situation and your views on possible and likely interest rate and economic scenarios.

This Offering Circular does not describe all the possible risks of an investment in Pass-Through Certificates that may result from your particular circumstances, nor does it project how Pass-Through Certificates will perform under all possible interest rate and economic scenarios. You should purchase Pass-Through Certificates only if you understand and can bear the prepayment, redemption, yield, liquidity and market risks associated with your investment under a variety of interest rate and economic scenarios. If you purchase Pass-Through Certificates, you need to have enough financial resources to bear all the risks related to your Pass-Through Certificates.

TABULAR INFORMATION IN SUPPLEMENTS

In order to illustrate the effect of prepayments on classes of Pass-Through Certificates, the related supplements may include tables that show the following information, in each case under various prepayment and/or index scenarios:

- Pre-tax yields to maturity.
- Weighted average lives.
- Cash flows.
- Declining principal balances.

All of the tables shown in a supplement will be based on assumptions about the underlying Mortgages. Because the Mortgages will have characteristics that differ from those assumed in preparing any table, the actual weighted average lives, pre-tax yields, cash flows and declining principal balances are likely to differ from those shown, even in the unlikely event that all the underlying Mortgages were to prepay at the assumed rates.

Yield Calculations

We calculate pre-tax yields by:

1. Determining the monthly discount rates (whether positive or negative) that, when applied to the assumed stream of cash flows to be paid on a class, would cause the discounted present value of those cash flows to equal the assumed purchase price of the class.
2. Converting the monthly rates to corporate bond equivalent (semiannual payment) rates.

These yield calculations do not take into account any variations in the interest rates at which you might reinvest payments that you receive. Consequently, they will not reflect the return on any investment when those reinvestment rates are considered.

Weighted Average Lives

The weighted average life of a security refers to the average amount of time that will elapse from the date of its issuance until each dollar of principal has been repaid to the investor. The

weighted average lives of the classes of Pass-Through Certificates will depend primarily on the rate at which principal is paid on the Mortgages. We calculate weighted average lives by:

1. Multiplying the assumed reduction, if any, in the principal amount on each Payment Date by the number of years from the date of issuance to that Payment Date.
2. Summing the results.
3. Dividing the sum by the aggregate amount of the assumed reductions in principal amount.

Prepayment Models

Prepayments on pools of Mortgages can be measured based on a variety of prepayment models. The models typically used in supplements for Pass-Through Certificates will be The Securities Industry and Financial Markets Association's standard prepayment (or "PSA") model and the constant prepayment rate (or "CPR") model.

The PSA model assumes that:

- Mortgages will prepay at an annual rate of 0.2% in the first month after origination.
- The prepayment rate will increase by an annual rate of 0.2% per month up to the 30th month after origination.
- The monthly prepayment rate will be constant at 6% per annum in the 30th and later months.

This assumption is called "100% PSA." For example, at 100% PSA, mortgages with a loan age of three months (mortgages in their fourth month after origination) are assumed to prepay at an annual rate of 0.8%. "0% PSA" assumes no prepayments; "50% PSA" assumes prepayment rates equal to 0.50 times 100% PSA; "200% PSA" assumes prepayment rates equal to 2.00 times 100% PSA; and so forth.

The CPR model assumes an annual constant mortgage prepayment rate each month relative to the then outstanding principal balance of a pool of mortgages for the life of that pool. For example, at 6% CPR, the CPR model assumes that the monthly prepayment rate will be constant at 6% per annum. (For mortgages in their 30th and later months, 6% CPR corresponds to 100% PSA.)

Neither the PSA nor the CPR model describes historical prepayment experience or can predict the prepayment rate of any actual mortgage pool.

Even though the tables in a supplement will use assumed Mortgage prepayment rates, the underlying Mortgages will not prepay at a constant rate until maturity, nor will all of those Mortgages prepay at the same rate. You must make an independent decision regarding the appropriate principal prepayment scenarios to use in deciding whether to purchase Pass-Through Certificates.

THE PASS-THROUGH TRUST AGREEMENT

Under the Pass-Through Certificates Master Trust Agreement dated the same date as this Offering Circular, as Depositor, we transfer and deposit assets that we have acquired into various Pass-Through Pools. As Trustee, we create and issue Pass-Through Certificates under the Pass-

Through Certificates Master Trust Agreement and the related “**Terms Supplement**” for each offering of Pass-Through Certificates. For any particular offering, the Pass-Through Certificates Master Trust Agreement and the applicable Terms Supplement together constitute the “**Pass-Through Trust Agreement.**”

The following summary describes various provisions of the Pass-Through Trust Agreement. This summary is not complete. You should refer to the Pass-Through Trust Agreement if you would like further information about its provisions. You can obtain copies of the Pass-Through Trust Agreement, including any Terms Supplements, from our Investor Inquiry Department. Your receipt and acceptance of a Pass-Through Trust Certificate constitutes your unconditional acceptance of all the terms of the Pass-Through Trust Agreement.

TRANSFER OF ASSETS TO PASS-THROUGH POOL

The assets deposited in each Pass-Through Pool will be identified to that Pass-Through Pool in our corporate records. As Trustee, we will hold legal title to the assets, directly or through our agent, for the benefit of each Pass-Through Pool and the Holders of the related Pass-Through Certificates.

VARIOUS MATTERS REGARDING FREDDIE MAC

Freddie Mac in its Corporate Capacity

Freddie Mac, in its corporate capacity, and its directors, officers, employees and agents will not be liable to Holders for any action taken or omitted in good faith or for errors in judgment. However, they will not be protected against any liability that results from their willful misfeasance, bad faith, gross negligence or reckless disregard of their obligations.

The Pass-Through Trust Agreement requires Freddie Mac, as Administrator, to administer Pass-Through Pool assets using the same standards as for similar assets that it owns. Holders will not be able to direct or control Freddie Mac’s actions under the Pass-Through Trust Agreement, unless an Event of Default occurs.

Except with regard to its guarantee obligations or other payment obligations, Freddie Mac will not be liable for any Holder’s direct damages unless Freddie Mac has failed to exercise the same degree of ordinary care that it exercises in the conduct of its own affairs. Freddie Mac will not be liable for any Holder’s consequential damages.

In addition, Freddie Mac need not appear in any legal action that is not incidental to its responsibilities under the Pass-Through Trust Agreement and that we believe may result in any expense or liability. However, Freddie Mac may undertake any legal action that we believe is necessary or desirable in the interests of the Holders. Freddie Mac will bear the legal costs of any such action.

Freddie Mac may acquire all or part of the Pass-Through Certificates of any class. Except as described under *Rights Upon Event of Default* and *Voting Rights* below, Pass-Through Certificates

we hold will be treated the same as Pass-Through Certificates of the same class held by other Holders.

The Pass-Through Trust Agreement will be binding upon any successor to Freddie Mac.

Custodial Account

We are responsible as the Administrator under the Pass-Through Trust Agreement for certain duties.

As Administrator, we hold funds that are received from the assets and used to pay Holders in an account or accounts separate from our own corporate funds. Such separate account(s), collectively, are called the custodial account and funds held in the custodial account are held in trust for the benefit of Holders of Pass-Through Certificates. The custodial account is the account from which Holders are paid. Amounts on deposit in the custodial account may be commingled with funds for all Pass-Through Pools and for other Freddie Mac mortgage securities (and temporarily with other collections on Mortgages) and are not separated on a Pass-Through Pool by Pass-Through Pool basis. As Administrator, we are entitled to investment earnings on funds on deposit in the custodial account and we are responsible for any losses. Holders are not entitled to any investment earnings from the custodial account. We may invest funds in the custodial account in eligible investments set forth in the Pass-Through Trust Agreement prior to distribution to Holders.

Certain Matters Regarding Our Duties as Trustee

We serve as Trustee under each Pass-Through Trust Agreement. We may resign from our duties as Trustee under the Pass-Through Trust Agreement upon providing 90 days' advance written notice. Our resignation would not become effective until a successor has assumed our duties. Even if our duties as Trustee under the Pass-Through Trust Agreement terminate, we still would be obligated under our guarantee.

Under the Pass-Through Trust Agreement, the Trustee may consult with and rely on the advice of counsel, accountants and other advisors, and the Trustee will not be responsible for errors in judgment or for anything it does or does not do in good faith if it so relies. This standard of care also applies to our directors, officers, employees and agents. We are not required, in our capacity as Trustee, to risk our funds or incur any liability if we do not believe those funds are recoverable or we do not believe adequate indemnity exists against a particular risk. This does not affect our obligations as Guarantor.

We are indemnified by each Pass-Through Pool for actions we take in our capacity as Trustee in connection with the administration of that Pass-Through Pool. Officers, directors, employees and agents of the Trustee are also indemnified by each Pass-Through Pool with respect to that Pass-Through Pool. Nevertheless, neither we nor they will be protected against any liability if it results from willful misfeasance, bad faith or gross negligence or as a result of reckless disregard of our duties. The Trustee is not liable for consequential damages.

The Pass-Through Trust Agreement provides that the Trustee may, but is not obligated to, undertake any legal action that it deems necessary or desirable in the interests of Holders. We may be reimbursed for the legal expenses and costs of the action from the assets of the Pass-Through Pool. Any such reimbursement will not affect our guarantee obligations, however.

EVENTS OF DEFAULT

“Events of Default” under the Pass-Through Trust Agreement are:

- Any failure by Freddie Mac, as Guarantor or Administrator, to pay principal or interest that lasts for 30 days.
- Any failure by Freddie Mac, as Guarantor or Administrator, to perform in any material way any other obligation under the Pass-Through Trust Agreement, if the failure lasts for 60 days after Freddie Mac receives written notice from the Holders of at least 60% of the outstanding principal or notional principal amount of an affected class.
- Specified events of bankruptcy, insolvency or similar proceedings involving Freddie Mac (but not including the appointment of a conservator or similar official for Freddie Mac).

RIGHTS UPON EVENT OF DEFAULT

If an Event of Default under a Pass-Through Trust Agreement is not remedied, the Holders of at least 50% of the outstanding principal or notional principal amount of any affected class of Pass-Through Certificates may remove Freddie Mac as Administrator and nominate a successor as to that Pass-Through Pool. That nominee will replace Freddie Mac as Administrator unless Freddie Mac objects within ten days after the nomination. In that event, either Freddie Mac or anyone who has been a bona fide Holder of an affected class for at least six months may ask a court to appoint a successor. The court may then appoint a successor Administrator. Any such removal will not affect Freddie Mac’s guarantee obligations.

In addition, Freddie Mac may be removed as Trustee if an Event of Default has occurred with respect to a Pass-Through Pool. In that case, we can be removed and replaced by a successor trustee as to an affected Pass-Through Pool by Holders owning not less than 50% of the outstanding principal or notional principal amount of any affected Class of Pass-Through Certificates.

For these purposes Pass-Through Certificates held by Freddie Mac will be disregarded.

VOTING RIGHTS

Except in limited circumstances following an Event of Default, no Holder of a Pass-Through Certificate has any right to vote or to otherwise control in any manner the management and operation of any Pass-Through Pool. In addition, Holders may institute legal actions and proceedings with respect to the Trust Agreement or the Pass-Through Certificates only in limited circumstances, and no Holder has the right to prejudice the rights of any other Holder under the Trust Agreement or to seek preference or priority over any other Holder.

In determining whether Holders of the requisite outstanding principal or notional principal amount of affected Pass-Through Certificates have given any request, demand, authorization, direction, notice, consent or waiver requested or permitted under the Pass-Through Trust Agreement, any Pass-Through Certificates beneficially held by a Transferor (as defined below) with respect to that Pass-Through Pool, or the affiliates or agents of a Transferor, will be disregarded and deemed not to be outstanding.

However, when determining whether Holders of the requisite outstanding principal or notional principal amount of affected Pass-Through Certificates have given any request, demand, authorization, direction, notice, consent or waiver under the Pass-Through Trust Agreement

regarding (i) an Event of Default (or default by a successor trustee) or succession upon an Event of Default (or default by a successor trustee), (ii) a matter arising under an underlying agreement governing the related Pass-Through Pool assets, (iii) a matter requiring the consent of a Holder to the impairment of such Holder's right to receive payments when due or to sue for any payment that is overdue or (iv) any other matter whose outcome would not affect the "sale" treatment of the transfer of assets to the related Pass-Through Pool, then any Pass-Through Certificates beneficially held by a Transferor with respect to that Pass-Through Pool, or the affiliates or agents of a Transferor, will be deemed to be outstanding. In addition, if a Transferor beneficially owns 100% of any class of Pass-Through Certificates issued by a Pass-Through Pool, then those Pass-Through Certificates may be voted by the Transferor to the same extent as Pass-Through Certificates held by any other Holder.

A "**Transferor**" means, with respect to any Pass-Through Pool created on or after December 31, 2007, (a) any person or legal entity, acting in its capacity as principal, that transfers assets to Freddie Mac in exchange for cash or Pass-Through Certificates, or a combination of cash and Pass-Through Certificates, for conveyance to the related Pass-Through Pool; or (b) Freddie Mac, in its corporate capacity when it transfers assets that it has been holding in its own portfolio to a Pass-Through Pool in exchange for cash or Pass-Through Certificates.

VOTING UNDER ANY PC OR REMIC AGREEMENT

Holders of PCs and Freddie Mac REMIC classes have various rights under the agreements governing their securities. If a default occurs under one of these agreements, holders of a specified percentage of the affected PCs or REMIC classes may seek to remove Freddie Mac under that agreement. As Trustee, we will hold the PCs and REMIC classes that back Pass-Through Certificates. However, the Pass-Through Trust Agreement generally allows the Holders of the Pass-Through Certificates, rather than Freddie Mac, to act if an event of default occurs under the related PC or REMIC agreement. For this purpose, the Holders of Pass-Through Certificates will be treated as the holders of the affected PC or REMIC class in proportion to the outstanding principal amounts of their Pass-Through Certificates.

Holders of PCs and Freddie Mac REMIC classes also have the right to consent to certain amendments to their governing agreements. The Pass-Through Trust Agreement provides that, as the holder of a PC or REMIC class that backs Pass-Through Certificates, Freddie Mac, as Trustee, may consent to such an amendment. However, if the amendment would adversely affect in any material way the interests of the Holders of Pass-Through Certificates, Freddie Mac may not agree to it unless Holders of at least 50% of the outstanding principal or notional principal amount of each affected class consent in writing. Despite this rule, Freddie Mac may amend an agreement governing Mortgage Participation Certificates, without the consent of Holders, if the amendment changes Freddie Mac's procedures for calculating payments or passing through prepayments on Mortgage Participation Certificates that back Pass-Through Pools formed after September 1, 1995. See the PC Offering Circular for information about payments on Mortgage Participation Certificates.

AMENDMENT

Freddie Mac and the Trustee may amend the Pass-Through Trust Agreement without the consent of any Holder or Holders to:

- Cure any ambiguity or to correct or add to any provision in the Pass-Through Trust Agreement, if the amendment does not adversely affect Holders in any material way.
- Maintain the qualification of any Pass-Through Pool as a grantor trust under the Internal Revenue Code of 1986 (the “Code”).
- Avoid the imposition of any state or federal tax on a Pass-Through Pool.

With the written consent of the Holders of at least 50% of the then outstanding principal or notional principal amount of any affected class, Freddie Mac and the Trustee also may amend the Pass-Through Trust Agreement in any other way. However, unless each affected Holder consents, Freddie Mac and the Trustee may not amend the Pass-Through Trust Agreement to impair the rights of Holders to receive payments (including guarantee payments) when due or to sue for any payment that is overdue.

To the extent that any provisions of the Pass-Through Trust Agreement differ from the provisions of any of our previous agreements governing Pass-Through Certificates, the Pass-Through Trust Agreement will be deemed to amend those prior agreements if such change would not require the consent of Holders under the terms of those prior agreements.

GOVERNING LAW

The Pass-Through Trust Agreement is to be interpreted in accordance with federal law. If there is no applicable federal precedent and if the application of New York law would not frustrate the purposes of the Freddie Mac Act, the Pass-Through Trust Agreement or any Pass-Through Certificate transaction, then New York law will be deemed to reflect federal law.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

GENERAL

Any discussion of tax matters in this Offering Circular and any applicable supplement was not intended or written to be used, and cannot be used, by any person for the purpose of avoiding tax penalties that may be imposed on such person. Such discussion was written to support the promotion and marketing of the Pass-Through Certificates. Investors should consult their own independent tax advisors regarding the Pass-Through Certificates and each investor’s particular circumstances.

The following is a general discussion of the material federal income tax consequences relating to the purchase, ownership and transfer of Pass-Through Certificates. It does not address all the federal income tax consequences that may apply to particular categories of investors. Some investors may be subject to special rules. **The tax laws and other authorities for this discussion are subject to change or differing interpretations, and any change or interpretation may apply retroactively. You should consult your own tax advisors to determine the federal, state, local and any other tax consequences that may be relevant to you.**

Although Freddie Mac is a government-sponsored enterprise, neither the Pass-Through Certificates nor the income received from them is exempt from federal income, estate or gift taxes under the Code. Further, neither the Code nor the Freddie Mac Act exempts the Pass-Through Certificates or income on them from taxation by any state, any United States possession or any local taxing authority.

If you exchange assets for Pass-Through Certificates (or for Pass-Through Certificates and cash) you may be required to recognize gain or loss on the exchange. If you enter into such an exchange, you should consult your own tax advisors about this matter.

We will report income on the Pass-Through Certificates to the Internal Revenue Service (the “**Service**”) and to Holders of Pass-Through Certificates based, in part, on the final Treasury Regulations under Sections 1271-1275 of the Code (the “**OID Regulations**”).

The federal income tax treatment of some classes of Pass-Through Certificates depends on the treatment of those classes under the “stripped bond” rules of Section 1286 of the Code. Debt instruments can be characterized in various ways under the stripped bond rules, including the possible application of the regulations governing contingent payment obligations. Because of this uncertainty and the relationship between the stripped bond rules and the contingent payment obligation rules, you should consult your own tax advisors regarding the proper tax treatment of these Pass-Through Certificates. The tax information we will provide for Pass-Through Certificates will assume that the contingent payment obligation rules are not applicable.

We will treat Stripped Giant Certificates and Stripped Interest Certificates (each, for tax purposes, a “**Strip**”) according to the rules discussed below under *Strips*. Also, if a class of Strips backs a Pass-Through Certificate, the same rules may apply indirectly to that Pass-Through Certificate. We will describe this in the applicable supplement.

The arrangements under which Giant Certificates, Strips, SPCs and CPCs are created and sold and the related Pass-Through Pools are administered will be classified as grantor trusts under subpart E, part I of subchapter J of the Code and not as associations taxable as corporations.

If you own a Giant Certificate or a SPC, you will be treated for federal income tax purposes as the owner of a pro rata undivided interest in each of the assets of the related Pass-Through Pool, subject to the discussion below under *Giant Certificates — Application of the Stripped Bond Rules*.

If you own a Strip, you will be treated for federal income tax purposes as the owner of the right to receive payments of principal and/or interest, as applicable, on the assets in the related Pass-Through Pool.

Tax Status

Giant Certificates will be considered to represent “loans . . . secured by an interest in real property” within the meaning of Section 7701(a)(19)(C)(v) of the Code and generally will be considered to represent “real estate assets” within the meaning of Section 856(c)(5)(B) of the Code. Interest income from the Giant Certificates generally will be considered to represent “interest on obligations secured by mortgages on real property” within the meaning of Section 856(c)(3)(B) of the Code. In the event that any Mortgage has a loan to value ratio (“**LTV**”) in excess of 100 percent (that is, the amount of any Mortgage exceeds the fair market value of the real property securing the Mortgage), the interest income on the excess portion of the Mortgage will not be

“interest on obligations secured by mortgages on real property” within the meaning of Section 856(c)(3)(B) of the Code and such excess portion of the Mortgage will not be a “real estate asset” within the meaning of Section 856(c)(5)(B) of the Code. The excess portion should represent a “Government security” within the meaning of Section 856(c)(4)(A) of the Code. If a Giant Certificate contains a Mortgage with an LTV in excess of 100 percent, a holder that is a real estate investment trust should consult its tax advisor concerning the appropriate tax treatment of such excess portion.

Although there is no specific precedent and the characterization of the Strips is not entirely free from doubt, the Strips should be considered to represent “loans . . . secured by an interest in real property” within the meaning of Section 7701(a)(19)(C)(v) of the Code and generally should be considered to represent “real estate assets” within the meaning of Section 856(c)(5)(B) of the Code, and original issue discount and interest from the Strips generally should be considered to represent “interest on obligations secured by mortgages on real property” within the meaning of Section 856(c)(3)(B) of the Code. In the event that some portion of a Strip is backed by a Mortgage with an LTV in excess of 100 percent, a portion of the interest income on the Strip that is attributable to that Mortgage will not be “interest on obligations secured by mortgages on real property” within the meaning of Section 856(c)(3)(B) of the Code and a portion of the Strip that is attributable to a Mortgage with an LTV in excess of 100 percent will not be a “real estate asset” within the meaning of Section 856(c)(5)(B) of the Code. The portion of a Strip that does not qualify as a “real estate asset” within the meaning of Section 856(c)(5)(B) of the Code should represent a “Government security” within the meaning of Section 856(c)(4)(A) of the Code. If a Strip is backed by a Mortgage with an LTV in excess of 100 percent, a holder that is a real estate investment trust should consult its tax advisor concerning the appropriate tax treatment of such excess portion.

GIANT CERTIFICATES

General

If you own Giant Certificates, you must report on your federal income tax return your pro rata share of the entire income from the Mortgages underlying the assets in the related Pass-Through Pool, in accordance with your method of accounting. Income will include gross interest income at the interest rates on the Mortgages and incidental fees, if any.

You generally will be able to deduct, under Section 162 or 212 of the Code, your pro rata share of servicers’ fees or any Freddie Mac or GNMA guarantee fees, including incidental fees paid by the borrowers and retained by the servicers, Freddie Mac or GNMA, and all administrative and other expenses of the Pass-Through Pool in accordance with your method of accounting. The Code limits the deductions for these miscellaneous itemized deductions for some investors.

Discount and Premium

If you purchase a Giant Certificate, you will be treated as purchasing an interest in each of the underlying Mortgages at a price determined by allocating the purchase price paid for that Giant Certificate among the Mortgages in proportion to their fair market values at the time of purchase. To the extent that the portion of the purchase price allocated to a Mortgage is less than or greater than the portion of the principal balance of the Mortgage allocated to the Giant Certificate, the interest in the Mortgage will be deemed to have been acquired with discount or premium,

respectively. The treatment of any discount will depend on whether the discount represents original issue discount or market discount.

You should consult your own tax advisors to determine whether Section 1272(a)(6) of the Code, as expanded by the Taxpayer Reform Act of 1997, could affect the accrual of discount or amortization of premium on your Giant Certificates or otherwise affect the tax accounting for your Giant Certificates.

If you recognize gain or loss attributable to discount or premium that is not characterized as original issue discount, market discount or amortizable bond premium (described below), your gain or loss will be treated as capital gain or loss if the Giant Certificate is held as a capital asset.

Original Issue Discount. You will be required to report as ordinary income your pro rata share of any original issue discount related to the Mortgages underlying the Giant Certificate pursuant to Sections 1271-1273 and 1275 of the Code. Original issue discount may arise as a result of initial incentive or “teaser” interest rates on ARMs or points charged at origination. You will be required to accrue original issue discount into current income only if it exceeds a *de minimis* amount. The Mortgages also would be subject to the original issue discount rules if, as discussed below, the “stripped bond” provisions of the Code were determined to be applicable.

Freddie Mac intends to treat any negative amortization on an ARM underlying a Giant Certificate as original issue discount. You will be required to include any resulting deferred interest in income in the period in which it accrues.

Market Discount. The market discount rules of Sections 1276-1278 of the Code will apply to treat market discount in excess of a *de minimis* amount as ordinary income. You must recognize accrued market discount to the extent of gain realized on disposition or to the extent of principal payments that you receive. The market discount rules provide that:

- Market discount will be considered to accrue under a straight-line method unless you elect to calculate it under a constant interest method.
- Interest that you paid or that accrues on indebtedness that you incurred or continued to purchase or carry Mortgages acquired at a market discount will be allowed as a deduction only to the extent that such interest, reduced by the interest on the Mortgages includible in income, including original issue discount, is greater than the market discount that accrued but was not taken into account during the taxable year such interest was paid or accrued. Any such interest expense that is deferred will, in general, be allowed as a deduction when the related market discount income is recognized.
- Alternatively, you may elect to include market discount in income currently, under either a straight-line method or a constant interest method, on all market discount obligations you hold except those acquired in taxable years before the year of the election. An election to include market discount as income currently can be revoked only with the Service’s consent. In this event, the rules about ordinary income on disposition and interest deferral discussed above will not apply.

The exact application of the market discount rules is not clear.

Premium. If you have purchased your interest in any Mortgage at a premium, the premium may be amortizable under a constant interest method at your election under Section 171 of the

Code. The premium is treated as an offset to interest income includable with respect to the Mortgage. An election to amortize premium will apply to all debt instruments you hold at the beginning of the tax year for which you make the election and to all such instruments acquired after the election. An election to amortize premium can be revoked only with the Service's consent.

Constant Yield Method. You may elect to include in gross income all interest that accrues on a Mortgage by using the constant yield method. For purposes of this election, interest would include stated interest, *de minimis* original issue discount, original issue discount, *de minimis* market discount and market discount, as adjusted by any premium. You should consider the relationship between this election and the elections described above under *Market Discount* and *Premium*.

Sale or Exchange of a Giant Certificate

If you sell a Giant Certificate, you will recognize gain or loss equal to the difference between your adjusted tax basis in the Giant Certificate and the amount you realized in the sale (not including amounts attributable to accrued and unpaid interest, which will be treated as ordinary interest income).

In general, your adjusted tax basis in the Giant Certificate will equal what you paid for the Giant Certificate, plus the amount of any discount income you previously reported on the Giant Certificate, less the amount of any premium you previously offset against interest income on the Giant Certificate and the amount of any principal payments you received on it.

You must report accrued but unrecognized market discount as ordinary income, but your gain or loss otherwise will be a capital gain or loss if you held the Giant Certificate as a capital asset. The capital gain or loss will be long-term or short-term, depending on whether you owned the Giant Certificate for the long-term capital gain holding period (currently more than one year).

Application of the Stripped Bond Rules

When we issue a class of Giant Certificates, Revenue Ruling 71-399, 1971-2 C.B. 433, issued to us by the Service, indicates that any difference between interest payable at the mortgage interest rate and the sum of (a) interest payable at the class coupon plus (b) fees applicable to the Mortgages (servicers' fees or any Freddie Mac or GNMA guarantee fees) should be accounted for as discount income or premium expense. If such sum exceeds the mortgage interest rate, the difference is characterized as "discount" and considered additional gross income. If such sum is less than the mortgage interest rate, the net difference is characterized as "premium expense."

In Revenue Ruling 71-399, the Service ruled that discount income is to be included as ordinary income in accordance with the beneficial owner's method of accounting, and that premium expense may be deductible in accordance with applicable rules. The Service, however, may contend that by reason of enactment of the stripped bond rules of Section 1286 of the Code (or its predecessor, Section 1232B), Revenue Ruling 71-399 is no longer applicable in characterizing such difference.

The Service has issued guidance taking the position that, when mortgages are sold and the servicer is entitled to receive amounts that exceed reasonable compensation for the mortgage servicing to be performed, the Mortgages are treated as stripped bonds within the meaning of Section 1286 of the Code. If this treatment applies, you would not be treated as having a pro rata undivided interest in the underlying Mortgages, but rather you would be treated as owning "stripped bonds" to the extent of your share of principal payments and "stripped coupons" to the extent of the

class coupon plus reasonable servicing fees and guarantee fees. The consequences of this characterization are described below under *Strips*.

The Service has also issued guidance providing that a purchaser of a mortgage that is a stripped bond must treat it as a market discount bond if the amount of original issue discount on the stripped bond is considered to be zero after application of the *de minimis* rule of Section 1273(a)(3) of the Code or if the annual stated rate of interest payable on the stripped bond is 100 basis points or less below the annual stated rate of interest payable on the mortgage. These conditions apparently are based on the premise that the interest payments which remain associated with the stripped bond are treated, for purposes of the original issue and market discount provisions of the Code, as stated interest payable with respect to the stripped bond. If these conditions are met, you would be required to account for any market discount in accordance with the rules for market discount as described above under *Discount and Premium*.

It is unclear whether the position taken by the Service in the guidance would be upheld if challenged.

STRIPS

General

Under Section 1286 of the Code, “stripped bonds” are created as a result of the separation of the ownership of the right to receive some or all interest payments on an obligation from the right to receive some or all of the principal payments. If you own a Strip, you will be considered to own the following:

- Stripped bonds, to the extent of your share of principal payments on the underlying assets.
- Stripped coupons, to the extent of your share of interest payments on the underlying assets.

Section 1286 treats a stripped bond or a stripped coupon, for purposes of applying the original issue discount rules, as a debt instrument issued with original issue discount on the date that you purchase the stripped interest. While it is unclear whether the original issue discount calculations described below should be done separately for each principal and/or interest payment on a Strip, or by treating all such payments as if they were made on a single debt instrument, we intend to treat a Strip as a single debt instrument for purposes of information reporting.

Determination of Income on Strips

You must include original issue discount on each Strip in your ordinary income for federal income tax purposes as it accrues, which may be prior to receipt of the cash attributable to such income. You must include this in accordance with a constant interest method that takes into account the compounding of interest. Although not free from doubt (see *Possible Alternative Characterizations*), the amount of original issue discount you are required to include in your income in any taxable year likely will be computed as described below. This computation will:

- Use the prepayment rate assumed in pricing the transaction as stated in the applicable supplement (the “**Pricing Speed**”).

- With respect to certain Strips that are Floating Rate or Inverse Floating Rate Classes, project a level of future payments by assuming that the variable rate is a fixed rate equal to the value of the variable rate as of the date of the applicable supplement. The supplement will identify those Strips as to which this assumption applies. In the case of other Strips that include rights to variable interest payments, however, these rules will apply by assuming that the variable rate is a fixed rate that reflects the overall yield that is reasonably expected for the relevant Strip (which in many instances will also equal the value of the variable rate as of the date of the applicable supplement).
- Require periodic adjustments to take into account actual prepayment experience.

Generally, if you own a Strip, you must include in your gross income the sum of the “daily portions,” as defined below, of the original issue discount on the Strip for each day that you own it, including the date you purchased it, but not including the date you dispose of it.

You can determine the daily portions of original issue discount as follows:

1. Calculate the original issue discount that accrues during each month or, if applicable, the shorter period from the date of purchase to the end of the first month. For each period, you do this by:
 - Adding:
 - the present values at the end of the month of any payments to be received in future months, using the Pricing Speed (by using as a discount rate the yield to maturity of the Strip, as described below), and
 - any payments included in the stated redemption price of the Strip received during such month.
 - Subtracting from the above sum the “adjusted issue price” of the Strip at the beginning of the month.
 - The adjusted issue price of a Strip at the beginning of the first month, or shorter period, is its issue price.
 - The adjusted issue price of a Strip at the beginning of a month following the first month or shorter period is the adjusted issue price at the beginning of the immediately preceding month *plus* the amount of original issue discount allocable to that preceding month *minus* the amount of any payment included in the stated redemption price made at the end of or during that preceding month and the amount of any loss recognized at the end of that preceding month.
2. Divide the original issue discount accruing during that month, or shorter period, by the number of days in the period.

The yield used in making these calculations should be the monthly rate (assuming monthly compounding) determined as of the date of purchase that, if used in discounting the remaining payments on the portion of the underlying Mortgages allocable to the Strip, would cause the present value of those payments to equal your purchase price of the Strip.

It is not clear whether the Pricing Speed would be determined at the time you purchase the Strip or at the time the Strips are created and first sold. The Pricing Speed that we will use for purposes of information reporting will be the same for each class of Strips backed by the same pass-through pool, and will be determined based upon conditions at the time of the initial creation and sale of the related Strips.

Under the method for calculating the accrual of original issue discount described above, the rate at which you recognize original issue discount on a Strip and, in the case of an IO Class, the amount of such original issue discount depend on the actual rate of prepayment of the underlying Mortgages and the relative amount of principal and interest on each Mortgage represented by the Strip.

If the method for computing income for any particular month results in a negative amount, you may be entitled to deduct such amount as a loss only against future income from the Strip. However, you should be entitled to deduct a loss to the extent that your remaining basis would otherwise exceed the maximum amount of future payments which you are entitled to receive (determined by assuming that no future prepayments will occur on the underlying Mortgages).

Treatment of Servicing Fee for Federal Income Tax Purposes

For purposes of tax reporting, either of the following amounts will be allocated to related classes of Strips, based on relative amounts of original issue discount accrued during each accrual period on each class:

- The excess of the interest paid on the Mortgages over the aggregate interest payable on the related Strips.
- The portion of that excess that represents reasonable servicing fees, as described above under *Giant Certificates — Application of the Stripped Bond Rules*.

If you own a Strip, you will be entitled to deduct each year, in accordance with your method of accounting, the amount of the servicing fee allocated to you to the same extent as if you paid the amount of the servicing fee directly. The Code limits the deductions for such servicing fees for some investors.

Sale of a Strip

If you sell a Strip, you will recognize a gain or loss equal to the difference, if any, between the amount realized and your adjusted basis in the Strip. The gain or loss will be a capital gain or loss if you held the Strip as a capital asset. The capital gain or loss will be long-term or short-term, depending on whether you owned the Strip for the long-term capital gain holding period (currently more than one year). In general, your adjusted basis in the Strip will equal the amount you paid for the Strip, plus the amount of original issue discount you previously reported on the Strip, minus the amount of any payments included in the stated redemption price of the Strip received by you and the amount of any losses previously recognized by you with respect to the Strip.

Possible Alternative Characterizations

The Service could assert that you must use a method other than the one described above to determine the accrual of original issue discount on a Strip. For example, the Service might require that original issue discount for a month be calculated under the method described above except that

both the yield and the remaining payments should be determined by assuming no further prepayments of the Mortgages.

Further, the characterizations of Strips discussed above are not the only possible interpretations of the applicable Code provisions. For example, if you own a Strip, you may be treated as the owner of:

- One installment obligation consisting of the Strip's pro rata share of the payments attributable to principal on each Mortgage and a second installment obligation consisting of the Strip's pro rata share of the payments attributable to interest on each Mortgage.
- As many stripped bonds or stripped coupons as there are scheduled payments of principal and/or interest on each Mortgage.
- A separate installment obligation for each Mortgage, representing the Strip's pro rata share of payments of principal and/or interest to be made on that Mortgage.

Alternatively, if you own Strips, you may be treated as owning (a) a pro rata fractional undivided interest in each Mortgage to the extent that the Strip represents the same pro rata portion of principal and interest on each Mortgage and (b) a stripped bond or stripped coupon, as applicable, to the extent of any disproportionate principal or interest.

In addition, the Service might assert that the contingent payment rules mentioned above under *General* should apply to certain Strips.

Purchase of More Than One Class of Strips

Although the matter is not free from doubt, if you purchase more than one class of Strips issued from the same Pass-Through Pool at the same time or in the same series of transactions, you should be treated for federal income tax purposes as having made a single purchase. If you purchase more than one class of Strips issued from the same Pass-Through Pool in different transactions, it is unclear whether the federal income tax treatment of the Strips should be determined by treating each class separately or as described in the previous sentence.

SPCs

If you own an SPC, you should review the applicable supplement for a description of the related assets, and the offering documents applicable to the assets for a description of the federal income tax consequences of owning the assets.

CPCs

Status of the CPC Classes

The Callable Class. If you own a Callable Class, you will be treated as:

1. Owning an undivided interest in the underlying Callable Assets; and
2. Having written a call option on your interest in the underlying Callable Assets. The call option is represented by a proportionate part of the Call Right. You will be treated as having written the call option in exchange for an option premium equal to an amount computed under the rules described below.

Special considerations may apply to thrifts, REMICs, real estate investment trusts and regulated investment companies investing in a Callable Class.

The Call Class. If you own a Call Class, you will be treated as having purchased a call option on all the Callable Assets underlying the related Callable Class for an option premium equal to the price you paid for the Call Class.

If you own a Call Class and acquire an interest in the related Callable Class, the call option probably would be extinguished, to the extent of that interest, for at least as long as you held such interest, and you would be treated as holding a proportionate share of the underlying Callable Assets.

Taxation of the CPC Classes

The Callable Class

Allocations. If you own a Callable Class, you will be required, for federal income tax purposes, to account separately for the underlying Callable Assets and the call option you are deemed to have written. You must allocate your purchase price for the Callable Class between the Callable Assets and the call option based on the relative fair market values of each on the date of purchase. The (positive) amount that you allocate to the Callable Assets is your basis in the Callable Assets and the (negative) amount that you allocate to the call option is the option premium you are deemed to have received for writing the call option. Accordingly, your basis in the underlying Callable Assets will be *greater* than the amount you paid for the Callable Class.

Upon the sale, exchange or other disposition of the Callable Class, you must again allocate amounts between the underlying Callable Assets and the call option you were deemed to have written. This allocation is based on the relative fair market values of the Callable Assets and the call option on the date of sale. The (positive) amount that you allocate to the underlying Callable Assets is your amount realized with respect to the Callable Assets and the (negative) amount you allocate to the call option is the amount you are deemed to have paid to be relieved from your obligations under the call option. The amount realized with respect to the underlying Callable Assets will be *greater* than the amount actually received.

Taxation of Underlying Callable Assets. Except as described below under *Application of the Straddle Rules*, the anticipated material federal income tax consequences to you of purchasing, owning and disposing of your interest in the underlying Callable Assets will be as described in the offering materials for the Callable Assets.

Taxation of Call Option Premium. If you own a Callable Class, you will not be required to immediately include in your income the option premium that you were deemed to have received when you purchased the Callable Class. Rather, you need to take such premium into account only when the Call Right lapses, is exercised, or is otherwise terminated. As described above, an amount equal to that option premium is included in your basis in the Callable Assets. Your recovery of such basis will not occur at the same rate as the option premium is included in your income.

As the owner of a Callable Class, you will include the option premium in income as short-term capital gain when the Call Right lapses. Typically, the principal amount of the Callable Assets subject to the Call Right will be reduced over time due to principal payments. It is not entirely clear whether the Call Right would thus be deemed to lapse as the Callable Assets are paid down, and if

so, at what rate. However, Freddie Mac intends to assume that the Call Right lapses, and you would recognize the related premium, proportionately as principal is paid on the Callable Assets (whether as scheduled principal payments or prepayments) after the first date on which the Call Right may be exercised. The Service may or may not agree with this method of determining income from the lapse of the Call Right.

If you own a Callable Class and the Call Right is exercised, you will add an amount equal to the unamortized portion of the option premium to the amount realized from the sale of the underlying Callable Assets. If you transfer your interest in a Callable Class, the transfer will be treated as a “closing transaction” with respect to the option you were deemed to have written. Accordingly, you will recognize a short-term capital gain or loss equal to the difference between the unamortized amount of option premium and the amount you are deemed to pay, under the rules discussed above, to be relieved from such your obligation under the option.

Taxation of Income from GIFC. If a Callable Class is redeemed, the amount received by the Pass-Through Pool from the Call Class Holder and not immediately payable to the Holders of the Callable Class will be invested by Freddie Mac in a Guaranteed Investment and Fee Contract (“GIFC”). The GIFC allows Freddie Mac to invest these amounts for the period from the date received to the date paid to Holders, and it provides for payment of a fee to Freddie Mac. If you own a redeemed Callable Class, you should treat your proportionate share of any accrued interest for the month of redemption as income earned under the GIFC for that period.

The Call Class

Since the purchase price paid by the investor in a Call Class will be treated as an option premium for the Call Right, it will be:

1. Added to the purchase price of the Callable Assets (in addition to any fee for the exchange) if the Callable Assets are purchased upon exercise of the Call Right.
2. Treated as a loss as the Call Right lapses.

For a discussion of when the Call Right may be deemed to lapse, see *The Callable Class — Taxation of Call Option Premium* above. Assuming that the underlying Callable Assets, if acquired, would be capital assets, then loss recognized on such lapse will be treated as a capital loss.

Application of the Straddle Rules

If you own a Callable Class, the Service might take the position that your interest in the underlying Callable Assets and the call option constitute positions in a straddle. If this were correct, the straddle rules of Section 1092 of the Code would apply, with the following consequences:

- If you sell your Callable Class, you will be treated as selling your interest in the underlying Callable Assets at a gain or loss, which would be short-term because your holding period would be tolled. As discussed above, your gain or loss with respect to the option premium always will be short-term under the option rules, regardless of the application of the straddle rules.
- The straddle rules might require you to capitalize, rather than deduct, a portion of any interest and carrying charges allocable to your interest in a Callable Class.

- If the Service were to take the position that your interest in the underlying Callable Assets and the call option constitute a “conversion transaction” as well as a straddle, then a portion of the gain with respect to the underlying Callable Assets or the call option might be characterized as ordinary income.

Tax-Exempt Organizations

In general, income or gain from the CPC classes will not be subject to the tax on unrelated business taxable income for a tax-exempt organization, if the CPC classes do not constitute “debt-financed property.”

EXCHANGE TRANSACTIONS

If you surrender classes of Strips in return for an equivalent principal amount of the underlying Giant Certificate, or vice versa, you will not recognize gain or loss as a result. After the exchange, you will be treated as continuing to own the interests that you owned immediately prior to the exchange.

If you surrender MACS for other MACS or for an interest in the underlying assets, or vice versa, you will not recognize gain or loss as a result. After the exchange, you will be treated as continuing to own the interests that you owned immediately prior to the exchange.

BACKUP WITHHOLDING, FOREIGN WITHHOLDING AND INFORMATION REPORTING

If you are a U.S. Person, you may be subject to federal backup withholding tax under Section 3406 of the Code on payments on your Pass-Through Certificate, unless you comply with applicable information reporting procedures or are an exempt recipient. Any such amounts withheld would be allowed as a credit against your federal income tax liability.

Payments made to an investor who is an individual, a corporation, an estate or a trust that is not a U.S. Person, or to a Holder on behalf of such an investor, generally will not be subject to federal income or withholding tax if:

- The Mortgages underlying the investor’s Pass-Through Certificates all were originated after July 18, 1984;
- The Pass-Through Certificate is not held by the investor in connection with a trade or business in the United States (or if an income tax treaty applies, is not attributable to a U.S. permanent establishment);
- The investor is not with respect to the United States a corporation that accumulates earnings in order to avoid United States federal income tax;
- The investor is not a U.S. expatriate or former U.S. resident who is taxable in the manner provided in Section 877(b) of the Code; and
- The investor provides a statement (on Internal Revenue Service Form W-8BEN or a similar substitute form) signed under penalties of perjury that includes its name and address and certifies that it is not a U.S. Person in accordance with applicable requirements.

Payments to an investor who is not a U.S. Person that represent interest on Mortgages originated before July 19, 1984 may be subject to federal withholding tax at the rate of 30 percent or any lower rate provided by an applicable tax treaty.

Regardless of the date of origination of the Mortgages, federal backup withholding tax will not apply to payments on a Pass-Through Certificate made to an investor who is not a U.S. Person if the investor furnishes an appropriate statement of non-U.S. status.

In general, an investor in a CPC will not be subject to federal withholding tax on amounts received or deemed received with respect to the option associated with the CPC.

We will make available to each Holder of a Pass-Through Certificate, within a reasonable time after the end of each calendar year, information to assist Holders and investors in preparing their federal income tax returns. The information made available to you may not be correct for your particular circumstances.

For these purposes, the term “**U.S. Person**” means one of the following:

- An individual who, for federal income tax purposes, is a citizen or resident of the United States.
- A corporation (or other business entity treated as a corporation for federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia.
- An estate whose income is subject to federal income tax, regardless of its source.
- A trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. Persons have the authority to control all substantial decisions of the trust.
- To the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as U.S. Persons prior to such date, that elect to be treated as U.S. Persons.

If a partnership (or other entity treated as a partnership for federal income tax purposes) holds Pass-Through Certificates, the treatment of a partner will generally depend upon the status of the particular partner and the activities of the partnership. If you are a partner in such a partnership, you should consult your own tax advisors.

ACCOUNTING CONSIDERATIONS

Various factors may influence the accounting treatment applicable to an investor’s acquisition and holding of mortgage-related securities. Accounting standards, and the application and interpretation of such standards, are subject to change from time to time. Before making an investment in the Pass-Through Certificates or exchanging the Pass-Through Certificates, investors are encouraged to consult their own accountant for advice on the appropriate accounting treatment for their series of Pass-Through Certificates.

LEGAL INVESTMENT CONSIDERATIONS

You should consult your own legal advisors to determine whether Pass-Through Certificates are legal investments for you and whether you can use Pass-Through Certificates as collateral for

borrowings. In addition, financial institutions should consult their legal advisors or regulators to determine the appropriate treatment of Pass-Through Certificates under risk-based capital and similar rules.

If you are subject to legal investment laws and regulations or to review by regulatory authorities, you may be subject to restrictions on investing in some types of Pass-Through Certificates or in Pass-Through Certificates generally. Institutions regulated by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration, the Treasury or any other federal or state agency with similar authority should review applicable regulations, policy statements and guidelines before purchasing or pledging Pass-Through Certificates.

DISTRIBUTION ARRANGEMENTS

Freddie Mac generally purchases assets from dealers (each, a **“Dealer”**) and other customers and, as Depositor, deposits those assets in a Pass-Through Pool. As Trustee, Freddie Mac creates and issues Pass-Through Certificates representing interests in those same assets and sells the related Pass-Through Certificates through the same Dealers or customers. Dealers and their affiliates may enter into other transactions with and provide other services to Freddie Mac in the ordinary course of business. Freddie Mac, the Dealers or other parties may receive compensation, trading gain or other benefits in connection with transactions in Pass-Through Certificates. We typically receive a fee from the Dealers and other customers for each offering.

Each offering may be made and the Pass-Through Certificates may be offered or sold only where it is legal to do so. This Offering Circular and any applicable supplement do not constitute an offer to sell or buy or a solicitation of an offer to buy or sell any securities other than the Pass-Through Certificates or an offer to sell or buy or a solicitation of an offer to buy or sell Pass-Through Certificates in any jurisdiction or in any other circumstance in which such an offer or solicitation is unlawful or not authorized.

Freddie Mac may retain or repurchase Pass-Through Certificates for its own portfolio, and may offer or re-offer such Pass-Through Certificates from time to time. These transactions may affect the market prices of Pass-Through Certificates.

Certain Dealers may buy, sell and make a market in Pass-Through Certificates. The secondary market for Pass-Through Certificates may be limited. If a Dealer sells a Pass-Through Certificate, the Dealer is required to confirm the sale, notify the purchaser of the settlement date, purchase price, concessions and fees and deliver a copy of this Offering Circular and the applicable supplement to the purchaser.

INCREASE IN SIZE

Before the settlement date for any offering of Pass-Through Certificates, Freddie Mac and any Dealers or other customers may agree to increase the size of the offering. In that event, the Pass-Through Certificates will have the same characteristics as described in the applicable supplement, except that the original principal or notional principal amount of each class receiving payment from the same Pass-Through Pool will increase by the same proportion.

Appendix I
INDEX OF TERMS

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Appendix II

EXCHANGE PROCEDURES FOR STRIPPED GIANT CERTIFICATES

Information About Securities Eligible for Exchange

You can obtain the balances of classes of Pass-Through Certificates that are subject to exchange either from Freddie Mac's internet website or from Investor Inquiry at Freddie Mac.

Notice

- If you want to enter into an exchange involving Stripped Giant Certificates (including MACS), you must notify Freddie Mac's Mortgage Funding and Investor Relations Department through a Dealer that belongs to Freddie Mac's REMIC dealer group. The Dealer must notify Freddie Mac by telephone (571-382-3767 or 866-903-2767) or by fax (571-382-4277).
- The notice must be received at least one business day before the proposed exchange date, and must include:
 - The outstanding principal or notional principal amounts of the securities to be exchanged and received.
 - The proposed exchange date, which is subject to Freddie Mac's approval.
- Your notice becomes irrevocable on the business day before the proposed exchange date.

Exchange Fee

- We may charge an exchange fee. If so, it will be calculated as described in the applicable supplement.
- Promptly after receiving your notice, Freddie Mac will call the Dealer to give instructions for delivering the collateral. Freddie Mac will collect any exchange fee on a delivery versus payment basis.

Payments Following an Exchange

- Freddie Mac will make the first payment on the securities issued in an exchange in either the first or second month after their issuance, as determined by their Payment Delay.
- Freddie Mac will make the last payment on the securities surrendered in an exchange in either the month of the exchange or the following month, as determined by their Payment Delay.

Limitations on Ability to Exchange Classes

- You must own the right classes in the right proportions in order to enter into an exchange. The principal amount of the securities received in an exchange must equal the principal amount of the securities exchanged, and interest must be payable on the securities received in the same amount as would have been payable on the securities exchanged.
- If you do not own the right classes, you may not be able to obtain them because:
 - The owner of a class that you need for an exchange may refuse or be unable to sell that class to you at a reasonable price or at any price.
 - Some classes may be unavailable because they have been placed into other financial structures, such as a REMIC.
 - Principal payments and prepayments over time will decrease the amounts available for exchange.

Appendix III

EXAMPLES OF MACS EXCHANGES

You may exchange one or more classes of a series of MACS (the “**Old MACS**”) for one or more different classes of MACS of the same series (the “**New MACS**”).

Freddie Mac will allow any exchange of MACS, so long as:

- The aggregate outstanding principal amount of the New MACS (rounded to whole dollars) immediately after the exchange equals that of the Old MACS immediately before the exchange. In this calculation, the outstanding principal amount of the IO Class always equals \$0.
- The aggregate Annual Interest Amount of the New MACS (rounded to whole dollars) equals that of the Old MACS. The “**Annual Interest Amount**” for any class equals its outstanding principal or notional principal amount times its class coupon. If an exchange includes one or more Floating Rate or Inverse Floating Rate Classes, the Annual Interest Amount for the classes received and the classes surrendered must be equal at all levels of the applicable index.
- If Floating Rate and/or Inverse Floating Rate Classes are being exchanged for other Floating Rate and/or Inverse Floating Rate Classes, the Classes being surrendered are first exchanged for corresponding amounts of the IO and/or PO Classes.

Exchanges that include both Floating Rate or Inverse Floating Rate Classes and Fixed Rate or Principal Only Classes are permitted only from the 15th through the last day of a month. Exchanges involving only Fixed Rate and Principal Only Classes and exchanges involving only Floating Rate and Inverse Floating Rate Classes are permitted at any time.

The following examples illustrate some of the possible exchanges of Old MACS for New MACS involving Fixed Rate and PO Classes. Assume that your Old MACS have the following characteristics. Also assume that the class coupon of the underlying Giant Certificate, and therefore that of the IO Class, is 8.5%.

Old MACS

<u>Outstanding Principal Amount</u>	<u>Class</u>	<u>Class Coupon</u>	<u>Annual Interest Amount</u>
\$10,000,000	4.0	4.0%	\$ 400,000
10,000,000	8.0	8.0	800,000
10,000,000	18.0	18.0	1,800,000
<u>\$30,000,000</u>			<u>\$3,000,000</u>

New MACS

Example 1: You can receive New MACS consisting entirely of the 10.0 Class:

<u>Outstanding Principal Amount</u>	<u>Class</u>	<u>Class Coupon</u>	<u>Annual Interest Amount</u>
<u>\$30,000,000</u>	10.0	10.0%	<u>\$3,000,000</u>

Example 2: You can receive New MACS consisting of the PO and IO Classes:

<u>Outstanding Principal Amount</u>	<u>Class</u>	<u>Class Coupon</u>	<u>Annual Interest Amount</u>
\$30,000,000	PO	0.0%	\$ 0
<u>35,294,118 (notional)</u>	IO	8.5	<u>3,000,000</u>
<u>\$30,000,000</u>			<u>\$3,000,000</u>

Example 3: You can receive New MACS consisting of the 6.0, 9.0 and IO Classes:

<u>Outstanding Principal Amount</u>	<u>Class</u>	<u>Class Coupon</u>	<u>Annual Interest Amount</u>
\$20,000,000	6.0	6.0%	\$1,200,000
10,000,000	9.0	9.0	900,000
<u>10,588,236 (notional)</u>	IO	8.5	<u>900,000</u>
<u>\$30,000,000</u>			<u>\$3,000,000</u>

Example 4: You can receive New MACS consisting of the PO, 6.0, 9.0, and 20.0 Classes:

<u>Outstanding Principal Amount</u>	<u>Class</u>	<u>Class Coupon</u>	<u>Annual Interest Amount</u>
\$ 500,000	PO	0.0%	\$ 0
5,000,000	6.0	6.0	300,000
20,000,000	9.0	9.0	1,800,000
<u>4,500,000</u>	20.0	20.0	<u>900,000</u>
<u>\$30,000,000</u>			<u>\$3,000,000</u>

You also may exchange your Old MACS for an equivalent part of the underlying Giant Certificate. Continuing with the above examples, you could exchange \$10,000,000 of the 4.0 Class, \$10,000,000 of the 8.0 Class and \$5,263,158 of the 18.0 Class for \$25,263,158 of the underlying Giant Certificate, and vice versa. Such exchanges may occur repeatedly.

Other possible exchanges of MACS may involve Floating Rate and Inverse Floating Rate Classes. The applicable supplement will describe MACS exchanges of this type and may include additional examples.

Appendix IV

REDEMPTION AND EXCHANGE PROCEDURES FOR CPCs

Notice

- If you own a Call Class and want to call the related Callable Class on any permitted Payment Date (the “**Redemption Date**”), you must notify Freddie Mac at least five business days (if the underlying asset is a Giant PC) or three business days (if the underlying asset is a Giant Security) before the related Record Date.
- You must notify Freddie Mac through a Dealer that belongs to Freddie Mac’s REMIC dealer group. The Dealer must notify Freddie Mac by telephone (571-382-3767 or 866-903-2767), followed by written confirmation (which may be by fax at 571-382-4277) on the same day in a form specified by Freddie Mac.

Related Fees and Payments

- The “**Initial Call Payment**” will equal:
 1. 5% of the principal amount of the Callable Class being redeemed, based on its Class Factor for the month preceding the Redemption Date, plus
 2. the amount of interest that would accrue on the Callable Class for the actual number of days from the first day of the month of redemption to the Redemption Date, calculated on the basis of its Class Factor for the month preceding the Redemption Date.

Example: If the Redemption Date falls on the 15th of a month, the Initial Call Payment would include 14 days of accrued interest. If it falls on the 16th of a month (because the 15th was not a Business Day), the Initial Call Payment would include 15 days of accrued interest. In each case, interest is based on a 360-day year.

- The “**Final Call Payment**” will equal 95% of the principal amount of the Callable Class being redeemed, based on its Class Factor that was published in the month preceding the Redemption Date.
- The “**Call Payment**” will equal the Initial Call Payment plus the Final Call Payment.
- The “**Redemption Price**” of a Callable Class will equal:
 1. 100% of the outstanding principal amount of the Callable Class, based on its Class Factor for the month preceding the redemption, plus
 2. accrued interest at its class coupon for the related Accrual Period on its outstanding principal amount, plus
 3. additional accrued interest at its class coupon for the actual number of days from the first day of the month of redemption to the Redemption Date, calculated on a reduced principal amount determined by the Class Factor that would have been published in the month of redemption were no redemption to occur.
- The “**Call Fee**” equals 1/32 of 1% of the outstanding principal amount of the Callable Class being redeemed (but not less than \$7,500).

Deposit of Initial Call Payment; Pledge

- You must deposit the Initial Call Payment with Freddie Mac at the time that you notify Freddie Mac that you want to redeem the Callable Class.
- At the same time, you must pledge all of your interest in the underlying Giant Certificate to Freddie Mac as security for your obligation to pay the Final Call Payment and Call Fee. You must sign a pledge agreement prepared by Freddie Mac for this purpose.

Effect of Notice

- Your notice of redemption and your pledge will become irrevocable when you deposit the Initial Call Payment.
- By the Record Date relating to the Redemption Date, Freddie Mac will post a notice on the Fed System that the Callable Class will be redeemed.
- In the month of redemption, Freddie Mac will reduce the Class Factors of both the Callable Class and the Call Class to zero to reflect the redemption that will occur in that month.

Exchange of Callable Assets

- On the first Business Day of the month of redemption (the “**Exchange Date**”), Freddie Mac will transfer the related Callable Assets to you in exchange for:
 - The Call Class.
 - The Call Fee.
 - The Final Call Payment.
- Freddie Mac will give you instructions for delivery of the Call Class, Call Fee and Final Call Payment.
- Principal and interest on the Callable Assets received in the exchange will be payable to you in the month following the exchange.

Redemption of Callable Class

- On the Redemption Date, Freddie Mac will redeem the Callable Class by paying its Holders, on a pro rata basis, the Redemption Price.
- Freddie Mac will not make any other payment on the Callable Class.
- Once redeemed, a Callable Class and its related Call Class will not be reissued.

Payment to Call Class Holder

On the Redemption Date, Freddie Mac will pay to you:

- The excess of (a) the Call Payment plus payments received on the underlying Callable Assets in the month of redemption over (b) the Redemption Price.
- Interest on the Initial Call Payment and Final Call Payment from the dates you paid them to the Redemption Date. Freddie Mac will calculate interest at the prevailing federal funds rate determined daily as of the close of business, less 25 basis points.

Defaulting Call Class Holder

If you fail to deliver the Call Class, Final Call Payment and Call Fee on the Exchange Date, then:

- On the next Business Day, Freddie Mac will liquidate the related Giant Certificate, in accordance with your pledge, in a commercially reasonable manner.
- Freddie Mac will charge you a liquidation fee in an amount equal to 1/2 of 1% of the proceeds of liquidation.
- Freddie Mac will apply the net proceeds of the liquidation, as necessary, to redeem the Callable Class.
- On the Redemption Date, Freddie Mac will pay to you the excess, if any, of:
 1. the Initial Call Payment, plus
 2. payments received on the underlying Callable Assets in the month of redemption, plus
 3. net proceeds to Freddie Mac from the liquidation of the Giant Certificate

over

 1. the Redemption Price for the related Callable Class, plus
 2. the liquidation fee.
- You will have no further right to or interest in the Call Class or the related Callable Asset.

Limitations

Freddie Mac will permit the redemption of a Callable Class only if the underlying Giant Certificate has at least the market value specified in the related supplement.

- Freddie Mac will determine market value upon request of the Dealer providing the redemption notice. The Dealer must make the request at the same time as it gives the redemption notice by telephone.
- Freddie Mac will determine the market value based on bid quotations available at the time of the request.
- Freddie Mac's determination of the market value will be final and binding.

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\$994,648,000
(Approximate)

Multifamily Mortgage Pass-Through Certificates, Series 2009-K4

FREMF 2009-K4 Mortgage Trust
issuing entity

Deutsche Mortgage & Asset Receiving Corporation
depositor

Federal Home Loan Mortgage Corporation
mortgage loan seller and guarantor

We, Deutsche Mortgage & Asset Receiving Corporation, intend to establish a trust fund to act as an issuing entity, which we refer to herein as the “issuing entity.” The primary assets of the issuing entity will consist of 46 multifamily mortgage loans with the characteristics described in this information circular. The issuing entity will issue 7 classes of certificates (the “series 2009-K4 certificates”), 4 of which, referred to herein as the “offered certificates,” are being offered by this information circular, as listed below. The issuing entity will pay interest and/or principal monthly, commencing in November 2009. The offered certificates represent obligations of the issuing entity only (and, solely with respect to certain payments of interest and principal pursuant to a guarantee thereof described in this information circular, the Federal Home Loan Mortgage Corporation (“Freddie Mac”)), and do not represent obligations of or interests in us or any of our affiliates. We do not intend to list the offered certificates on any national securities exchange or any automated quotation system of any registered securities association.

This information circular was prepared solely in connection with the offering and sale of the offered certificates to Freddie Mac.

Investing in the offered certificates involves risks. See “Risk Factors” beginning on page 28 of this information circular.

<u>Offered Classes</u>	<u>Approximate Total Initial Principal or Notional Balance</u>	<u>Initial Pass-Through Rate</u>	<u>Assumed Final Distribution Date</u>
Class A-1	\$ 167,500,000	3.413%	May 25, 2019
Class A-2	\$ 729,027,000	4.186%	August 25, 2019
Class A-3	\$ 98,121,000	4.241%	August 25, 2019
Class A-X1	\$1,075,295,763	1.484%	August 25, 2019

Delivery of the offered certificates will be made on or about October 22, 2009. Credit enhancement will be provided by (a) the subordination of certain classes of series 2009-K4 certificates to certain other classes of such certificates as described in this information circular under “Summary of Information Circular—The Offered Certificates—Subordination,” “—The Offered Certificates—Priority of Distributions” and “Description of the Series 2009-K4 Certificates—Distributions—Subordination” and (b) the guarantee of the offered certificates by Freddie Mac as described under “Summary of the Information Circular—The Offered Certificates—Freddie Mac Guarantee,” and “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular.

It is a condition to the issuance of the offered certificates that they be purchased and guaranteed by Freddie Mac as described in this information circular. The obligations of Freddie Mac under its guarantee of the offered certificates are obligations of Freddie Mac only. **Freddie Mac will not guarantee any class of series 2009-K4 certificates other than the offered certificates.** The offered certificates, including interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. Income on the offered certificates has no exemption under federal law from federal, state or local taxation.

FREMF 2009-K4 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates Series 2009-K4

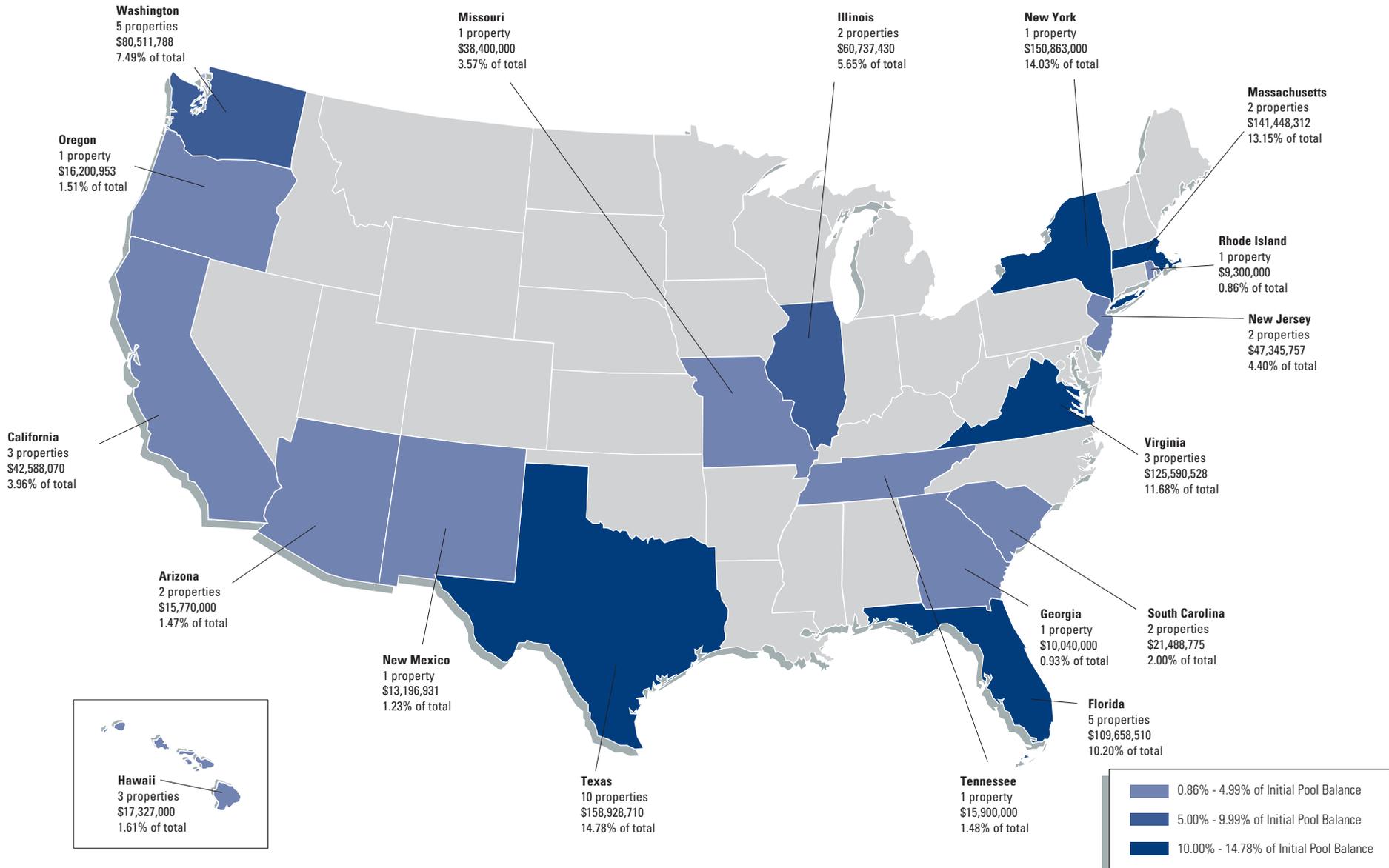


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EXHIBIT A-1	—	CERTAIN CHARACTERISTICS OF THE UNDERLYING MORTGAGE LOANS AND THE RELATED MORTGAGED REAL PROPERTIES
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EXHIBIT C	—	DECREMENT TABLES FOR THE OFFERED CERTIFICATES
EXHIBIT D	—	PRICE/YIELD TABLE FOR CLASS A-X1 CERTIFICATES

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

IMPORTANT NOTICE ABOUT INFORMATION PRESENTED IN THIS INFORMATION CIRCULAR

We provide information to you about the offered certificates in this information circular, which describes the specific terms of the offered certificates.

You should read this information circular in full to obtain material information concerning the offered certificates.

This information circular includes cross-references to sections in these materials where you can find further related discussions. The Table of Contents in this information circular identifies the pages where these sections are located.

When deciding whether to invest in any of the offered certificates, you should only rely on the information contained in this information circular or as provided in “Description of the Mortgage Loan Seller and Guarantor – Litigation Involving Mortgage Loan Seller and Guarantor.” We have not authorized any dealer, salesman or other person to give any information or to make any representation that is different. In addition, information in this information circular is current only as of the date on its cover. By delivery of this information circular, we are not offering to sell any securities, and are not soliciting an offer to buy any securities, in any state where the offer and sale is not permitted.

IRS CIRCULAR 230 NOTICE

THIS INFORMATION CIRCULAR IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING U.S. FEDERAL, STATE, OR LOCAL TAX PENALTIES. THIS INFORMATION CIRCULAR IS WRITTEN AND PROVIDED BY THE DEPOSITOR IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE DEPOSITOR OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THIS INFORMATION CIRCULAR. INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

SUMMARY OF INFORMATION CIRCULAR

This summary highlights selected information from this information circular and does not contain all of the information that you need to consider in making your investment decision.

To understand all of the terms of the offered certificates, carefully read this information circular.

This summary provides an overview of certain information to aid your understanding and is qualified by the full description presented in this information circular.

TRANSACTION OVERVIEW

The offered certificates will be part of a series of commercial mortgage pass-through certificates designated as the Series 2009-K4 Multifamily Mortgage Pass-Through Certificates. The series 2009-K4 certificates will consist of 7 classes. The table below identifies and specifies various characteristics for those classes other than the class R certificates.

Class ⁽¹⁾	Initial Principal Balance or Notional Amount	Approximate % of Total Initial Certificate Principal Balance	Approximate Credit Support	Pass-Through Rate Description	Initial Pass-Through Rate	Assumed Weighted Average Life (Years) ⁽²⁾⁽³⁾	Assumed Principal Window ⁽²⁾⁽⁴⁾	Assumed Final Distribution Date ⁽²⁾⁽⁵⁾
Offered Certificates:								
A-1	\$ 167,500,000	15.577%	16.625%	Fixed	3.413%	5.70	1-115	May 25, 2019
A-2	\$ 729,027,000	67.798%	16.625%	Fixed	4.186%	9.78	115-118	August 25, 2019
A-3	\$ 98,121,000	9.125%	7.500%	Fixed	4.241%	9.84	118-118	August 25, 2019
A-X1	\$ 1,075,295,763	N/A	N/A	Variable	1.484%	9.15	N/A	August 25, 2019
Non-Offered Certificates:								
A-X2	\$ 1,075,295,763	N/A	N/A	Variable	0.103%	N/A	N/A	N/A
B	\$ 80,647,763	7.500%	0.000%	N/A	0.000%	N/A	N/A	N/A

- (1) The class R certificates are not represented in this table. The class R certificates will not have a principal balance, notional amount or pass-through rate.
- (2) As to any given class of offered certificates shown in this table, the assumed weighted average life, the assumed principal window and the Assumed Final Distribution Date have been calculated based on the Modeling Assumptions, including, among other things, that—
 - (a) there are no voluntary or involuntary prepayments with respect to the underlying mortgage loans,
 - (b) there are no defaults with respect to the underlying mortgage loans, and
 - (c) the offered certificates are not redeemed prior to their Assumed Final Distribution Date.
- (3) As to any given class of offered certificates shown in this table, other than the class A-X1 certificates, the assumed weighted average life is the average amount of time in years between the assumed settlement date for the offered certificates and the payment of each dollar of principal on that class. As to the class A-X1 certificates, the assumed weighted average life is the average amount of time in years between the assumed settlement date for the offered certificates and the application of each dollar to be applied in reduction of the total notional amount of the class A-X1 certificates.
- (4) As to any given class of offered certificates shown in this table, other than the class A-X1 certificates, the assumed principal window is the period during which holders of that class would receive distributions of principal.
- (5) As to any given class of offered certificates shown in this table, other than the class A-X1 certificates, the Assumed Final Distribution Date is the distribution date on which the last distribution of principal and interest is assumed to be made on that class. As to the class A-X1 certificates, the Assumed Final Distribution Date is the distribution date on which the last reduction to the notional amount occurs and the last distribution of interest (if any) is assumed to be made with respect to that class.

In reviewing the foregoing table, please note that:

- Only the class A-1, A-2, A-3, and A-X1 certificates are offered by this information circular.
- All of the classes of certificates in the table on page 4, except the class A-X1 certificates and class A-X2 certificates, will have principal balances. All of the classes (other than the class B certificates) shown in that table will bear interest. The series 2009-K4 certificates with principal balances constitute the “series 2009-K4 principal balance certificates.” The class A-X1 certificates and class A-X2 certificates constitute the “interest only certificates.”
- For purposes of calculating the accrual of interest, the class A-X1 certificates and class A-X2 certificates will each have a total notional amount that is, as of any date of determination, equal to the then total principal balance of the class A-1, A-2, A-3 and B certificates.

- The total initial principal balance or notional amount of any class shown in the table on page 4 may be larger or smaller depending on, among other things, the actual initial pool balance. The initial pool balance may be 5% more or less than the amount shown in this information circular.
- Each class identified in the table on page 4 as having a “Fixed” pass-through rate has a fixed pass-through rate that will remain constant at the initial pass-through rate shown for that class in that table.
- The pass-through rate of the class A-X1 certificates for any interest accrual period will equal the excess, if any, of (a) the weighted average of the class A-X strip rates described below (weighted based upon the relative sizes of their respective components), over (b) a per annum rate that would accrue interest on the basis of an assumed 360-day year consisting of twelve 30-day months, equal to 0.10% multiplied by the actual number of days in the related accrual period divided by 30.

The pass-through rate of the class A-X2 certificates for any interest accrual period will equal the lesser of (a) a per annum rate that would accrue interest on the basis of an assumed 360-day year consisting of twelve 30-day months, equal to 0.10% multiplied by the actual number of days in the related accrual period divided by 30, and (b) the weighted average of the class A-X strip rates described below weighted based upon the relative sizes of their respective components.

The “class A-X strip rates” are, for the purposes of calculating the pass-through rates of the class A-X1 certificates and the class A-X2 certificates, interest rates at which interest accrues from time to time on the respective components of the total notional amount of the class A-X1 certificates or the class A-X2 certificates, as applicable, outstanding immediately prior to the related distribution date. Each of those components will be comprised of the total principal balance of one of the classes of series 2009-K4 principal balance certificates. For purposes of calculating the pass-through rates of the class A-X1 certificates and the class A-X2 certificates in respect of each interest accrual period, the applicable class A-X strip rate with respect to each such component for each such interest accrual period will equal the excess, if any, of (a) the weighted average net mortgage pass-through rate for the related distribution date minus, in the case of the Guaranteed Certificates (other than the class A-X1 certificates), the Guarantee Fee Rate, over (b) the pass through rate in effect during the subject interest accrual period for the class of series 2009-K4 principal balance certificates whose principal balance comprises such component. See “Description of the Series 2009 K4 Certificates—Distributions—Calculation of the Pass-Through Rates” in this information circular.

- The “net interest rates on the underlying mortgage loans,” as used above, means, as to any particular mortgage loan in the issuing entity an annual interest rate that is generally equal to the related mortgage interest rate in effect as of the date of initial issuance of the offered certificates (unless such rate is increased as a result of a modification, but for the avoidance of doubt, not decreased), minus the sum of the annual rates at which the master servicing fee, sub-servicing fee and the trustee fee are calculated; *provided* that, if the subject mortgage loan accrues interest on the basis of the actual number of days elapsed during any one-month interest accrual period in a year assumed to consist of 360 days, then, in some months, the applicable foregoing rate for that mortgage loan will be converted to an annual rate that would generally produce an equivalent amount of interest accrued on the basis of an assumed 360-day year consisting of twelve 30-day months.
- The initial pass-through rates shown in the table on page 4 with respect to the class A-X1 and class A-X2 certificates are approximate.

The document that will govern the issuance of the series 2009-K4 certificates, the creation of the related issuing entity and the servicing and administration of the underlying mortgage loans will be a pooling and servicing agreement to be dated as of October 1, 2009, among us, as depositor, Wells Fargo Bank, National Association, as trustee and custodian, Freddie Mac, as guarantor of the offered certificates, Midland Loan Services, Inc., as the master servicer, and DB Mortgage Services, LLC, as the special servicer.

The series 2009-K4 certificates will evidence the entire beneficial ownership of the issuing entity that we intend to establish. The primary assets of that issuing entity will be a segregated pool of multifamily mortgage loans. Those mortgage loans will provide for monthly debt service payments and, except as described under “—The

Underlying Mortgage Loans” below, will have fixed mortgage interest rates in the absence of default. We will acquire those mortgage loans, for deposit in the issuing entity, from the mortgage loan seller.

As of October 1, 2009, which we refer to herein as the “cut-off date,” the mortgage loans that we intend to include in the issuing entity will have the general characteristics discussed under the heading “—The Underlying Mortgage Loans” below.

RELEVANT PARTIES/ENTITIES

Issuing Entity FREMF 2009-K4 Mortgage Trust, a common law trust to be formed on the closing date under the laws of the State of New York pursuant to a pooling and servicing agreement by and among the depositor, the trustee, the master servicer, the special servicer and the guarantor. See “The Issuing Entity” in this information circular.

Mortgage Loan Seller Freddie Mac, a corporate instrumentality of the United States created and existing under Title III of the Emergency Home Finance Act of 1970, as amended (the “Freddie Mac Act”), will act as the mortgage loan seller. Freddie Mac maintains an office at 8200 Jones Branch Drive, McLean, Virginia 22102.

See “Description of the Mortgage Loan Seller and Guarantor” in this information circular.

Depositor Deutsche Mortgage & Asset Receiving Corporation, a Delaware corporation, will create the issuing entity and transfer the subject mortgage loans to it. Our principal executive office is located at 60 Wall Street, New York, New York 10005. All references to “we,” “us” and “our” in this information circular are intended to mean Deutsche Mortgage & Asset Receiving Corporation. See “Description of the Depositor” in this information circular.

Originators The underlying mortgage loans were originated by Capmark Bank, CBRE Capital Markets, Inc., CBRE Melody & Company, CWCapital LLC, Deutsche Bank Berkshire Mortgage, Inc., Grandbridge Real Estate Capital LLC, Holliday Fenoglio Fowler, L.P., Johnson Capital Group, Inc., KeyCorp Real Estate Capital Markets, Inc., Northmarq Capital, LLC, PNC ARCS LLC, Sierra Capital Partners, Inc. (which was acquired by CWCapital LLC), Wachovia Multifamily Capital, Inc., Walker & Dunlop, LLC and Wells Fargo Bank, National Association, and acquired by the mortgage loan seller.

Master Servicer Midland Loan Services, Inc., a Delaware corporation, will act as master servicer with respect to the underlying mortgage loans. The principal servicing offices of the master servicer are located at 10851 Mastin Street, Building 82, Suite 300, Overland Park, Kansas 66210.

As consideration for servicing the underlying mortgage loans, the master servicer will receive a master servicing fee and sub-servicing fee with respect to each underlying mortgage loan. The master servicing fee is equal to 0.01% per annum on the stated principal balance of each underlying mortgage loan, including each specially serviced mortgage loan. The sub-servicing fee with respect to each underlying mortgage loan ranges from 0.03% per annum to 0.15% per annum on the stated principal balance of the such underlying mortgage loan and is a component of the “Administrative Fee” set forth on Exhibit A-1 to this information circular in the Additional Mortgage Loan Information table. Such fees are calculated on the same basis as interest on the underlying mortgage loan and will be paid out of interest payments received from the related borrower prior to any distributions made on the offered certificates. The master servicer will also be entitled to additional servicing compensation in the form of

borrower-paid fees as more particularly described herein. See “The Series 2009-K4 Pooling and Servicing Agreement—The Master Servicer” in this information circular.

As of the closing date, certain of the underlying mortgage loans will be sub-serviced by various sub-servicers pursuant to sub-servicing agreements between the master servicer and each of the sub-servicers dated on or about October 1, 2009.

Special Servicer

DB Mortgage Services, LLC, a Delaware limited liability company, will act as special servicer with respect to the underlying mortgage loans, as well as any related REO properties. The principal servicing offices of the special servicer are located at One Beacon Street, 14th Floor, Boston, MA.

The special servicer will, in general, be responsible for servicing and administering:

- underlying mortgage loans that, in general, are in default or as to which default is reasonably foreseeable; and
- any real estate acquired by the issuing entity upon foreclosure of a defaulted underlying mortgage loan.

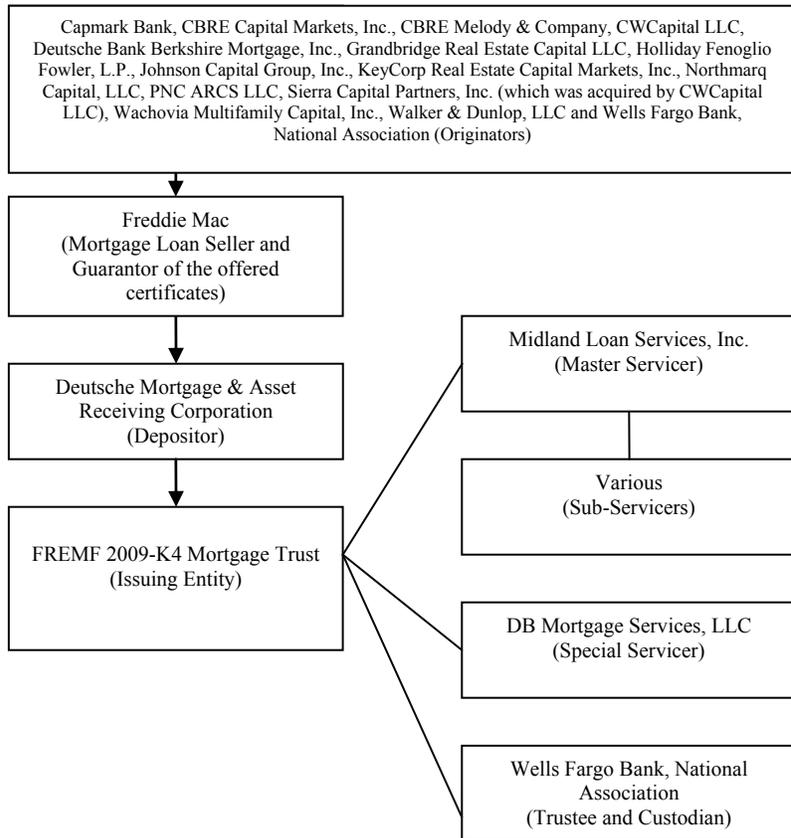
As consideration for servicing each underlying mortgage loan that is being specially serviced and each underlying mortgage loan as to which the corresponding mortgaged real property has become foreclosed upon, the special servicer will receive a special servicing fee that will accrue at a rate of 0.25% per annum on the stated principal balance of the underlying mortgage loan. Such fee is calculated on the same basis as interest on the underlying mortgage loan and will generally be payable to the special servicer monthly from collections on the underlying mortgage loans. Additionally, the special servicer will, in general, be entitled to receive a work-out fee with respect to each specially serviced mortgage loan in the issuing entity that has been returned to performing status. The work-out fee will be payable out of, and will generally be calculated by application of a work-out fee rate of 1.0% to, each payment of interest (other than default interest) and principal received on the underlying mortgage loan for so long as it remains a worked-out mortgage loan. The special servicer will also be entitled to receive a liquidation fee with respect to each specially serviced mortgage loan in the issuing entity for which it obtains a full, partial or discounted payoff. As to each specially serviced mortgage loan and REO property in the issuing entity, the liquidation fee will generally be payable from, and will be calculated by application of a liquidation fee rate of 1.0% to, the related payment or proceeds, exclusive of liquidation expenses. The special servicer may be terminated by the series 2009-K4 directing certificateholder, who, subject to limitations set forth in the series 2009-K4 pooling and servicing agreement, may appoint a replacement special servicer. See “The Series 2009-K4 Pooling and Servicing Agreement—The Special Servicer” in this information circular.

Trustee and Custodian

Wells Fargo Bank, National Association, a national banking association, will act as trustee and custodian on behalf of the series 2009-K4 certificateholders. It maintains a trust office at 9062 Old Annapolis Road, Columbia, Maryland 21045 and a custodial office at

1055 10th Avenue S.E., Minneapolis, Minnesota 55414. As consideration for acting as trustee and custodian, Wells Fargo Bank, National Association will receive a trustee fee of 0.0011% per annum on the stated principal balance of each underlying mortgage loan. Such fee will be calculated on the same basis as interest on the underlying mortgage loans. See “The Series 2009-K4 Pooling and Servicing Agreement—The Trustee” in this information circular.

Parties The following diagram illustrates the various parties involved in the transaction and their functions.



Series 2009-K4

Directing Certificateholder Generally, the series 2009-K4 directing certificateholder will be a certificateholder or its designee (or, in the case of a class of book-entry certificates, a beneficial owner) selected by holders (or beneficial owners) of series 2009-K4 certificates representing a majority interest in the series 2009-K4 class B certificates, until the total principal balance of such class of certificates is less than 2.5% of the total initial principal balance of such class. Thereafter, Freddie Mac will act as the series 2009-K4 directing certificateholder. It is anticipated that Spring Asset Funding, Ltd. will serve as the initial series 2009-K4 directing certificateholder. The initial series 2009-K4 directing certificateholder is an affiliate of one of the originators (Deutsche Bank Berkshire Mortgage, Inc.) and an affiliate of the depositor and the special servicer. See “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Series 2009-K4 Directing Certificateholder” and “Risk Factors—If the Master Servicer, Special Servicer or Sub Servicer Purchases Series 2009-K4

Certificates, a Conflict of Interest Could Arise between Their Duties and Their Interests in the Series 2009-K4 Certificates” in this information circular.

As and to the extent described under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report” in this information circular, the series 2009-K4 directing certificateholder may direct the master servicer or special servicer with respect to various servicing matters involving each of the underlying mortgage loans.

Guarantor..... Freddie Mac will act as guarantor of the series 2009-K4 class A-1, A-2, A-3 and A-X1 certificates offered hereby. Freddie Mac is entitled to a Guarantee Fee as described under “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular. For a discussion of the Freddie Mac Guarantee, see “Summary of the Information Circular—Distributions—Freddie Mac Guarantee” in this information circular.

Junior Loan Holder Freddie Mac or the series 2009-K4 directing certificateholder (or its designee) will be the initial holder of a second priority lien, subject to an intercreditor agreement, on certain of the underlying mortgage loans if the related borrower exercises its option to obtain secondary secured financing as described under “Description of the Underlying Mortgage Loans— Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing” in this information circular.

SIGNIFICANT DATES AND PERIODS

Cut-off Date..... The underlying mortgage loans will be considered assets of the issuing entity as of October 1, 2009. All payments and collections received on each of the underlying mortgage loans after October 1, 2009, excluding (a) any payments or collections that represent amounts due on or before that date and (b) extension fees paid by the borrower to the mortgage loan seller prior to the closing date, will belong to the issuing entity. October 1, 2009 is considered the cut-off date for the issuing entity.

Closing Date The date of initial issuance for the series 2009-K4 certificates will be on or about October 22, 2009.

Due Dates..... Subject, in some cases, to a next succeeding business day convention, monthly installments of principal and/or interest will be due on the first day of the month with respect to each of the underlying mortgage loans.

Determination Date The monthly cut-off for collections on the underlying mortgage loans that are to be distributed, and information regarding the underlying mortgage loans that is to be reported, to the holders of the series 2009-K4 certificates on any distribution date will be the close of business on the determination date in the same month as that distribution date. The determination date will be the 11th calendar day of each month, commencing in November 2009, or, if the 11th calendar day of any such month is not a business day, then the next succeeding business day.

Distribution Date Distributions of principal and/or interest on the series 2009-K4 certificates are scheduled to occur monthly, commencing in November

2009. The distribution date will be the 25th calendar day of each month, or, if the 25th calendar day of any such month is not a business day, then the next succeeding business day.

Record Date..... The record date for each monthly distribution on a series 2009-K4 certificate will be the last business day of the prior calendar month. The registered holders of the series 2009-K4 certificates at the close of business on each record date will be entitled to receive any distribution on those certificates on the following distribution date, except that the final distribution of principal and/or interest on any offered certificate will be made only upon presentation and surrender of that certificate at a designated location.

Collection Period..... Amounts available for distribution on the series 2009-K4 certificates on any distribution date will depend on the payments and other collections received, and any advances of payments due, on or with respect to the underlying mortgage loans during the related collection period. Each collection period—

- will relate to a particular distribution date;
- will begin when the prior collection period ends or, in the case of the first collection period, will begin as of the closing date; and
- will end at the close of business on the determination date that occurs in the same month as the related distribution date.

Interest Accrual Period The amount of interest payable with respect to the interest-bearing classes of the series 2009-K4 certificates on any distribution date will be a function of the interest accrued during the related interest accrual period. The interest accrual period for any distribution date will be the calendar month immediately preceding the month in which that distribution date occurs.

Assumed Final Distribution Date For each class of offered certificates, the date set forth on the cover page.

THE OFFERED CERTIFICATES

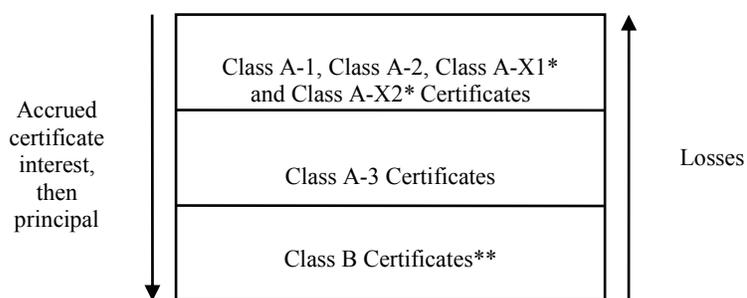
General..... The series 2009-K4 certificates offered by this information circular are the class A-1, A-2, A-3 and A-X1 certificates. Each class of offered certificates will have the initial total principal or notional balance and pass-through rate set forth in the table on page 4 or otherwise described under “—Transaction Overview” above. There are no other securities offered by this information circular.

Collections The master servicer or the special servicer, as applicable, will make reasonable efforts in accordance with the applicable servicing standards to collect all payments due under the terms and provisions of the underlying mortgage loans. Such payments will be deposited in the master servicer’s collection account on a daily basis.

Distributions..... Funds collected or advanced on the underlying mortgage loans will be distributed on each corresponding distribution date, net of (i) specified issuing entity expenses including master servicing fees, special servicing fees, sub-servicing fees, indemnities, trustee fees and expenses and related compensation, (ii) amounts used to reimburse advances made by the master servicer or trustee and (iii) amounts used to reimburse Balloon Guarantor Payments or interest thereon.

Subordination The chart below under “—Priority of Distributions” describes the manner in which the rights of various classes will be senior to the rights of other classes. Entitlement to receive principal and interest on any distribution date is depicted in descending order. The manner in which mortgage loan losses are allocated is depicted in ascending order.

Priority of Distributions The following chart illustrates generally the distribution priorities and the subordination features applicable to the offered certificates:



* Interest only
 ** Principal only

No form of credit enhancement will be available to you as a holder of offered certificates, other than the subordination of the non-offered class B certificates to the offered certificates, the subordination of the class A-3 certificates to the class A-1 and A-2 certificates and the Freddie Mac Guarantee, as described under “—Freddie Mac Guarantee” and “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular.

Allocation of interest distributions among the class A-1, A-2, A-3, A-X1 and A-X2 certificates are to be made *first* to the class A-1, A-2, A-X1 and A-X2 certificates concurrently on a *pro rata* basis based on the interest accrued with respect to each such class and *second* to the class A-3 certificates.

Allocation of principal distributions among the class A-1, A-2 and A-3 certificates is described under “—Principal Distributions” below. The class A-X1, class A-X2 and class R certificates do not have principal balances and do not entitle holders to distributions of principal.

See “Description of the Series 2009-K4 Certificates—Distributions—Priority of Distributions” in this information circular.

<p>Freddie Mac Guarantee</p>	<p>It is a condition to the issuance of the offered certificates that they be purchased by Freddie Mac and that Freddie Mac guarantee certain payments on the offered certificates, as described herein (the “<u>Freddie Mac Guarantee</u>”). Any Guarantor Payment made to any class of offered principal balance certificates in respect of principal will reduce the principal balance of such class by a corresponding amount. The Freddie Mac Guarantee does not cover any loss of yield on the class A-X1 certificates following a reduction in their notional balance resulting from a write-down to any class of certificates. See “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular.</p> <p>Freddie Mac is entitled to a Guarantee Fee as described under “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular.</p> <p>The offered certificates, including interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. If Freddie Mac were unable to pay under the Freddie Mac Guarantee, the offered certificates could be subject to losses. See “Risk Factors—Risks Related to the Offered Certificates—Credit Support is Limited and May Not Be Sufficient to Prevent Loss on Your Offered Certificates” and “Risk Factors—Risks Relating to the Mortgage Loan Seller and Guarantor” herein. Freddie Mac will not guarantee any class of series 2009-K4 certificates other than the offered certificates.</p>
<p>Interest Distributions</p>	<p>Each class of offered certificates will bear interest and that interest will accrue during each interest accrual period based upon:</p> <ul style="list-style-type: none"> • the pass-through rate with respect to that class for that interest accrual period; • the total principal balance or notional amount, as the case may be, of that class outstanding immediately prior to the related distribution date; and • the assumption that each year consists of twelve 30-day months. <p>Although the mortgage loan documents require the payment of a full month’s interest on any voluntary prepayment, in some instances a whole or partial prepayment on an underlying mortgage loan may not be accompanied by the amount of a full month’s interest on the prepayment. These shortfalls (to the extent not covered by the master servicer as described under “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses” in this information circular) will be allocated, as described under “Description of the Series 2009-K4 Certificates—Distributions—Interest Distributions,” to reduce the amount of accrued interest otherwise payable to the holders of one or more of the interest-bearing classes of series 2009-K4 certificates, including the offered certificates. However, such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee.</p>

On each distribution date, subject to available funds and the distribution priorities described under “—Priority of Distributions” above, you will be entitled to receive your proportionate share of all unpaid distributable interest accrued with respect to your class of offered certificates for the related interest accrual period.

See “Description of the Series 2009-K4 Certificates—Distributions—Interest Distributions” and “—Distributions—Priority of Distributions” in this information circular.

Principal Distributions Subject to—

- available funds,
- the distribution priorities described under “—Priority of Distributions” above, and
- the reductions to principal balances described under “—Reductions of Certificate Principal Balances in Connection with Losses and Expenses” below,

the holders of each class of offered principal balance certificates will be entitled to receive a total amount of principal over time equal to the total principal balance of their particular class.

The total distributions of principal to be made on the series 2009-K4 certificates on any distribution date will, in general, be a function of—

- the amount of scheduled payments of principal due or, in some cases, deemed due, on the underlying mortgage loans during the related collection period, which payments are either received as of the end of that collection period, advanced by the master servicer and/or the trustee, as applicable, or are the subject of a Balloon Guarantor Payment, and
- the amount of any prepayments and other unscheduled collections of previously unadvanced principal with respect to the underlying mortgage loans that are received during the related collection period.

In the event that any borrower fails to pay the entire outstanding principal balance of an underlying mortgage loan on its maturity date, the guarantor will be required, pursuant to the Freddie Mac Guarantee, to make a Balloon Guarantor Payment in an amount equal to the amount of principal that otherwise would have been paid on the offered principal balance certificates if such mortgage loan had been paid in full on its maturity date; *provided* that such payment shall not exceed the outstanding principal balance of the offered certificates less any principal scheduled to be distributed to the offered principal balance certificates on such distribution date. The amount of any such Balloon Guarantor Payment made to any class of offered principal balance certificates will reduce the principal balance of such class by the corresponding amount. See “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular. Each Balloon Guarantor Payment will be reimbursed to the guarantor first from subsequent collections on the related underlying mortgage loan, net of any such collections used to

reimburse the master servicer or trustee for advances made by them and interest thereon on such mortgage loan or on other underlying mortgage loans if determined nonrecoverable (and therefore the principal portion of any such subsequent collections will not be included in the net principal distribution amount for future distribution dates) and second as described herein under “Description of the Series 2009-K4 Certificates—Distributions—Priority of Distributions”.

However, if the master servicer or the trustee reimburses itself out of general collections on the mortgage pool for any advance that it has determined is not recoverable out of collections on the related underlying mortgage loan, then that advance (together with accrued interest thereon) will be deemed to be reimbursed first out of payments and other collections of principal on all the underlying mortgage loans (thereby reducing the amount of principal otherwise distributable on the series 2009-K4 certificates on the related distribution date), prior to being deemed reimbursed out of payments and other collections of interest on all the underlying mortgage loans.

Additionally, in the event that any advance (including any interest accrued thereon) with respect to a defaulted underlying mortgage loan remains unreimbursed following the time that such underlying mortgage loan is modified and returned to performing status, the master servicer or the trustee will be entitled to reimbursement for that advance (even though that advance is not deemed nonrecoverable out of collections on the related underlying mortgage loan), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for nonrecoverable debt service advances and/or servicing advances as described in the prior paragraph (thereby reducing the amount of principal otherwise distributable on the series 2009-K4 certificates on the related distribution date). Notwithstanding the preceding sentence, if any such advance, or any portion of any such advance, (a) is determined, at any time during this reimbursement process, to be ultimately nonrecoverable out of collections on the related underlying mortgage loan or (b) is determined, at any time during this reimbursement process, to be ultimately nonrecoverable out of payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for nonrecoverable debt service advances and/or servicing advances as described above, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement as a nonrecoverable advance in an amount equal to the portion of that advance that remains outstanding, plus accrued interest. See “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular.

The trustee must make principal distributions on the offered principal balance certificates in the sequential order described below, taking account of whether the payments (or advances in lieu thereof) and other collections of principal that are to be distributed were received and/or made with respect to the underlying mortgage loans, that generally equal:

- in the case of the class A-1 certificates, an amount (not to exceed the total principal balance of the class A-1 certificates outstanding immediately prior to the subject distribution date) equal to the principal distribution amount for the subject distribution date, until the total principal balance of such class of certificates is reduced to zero;
- in the case of the class A-2 certificates, an amount (not to exceed the total principal balance of the class A-2 certificates outstanding immediately prior to the subject distribution date) equal to the principal distribution amount for the subject distribution date (exclusive of any distributions of principal to which the holders of the class A-1 certificates are entitled on the subject distribution date as described in the immediately preceding bullet), until the total principal balance of such class of certificates is reduced to zero; and
- in the case of the class A-3 certificates, an amount (not to exceed the total principal balance of the class A-3 certificates outstanding immediately prior to the subject distribution date) equal to the principal distribution amount for the subject distribution date (exclusive of any distributions of principal to which the holders of the class A-1 and A-2 certificates are entitled on the subject distribution date as described in the immediately preceding two bullets), until the total principal balance of such class of certificates is reduced to zero.

Because of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, the total principal balance of the class A-3 and B certificates could be reduced to zero at a time when both of the class A-1 and A-2 certificates remain outstanding. Under those circumstances, any principal distributions on the class A-1 and A-2 certificates will be made on a *pro rata* basis in accordance with the relative sizes of the respective then outstanding total principal balances of those classes.

The class A-X1 certificates do not have a principal balance. They do not entitle holders to any distributions of principal.

See “Description of the Series 2009-K4 Certificates—Distributions—Principal Distributions” and “—Distributions—Priority of Distributions” in this information circular.

Reductions of Certificate Principal Balances in Connection with Losses and Expenses

As and to the extent described under “Description of the Series 2009-K4 Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses” in this information circular, losses on, and default-related or other unanticipated issuing entity expenses attributable to, the underlying mortgage loans will, in general, be allocated to reduce the principal balances of the following classes of the series 2009-K4 principal balance certificates, sequentially, in the following order:

Reduction Order	Class
1 st	Non-offered class B certificates
2 nd	Class A-3 certificates
3 rd	Class A-1 and A-2 certificates

Any reduction of the principal balances of the class A-1 and A-2 certificates as a result of losses will be made on a *pro rata* basis in accordance with the relative sizes of such principal balances at the time of the reduction.

Notwithstanding the foregoing, Freddie Mac will be required under its guarantee to pay the holder of any offered certificate an amount equal to any such loss allocated to its offered certificates as set forth in “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular.

Advances of Delinquent Monthly Debt Service Payments

Except as described below in this “—Advances of Delinquent Monthly Debt Service Payments” section, the master servicer will be required to make advances with respect to any delinquent scheduled monthly payments, other than certain payments (including balloon payments), of principal and/or interest due on the underlying mortgage loans. The master servicer will be required to make advances of assumed monthly payments for those loans that become defaulted upon their maturity dates on the same amortization schedule as if the maturity date had not occurred. In addition, the trustee must make any of those advances that the master servicer fails to make. As described under “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular, any party that makes an advance will be entitled to be reimbursed for the advance, together with interest at the prime rate described in that section of this information circular.

Notwithstanding the foregoing, neither the master servicer nor the trustee will advance master servicing fees or sub-servicing fees. Moreover, neither the master servicer nor the trustee will be required to make any advance that it determines will not be recoverable from proceeds of the related underlying mortgage loan. In addition, the trustee may conclusively rely on any determination of nonrecoverability made by the master servicer, and the master servicer and the trustee will conclusively rely on any determination of nonrecoverability made by the special servicer.

In addition, if any of the adverse events or circumstances that we refer to under “The Series 2009-K4 Pooling and Servicing Agreement—Required Appraisals” in this information circular occur or exist with

respect to any underlying mortgage loan or the related mortgaged real property, the special servicer will generally be obligated to obtain a new appraisal or, in some cases involving mortgage loans with principal balances of less than \$2,000,000, conduct an internal valuation of that property. If, based on that appraisal or other valuation, it is determined that—

- the principal balance of, and other delinquent amounts (which may include unpaid master servicing fees, sub-servicing fees, unreimbursed servicing advances and interest on advances) due under or with respect to, the subject mortgage loan, exceed
- an amount equal to—
 1. 90% of the new appraised/estimated value of that real property (as such value may be adjusted downward by the special servicer), minus
 2. any liens on that real property that are prior to the lien of the subject mortgage loan, plus
 3. the amount of related escrow payments, reserve funds and letters of credit which are posted as additional security for payments due on the subject mortgage loan,

then the amount otherwise required to be advanced with respect to interest on the subject mortgage loan will be reduced. That reduction will generally be in the same proportion that (a) the excess, sometimes referred to in this information circular as an appraisal reduction amount, bears to (b) the principal balance of the subject mortgage loan, net of related unreimbursed advances of principal. Due to the distribution priorities, any reduction will first reduce the funds available to pay interest on the most subordinate interest-bearing class of series 2009-K4 certificates outstanding and then on the other certificates in reverse sequential order.

See “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” and “The Series 2009-K4 Pooling and Servicing Agreement—Required Appraisals” in this information circular.

Reports to Certificateholders..... On each distribution date, the trustee will provide or make available to the registered holders of the offered certificates, the guarantor and certain other parties specified in the series 2009-K4 pooling and servicing agreement a monthly report substantially in the form of Exhibit B to this information circular. The trustee’s report will detail, among other things, the distributions made to the series 2009-K4 certificateholders on that distribution date and the performance of the underlying mortgage loans and the mortgaged real properties. The trustee will also make available to the registered holders of the offered certificates, the guarantor and certain other parties specified in the series 2009-K4 pooling and servicing agreement, via its website initially located at “www.ctslink.com,” any report at our request or the request of the guarantor.

You may also review via the trustee’s websites or, upon reasonable prior notice, at the master servicer’s or trustee’s offices during normal business hours, a variety of information and documents that pertain to the underlying mortgage loans and the mortgaged real properties securing those loans. We expect that the available information and documents will include loan documents, borrower operating statements, rent rolls and property inspection reports, which will be available at the office of the master servicer or available on its website.

See “Description of the Series 2009-K4 Certificates—Reports to Certificateholders; Available Information” in this information circular.

Sale of Defaulted Loans..... If any mortgage loan in the issuing entity becomes delinquent as to any balloon payment or becomes 60 days delinquent as to any other monthly debt service payment (in each case without giving effect to any applicable grace period) or becomes a specially serviced mortgage loan as a result of any non-monetary event of default, then the series 2009-K4 directing certificateholder has an assignable option to purchase that underlying mortgage loan from the issuing entity at the price and on the terms, including any applicable time limits, described in the series 2009-K4 pooling and servicing agreement; *provided* that if the Junior Loan Holder is the holder of a second priority lien on such underlying mortgage loan, such Junior Loan Holder will have the first option to purchase such underlying mortgage loan from the issuing entity. See under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans” in this information circular.

Repurchase Obligation..... If the mortgage loan seller has been notified of a defect in any mortgage file or a breach of any of its representations and warranties, or, itself, has discovered any such defect or breach, which, in either case, materially and adversely affects the value of any underlying mortgage loan (including any foreclosure property acquired in respect of any foreclosed mortgage loan) or any interests of the holders of any class of series 2009-K4 certificates, then the mortgage loan seller will be required to either cure such breach or defect, repurchase the affected underlying mortgage loan from the issuing entity or substitute the affected underlying mortgage loan with another mortgage loan. If the mortgage loan seller opts to repurchase the affected underlying mortgage loan, such repurchase would have the same effect on the series 2009-K4 certificates as a prepayment in full of such underlying mortgage loan (without payment of any prepayment premium). See “Description of the Underlying Mortgage Loans—Representations and Warranties” in this information circular.

Optional Termination..... Various parties will each in turn, according to the order listed in this information circular under “The Series 2009-K4 Pooling and Servicing Agreement—Termination,” have the option to purchase all of the underlying mortgage loans and all other property remaining in the issuing entity on any distribution date on which the total principal balance of the underlying mortgage loans from the perspective of the series 2009-K4 certificateholders, based on collections and advances of principal on those underlying mortgage loans previously distributed, and losses on those underlying mortgage loans previously allocated, to the series 2009-K4 certificateholders, is less than 1.0% of the initial pool balance.

In the event that any party so entitled exercises this option, the issuing entity will terminate and all outstanding series 2009-K4 certificates will be retired, as described in more detail under “The Series 2009-K4 Pooling and Servicing Agreement—Termination” in this information circular.

Denominations The offered certificates will be issuable in registered form, in the denominations set forth under “Description of the Series 2009-K4 Certificates—Registration and Denominations” in this information circular.

Physical Certificates Freddie Mac will hold the offered certificates in the form of fully registered physical certificates. Freddie Mac will include the offered certificates in pass-through pools that it will form for its Series K-004 Structured Pass-Through Certificates.

LEGAL AND INVESTMENT CONSIDERATIONS

Federal Income Tax Consequences The trustee or its agent will make elections to treat designated portions of the assets of the issuing entity as two separate real estate mortgage investment conduits under sections 860A through 860G of the Internal Revenue Code of 1986. There will be the following REMICs:

- the Lower-Tier REMIC, which will consist of, among other things—
 1. the underlying mortgage loans, and
 2. any mortgaged real properties that may be acquired by the issuing entity following a borrower default; and
- the Upper-Tier REMIC, which will hold the regular interests in the Lower-Tier REMIC.

The offered certificates will be treated as REMIC regular interests. This means that they will be treated as newly issued debt instruments for U.S. federal income tax purposes. You will have to report income on your offered certificates in accordance with the accrual method of accounting even if you are otherwise a cash method taxpayer.

For a description of the tax opinions that our counsel will be issuing on the closing date and a more detailed discussion of the U.S. federal income tax aspects of investing in the offered certificates, see “U.S. Federal Income Tax Consequences” in this information circular.

Investment Considerations The rate and timing of payments and other collections of principal on or with respect to the underlying mortgage loans will affect the yield to maturity on each offered certificate.

If you purchase your class of series 2009-K4 principal balance certificates at a premium, then a faster than anticipated rate of payments and other collections of principal on the underlying mortgage loans could result in a lower than anticipated yield to maturity with respect to your certificates. Conversely, if you purchase your series 2009-K4 principal balance certificates at a discount, a slower than anticipated rate of payments and other collections of principal on the

underlying mortgage loans could result in a lower than anticipated yield with respect to those certificates.

If you are contemplating the purchase of an interest only certificate, you should be aware that—

- the yield to maturity on those certificates will be highly sensitive to the rate and timing of principal prepayments and other liquidations on or with respect to the underlying mortgage loans,
- a faster than anticipated rate of payments and other collections of principal on the underlying mortgage loans could result in a lower than anticipated yield with respect to those certificates, and
- an extremely rapid rate of prepayments and/or other liquidations on or with respect to the underlying mortgage loans could result in a substantial loss of your initial investment with respect to those certificates.

When trying to determine the extent to which payments and other collections of principal on the underlying mortgage loans will adversely affect the respective yields to maturity of the interest only certificates, you should consider what the notional amounts of those interest only certificates are and how payments and other collections of principal on the underlying mortgage loans are to be applied to the principal balances of the series 2009-K4 principal balance certificates that make up those notional amounts.

In addition, the pass-through rate for the class A-X1 certificates will vary with changes in the relative sizes of the total principal balances of the respective classes of the series 2009-K4 principal balance certificates and will be adversely affected if underlying mortgage loans with relatively higher mortgage interest rates experience a faster rate of principal payment than underlying mortgage loans with relatively low mortgage interest rates.

See “Yield and Maturity Considerations” in this information circular. Consult your legal advisor as to the appropriate characterization of the offered certificates under any legal investment restrictions applicable to you.

THE UNDERLYING MORTGAGE LOANS

General We intend to include the 46 underlying mortgage loans identified on Exhibit A-1 to this information circular in the issuing entity. In this section, “—The Underlying Mortgage Loans,” we provide summary information with respect to those mortgage loans. For more detailed information regarding those mortgage loans, you should review the following sections in this information circular:

- “Description of the Underlying Mortgage Loans”;
- “Risk Factors—Risks Related to the Underlying Mortgage Loans”;
- Exhibit A-1—Certain Characteristics of the Underlying Mortgage Loans and the Related Mortgaged Real Properties;

- Exhibit A-2—Certain Mortgage Pool Information; and
- Exhibit A-3—Description of the Top Ten Mortgage Loans.

When reviewing the information that we have included in this information circular with respect to the mortgage loans that we intend to include in the issuing entity, please note that—

- All numerical information provided with respect to the underlying mortgage loans is provided on an approximate basis.
- All weighted average information provided with respect to the underlying mortgage loans reflects a weighting based on their respective cut-off date principal balances. We will transfer the cut-off date principal balance for each of the underlying mortgage loans to the issuing entity. We show the cut-off date principal balance for each of the underlying mortgage loans on Exhibit A-1 to this information circular.
- In calculating the respective cut-off date principal balances of the underlying mortgage loans, we have assumed that—
 1. all scheduled payments of principal and/or interest due on those mortgage loans on or before their respective due dates in October 2009 are timely made; and
 2. there are no prepayments or other unscheduled collections of principal with respect to any of those mortgage loans during the period from its due date in September 2009 up to and including October 1, 2009.
- Whenever we refer to the initial pool balance in this information circular, we are referring to the total cut-off date principal balance of the entire mortgage pool.
- When information with respect to mortgaged real properties is expressed as a percentage of the initial pool balance, the percentages are based upon the cut-off date principal balances of the related underlying mortgage loans.
- If an underlying mortgage loan is secured by multiple parcels of real property and the operation or management of those parcels so warrants, we treat those parcels as a single parcel of real property.
- Whenever we refer to a particular mortgaged real property by name, we mean the property identified by that name on Exhibit A-1 to this information circular. Whenever we refer to a particular underlying mortgage loan by name, we mean the underlying mortgage loan secured by the mortgaged real property identified by that name on Exhibit A-1 to this information circular.
- Statistical information regarding the underlying mortgage loans may change prior to the date of initial issuance of the offered certificates due to changes in the composition of the mortgage pool prior to that date.

Source of the Underlying

Mortgage Loans

We are not the originator of the underlying mortgage loans that we intend to include in the issuing entity. We will acquire those mortgage loans from the mortgage loan seller. The underlying mortgage loans were originated by Capmark Bank, CBRE Capital Markets, Inc., CBRE Melody & Company, CWCapital LLC, Deutsche Bank Berkshire Mortgage, Inc., Grandbridge Real Estate Capital LLC, Holliday Fenoglio Fowler, L.P., Johnson Capital Group, Inc., KeyCorp Real Estate Capital Markets, Inc., Northmarq Capital, LLC, PNC ARCS LLC, Sierra Capital Partners, Inc. (which was acquired by CWCapital LLC), Wachovia Multifamily Capital, Inc., Walker & Dunlop, LLC and Wells Fargo Bank, National Association, and each underlying mortgage loan was acquired by the mortgage loan seller.

For a description of the underwriting criteria utilized in connection with the origination or acquisition of each of the mortgage loans that we intend to include in the issuing entity, see “Description of the Underlying Mortgage Loans—Underwriting Matters” in this information circular.

Payment and Other Terms

Each of the mortgage loans that we intend to include in the issuing entity is the obligation of a borrower to repay a specified sum with interest.

Repayment of each of the underlying mortgage loans is secured by a mortgage lien on the fee interest of the related borrower in a multifamily real property. That mortgage lien will be a first priority lien, except for certain limited permitted encumbrances that are described herein. See also “Description of the Underlying Mortgage Loans—General” in this information circular.

The mortgage loans that we intend to include in the issuing entity are nonrecourse to the borrower. Although the offered certificates will be guaranteed by Freddie Mac pursuant to the Freddie Mac Guarantee, none of the underlying mortgage loans is insured or guaranteed by any governmental agency or instrumentality or by any private mortgage insurer.

Each of the underlying mortgage loans currently accrues interest at the annual rate specified with respect to that mortgage loan on Exhibit A-1 to this information circular.

Balloon Loans.....

All of the mortgage loans that we intend to include in the issuing entity are balloon loans that provide for:

- an amortization schedule that is significantly longer than its remaining term to stated maturity; and
- a substantial payment of principal on its maturity date.

Mortgage Loans with Interest Only Periods.....

Seventeen (17) mortgage loans that we intend to include in the issuing entity, representing 39.15% of the initial pool balance, provide for an interest only period of between 12 and 24 months following origination.

Related Borrower Loans The table below shows each group of mortgaged real properties that—

- has the same or affiliated borrowers, and
- secures two (2) or more non cross-collateralized mortgage loans or groups of mortgage loans that we intend to include in the issuing entity, which mortgage loans have a total cut off date principal balance equal to at least 36.03% of the initial pool balance.

<u>Loan Name</u>	<u>% of Initial Pool Balance</u>
Windsor at Shirlington Village	6.75%
Windsor at Miramar	3.34%
Total	10.09%
Madison at Chase Oaks	2.39%
Saddle Brook Apartments	1.93%
Villas at Katy Trail Apartments	1.85%
Turnberry Isle Apartments	1.24%
Total	7.42%
Yacht Club at Brickell	3.52%
Crosswood Park Apartments	1.01%
Total	4.53%
Nob Hill Apartments	2.87%
Greenbrook Gardens Apartments	1.53%
Total	4.40%
La Ventana Apartments	1.23%
The Vinings	1.13%
The Biarritz Apartments	0.74%
Total	3.10%
Lexington Heights Apartments	1.93%
Rancho Ladera Apartments	0.95%
Total	2.88%
Haven at Boiling Springs	1.12%
Haven at Berry Shoals	0.88%
Total	2.00%
Walina Apartments	0.71%
Napili Tower	0.62%
Hale Kahakai Apartments	0.29%
Total	1.61%

	See “Risk Factors—Mortgage Loans to Related Borrowers May Result in More Severe Losses on Your Offered Certificates” and “Description of the Underlying Mortgage Loans—Mortgage Loans with Affiliated Borrowers” in this information circular.
No Lockboxes	With the exception of two underlying mortgage loans identified on Exhibit A-1 to this information circular as “Ritz Plaza” and “Church Park Apartments,” representing 26.09% of the initial pool balance, none of the mortgage loans that we intend to include in the issuing entity provides for payments into a lockbox account.
Prepayment Characteristics of the Mortgage Loans	<p>Forty-six (46) of the mortgage loans that we intend to include in the issuing entity, representing 100.00% of the initial pool balance, restrict voluntary prepayments by prohibiting any voluntary prepayments for a specified period of time after the underlying mortgage loan is originated (during which time defeasance is permitted after the second anniversary of the closing date), followed by an open period prior to maturity during which voluntary principal prepayments may be made without any restriction or prepayment premium. See “Defeasance” below.</p> <p>The purchase of any underlying mortgage loan by any party that has an option or is otherwise entitled to purchase that loan from the issuing entity following default generally would have the same effect on the offered certificates as a prepayment (without payment of any prepayment premium).</p>
Defeasance	<p>Forty-six (46) of the mortgage loans that we intend to include in the issuing entity, representing 100.00% of the initial pool balance, permit the borrower (after the second anniversary of the closing date) to obtain the release of the related mortgaged real property from the lien of the related mortgage instrument(s) upon the pledge to the trustee of certain securities that are (i) direct, non-callable and non-redeemable U.S. treasury obligations, (ii) non-callable bonds, debentures, notes and other similar debt obligations issued by Freddie Mac, or (iii) direct, non-callable and non-redeemable securities issued or fully insured as to payment by any consolidated bank that is a member of the Federal Home Loan Banks. The securities used in connection with a defeasance must provide for payments that equal or exceed scheduled interest and principal payments due under the related mortgage notes(s).</p> <p>See “Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Release of Property Though Defeasance” in this information circular.</p>
Delinquency Status	None of the mortgage loans that we intend to include in the issuing entity was 30 days or more delinquent in respect of any monthly debt service payment as of October 1, 2009.

ADDITIONAL STATISTICAL INFORMATION

General Characteristics The mortgage loans that we intend to include in the mortgage pool will have the following general characteristics as of October 1, 2009:

	Mortgage Pool
Initial pool balance	\$1,075,295,763
Number of underlying mortgage loans.....	46
Number of mortgaged real properties	46
Greatest cut off date principal balance	\$150,863,000
Smallest cut off date principal balance.....	\$3,102,000
Average cut off date principal balance.....	\$23,375,995
Highest annual mortgage interest rate	6.470%
Lowest annual mortgage interest rate.....	5.130%
Weighted average annual mortgage interest rate...	5.564%
Longest original term to maturity.....	120
Shortest original term to maturity	120
Weighted average original term to maturity.....	120
Longest remaining term to maturity	118
Shortest remaining term to maturity.....	105
Weighted average remaining term to maturity	117
Highest debt service coverage ratio, based on underwritten net cash flow	2.11x
Lowest debt service coverage ratio, based on underwritten net cash flow	1.24x
Weighted average debt service coverage ratio, based on underwritten net cash flow	1.35x
Highest cut off date loan to value ratio	79.7%
Lowest cut off date loan to value ratio	48.7%
Weighted average cut off date loan to value ratio.	69.2%

In reviewing the foregoing table, please note that the underwritten net cash flow for any mortgaged real property is an estimated number based on numerous assumptions that may not necessarily reflect recent historical performance and may not ultimately prove to be an accurate prediction of future performance.

Geographic Concentration..... Mortgaged real properties representing more than 5% of the initial pool balance are located in each of Texas, New York, Massachusetts, Virginia, Florida, Washington and Illinois. The table below shows the number of, and percentage of the initial pool balance secured by, mortgaged real properties located in these states:

State	Number of Mortgaged Real Properties	% of Initial Pool Balance
Texas	10	14.78%
New York	1	14.03%
Massachusetts	2	13.15%
Virginia	3	11.68%
Florida	5	10.20%
Washington	5	7.49%
Illinois	2	5.65%

The remaining mortgaged real properties with respect to the mortgage pool are located throughout 11 other states. No more than 5% of the initial pool balance is secured by mortgaged real properties located in any of these other states. In circumstances where a particular underlying mortgage loan is secured by multiple mortgaged real properties located in two or more states, the foregoing information reflects the allocated loan amounts for those properties.

Property Type..... All of the mortgaged real properties are multifamily properties.

See “Risk Factors” in this information circular for a description of some of the risks relating to multifamily properties.

Encumbered Interests..... All of the underlying mortgage loans encumber the fee interests of the related borrowers in the mortgaged real properties. As of the date hereof, no mortgaged real properties are encumbered by subordinate liens other than the mortgaged real properties identified on Exhibit A-1 to this information circular as “Church Park Apartments” and “One Thousand 8th Avenue Apartments,” representing 15.62% of the initial pool balance. With respect to Church Park Apartments, the First Church of Christ Scientist, the entity from which the related borrower purchased the mortgaged real property, has a purchase option with respect to the mortgaged real property exercisable in 2092 that is secured by a subordinate mortgage on the mortgaged real property. With respect to One Thousand 8th Avenue Apartments, the mortgaged real property is subject to a security agreement (related to removal of a fuel tank) recorded in 1989 in favor of the City of Seattle, Washington and subordinated to the underlying mortgage loan through the related title insurance policy. See “Risk Factors—Risks Related to the Underlying Mortgage Loans—Subordinate Debt Increases the Likelihood That a Borrower Will Default on a Mortgage Loan Backing Your Certificates” and “Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing” in this information circular.

Significant Mortgage Loans..... The ten (10) largest mortgage loans that we intend to include in the issuing entity represent 58.19% of the initial pool balance. See “Risk Factors—Risks Related to the Underlying Loans” and “Description of the Underlying Mortgage Loans” in this information circular and Exhibits A-1, A-2 and A-3 to this information circular.

RISK FACTORS

The risks and uncertainties described below summarize the material risks in connection with the purchase of the offered certificates. All numerical information concerning the underlying mortgage loans is provided on an approximate basis.

Risks Related to the Underlying Mortgage Loans

The Mortgage Loans Underlying Your Offered Certificates Are Nonrecourse. All of the mortgage loans underlying your offered certificates are nonrecourse loans. This means that, in the event of a default, recourse will be limited to the related real property or properties securing the defaulted mortgage loan. Consequently, full and timely payment on each mortgage loan underlying your offered certificates will depend on one or more of the following—

- the sufficiency of the net operating income of the applicable real property to pay debt service;
- the market value of the applicable real property at or prior to maturity; and
- the ability of the related borrower to refinance or sell the applicable real property at maturity.

In general, the value of a multifamily property will depend on its ability to generate net operating income. The ability of an owner to finance a multifamily property will depend, in large part, on the property's value and ability to generate net operating income.

None of the mortgage loans underlying your offered certificates will be insured or guaranteed by any governmental entity or private mortgage insurer. Freddie Mac will act as guarantor of the series 2009-K4 class A-1, class A-2, class A-3 and class A-X1 certificates.

Many Risk Factors Are Common to Most or All Multifamily Properties. The following factors, among others, will affect the ability of a multifamily property to generate net operating income and, accordingly, its value—

- physical attributes of the property, such as its age, amenities, design, construction quality, upkeep and periodic renovation;
- types of services offered at the property;
- the location of the property;
- perceptions regarding the safety, convenience and attractiveness of the property;
- the characteristics of the neighborhood where the property is located, which may change over time;
- local real estate conditions, including the existence and construction of competing properties and the proximity and attractiveness of competing properties;
- the adequacy of the property's management and maintenance and the ability of such management to respond to competition;
- demographic factors, such as the tenant mix and whether the property is primarily occupied by workers from a particular company or type of business, personnel from a local military base or students;
- adverse national, regional or local economic conditions, including plant closings, industry slowdowns and unemployment rates;
- the extent to which the property is subject to land use restrictive covenants or contractual covenants that require that units be rented to low income tenants;

- the extent to which the cost of operating the property, including the cost of utilities and the cost of required capital expenditures, may increase, and the extent to which increases in operating costs may be passed through to tenants;
- customer tastes and preferences;
- retroactive changes in building codes; and
- changes in governmental rules, regulations and fiscal policies, including environmental legislation.

Because units in a multifamily rental property are primarily leased to individuals, usually for no more than a year, the ability of the property to generate net operating income is likely to change relatively quickly where a downturn in the local economy or the closing of a major employer in the area occurs.

Particular factors that may adversely affect the ability of a multifamily property to generate net operating income include—

- an increase in interest rates, real estate taxes and other operating expenses;
- an increase in the capital expenditures needed to maintain the property or make improvements;
- an increase in vacancy rates;
- a decline in rental rates as leases are renewed or replaced; and
- natural disasters and civil disturbances such as earthquakes, hurricanes, floods, eruptions or riots.

The volatility of net operating income generated by a multifamily property over time will be influenced by many of the foregoing factors, as well as by—

- the length of tenant leases;
- the creditworthiness of tenants;
- the rental rates at which leases are renewed or replaced;
- the percentage of total property expenses in relation to revenue;
- the ratio of fixed operating expenses to those that vary with revenues; and
- the level of capital expenditures required to maintain the property and to maintain or replace tenants.

Therefore, multifamily properties with short-term or less creditworthy sources of revenue and/or relatively high operating costs can be expected to have more volatile cash flows than multifamily properties with medium- to long-term leases from creditworthy tenants and/or relatively low operating costs. A decline in the real estate market will tend to have a more immediate effect on the net operating income of multifamily properties with short-term revenue sources and may lead to higher rates of delinquency or defaults on the mortgage loans secured by those properties.

In addition, some states regulate the relationship of an owner and its tenants at a multifamily rental property. Among other things, these states may—

- require written leases;
- require good cause for eviction;
- require disclosure of fees;

- prohibit unreasonable rules;
- prohibit retaliatory evictions;
- prohibit restrictions on a resident's choice of unit vendors;
- limit the bases on which a landlord may increase rent; or
- prohibit a landlord from terminating a tenancy solely by reason of the sale of the owner's building.

Apartment building owners have been the subject of suits under state Unfair and Deceptive Practices Acts and other general consumer protection statutes for coercive, abusive or unconscionable leasing and sales practices.

Some counties and municipalities also impose rent control regulations on apartment buildings. These regulations may limit rent increases to—

- fixed percentages;
- percentages of increases in the consumer price index;
- increases set or approved by a governmental agency; or
- increases determined through mediation or binding arbitration.

In many cases, the rent control laws do not provide for decontrol of rental rates upon vacancy of individual units. Any limitations on a landlord's ability to raise rents at a multifamily rental property may impair the landlord's ability to repay a mortgage loan secured by the property or to meet operating costs.

Some of the mortgage loans that we intend to include in the issuing entity are secured by mortgaged real properties that are subject to land use restrictive covenants or contractual covenants in favor of federal or state housing agencies. These covenants generally require that a minimum number or percentage of units be rented to tenants who have incomes that are equal to or substantially lower than median incomes in the area or region. These covenants may limit the potential rental rates that may be charged at a multifamily rental property, the potential tenant base for the property or both. An owner may subject a multifamily rental property to these covenants in exchange for tax credits or rent subsidies. When the credits or subsidies cease, net operating income will decline. For instance, with respect to the underlying mortgage loans that we intend to include in the issuing entity secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as "Greenbrook Gardens Apartments," "Granite Place Apartments" and "Hale Kahakai Apartments," representing 2.91% of the initial pool balance, each of the related mortgaged real properties is subject to an existing land use regulatory agreement which requires that at least 20% of the apartment units be occupied by low or moderate income tenants making less than 80% of the area median income. There can be no assurance that the foregoing requirements will not cause a reduction in rental income. If rents are reduced, there can be no assurance that the related properties will be able to generate sufficient cash flow to satisfy debt service and operating expenses.

The Successful Operation of a Multifamily Property Depends on Tenants. Generally, multifamily properties are subject to leases. The owner of a multifamily property typically uses lease or rental payments for the following purposes—

- to pay for maintenance and other operating expenses associated with the property;
- to fund repairs, replacements and capital improvements at the property; and
- to pay debt service on mortgage loans secured by, and any other debt obligations associated with operating, the property.

Factors that may adversely affect the ability of a multifamily property to generate net operating income from lease and rental payments include—

- an increase in vacancy rates, which may result from tenants deciding not to renew an existing lease;
- an increase in tenant payment defaults;
- a decline in rental rates as leases are entered into, renewed or extended at lower rates; and
- an increase in the capital expenditures needed to maintain the property or to make improvements.

Student Housing Facilities Pose Risks Not Associated With Other Types of Multifamily Properties. Student housing facilities may be more susceptible to damage or wear and tear than other types of multifamily housing. Such properties are also affected by their reliance on the financial well-being of the college or university to which such housing relates, competition from on-campus housing units (which may adversely affect occupancy), and the physical layout of the housing (which may not be readily convertible to traditional multifamily use). Further, student tenants have a higher turnover rate than other types of multifamily tenants, which in certain cases is compounded by the fact that student leases are available for periods of less than 12 months. Some of the mortgage loans that we intend to include in the issuing entity have tenants who are students. For example, with respect to the underlying mortgage loans secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as “One Thousand 8th Avenue Apartments,” “Lovejoy Fountain Tower” and “Collegiate Suites of Blacksburg II,” representing 5.72% of the initial pool balance the related mortgaged real properties have a significant student concentration.

The Success of an Income-Producing Property Depends on Reletting Vacant Spaces. The operations at an income-producing property will be adversely affected if the owner or property manager is unable to renew leases or relet space on comparable terms when existing leases expire and/or become defaulted. Even if vacated space is successfully relet, the costs associated with reletting can be substantial and could reduce cash flow from the income-producing properties. Moreover, if a tenant at an income-producing property defaults in its lease obligations, the landlord may incur substantial costs and experience significant delays associated with enforcing its rights and protecting its investment, including costs incurred in renovating and reletting the property. For instance, the commercial lease with the Office of Social Security at the mortgaged real property identified on Exhibit A-1 to this information circular as “Ritz Plaza,” representing 14.03% of the initial pool balance, expires on December 31, 2012. Although the related borrower has agreed to provide the current tenant with an executed lease extension that will not expire prior to the maturity date of the mortgage loan and that will be at least as economically beneficial as the terms of the current lease and has agreed that a springing escrow equal to six (6) months of current rent will be required if such extension is not so provided, there can be no assurance that the borrower will be able to provide such extension or re-lease such space on similar terms.

If an income-producing property has multiple tenants, re-leasing expenditures may be more frequent than in the case of a property with fewer tenants, thereby reducing the cash flow generated by the multi-tenanted property.

Property Value May Be Adversely Affected Even When Current Operating Income Is Not. Various factors may affect the value of multifamily properties without affecting their current net operating income, including—

- changes in interest rates;
- the availability of refinancing sources;
- changes in governmental regulations, licensing or fiscal policy;
- changes in zoning or tax laws; and
- potential environmental or other legal liabilities.

Maintaining a Property in Good Condition May Be Costly. The owner may be required to expend a substantial amount to maintain, renovate or refurbish a multifamily property. Failure to do so may materially impair the

property's ability to generate cash flow. The effects of poor construction quality will increase over time in the form of increased maintenance and capital improvements. Even superior construction will deteriorate over time if management does not schedule and perform adequate maintenance in a timely fashion. There can be no assurance that an income-producing property will generate sufficient cash flow to cover the increased costs of maintenance and capital improvements in addition to paying debt service on the mortgage loan(s) that may encumber that property.

Competition Will Adversely Affect the Profitability and Value of an Income-Producing Property. Some income-producing properties are located in highly competitive areas. Comparable income-producing properties located in the same area compete on the basis of a number of factors including—

- rental rates;
- location;
- type of services and amenities offered; and
- nature and condition of the particular property.

The profitability and value of an income-producing property may be adversely affected by a comparable property that—

- offers lower rents;
- has lower operating costs;
- offers a more favorable location; or
- offers better facilities and/or amenities.

Costs of renovating, refurbishing or expanding an income-producing property in order to remain competitive can be substantial.

Borrowers May Be Unable To Make Balloon Payments. All of the mortgage loans underlying your offered certificates are only partially amortizing. The borrower under a mortgage loan of that type is required to make substantial payments of principal and interest, which are commonly called balloon payments, on the maturity date of the loan. The ability of the borrower to make a balloon payment depends upon the borrower's ability to refinance or sell the real property securing the loan. The ability of the borrower to refinance or sell the property will be affected by a number of factors, including—

- the fair market value and condition of the underlying real property;
- the level of interest rates;
- the borrower's equity in the underlying real property;
- the borrower's financial condition;
- the operating history of the underlying real property;
- changes in zoning and tax laws;
- changes in competition in the relevant area;
- changes in rental rates in the relevant area;
- changes in governmental regulation and fiscal policy;

- prevailing general and regional economic conditions;
- the state of the fixed income and mortgage markets; and
- the availability of credit for mortgage loans secured by multifamily rental properties.

Neither we nor any of our affiliates, the mortgage loan seller or any of the originators will be obligated to refinance any mortgage loan underlying your offered certificates.

The master servicer or special servicer may, within prescribed limits, extend and modify mortgage loans underlying your offered certificates that are in default or as to which a payment default is reasonably foreseeable in order to maximize recoveries on the defaulted loans. The master servicer or special servicer is only required to determine that any extension or modification is reasonably likely to produce a greater recovery than a liquidation of the real property securing the defaulted loan. There is a risk that the decision of the master servicer or special servicer to extend or modify a mortgage loan may not in fact produce a greater recovery.

Multifamily Lending Subjects Your Investment to Special Risks that Are Not Associated with Single-Family Residential Lending. The mortgage loans that we intend to include in the issuing entity are secured by multifamily income-producing property types.

Multifamily lending is generally thought to be riskier than single-family residential lending because, among other things, larger loans are made to single borrowers or groups of related borrowers.

Furthermore, the risks associated with lending on multifamily properties are inherently different from those associated with lending on the security of single-family residential properties. For example, repayment of each of the underlying mortgage loans will be dependent on the performance and/or value of the related mortgaged real property.

There are additional factors in connection with multifamily lending, not present in connection with single-family residential lending, which could adversely affect the economic performance of the respective mortgaged real properties that secure the underlying mortgage loans. Any one of these additional factors, discussed in more detail in this information circular, could result in a reduction in the level of cash flow from those mortgaged real properties that is required to ensure timely distributions on your offered certificates.

The Source of Repayment on Your Offered Certificates Will Be Limited to Payments and Other Collections on the Underlying Mortgage Loans. The offered certificates will represent interests solely in the issuing entity. The primary assets of the issuing entity will be a segregated pool of multifamily mortgage loans. Accordingly, repayment of the offered certificates will be limited to payments and other collections on the underlying mortgage loans, subject to the Freddie Mac Guarantee.

However, the underlying mortgage loans will not be an obligation of, or be insured or guaranteed by:

- any governmental entity;
- any private mortgage insurer;
- us;
- Freddie Mac;
- the mortgage loan seller;
- the master servicer;
- the special servicer;
- any sub-servicer of a master servicer or a special servicer;

- the trustee; or
- any of their respective affiliates.

Repayment of Each of the Underlying Mortgage Loans Will Be Dependent on the Cash Flow Produced by the Related Mortgaged Real Property, Which Can Be Volatile and Insufficient to Allow Timely Distributions on Your Offered Certificates, and on the Value of the Related Mortgaged Real Property, Which May Fluctuate Over Time. The mortgage loans that we intend to include in the issuing entity are nonrecourse. If there is a default with respect to an underlying mortgage loan (other than, in many (but not all) cases, a default resulting from voluntary bankruptcy or fraud), there will only be recourse against the specific real property or properties that secure the defaulted mortgage loan and other assets that have been pledged to secure that mortgage loan.

Repayment of loans secured by multifamily rental properties typically depends on the cash flow produced by those properties. The ratio of net cash flow to debt service of a mortgage loan secured by an income-producing property is an important measure of the risk of default on the loan.

Payment on each underlying mortgage loan may also depend on:

- the ability of the related borrower to sell the related mortgaged real property or refinance the subject mortgage loan, at scheduled maturity, in an amount sufficient to repay the underlying mortgage loan; and/or
- in the event of a default under the underlying mortgage loan and a subsequent sale of the related mortgaged real property upon the acceleration of such mortgage loan's maturity, the amount of the sale proceeds, taking into account any adverse effect of a foreclosure proceeding on those sale proceeds.

In general, if an underlying mortgage loan has a relatively high loan-to-value ratio or a relatively low debt service coverage ratio, a foreclosure sale is more likely to result in proceeds insufficient to satisfy the outstanding debt.

The cash flows from the operation of multifamily real properties are volatile and may be insufficient to cover debt service on the related mortgage loan and pay operating expenses at any given time. This may cause the value of a property to decline. Cash flows and property values generally affect:

- the ability to cover debt service;
- the ability to pay an underlying mortgage loan in full with sales or refinance proceeds; and
- the amount of proceeds recovered upon foreclosure.

Cash flows and property values depend upon a number of factors, including:

- national, regional and local economic conditions, including plant closings, military base closings, economic and industry slowdowns and unemployment rates;
- local real estate conditions, such as an oversupply of units similar to the units at the related mortgaged real property;
- increase in vacancy rates;
- changes or continued weakness in a specific industry segment that is important to the success of the related mortgaged real property;
- increases in operating expenses at the mortgaged real property and in relation to competing properties;
- the nature of income from the related mortgaged real property, such as whether rents are subject to rent control or rent stabilization laws;

- a decline in rental rates as leases are renewed or entered into with new tenants;
- the level of required capital expenditures for proper maintenance and improvements demanded by tenants or required by law at the related mortgaged real property;
- creditworthiness of tenants, a decline in the financial condition of tenants or tenant defaults;
- the number of tenants at the related mortgaged real property and the duration of their respective leases;
- dependence upon a concentration of tenants working for a particular business or industry;
- demographic factors;
- retroactive changes in building or similar codes that require modifications to the related mortgaged real property;
- capable management and adequate maintenance for the related mortgaged real property;
- location of the related mortgaged real property;
- proximity and attractiveness of competing properties;
- whether the mortgaged real property has uses subject to significant regulation;
- the rate at which new rentals occur;
- perceptions by prospective tenants of the safety, convenience, services and attractiveness of the related mortgaged real property;
- the age, construction, quality and design of the related mortgaged real property; and
- whether the related mortgaged real property is readily convertible to alternative uses.

All of the Underlying Mortgage Loans are Secured by Multifamily Rental Properties, Thereby Materially Exposing Offered Certificateholders to Risks Associated with the Performance of Multifamily Rental Properties. All of the mortgaged real properties are primarily used for multifamily rental purposes. A number of factors may adversely affect the value and successful operation of a multifamily rental property. Some of these factors include:

- the number of competing residential developments in the local market, including apartment buildings, manufactured housing communities and site-built single family homes;
- the physical condition and amenities, including access to transportation, of the subject property in relation to competing properties;
- the subject property's reputation;
- applicable state and local regulations designed to protect tenants in connection with evictions and rent increases, including rent control and rent stabilization regulations;
- the tenant mix, such as the tenant population being predominantly students or being heavily dependent on workers from a particular business or personnel from a local military base;
- local factory or other large employer closings;
- the location of the property, for example, a change in the neighborhood over time;
- the level of mortgage interest rates to the extent it encourages tenants to purchase housing;

- the ability of the management team to effectively manage the subject property;
- the ability of the management team to provide adequate maintenance and insurance;
- compliance and continuance of any government housing rental subsidiary programs from which the subject property receives benefits and whether such subsidies or vouchers may be used at other properties;
- distance from employment centers and shopping areas;
- adverse local or national economic conditions, which may limit the amount of rent that may be charged and may result in a reduction of timely rent payment or a reduction in occupancy level;
- the financial condition of the owner of the subject property; and
- government agency rights to approve the conveyance of such mortgaged real properties could potentially interfere with the foreclosure or execution of a deed in lieu of foreclosure of such properties.

In addition, multifamily rental properties are part of a market that, in general, is characterized by low barriers to entry. Thus, a particular multifamily rental property market with historically low vacancies could experience substantial new construction and a resultant oversupply of rental units within a relatively short period of time. Because leases with respect to a multifamily rental property are typically leased on a short-term basis, the tenants residing at a particular property may easily move to alternative multifamily rental properties with more desirable amenities or locations or to single family housing.

Some of the multifamily rental properties that secure mortgage loans that we intend to include in the issuing entity may be subject to land use restrictive covenants or contractual covenants in favor of federal or state housing agencies. These covenants normally require that a minimum number or percentage of units be rented to tenants who have incomes that are substantially lower than median incomes in the applicable area or region. These covenants may limit the potential rental rates that may govern rentals at any of those properties, the potential tenant base for any of those properties or both.

Some of the mortgaged real properties that secure mortgage loans that we intend to include in the issuing entity may entitle their owners to receive low-income housing tax credits pursuant to Section 42 of the Code. Section 42 of the Code provides a tax credit for owners of multifamily rental properties meeting the definition of low-income housing who have received a tax credit allocation from the state or local allocating agency. The total amount of tax credits to which the property owner is entitled, is based upon the percentage of total units made available to qualified tenants.

The tax credit provisions limit the gross rent for each low-income unit. Under the tax credit provisions, a property owner must comply with the tenant income restrictions and rental restrictions over a minimum of a 15-year compliance period. In addition, agreements governing the multifamily rental property may require an “extended use period,” which has the effect of extending the income and rental restrictions for an additional period.

In the event a multifamily rental property does not maintain compliance with the tax credit restrictions on tenant income or rental rates or otherwise satisfy the tax credit provisions of the Code, the property owner may suffer a reduction in the amount of available tax credits and/or face the recapture of all or part of the tax credits related to the period of the noncompliance and face the partial recapture of previously taken tax credits. The loss of tax credits, and the possibility of recapture of tax credits already taken, may provide significant incentive for the property owner to keep the related multifamily rental property in compliance with such tax credit restrictions and limit the income derived from the related property.

The Bankruptcy of the Depositor May Delay or Reduce Collections on the Underlying Mortgage Loans. Although the depositor has been structured as a bankruptcy remote entity, and the transfer of the underlying mortgage loans from the mortgage loan seller to the depositor and from the depositor to the issuing entity has been structured as a sale, there can be no assurance that the depositor will not be subject to a bankruptcy proceeding or that the sale of the underlying mortgage loans will not be recharacterized as a pledge, with the result that the

depositor or issuing entity could be deemed to be a creditor of the mortgage loan seller rather than an owner of the underlying mortgage loans. See “Description of the Issuing Entity” in this information circular.

Borrower Bankruptcy Proceedings Can Delay and Impair Recovery on a Mortgage Loan Underlying Your Offered Certificates. Under the U.S. Bankruptcy Code, the filing of a petition in bankruptcy by or against a borrower will stay the sale of a real property owned by that borrower, as well as the commencement or continuation of a foreclosure action.

In addition, if a court determines that the value of a real property is less than the principal balance of the mortgage loan it secures, the court may reduce the amount of secured indebtedness to the then-value of the property. This would make the lender a general unsecured creditor for the difference between the then-value of the property and the amount of its outstanding mortgage indebtedness.

A bankruptcy court also may—

- grant a debtor a reasonable time to cure a payment default on a mortgage loan;
- reduce monthly payments due under a mortgage loan;
- change the rate of interest due on a mortgage loan; or
- otherwise alter a mortgage loan’s repayment schedule.

Furthermore, the borrower, as debtor-in-possession, or its bankruptcy trustee has special powers to avoid, subordinate or disallow debts. In some circumstances, the claims of a secured lender, such as our trust, may be subordinated to financing obtained by a debtor-in-possession subsequent to its bankruptcy.

Under the U.S. Bankruptcy Code, a lender will be stayed from enforcing a borrower’s assignment of rents and leases. The legal proceedings necessary to resolve these issues can be time consuming and may significantly delay the receipt of rents. Rents also may escape an assignment to the extent they are used by borrower to maintain its property or for other court authorized expenses.

As a result of the foregoing, the issuing entity’s recovery with respect to borrowers in bankruptcy proceedings may be significantly delayed, and the total amount ultimately collected may be substantially less than the amount owed.

Property Management Is Important to the Successful Operation of the Mortgaged Real Property. The successful operation of a real estate project depends in part on the performance and viability of the property manager. The property manager is generally responsible for:

- operating the property and providing building services;
- establishing and implementing the rental structure;
- managing operating expenses;
- responding to changes in the local market; and
- advising the borrower with respect to maintenance and capital improvements.

Properties deriving revenues primarily from short-term leases, such as the leases at multifamily properties, generally are more management intensive than properties leased to creditworthy tenants under long-term leases.

A good property manager, by controlling costs, providing necessary services to tenants and overseeing and performing maintenance or improvements on the property, can improve cash flow, reduce vacancies, reduce leasing and repair costs and preserve building value. On the other hand, management errors can, in some cases, impair short-term cash flow and the long-term viability of an income-producing property.

We, the guarantor and the mortgage loan seller do not make any representation or warranty as to the skills of any present or future property managers with respect to the mortgaged real properties that will secure the underlying mortgage loans. Furthermore, we cannot assure you that any property managers will be in a financial condition to fulfill their management responsibilities throughout the terms of their respective management agreements. In addition, certain of the mortgaged real properties are managed by affiliates of the applicable borrower. If an underlying mortgage loan is in default or undergoing special servicing, this could disrupt the management of the mortgaged real property and may adversely affect cash flow.

Losses on Larger Loans May Adversely Affect Distributions on Your Certificates. Certain of the mortgage loans that we intend to include in the issuing entity have cut-off date principal balances that are substantially higher than the average cut-off date principal balance. In general, these concentrations can result in losses that are more severe than would be the case if the total principal balance of the mortgage loans backing the offered certificates were more evenly distributed. The following chart lists the ten (10) largest mortgage loans that are to be included in the issuing entity. For additional information on the ten (10) largest mortgage loans, see Exhibit A-3 to this information circular.

Ten Largest Mortgage Loans

Loan Name	Cut-off Balance	% of Initial Pool Balance
Ritz Plaza	\$150,863,000	14.03%
Church Park Apartments	\$129,735,287	12.07%
Windsor at Shirlington Village	\$72,529,870	6.75%
The Point at Fairfax	\$46,000,000	4.28%
The Green at Chevy Chase	\$45,237,430	4.21%
Baxter Crossings Apartments	\$38,400,000	3.57%
One Thousand 8th Avenue Apartments	\$38,250,000	3.56%
Yacht Club at Brickell	\$37,886,876	3.52%
Windsor at Miramar	\$35,927,011	3.34%
Nob Hill Apartments	\$30,899,336	2.87%

Mortgage Loans to Related Borrowers May Result in More Severe Losses on Your Offered Certificates. Certain groups of the mortgage loans that we intend to include in the issuing entity were made to the same borrower or to borrowers under common ownership. None of the mortgage loans in any of those groups is cross-collateralized. Mortgage loans with the same borrower or related borrowers pose additional risks. Among other things:

- financial difficulty at one mortgaged real property could cause the owner to defer maintenance at another mortgaged real property in order to satisfy current expenses with respect to the troubled mortgaged real property; and
- the owner could attempt to avert foreclosure on one mortgaged real property by filing a bankruptcy petition that might have the effect of interrupting monthly payments for an indefinite period on all of the related mortgage loans.

In addition, multiple real properties owned by the same borrower or related borrowers are likely to have common management. This would increase the risk that financial or other difficulties experienced by the property manager could have a greater impact on the owner of the related loans.

See “Description of the Underlying Mortgage Loans—Mortgage Loans with Affiliated Borrowers” in this information circular. The following chart lists the related borrower loans that are to be included in the issuing entity.

Related Borrower Loans

<u>Loan Name</u>	<u>Cut-off Balance</u>	<u>Number of States Where Properties Are Located</u>	<u>% of Initial Pool Balance</u>
Windsor at Shirlington Village	\$72,529,870		6.75%
Windsor at Miramar	\$35,927,011		3.34%
Total	<u>\$108,456,880</u>	2	<u>10.09%</u>
Madison at Chase Oaks	\$25,748,104		2.39%
Saddle Brook Apartments	\$20,760,416		1.93%
Villas at Katy Trail Apartments	\$19,861,793		1.85%
Turnberry Isle Apartments	\$13,363,602		1.24%
Total	<u>\$79,733,915</u>	1	<u>7.42%</u>
Yacht Club at Brickell	\$37,886,876		3.52%
Crosswood Park Apartments	\$10,832,799		1.01%
Total	<u>\$48,719,675</u>	2	<u>4.53%</u>
Nob Hill Apartments	\$30,899,336		2.87%
Greenbrook Gardens Apartments	\$16,446,421		1.53%
Total	<u>\$47,345,757</u>	1	<u>4.40%</u>
La Ventana Apartments	\$13,196,931		1.23%
The Vinings	\$12,200,511		1.13%
The Biarritz Apartments	\$7,967,820		0.74%
Total	<u>\$33,365,262</u>	2	<u>3.10%</u>
Lexington Heights Apartments	\$20,800,000		1.93%
Rancho Ladera Apartments	\$10,220,000		0.95%
Total	<u>\$31,020,000</u>	2	<u>2.88%</u>
Haven at Boiling Springs	\$12,076,542		1.12%
Haven at Berry Shoals	\$9,412,233		0.88%
Total	<u>\$21,488,775</u>	1	<u>2.00%</u>
Walina Apartments	\$7,604,000		0.71%
Napili Tower	\$6,621,000		0.62%
Hale Kahakai Apartments	\$3,102,000		0.29%
Total	<u>\$17,327,000</u>	1	<u>1.61%</u>

A Borrower's Other Loans May Reduce the Cash Flow Available to Operate and Maintain the Related Mortgaged Real Property or May Interfere with the Issuing Entity's Rights Under the Related Underlying Mortgage Loan, Thereby Adversely Affecting Distributions on Your Offered Certificates. As described under "Risk Factors—Risks Related to the Underlying Mortgage Loans—Subordinate Debt Increases the Likelihood That a Borrower Will Default on a Mortgage Loan Backing Your Certificates" and "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing" in this information circular, all mortgaged real properties may be encumbered in the future by other subordinate debt. In addition, subject, in some cases, to certain limitations relating to maximum amounts, the borrowers generally may incur trade

and operational debt or other unsecured debt, including in the case of the underlying mortgage loans identified on Exhibit A-1 to this information circular as “Windsor at Shirlington Village” and “Windsor at Miramar,” representing 10.09% of the initial pool balance, unsecured intra-company debt, and enter into equipment and other personal property and fixture financing and leasing arrangements, in connection with the ordinary operation and maintenance of the related mortgaged real property. Furthermore, in the case of those mortgage loans which require or allow letters of credit to be posted by the related borrower as additional security for its mortgage loan, in lieu of reserves or otherwise, the related borrower may be obligated to pay fees and expenses associated with the letter of credit and/or to reimburse the letter of credit issuer in the event of a draw on the letter of credit by the lender.

The existence of other debt could:

- adversely affect the financial viability of a borrower by reducing the cash flow available to the borrower to operate and maintain the related mortgaged real property;
- adversely affect the security interest of the lender in the equipment or other assets acquired through its financings;
- complicate bankruptcy proceedings; and
- delay foreclosure on the related mortgaged real property.

Changes in Mortgage Pool Composition Can Change the Nature of Your Investment. The underlying mortgage loans will amortize at different rates and mature on different dates. In addition, some of those mortgage loans may be prepaid or liquidated. As a result, the relative composition of the mortgage loan pool will change over time.

If you purchase certificates with a pass-through rate that is equal to or calculated based upon a weighted average of interest rates on the underlying mortgage loans, your pass-through rate will be affected, and may decline, as the relative composition of the mortgage pool changes.

In addition, as payments and other collections of principal are received with respect to the underlying mortgage loans, the remaining mortgage pool backing your certificates may exhibit an increased concentration with respect to number and affiliation of borrowers and geographic location.

Geographic Concentration of the Mortgaged Real Properties May Adversely Affect Distributions on Your Offered Certificates. The concentration of mortgaged real properties in a specific state or region will make the performance of the mortgage loans that we intend to include in the issuing entity, as a whole, more sensitive to the following factors in the state or region where the borrowers and the mortgaged real properties are concentrated:

- economic conditions, including real estate market conditions;
- changes in governmental rules and fiscal policies;
- regional factors such as earthquakes, floods, forest fires or hurricanes;
- acts of God, which may result in uninsured losses; and
- other factors that are beyond the control of the borrowers.

The mortgaged real properties are located in 18 states. The table below sets forth the states in which a significant percentage of the mortgaged real properties are located. Except as set forth below, no state contains more than 5.0%, by cut-off date principal balance or allocated loan amount, of the mortgaged real properties that secure the underlying mortgage loans.

Significant Geographic Concentrations of Mortgaged Real Properties

State	Number of Mortgaged Real Properties	% of Initial Pool Balance
Texas	10	14.78%
New York	1	14.03%
Massachusetts	2	13.15%
Virginia	3	11.68%
Florida	5	10.20%
Washington	5	7.49%
Illinois	2	5.65%

Subordinate Debt Increases the Likelihood That a Borrower Will Default on a Mortgage Loan Backing Your Certificates. No mortgage loan included in the issuing entity is encumbered with a subordinate lien, other than the underlying mortgage loans secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as “Church Park Apartments” and “One Thousand 8th Avenue Apartments,” representing 15.62% of the initial pool balance. With respect to “Church Park Apartments,” the First Church of Christ Scientist, the entity from which the related borrower purchased the mortgaged real property, has a purchase option with respect to the mortgaged real property exercisable in 2092 that is secured by a subordinate mortgage on the mortgaged real property. With respect to “One Thousand 8th Avenue Apartments,” the mortgaged real property is subject to a security agreement (related to removal of a fuel tank) recorded in 1989 in favor of the City of Seattle, Washington and subordinated to the underlying mortgage loan through the related title insurance policy. Other than with respect to future subordinate debt meeting specified criteria, as described under “Description of the Underlying Mortgage Loans— Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing” in this information circular, the mortgage loans included in the trust require the consent of the holder of the mortgage loan prior to so encumbering the related mortgaged real property. However, a violation of this prohibition may not become evident until the affected mortgage loan otherwise defaults, and a lender, such as our trust, may not realistically be able to prevent a borrower from incurring subordinate debt.

Beginning one year after the origination date of each underlying mortgage loan intended to be included in the issuing entity, the borrowers under all of the underlying mortgage loans are permitted to incur an additional limited amount of indebtedness secured by the related mortgaged real properties. Under the related mortgage loan documents, it is a condition to the incurrence of any future secured subordinate indebtedness on these mortgage loans that: (a) the total loan-to-value ratio of these loans be below certain thresholds, which thresholds are not higher than the loan-to-value ratio at the origination of the related mortgage loan and (b) subordination agreements and intercreditor agreements be put in place between the trust and the related lenders. In the event a borrower satisfies these conditions, the borrower is permitted to obtain secured subordinate debt from approved lenders who will make such subordinate financing exclusively for purchase by Freddie Mac. The related intercreditor agreement will provide that the subordinate debt may be transferred to certain “qualified transferees” meeting certain minimum net worth requirements or other criteria set forth in such intercreditor agreement. However, in the event that Freddie Mac proposes such a transfer, the series 2009-K4 directing certificateholder will have the right to confirm the proposed transferee is a “qualified transferee” and will have a first priority option to purchase the subordinate debt, as more fully described under “Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing—Purchase Option” in this information circular.

The existence of any secured subordinated indebtedness increases the difficulty of refinancing a mortgage loan at the loan’s maturity. In addition, the related borrower may have difficulty repaying multiple loans. Moreover, the filing of a petition in bankruptcy by, or on behalf of, a junior lienholder may stay the senior lienholder from taking action to foreclose out the junior lien.

The Type of Mortgagor May Entail Risk. Mortgage loans made to partnerships, corporations or other entities may entail risks of loss from delinquency and foreclosure that are greater than those of mortgage loans made to individuals. The mortgagor’s sophistication and form of organization may increase the likelihood of protracted litigation or bankruptcy in default situations.

With respect to forty-four (44) of the underlying mortgage loans, representing 99.37% of the initial pool balance, the borrowers' organizational documents or the terms of the mortgage loans limit their activities to the ownership of only the related mortgaged real property or properties and, subject to exceptions, including relating to subordinate debt secured by the related mortgaged real properties, generally limit the borrowers' ability to incur additional indebtedness other than trade payables and equipment financing relating to the mortgaged real properties in the ordinary course of business. These provisions are designed to mitigate the possibility that the borrowers' financial condition would be adversely impacted by factors unrelated to the mortgaged real property and the mortgage loan. However, we cannot assure you that the related borrowers will comply with these requirements. Also, although a borrower may currently be structured as a single-purpose entity, such borrower may have previously owned property other than the related mortgaged real property and/or may not have observed all covenants and conditions which typically are required to view a borrower as a "single purpose entity" under standard rating agency criteria. There can be no assurance that circumstances that arose or may arise when the borrower did not or does not observe the required covenants will not impact the borrower or the related mortgaged real property. In addition, most of the borrowers and their owners do not have an independent director whose consent would be required to file a voluntary bankruptcy petition on behalf of such borrower. One of the purposes of an independent director of the borrower (or of a special-purpose entity having an interest in the borrower) is to avoid a bankruptcy petition filing which is intended solely to benefit an affiliate and is not justified by the borrower's own economic circumstances. Borrowers (and any special purpose entity having an interest in any such borrowers) that do not have an independent director may be more likely to file a voluntary bankruptcy petition and therefore less likely to repay the related mortgage loan. The bankruptcy of a borrower, or the general partner or the managing member of a borrower, may impair the ability of the lender to enforce its rights and remedies under the related mortgage.

With respect to two (2) of the underlying mortgage loans, secured by the mortgaged real properties identified on Exhibit A-1 of this information circular as "Arbor Woods Apartments" and "Hale Kahakai Apartments," representing 0.63% of the initial pool balance, the related borrowers are single asset entities whose only assets are the related mortgaged real properties. However, additional debt may be undertaken by such borrowers which may increase the possibility that the borrower may become bankrupt or insolvent. Each such borrower is not permitted to (a) own any real or personal property other than the related mortgaged real property and personal property related to the operation and maintenance of the related mortgaged real property, (b) operate any business other than the management and operation of the related mortgaged real property, or (c) maintain its assets in a way that is difficult to segregate and identify. There can be no assurance that circumstances that arose or may arise when the borrower did not or does not observe these covenants will not impact the borrower or the related mortgaged real property.

With respect to two (2) of the underlying mortgage loans, secured by the mortgaged real properties identified on Exhibit A-1 of this information circular as "Windsor at Shirlington Village" and "Windsor at Miramar," and representing 10.09% of the initial pool balance, although the related borrower (in the case of "Windsor at Shirlington Village") or the entities making up the related borrower (in the case of "Windsor at Miramar") currently keep separate financial records and have covenanted to continue to keep separate financial records, the assets of the related borrower or entities making up the related borrower are allowed to be included on the financial records of other entities and be co-mingled in accounts with the assets of other entities. There can be no assurance that the related borrower or the entities making up the related borrower will continue to keep separate financial records or that the inclusion of the assets of the related borrower or the entities that make up the related borrower on the financial records of other entities and the co-mingling of funds will not lead to a ruling adverse to the creditors of the related borrower or entities that make up the related borrower in a bankruptcy of any such related entity.

Tenants-in-Common. With respect to four (4) of the underlying mortgage loans, secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as "Windsor at Miramar," "Gables Augusta Apartments," "Brookdale Lakes," and "Tanglewood Village," representing 7.97% of the initial pool balance, the related borrowers, or in the case of "Brookdale Lakes," some of the entities making up the related borrower, own the related mortgaged real property as tenants-in-common.

Generally, in tenant-in-common ownership structures, each tenant-in-common owns an undivided share in the subject real property. If a tenant-in-common desires to sell its interest in the subject real property and is unable to find a buyer or otherwise desires to force a partition, the tenant-in-common has the ability to request that a court order a sale of the subject real property and distribute the proceeds to each tenant-in-common owner proportionally.

To reduce the likelihood of a partition action, each tenant-in-common borrower under the mortgage loan referred to above has waived its partition right. However, there can be no assurance that, if challenged, this waiver would be enforceable or that it would be enforced in a bankruptcy proceeding.

The enforcement of remedies against tenant-in-common borrowers may be prolonged because each time a tenant-in-common borrower files for bankruptcy, the bankruptcy court stay is reinstated. While a lender may seek to mitigate this risk after the commencement of the first bankruptcy of a tenant-in-common by commencing an involuntary proceeding against the other tenant-in-common borrowers and moving to consolidate all those cases, there can be no assurance that a bankruptcy court would consolidate those separate cases.

The bankruptcy, dissolution or action for partition by one or more of the tenants-in-common could result in an early repayment of the related mortgage loan, a significant delay in recovery against the tenant-in-common borrowers, a material impairment in property management and a substantial decrease in the amount recoverable upon the related mortgage loan.

Illinois Land Trust. With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “Brookdale Lakes,” representing 1.44% of the initial pool balance, the borrower is an Illinois land trust. If a borrower under a mortgage is a land trust, there would be an additional party because legal title to the property is held by a land trustee under a land trust agreement for the benefit of the borrower. At origination of a mortgage loan involving a land trust, the borrower executes a separate undertaking to make payments on the mortgage note. The lender’s authority under a mortgage, the trustee’s authority under a deed of trust and the grantee’s authority under a deed to secure debt are governed by the express provisions of the mortgage, the law of the state in which the real property is located, certain federal laws including, without limitation, the Soldiers’ and Sailors’ Civil Relief Act of 1940 and, in some cases, in deed of trust transactions, the directions of the beneficiary.

Some Remedies May Not Be Available Following a Mortgage Loan Default. The mortgage loans that we intend to include in the issuing entity contain, subject to certain exceptions, “due-on-sale” and “due-on-encumbrance” clauses. These clauses permit the holder of an underlying mortgage loan to accelerate the maturity of the mortgage loan if the related borrower sells or otherwise transfers or encumbers the related mortgaged real property or its interest in the related mortgaged real property in violation of the terms of the mortgage. All of the mortgage loans that we intend to include in the issuing entity also include a debt-acceleration clause that permits the related lender to accelerate the debt upon specified monetary or non-monetary defaults of the related borrower.

The courts of all states will enforce clauses providing for acceleration in the event of a material payment default. The equity courts of a state, however, may refuse the foreclosure or other sale of a mortgaged real property or refuse to permit the acceleration of the indebtedness as a result of a default deemed to be immaterial or if the exercise of these remedies would be inequitable or unjust.

The related borrower generally may collect rents for so long as there is no default. As a result, the issuing entity’s rights to these rents will be limited because:

- the issuing entity may not have a perfected security interest in the rent payments until the master servicer, special servicer or sub-servicer collects them;
- the master servicer, special servicer or sub-servicer may not be entitled to collect the rent payments without court action; and
- the bankruptcy of the related borrower could limit the ability of the master servicer, special servicer or sub-servicer to collect the rents.

Lending on Income-Producing Real Properties Entails Environmental Risks. Under various federal and state laws, a current or previous owner or operator of real property may be liable for the costs of cleanup of environmental contamination on, under, at or emanating from, the property. These laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of the contamination. The costs of any required cleanup and the owner’s liability for these costs are generally not limited under these laws and could exceed the value of the property and/or the total assets of the owner. Contamination of a property may give rise to a

lien on the property to assure the costs of cleanup. An environmental lien may have priority over the lien of an existing mortgage. In addition, the presence of hazardous or toxic substances, or the failure to properly clean up contamination on the property, may adversely affect the owner's or operator's future ability to refinance the property.

Certain environmental laws impose liability for releases of asbestos into the air, and govern the responsibility for the removal, encapsulation or disturbance of asbestos-containing materials when the asbestos-containing materials are in poor condition or when a property with asbestos-containing materials undergoes renovation or demolition. Certain laws impose liability for lead-based paint, lead in drinking water, elevated radon gas inside buildings and releases of polychlorinated biphenyl compounds. Third parties may also seek recovery from owners or operators of real property for personal injury or property damage associated with exposure to asbestos, lead, radon, polychlorinated biphenyl compounds and any other contaminants.

The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, as well as other federal and state laws, provide that a secured lender, such as the trust, may be liable as an "owner" or "operator" of the real property, regardless of whether the borrower or a previous owner caused the environmental damage, if—

- agents or employees of the lender are deemed to have participated in the management of the borrower; or
- the lender actually takes possession of a borrower's property or control of its day-to-day operations, including through the appointment of a receiver or foreclosure.

Although recently enacted legislation clarifies the activities in which a lender may engage without becoming subject to liability under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and similar federal laws, that legislation has no applicability to state environmental laws. Moreover, future laws, ordinances or regulations could impose material environmental liability.

Federal law requires owners of residential housing constructed prior to 1978 to disclose to potential residents or purchasers—

- any condition on the property that causes exposure to lead-based paint; and
- the potential hazards to pregnant women and young children, including that the ingestion of lead-based paint chips and/or the inhalation of dust particles from lead-based paint by children can cause permanent injury, even at low levels of exposure.

Property owners may be liable for injuries to their tenants resulting from exposure under various laws that impose affirmative obligations on property owners of residential housing containing lead-based paint.

With respect to all of the mortgaged real properties, Phase I environmental site assessments were prepared in connection with the origination of the mortgage loan.

If the environmental investigations described above identified material adverse or potentially material adverse environmental conditions at or with respect to any of the respective mortgaged real properties securing a mortgage loan that we intend to include in the issuing entity or at a nearby property with potential to affect a mortgaged real property, then the originator may have taken one or more of the following actions:

- an environmental consultant investigated those conditions and recommended no further investigations or remediation;
- an operation and maintenance plan or other remediation was required and/or an escrow reserve was established to cover the estimated costs of obtaining that plan and/or effecting that remediation;
- those conditions were remediated or abated prior to the closing date;
- a letter was obtained from the applicable regulatory authority stating that no further action was required;

- another responsible party has agreed to indemnify the holder of the mortgage loan from any losses that such party suffers as a result of such environmental conditions;
- an environmental insurance policy was obtained with respect to the mortgaged real property;
- in those cases in which it was known that an offsite property is the location of a leaking underground storage tank or groundwater contamination, a responsible party other than the related borrower has been identified under applicable law, and generally one or more of the following are true—
 1. that condition is not known to have affected the mortgaged real property; or
 2. the responsible party has either received a letter from the applicable regulatory agency stating no further action is required, established a remediation fund, engaged in responsive remediation, or provided an indemnity or guaranty to the borrower or the mortgagee/lender; and/or
- in those cases involving mortgage loans with an original principal balance of less than \$1,000,000, the borrower expressly agreed to comply with all federal, state and local statutes or regulations respecting the identified adverse environmental conditions.

Some borrowers under the mortgage loans that we intend to include in the issuing entity may not have satisfied all post-closing obligations required by the related loan documents with respect to environmental matters. There can be no assurance that recommended operations and maintenance plans have been or will continue to be implemented.

For example, with respect to the mortgaged real properties identified on Exhibit A-1 to this information circular as “Collegiate Suites of Blacksburg II” and “La Ventana Apartments,” representing 1.88% of the initial pool balance, post-closing radon test results indicated a concentration of radon gas higher than recommended by government agencies. The lender agreed to extend the test period set forth in the related repair agreement so that further testing can be accomplished prior to remediation, if any. In addition, pursuant to the repair agreement entered into with respect to each of these mortgage loans at origination, if the lender determines the radon testing indicates further remediation is necessary, the borrower is required (i) to provide the lender with a signed, binding fixed price radon remediation contract with a qualified service provider, (ii) to complete such remediation work within a specified time frame and (iii) to enter into an operations and maintenance agreement with respect thereto.

Furthermore, any particular environmental testing may not have covered all potential adverse conditions. For example, testing for lead-based paint, asbestos-containing materials, lead in water and radon was done only if the use, age and condition of the subject property warranted that testing. In general, testing was done for lead based paint only in the case of a multifamily property built prior to 1978, for asbestos containing materials only in the case of a property built prior to 1981 and for radon gas only in the case of a multifamily property located in an area determined by the Environmental Protection Agency to have a high concentration of radon gas or within a state or local jurisdiction requiring radon gas testing.

There can be no assurance that—

- the environmental testing referred to above identified all material adverse environmental conditions and circumstances at the subject properties;
- the recommendation of the environmental consultant was, in the case of all identified problems, the appropriate action to take; or
- any of the environmental escrows established or letters of credit obtained with respect to any of the mortgage loans that we intend to include in the issuing entity will be sufficient to cover the recommended remediation or other action.

Appraisals and Market Studies May Inaccurately Reflect the Value of the Mortgaged Real Properties. In connection with the origination of each of the mortgage loans that we intend to include in the issuing entity, the related mortgaged real property was appraised by an independent appraiser.

Appraisals are not guarantees, and may not be fully indicative of present or future value because:

- they represent the analysis and opinion of the appraiser at the time the appraisal is conducted and the value of the mortgaged real property may have fluctuated since the appraisal was performed;
- there can be no assurance that another appraiser would not have arrived at a different valuation, even if the appraiser used the same general approach to, and the same method of, appraising the mortgaged real property; and
- appraisals seek to establish the amount a typically motivated buyer would pay a typically motivated seller and therefore, could be significantly higher than the amount obtained from the sale of a mortgaged real property under a distress or liquidation sale.

The appraisals reflect market conditions at the time the appraisals were conducted and may not reflect current values.

Neither we nor the mortgage loan seller has confirmed the values of the respective mortgaged real properties in the appraisals.

Property Managers and Borrowers May Each Experience Conflicts of Interest in Managing Multiple Properties. In the case of many of the mortgage loans that we intend to include in the issuing entity, the related property managers and borrowers may experience conflicts of interest in the management and/or ownership of the related mortgaged real properties because:

- a substantial number of those mortgaged real properties are managed by property managers affiliated with the respective borrowers;
- the property managers also may manage additional properties, including properties that may compete with those mortgaged real properties; and
- affiliates of the property managers and/or the borrowers, or the property managers and/or the borrowers themselves, also may own other properties, including properties that may compete with those mortgaged real properties.

The Master Servicer, the Special Servicer and any Sub-Servicers May Experience Conflicts of Interest. The master servicer, the special servicer and any sub-servicers will service loans other than those included in the issuing entity in the ordinary course of their businesses. These other loans may be similar to the mortgage loans in the issuing entity. The mortgaged real properties securing these other loans may—

- be in the same markets as mortgaged real properties securing mortgage loans in the issuing entity; and/or
- have owners and/or property managers in common with mortgaged real properties securing mortgage loans in the issuing entity; and/or
- be sponsored by parties that also sponsor mortgaged real properties securing mortgage loans in the issuing entity.

In these cases, the interests of a master servicer, a special servicer or a sub-servicer, as applicable, and its other clients may differ from and compete with the interests of the issuing entity and these activities may adversely affect the amount and timing of collections on the mortgage loans in the issuing entity. Under the series 2009-K4 pooling and servicing agreement, the master servicer, the special servicer and any sub-servicers are each required to service the mortgage loans in the issuing entity for which it is responsible in the same manner, and with the same care, as similar mortgage loans serviced by it and held as part of its own portfolio or the portfolios of third parties.

Some of the Mortgaged Real Properties Are Legal Nonconforming Uses or Legal Nonconforming Structures. Many of the underlying mortgage loans may be secured by a mortgage lien on a real property that is a legal nonconforming use or a legal nonconforming structure. This may impair the ability of the related borrower to restore

the improvements on a mortgaged real property to its current form or use following a major casualty. See “Description of the Underlying Mortgage Loans—Underwriting Matters—Zoning and Building Code Compliance” in this information circular.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “Walina Apartments,” representing 0.71% of the initial pool balance, the related property is in breach of a covenant recorded in 1974 with regard to a waiver of certain parking requirements. The covenant requires that at least 51% of the kitchens at the related property be removed if the property is not rented to elderly low-income persons. The property is not currently rented to elderly low-income persons and the kitchens have not been removed. The related property has operated in contradiction of the covenant for several years and the related non-recourse carveout language was expanded to cover lender's loss or damage resulting from enforcement of the covenant. There can be no assurance, however, that the covenant will not be enforced in the future or that the borrower will have sufficient funds to cover lender's loss or damage resulting from enforcement of the covenant.

Changes in Zoning Laws May Affect Ability to Repair or Restore a Mortgaged Real Property. Due to changes in applicable building and zoning ordinances and codes affecting several of the mortgaged real properties that are to secure the underlying mortgage loans, which changes occurred after the construction of the improvements on these properties, these mortgaged real properties may not comply fully with current zoning laws because of:

- density;
- use;
- parking;
- set-back requirements; or
- other building related conditions.

These ordinance and/or code changes will not materially interfere with the current use of the mortgaged real property. However, these changes may limit the ability of the related borrower to rebuild the premises “as is” in the event of a substantial casualty loss which may adversely affect the ability of the related borrower to meet its mortgage loan obligations from cash flow. With some exceptions, the underlying mortgage loans secured by mortgaged real properties which no longer conform to current zoning ordinances and codes will require, or contain provisions under which the lender in its reasonable discretion may require, the borrower to maintain “law and ordinance” coverage which, subject to the terms and conditions of such coverage, will insure the increased cost of construction to comply with current zoning ordinances and codes. Insurance proceeds may not be sufficient to pay off the related mortgage loan in full. In addition, if the mortgaged real property were to be repaired or restored in conformity with then current law, its value could be less than the remaining balance on the related mortgage loan and it may produce less revenue than before repair or restoration.

Lending on Income-Producing Properties Entails Risks Related to Property Condition. With respect to all of the mortgaged real properties securing the mortgage loans that we intend to include in the trust, a third-party engineering firm inspected the property to assess exterior walls, roofing, interior construction, mechanical and electrical systems and general condition of the site, buildings and other improvements located at each of the mortgaged real properties.

At two (2) of those properties, representing 2.07% of the initial pool balance, the inspections identified conditions requiring escrows to be established for repairs or replacements estimated to cost in excess of \$100,000. In these cases, the originator may have required the related borrower to fund reserves, or deliver letters of credit or other instruments, to cover all or a portion of these costs. While the aforementioned escrows were based on recommendations in an engineering report, there can be no assurance that the reserves or letters of credit or other instruments will be sufficient to cover the repairs or replacements. Additionally, there can be no assurance that all conditions requiring repair or replacement have been identified in these inspections, or that all building code and other legal compliance issues have been identified through inspection or otherwise, or, if identified, adequately addressed by escrows or otherwise.

World Events and Natural Disasters Could Have an Adverse Impact on the Real Properties Securing the Mortgage Loans Underlying Your Offered Certificates and Consequently Could Reduce the Cash Flow Available to Make Payments on the Offered Certificates. The world-wide economic crisis has had a material impact on general economic conditions, consumer confidence and market liquidity. The economic impact of the United States' military operations in Afghanistan, Iraq and other parts of the world, as well as the possibility of any terrorist attacks domestically or abroad, is uncertain, but could have a material adverse effect on general economic conditions, consumer confidence, and market liquidity. We can give no assurance as to the effect of these events on consumer confidence and the performance of the mortgage loans held by the trust. Any adverse impact resulting from these events would be borne by the holders of one or more classes of the certificates. In addition, natural disasters, including earthquakes, floods and hurricanes, also may adversely affect the real properties securing the mortgage loans that back your offered certificates. For example, real properties located in California may be more susceptible to certain hazards (such as earthquakes or widespread fires) than properties in other parts of the country and mortgaged real properties located in coastal states generally may be more susceptible to hurricanes than properties in other parts of the country. Hurricanes and related windstorms, floods and tornadoes have caused extensive and catastrophic physical damage in and to coastal and inland areas located in the Gulf Coast region of the United States and certain other parts of the southeastern United States. The underlying mortgage loans do not all require the maintenance of flood insurance for the related real properties. We cannot assure you that any damage caused by hurricanes, windstorms, floods or tornadoes would be covered by insurance.

Special Hazard Losses May Cause You To Suffer Losses on Your Offered Certificates. In general, the standard form of fire and extended coverage policy covers physical damage to or destruction of the improvements of a property by fire, lightning, explosion, smoke, windstorm and hail, and riot, strike and civil commotion, subject to the conditions and exclusions specified in the related policy. Most insurance policies typically do not cover any physical damage resulting from, among other things—

- war;
- riot, strike and civil commotion;
- terrorism;
- nuclear, biological or chemical materials;
- revolution;
- governmental actions;
- floods and other water-related causes;
- earth movement, including earthquakes, landslides and mudflows;
- wet or dry rot;
- vermin; and
- domestic animals.

Unless the related mortgage loan documents specifically require (and such provisions were not waived) the borrower to insure against physical damage arising from these causes, then the resulting losses may be borne by you as a holder of offered certificates.

There is also a possibility of casualty losses on a real property for which insurance proceeds, together with land value, may not be adequate to pay the mortgage loan in full or rebuild the improvements. Consequently, there can be no assurance that each casualty loss incurred with respect to a real property securing one of the mortgage loans included in our trust will be fully covered by insurance or that the mortgage loan will be fully repaid in the event of a casualty.

Furthermore, various forms of insurance maintained with respect to any of the real properties for the mortgage loans included in the trust, including casualty insurance, may be provided under a blanket insurance policy. That blanket insurance policy will also cover other real properties, some of which may not secure mortgage loans in the trust. As a result of total limits under any of those blanket policies, losses at other properties covered by the blanket insurance policy may reduce the amount of insurance coverage with respect to a property securing one of the mortgage loans in the trust.

Earthquake insurance was not required with respect to the mortgaged real properties since probable maximum loss for each of the mortgaged real properties is less than 20%.

The Absence or Inadequacy of Terrorism Insurance Coverage on the Mortgaged Real Properties May Adversely Affect Payments on Your Certificates. Following the September 11, 2001 terrorist attacks in the New York City area and Washington, D.C. area, many reinsurance companies (which assume some of the risk of policies sold by primary insurers) eliminated coverage for acts of terrorism from their reinsurance policies. Without that reinsurance coverage, primary insurance companies would have to assume that risk themselves, which may cause them to eliminate such coverage in their policies, increase the amount of the deductible for acts of terrorism or charge higher premiums for such coverage. In order to offset this risk, Congress passed the Terrorism Risk Insurance Act of 2002 (as amended, "TRIA"), which established the Terrorism Insurance Program. On December 26, 2007, the Terrorism Insurance Program was extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 through December 31, 2014 ("TRIREA").

The Terrorism Insurance Program is administered by the Secretary of the Treasury and through December 31, 2014 will provide some financial assistance from the United States Government to insurers in the event of another terrorist attack that results in an insurance claim. The program applies to United States risks only and to acts that are committed by an individual or individuals as an effort to influence or coerce United States civilians or the United States Government. TRIREA requires an investigation by the Comptroller General to study the availability and affordability of insurance coverage for nuclear, biological, chemical and radiological attacks.

In addition, no compensation will be paid under the Terrorism Insurance Program unless the aggregate industry losses relating to such act of terror exceed \$100 million. As a result, unless the mortgagors obtain separate coverage for events that do not meet these thresholds (which coverage may not be required by the Loan Documents and may not otherwise be obtainable), such events would not be covered.

The Treasury Department has established procedures for the Terrorism Insurance Program under which the federal share of compensation will be equal to 85% of the portion of insured losses that exceeds an applicable insurer deductible required to be paid during each program year (which insurer deductible was fixed by TRIREA at 20% of an insurer's direct earned premium for any program year). The federal share in the aggregate in any program year may not exceed \$100 billion (and the insurers will be liable for any amount that exceeds this cap). An insurer that has paid its deductible is not liable for the payment of any portion of total annual United States wide losses that exceed \$100 billion, regardless of the terms of the individual insurance contracts.

Through December 2014, insurance carriers are required under the program to provide terrorism coverage in their basic policies providing "special" form coverage. Any commercial property and casualty terrorism insurance exclusion that was in force on November 26, 2002 is automatically voided to the extent that it excludes losses that would otherwise be insured losses. Any state approval of such types of exclusions in force on November 26, 2002 is also voided.

Because the Terrorism Insurance Program is a temporary program, there is no assurance that it will create any long-term changes in the availability and cost of such insurance. Moreover, there can be no assurance that subsequent terrorism insurance legislation will be passed upon TRIREA's expiration.

If TRIREA is not extended or renewed upon its expiration in 2014, premiums for terrorism insurance coverage will likely increase and/or the terms of such insurance may be materially amended to increase stated exclusions or to otherwise effectively decrease the scope of coverage available (perhaps to the point where it is effectively not available). In addition, to the extent that any policies contain "sunset clauses" (*i.e.*, clauses that void terrorism coverage if the federal insurance backstop program is not renewed), then such policies may cease to provide

terrorism insurance upon the expiration of TRIREA. There can be no assurance that such temporary program will create any long term changes in the availability and cost of such insurance.

The mortgage loan seller required borrowers to obtain terrorism insurance with respect to all of the underlying mortgage loans. The master servicer will not be obligated to require any borrower to obtain or maintain terrorism insurance in excess of the amounts of coverage and deductibles required by the related mortgage loan documents. The master servicer will not be required to call a default under a mortgage loan in the issuing entity if the related borrower fails to maintain insurance with respect to acts of terrorism, and the master servicer need not maintain (or require the borrower to obtain) such insurance, if the special servicer has determined after due inquiry (with the consent of the series 2009-K4 directing certificateholder; *provided* that the special servicer will not follow any such direction, or refrain from acting based upon the lack of any such direction, of the series 2009-K4 directing certificateholder, if following any such direction of the series 2009-K4 directing certificateholder or refraining from taking such action based upon the lack of any such direction of the series 2009-K4 directing certificateholder would violate the Servicing Standard), in accordance with the Servicing Standard, that either—

- such insurance is not available at commercially reasonable rates and that such hazards are not at the time commonly insured against for properties similar to the subject mortgaged real property and located in or around the region in which the subject mortgaged real property is located; or
- such insurance is not available at any rate.

If the related loan documents do not expressly require insurance against acts of terrorism, but permit the mortgagee to require such other insurance as is reasonable, the related borrower may challenge whether maintaining insurance against acts of terrorism is reasonable in light of all the circumstances, including the cost. The master servicer's efforts to require such insurance may be further impeded if the originating lender did not require the subject borrower to maintain such insurance, regardless of the terms of the related loan documents.

If any mortgaged real property securing an underlying mortgage loan sustains damage as a result of an uninsured terrorist or similar act, a default on the subject mortgage loan may result, and such damaged mortgaged real property may not provide adequate collateral to satisfy all amounts owing under such mortgage loan, which could result in losses on some classes of the series 2009-K4 certificates, subject to the Freddie Mac Guarantee.

If a borrower is required, under the circumstances described above, to maintain insurance coverage with respect to terrorist or similar acts, the borrower may incur higher costs for insurance premiums in obtaining that coverage which would have an adverse effect on the net cash flow of the related mortgaged real property.

The Absence or Inadequacy of Earthquake, Flood and Other Insurance May Adversely Affect Payments on Your Certificates. The mortgaged real properties may suffer casualty losses due to risks that were not covered by insurance or for which insurance coverage is inadequate. In addition, certain of the mortgaged real properties are located in Texas, California and Florida, states or territories, as applicable, that have historically been at greater risk regarding acts of nature (such as hurricanes, floods and earthquakes) than other states or territories, as applicable. There is no assurance borrowers will be able to maintain adequate insurance. Moreover, if reconstruction or any major repairs are required, changes in laws may materially affect the borrower's ability to effect such reconstruction or major repairs or may materially increase the costs of reconstruction and repair. As a result of any of these factors, the amount available to make distributions on the offered certificates could be reduced.

Compliance with Americans with Disabilities Act May Result in Additional Costs to Borrowers. Under the Americans with Disabilities Act of 1990, all existing facilities considered to be "public accommodations" are required to meet certain federal requirements related to access and use by disabled persons such that the related borrower is required to take steps to remove architectural and communication barriers that are deemed "readily achievable" under the Americans with Disabilities Act of 1990. Factors to be considered in determining whether or not an action is "readily achievable" include the nature and cost of the action, the number of persons employed at the related mortgaged real property and the financial resources of the related borrower. To the extent a mortgaged real property securing an underlying mortgage loan does not comply with the Americans with Disabilities Act of 1990, the related borrower may be required to incur costs to comply with this law. There can be no assurance that the related borrower will have the resources to comply with the requirements imposed by the Americans with

Disabilities Act of 1990, which could result in the imposition of fines by the federal government or an award of damages to private litigants.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “The Point at Fairfax,” representing 4.28% of the initial pool balance, the entity from which the related borrower purchased the related mortgaged real property is being sued under the Fair Housing Act and the Americans with Disabilities Act for alleged violations of accessible construction and design standards at certain properties, including the related mortgaged real property. The discovery period for such action ended on November 18, 2008. Both parties have prepared and responded to dispositive motions but the court has not yet ruled on the motions. The related borrower received indemnification from the seller with respect to this litigation in connection with its purchase of the mortgaged real property and the related borrower, pursuant to the loan documents, agreed to be responsible for any adverse outcome of the litigation. However, there can be no assurance that the seller or the related borrower will have sufficient funds to indemnify with respect to or take responsibility for any adverse outcome of the litigation.

Limited Information Causes Uncertainty. Certain of the mortgage loans are loans that were made to enable the related borrower to acquire the related real property. Accordingly, for certain of these mortgage loans limited or no historical operating information is available with respect to the related real property. As a result, you may find it difficult to analyze the historical performance of those properties.

Litigation May Adversely Affect Property Performance. There may be pending or, from time to time, threatened legal proceedings against the borrowers under the underlying mortgage loans, the managers of the related mortgaged real properties and their respective affiliates, arising out of the ordinary business of those borrowers, managers and affiliates. We cannot assure you that litigation will not have a material adverse effect on your investment.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “The Point at Fairfax,” representing 4.28% of the initial pool balance, the entity from which the related borrower purchased the related mortgaged real property is being sued under the Fair Housing Act and the Americans with Disabilities Act for alleged violations of accessible construction and design standards at certain properties, including the related mortgaged real property. See “Risk Factors—Risks Related to the Underlying Mortgage Loans—Compliance with Americans with Disabilities Act May Result in Additional Costs to Borrowers” in this information circular.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “Collegiate Suites of Blacksburg II,” representing 0.66% of the initial pool balance, the principals of the related borrower are subject to potential litigation arising from an incident in 2007 that occurred at an adjacent property which does not secure the underlying mortgage loan in the mortgage pool and is not owned by the related borrower with respect to the underlying mortgage loan in the mortgage pool. The incident resulted in five (5) individuals being hospitalized for carbon monoxide exposure from certain mechanical equipment operated by natural gas. All affected individuals were discharged from the hospital shortly following the incident, all apartments at the adjacent property utilizing mechanical equipment operated by natural gas were retro-fitted with electric equipment and all natural gas lines at the adjacent property were capped in 2007-2008. Preliminary investigations performed by independent engineers have not identified any negligence on the part of the adjacent property’s owners or managers. Additionally, the principals indicated that adequate insurance coverage is in place, and the related borrower agreed to indemnify the lender against any losses arising as a result of the potential litigation. However, there can be no assurance that adequate remedial measures at the adjacent property were completed or that adequate insurance was established. Also, there can be no assurance that the potential litigation at the adjacent property will not affect the related borrower or that the related borrower will have sufficient funds to support any indemnification.

One Action Rules May Limit Remedies. Several states, including California, have laws that prohibit more than one “judicial action” to enforce a mortgage obligation, and some courts have construed the term “judicial action” broadly. Accordingly, the special servicer is required to obtain advice of counsel prior to enforcing any of the issuing entity’s rights under any of the underlying mortgage loans that are secured by mortgaged real properties located where the rule could be applicable.

Tax Considerations Related to Foreclosure. Under the series 2009-K4 pooling and servicing agreement, the special servicer, on behalf of the issuing entity, among others, may acquire one or more mortgaged real properties pursuant to a foreclosure or deed in lieu of foreclosure. The special servicer will be permitted to perform or complete construction work on a foreclosed property only if such construction was at least 10% complete when default on the related mortgage loan became imminent. In addition, any net income from the operation and management of any such property that is not qualifying “rents from real property,” within the meaning of section 856(d) of the Internal Revenue Code of 1986, as amended, and any rental income based on the net profits of a tenant or sub-tenant or allocable to a service that is non-customary in the area and for the type of property involved, will subject the issuing entity to U.S. federal (and possibly state or local) tax on such income at the highest marginal corporate tax rate (currently 35%), thereby reducing net proceeds available for distribution to the series 2009-K4 certificateholders.

In addition, if the special servicer, on behalf of the issuing entity, among others, were to acquire one or more mortgaged real properties pursuant to a foreclosure or deed in lieu of foreclosure, upon acquisition of those mortgaged real properties, it may be required in certain jurisdictions, particularly in California and New York, to pay state or local transfer or excise taxes upon liquidation of such properties. Such state or local taxes may reduce net proceeds available for distribution to the series 2009-K4 certificateholders.

Changes to REMIC Restrictions on Loan Modifications May Impact an Investment in the Certificates. On September 15, 2009, the IRS issued Revenue Procedure 2009-45 easing the tax requirements for a servicer to modify a commercial or multifamily mortgage loan held in a REMIC by interpreting the circumstances when default is “reasonably foreseeable” to include those where the servicer reasonably believes that there is a “significant risk of default” with respect to the mortgage loan upon maturity of the loan or at an earlier date, and that by making such modification the risk of default is substantially reduced. Accordingly, if the master servicer or the special servicer determined that an underlying mortgage loan was at significant risk of default and permitted one or more modifications otherwise consistent with the terms of series 2009-K4 pooling and servicing agreement, any such modification may impact the timing and ultimate recovery on the mortgage loan, and likewise on one or more classes of certificates.

In addition, final regulations were issued under the REMIC provisions of the Code that modify the tax restrictions imposed on a servicer's ability to modify the terms of mortgage loans held by a REMIC relating to changes in the collateral, credit enhancement and recourse features to permit those modifications so long as the mortgage loan remains “principally secured” by real property (within the meaning of the final regulations). These regulations could impact the timing and ultimate recovery on a mortgage loan, and likewise on one or more classes of certificates.

In February 2009, legislation was proposed in the U.S. Senate that, if enacted, would have required existing REMIC transactions to remove certain restrictions related to loan modifications from the related operative documents or risk losing their status as a REMIC. Loss of REMIC status would result in significant adverse federal income tax consequences to the holders of certificates issued by a REMIC. Although this legislation was proposed to address the need for modifications of residential mortgage loans, the language of the proposal was broad enough to impact commercial mortgage loans as well. This proposal ultimately was not included, and has not been included, in any introduced legislation and is not currently law. It is not known if or when this proposed legislation will be re-proposed or introduced or if it will be enacted. Such proposal, if it became law and were not successfully challenged, could result in increased modifications of the mortgage loans, or possibly loss of REMIC status if the series 2009-K4 pooling and servicing agreement cannot be modified.

You should consider the possible impact on your investment of any existing REMIC restrictions as well as any potential changes to the REMIC rules.

Risks Related to the Offered Certificates

The Issuing Entity's Assets May Be Insufficient to Allow for Repayment in Full on Your Offered Certificates. The offered certificates do not represent obligations of any person or entity and do not represent a claim against any assets other than those of the related trust. Other than as described under “Description of the Series 2009-K4 Certificates—The Freddie Mac Guarantee” in this information circular, no governmental agency or instrumentality will guarantee or insure payment on the offered certificates. In addition, neither we nor our affiliates are responsible

for making payments on the offered certificates if collections on the related trust assets are insufficient. If the related trust assets are insufficient to make payments on your offered certificates, other than as described under “Description of the Series 2009-K4 Certificates—The Freddie Mac Guarantee,” no other assets will be available to you for payment of the deficiency, and you will bear the resulting loss. Any advances made by a master servicer or other party with respect to the mortgage loans underlying your offered certificates are intended solely to provide liquidity and not credit support. The party making those advances will have a right to reimbursement, with interest, which is senior to your right to receive payment on your offered certificates.

Credit Support Is Limited and May Not Be Sufficient to Prevent Loss on Your Offered Certificates. Any use of credit support will be subject to the conditions and limitations described in this information circular and may not cover all potential losses or risks.

Although subordination is intended to reduce the risk to holders of senior certificates of delinquent distributions or ultimate losses, the amount of subordination will be limited and may decline under certain circumstances described in this information circular. In addition, if principal payments on one or more classes of certificates are made in a specified order or priority, any limits with respect to the aggregate amount of claims under any related credit support may be exhausted before the principal of the later paid classes of certificates has been repaid in full. As a result, the impact of losses and shortfalls experienced with respect to the mortgage loans may fall primarily upon those subordinate classes of certificates.

The Freddie Mac Guarantee is intended to provide credit enhancement to the offered certificates as described herein by increasing the likelihood that holders of the offered certificates will receive (a) timely payments of interest, (b) payment of principal to holders of the offered certificates, on or before the distribution date immediately following the maturity date of each mortgage loan (except in the case of the class A-X1 certificates), (c) reimbursement of Realized Losses and any Additional Issuing Entity Expenses allocated to the offered certificates and (d) ultimate payment of principal by the Assumed Final Distribution Date of each class of offered certificates (except in the case of the class A-X1 certificates). If, however, Freddie Mac were to experience significant financial difficulties, or if the Conservator placed Freddie Mac in receivership and Freddie Mac’s guarantee was repudiated as described in “Risk Factors—Risks Relating to the Mortgage Loan Seller and Guarantor,” the credit enhancement provided by the Freddie Mac Guarantee may be insufficient and the holders of offered certificates may suffer losses as a result of the various contingencies described in this “Risk Factors” section and elsewhere in this Information Circular. See “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” for a detailed description of the Freddie Mac Guarantee. The offered certificates, including interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States.

When making an investment decision, you should consider, among other things—

- the distribution priorities of the respective classes of the series 2009-K4 certificates;
- the order in which the principal balances of the respective classes of the series 2009-K4 certificates with principal balances will be reduced in connection with losses and default-related shortfalls (although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee); and
- the characteristics and quality of the underlying mortgage loans.

The Offered Certificates Have Uncertain Yields to Maturity. The yield on your offered certificates will depend on, among other things—

- the price you paid for your offered certificates; and
- the rate, timing and amount of distributions on your offered certificates.

The rate, timing and amount of distributions on your offered certificates will depend on—

- the pass-through rate for, and the other payment terms of, your offered certificates;

- the rate and timing of payments and other collections of principal on the underlying mortgage loans;
- the rate and timing of defaults, and the severity of losses, if any, on the underlying mortgage loans;
- the rate, timing, severity and allocation of other shortfalls and expenses that reduce amounts available for distribution on the series 2009-K4 certificates (although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee); and
- servicing decisions with respect to the underlying mortgage loans.

These factors cannot be predicted with any certainty. Accordingly, you may find it difficult to analyze the effect that these factors might have on the yield to maturity of your offered certificates.

If you purchase your offered principal balance certificates at a premium, and if payments and other collections of principal on the underlying mortgage loans occur at a rate faster than you anticipated at the time of your purchase, then your actual yield to maturity may be lower than you had assumed at the time of your purchase. Conversely, if you purchase your offered principal balance certificates at a discount, and if payments and other collections of principal on the underlying mortgage loans occur at a rate slower than you anticipated at the time of your purchase, then your actual yield to maturity may be lower than you had assumed at the time of your purchase.

If you purchase the class A-X1 certificates, your yield to maturity will be particularly sensitive to the rate and timing of principal payments on the mortgage loans and the extent to which those amounts are applied to reduce the notional amounts of those certificates. Each distribution of principal in reduction of the total principal balance of a class of series 2009-K4 principal balance certificates will result in a reduction in the total notional amount of the class A-X1 certificates. Your yield to maturity may also be adversely affected by—

- the repurchase of any mortgage loans by the mortgage loan seller in connection with a material breach of a representation and warranty or a material document defect, in each case as described under “Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions” in this information circular;
- the repurchase of the mortgage loan by the holder of any subordinate debt pursuant to its purchase option under the related intercreditor agreement; and
- the termination of the trust, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Termination” in this information circular.

Prior to investing in the class A-X1 certificates, you should fully consider the associated risks, including the risk that an extremely rapid rate of amortization, prepayment or other liquidation of the mortgage loans could result in your failure to recover fully your initial investment.

In addition, the pass-through rates for the class A-X1 certificates will vary with changes in the relative sizes of the total principal balances of the respective classes of the series 2009-K4 principal balance certificates and will be adversely affected if mortgage loans with relatively high mortgage interest rates experience a faster rate of principal payments than mortgage loans with relatively low mortgage interest rates.

The yields on the offered certificates with variable or capped pass-through rates could also be adversely affected if the underlying mortgage loans with relatively higher net mortgage interest rates pay principal faster than the mortgage loans with relatively lower net mortgage interest rates.

Generally speaking, a borrower is less likely to prepay if prevailing interest rates are at or above the interest rate borne by its mortgage loan. On the other hand, a borrower is more likely to prepay if prevailing rates fall significantly below the interest rate borne by its mortgage loan. Borrowers are less likely to prepay mortgage loans with lock-out periods to the extent enforceable, than otherwise identical mortgage loans without these provisions or with shorter lock-out periods.

Delinquencies on the underlying mortgage loans, if the delinquent amounts are not advanced, may result in shortfalls in distributions of interest and/or principal to the holders of the offered certificates for the current month

(although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee). Furthermore, no interest will accrue on this shortfall during the period of time that the payment is delinquent. Even if losses on the underlying mortgage loans are not allocated to a particular class of offered certificates, the losses may affect the weighted average life and yield to maturity of that class of offered certificates. Losses on the underlying mortgage loans, even if not allocated to a class of offered certificates, may result in a higher percentage ownership interest evidenced by those offered certificates in the remaining underlying mortgage loans than would otherwise have resulted absent the loss. The consequent effect on the weighted average life and yield to maturity of the offered certificates will depend upon the characteristics of the remaining underlying mortgage loans. If defaults are material and non-monetary, the special servicer may still accelerate the maturity of the related mortgage loan which could result in an acceleration of payments to the series 2009-K4 certificateholders.

Shortfalls in the available distribution amount resulting from uncovered prepayment interest shortfalls will generally be allocated to all classes of interest-bearing regular certificates, on a *pro rata* basis, based on interest accrued. However, such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee. See “Description of the Series 2009-K4 Certificates—Distributions—Interest Distributions” in this information circular.

Additionally, although the collateral substitution provisions related to defeasance are not intended to be, and do not have the same effect on the series 2009-K4 certificateholders as a prepayment, there can be no assurance that a court would not interpret these provisions as requiring a yield maintenance charge which may be unenforceable or usurious under applicable law.

The Right of the Master Servicer, the Special Servicer and the Trustee to Receive Interest on Advances May Result in Additional Losses to the Issuing Entity. The master servicer, the special servicer and the trustee will each be entitled to receive interest on unreimbursed advances made by it. This interest will generally accrue from the date on which the related advance is made through the date of reimbursement. In addition, under certain circumstances, including a default by the borrower in the payment of principal and interest on a mortgage loan, that mortgage loan will become specially serviced and the special servicer will be entitled to compensation for performing special servicing functions pursuant to the related governing document(s). The right to receive these distributions of interest and compensation is senior to the rights of holders to receive distributions on the offered certificates and, consequently, may result in losses being allocated to the offered certificates that would not have resulted absent the accrual of this interest.

Inability to Replace Servicer Could Affect Collections and Recoveries on the Mortgage Loans. The structure of the servicing fee payable to the master servicer might effect the ability to find a replacement master servicer. Although the trustee is required to replace the master servicer if the master servicer is terminated or resigns, if the trustee is unwilling (including for example because the servicing fee is insufficient) or unable (including for example, because the trustee does not have the computer systems required to service mortgage loans), it may be necessary to appoint a replacement master servicer. Because the master servicing fee is structured as a percentage of the stated principal balance of each mortgage loan, it may be difficult to replace the servicer at a time when the balance of the mortgage loans has been significantly reduced because the fee may be insufficient to cover the costs associated with servicing the mortgage loans and/or related REO properties remaining in the mortgage pool. The performance of the mortgage loans may be negatively impacted, beyond the expected transition period during a servicing transfer, if a replacement master servicer is not retained within a reasonable amount of time.

The Terms of the Underlying Mortgage Loans Will Affect Payments on Your Offered Certificates. Each of the mortgage loans underlying the offered certificates will specify the terms on which the related borrower must repay the outstanding principal amount of the loan. The rate, timing and amount of scheduled payments of principal may vary, and may vary significantly, from mortgage loan to mortgage loan. The rate at which the underlying mortgage loans amortize will directly affect the rate at which the principal balance or notional amount of your offered certificates is paid down or otherwise reduced.

In addition, any mortgage loan underlying the offered certificates may permit the related borrower during some of the loan term to prepay the loan. In general, a borrower will be more likely to prepay its mortgage loan when it has an economic incentive to do so, such as obtaining a larger loan on the same underlying real property or a lower or otherwise more advantageous interest rate through refinancing. If a mortgage loan includes some form of prepayment restriction, the likelihood of prepayment should decline. These restrictions may include an absolute or

partial prohibition against voluntary prepayments during some of the loan term, during which voluntary principal payments are prohibited (although, for a portion of that period, beginning no sooner than the second anniversary of the date of initial issuance of the offered certificates, the mortgage loan may be defeased).

In many cases, however, there will be no restriction associated with the application of insurance proceeds or condemnation proceeds as a prepayment of principal.

The Terms of the Underlying Mortgage Loans Do Not Provide Absolute Certainty as Regards the Rate, Timing and Amount of Payments on Your Offered Certificates. Notwithstanding the terms of the mortgage loans backing your offered certificates, the amount, rate and timing of payments and other collections on those mortgage loans will, to some degree, be unpredictable because of borrower defaults and because of casualties and condemnations with respect to the underlying real properties.

The investment performance of your offered certificates may vary materially and adversely from your expectations due to—

- the rate of prepayments and other unscheduled collections of principal on the underlying mortgage loans being faster or slower than you anticipated; or
- the rate of defaults on the underlying mortgage loans being faster, or the severity of losses on the underlying mortgage loans being greater, than you anticipated.

The actual yield to you, as a holder of an offered certificate, may not equal the yield you anticipated at the time of your purchase, and the total return on investment that you expected may not be realized. In deciding whether to purchase any offered certificates, you should make an independent decision as to the appropriate prepayment, default and loss assumptions to be used.

Prepayments on the Underlying Mortgage Loans Will Affect the Average Life of Your Offered Certificates; and the Rate and Timing of those Prepayments May Be Highly Unpredictable. Payments of principal and/or interest on your offered certificates will depend upon, among other things, the rate and timing of payments on the related mortgage loans. Prepayments on the underlying mortgage loans may result in a faster rate of principal payments on your offered certificates, thereby resulting in a shorter average life for your offered certificates than if those prepayments had not occurred. The rate and timing of principal prepayments on pools of mortgage loans is influenced by a variety of economic, demographic, geographic, social, tax and legal factors. Although all of the underlying mortgage loans provide for prepayment lock-out periods which cover a substantial portion of the loan terms, a prepayment may still occur during such period as a result of a casualty or condemnation event. Accordingly, neither you nor we can predict the rate and timing of principal prepayments on the mortgage loans underlying your offered certificates. As a result, repayment of your offered certificates could occur significantly earlier or later, and the average life of your offered certificates could be significantly shorter or longer, than you expected.

The extent to which prepayments on the underlying mortgage loans ultimately affect the average life of your offered certificates depends on the terms and provisions of your offered certificates. A class of offered certificates may entitle the holders to a *pro rata* share of any prepayments on the underlying mortgage loans, to all or a disproportionately large share of those prepayments, or to none or a disproportionately small share of those prepayments. If you are entitled to a disproportionately large share of any prepayments on the underlying mortgage loans, your offered certificates may be retired at an earlier date. If, however, you are only entitled to a small share of the prepayments on the underlying mortgage loans, the average life of your offered certificates may be extended. Your entitlement to receive payments, including prepayments, of principal of the underlying mortgage loans may—

- vary based on the occurrence of specified events, such as the retirement of one or more other classes of certificates; or
- be subject to various contingencies, such as prepayment and default rates with respect to the underlying mortgage loans.

Defeasance. All of the underlying mortgage loans permit the related borrower, during the period specified and subject to the conditions set forth in the loan documents, to pledge to the holder of the mortgage loan a specified amount of (i) direct, non-callable and non-redeemable U.S. treasury obligations, (ii) non-callable bonds, debentures, notes and other similar debt obligations issued by Freddie Mac, or (iii) direct, non-callable and non-redeemable securities issued or fully insured as to payment by any consolidated bank that is a member of the Federal Home Loan Banks and thereby obtain a release of the related mortgaged real property. The cash amount which the borrower must expend to purchase, or must deliver to the master servicer in order for the master servicer to purchase, the required securities, may be in excess of the principal balance of the mortgage loan. A court could interpret that excess amount as a form of prepayment premium or could take it into account for usury purposes. In some states, some forms of prepayment premiums are unenforceable. If the payment of that excess amount were held to be unenforceable, the remaining portion of the cash amount to be delivered may be insufficient to purchase the requisite amount of securities.

If the Master Servicer, any Sub-Servicer or Special Servicer Purchases Series 2009-K4 Certificates, a Conflict of Interest Could Arise between Their Duties and Their Interests in the Series 2009-K4 Certificates. DB Mortgage Services, LLC, the special servicer, is affiliated with Spring Asset Funding, Ltd., which will be one of the initial holders (or beneficial owner) of the class B series 2009-K4 certificates and will be the initial series 2009-K4 directing certificateholder. In addition, the master servicer, any sub-servicer and/or special servicer or an affiliate of any of them may purchase or retain certain classes of the series 2009-K4 certificates other than the offered certificates. The ownership of series 2009-K4 certificates by the master servicer, any sub-servicer and/or special servicer could cause a conflict between its duties under the series 2009-K4 pooling and servicing agreement or the applicable sub-servicing agreement and its interest as a holder of a series 2009-K4 certificate, especially to the extent that certain actions or events have a disproportionate effect on one or more classes of series 2009-K4 certificates. However, under the series 2009-K4 pooling and servicing agreement and the applicable sub-servicing agreement, the master servicer, any sub-servicer and special servicer are each required to service the underlying mortgage loans in the same manner, and with the same care, as similar mortgage loans serviced by it for its own portfolio or for the portfolios of third parties.

The Interests of the Series 2009-K4 Directing Certificateholder or the Guarantor May Be in Conflict with the Interests of the Offered Certificateholders. The series 2009-K4 directing certificateholder and the guarantor or its designee have the right to exercise the various rights and powers in respect of the mortgage pool described under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Series 2009-K4 Directing Certificateholder” in this information circular. You should expect that the series 2009-K4 directing certificateholder and the guarantor or its designee will exercise those rights and powers on behalf of itself, and they will not be liable to any 2009-K4 certificateholders for doing so. In addition, subject to the conditions described under “The Series 2009-K4 Pooling and Servicing Agreement—Removal, Resignation and Replacement of Servicers; Transfer of Servicing Duties” in this information circular, the series 2009-K4 directing certificateholder may remove the special servicer, with or without cause, and appoint a successor special servicer chosen by it without the consent of the holders of any other series 2009-K4 certificates, the trustee or the master servicer, but with the approval of the guarantor, which approval may not be unreasonably withheld. In the absence of significant losses on the underlying mortgage loans, the series 2009-K4 directing certificateholder will be a holder of a non-offered class of series 2009-K4 certificates. Additionally, the initial special servicer will be an affiliate of the series 2009-K4 directing certificateholder. The series 2009-K4 directing certificateholder is therefore likely to have interests that conflict with those of the holders of the offered certificates.

You May Be Bound by the Actions of Other Series 2009-K4 Certificateholders. In some circumstances, the consent or approval of the holders of a specified percentage of the series 2009-K4 certificates will be permitted to direct, consent to or approve certain actions, including amending the series 2009-K4 pooling and servicing agreement. In these cases, this consent or approval will be sufficient to bind all holders of series 2009-K4 certificates.

Future Terrorist Attacks and Military Actions May Adversely Affect the Value of the Offered Certificates and Payments on the Underlying Mortgage Loans. On September 11, 2001, the United States was subjected to multiple terrorist attacks, resulting in the loss of many lives and massive property damage and destruction in New York City, the Washington D.C. area and Pennsylvania. It is impossible to predict the extent to which future terrorist activities may occur in the United States.

The United States military currently occupies Iraq and maintains a presence in Afghanistan, which may prompt further terrorist attacks against the United States.

It is uncertain what effects the U.S. military occupation of Iraq, any future terrorist activities in the United States or abroad and/or any consequent actions on the part of the United States Government and others, including military action, could have on general economic conditions, real estate markets, particular business segments (including those that are important to the performance of multifamily mortgage loans) and/or insurance costs and the availability of insurance coverage for terrorist acts. Among other things, reduced investor confidence could result in substantial volatility in securities markets and a decline in real estate-related investments. In addition, reduced consumer confidence, as well as a heightened concern for personal safety, could result in a material decline in personal spending and travel.

As a result of the foregoing, defaults on certain real estate loans could increase; and, regardless of the performance of the underlying mortgage loans, the liquidity and market value of the offered certificates may be impaired.

Current Market Conditions May Adversely Affect the Performance and/or Market Value of Your Certificates. The fallout from the downturn in the residential-mortgage backed securities market and markets for other asset-backed and structured products has affected and may continue to affect the commercial mortgage-backed securities market. Downward price pressures and increasing defaults and foreclosures in residential real estate or other conditions have severely depressed the overall economy and have contributed to a credit crisis. The continuance of such economic downturn may lead to increased vacancies, decreased rents or other declines in income from, or the value of, commercial real estate. Additionally, the lack of credit liquidity, higher mortgage interest rates and decreases in the value of commercial properties may potentially prevent commercial mortgage borrowers from refinancing their mortgages, which may increase the likelihood of default. Such economic conditions may also adversely affect the amount of liquidation proceeds the trust would realize in the event of a foreclosure. Moreover, even if your certificates are performing as anticipated, the value of the your certificates in the secondary market may nevertheless fall as a result of a deterioration in general market conditions for commercial mortgage-backed securities or other asset-backed or structured products. Trading activity associated with CMBX indices may also drive spreads on those indices wider than spreads on commercial mortgage-backed securities, thereby resulting in a decrease in value of such commercial mortgage-backed securities, including your certificates.

The Market Value of Your Certificates Will Be Sensitive to Factors Unrelated to the Performance of Your Certificates and the Underlying Mortgage Loans. The market value of your certificates can decline even if those certificates and the underlying mortgage loans are performing at or above your expectations. The market value of your certificates will be sensitive to fluctuations in current interest rates. However, a change in the market value of your certificates as a result of an upward or downward movement in current interest rates may not equal the change in the market value of your certificates as a result of an equal but opposite movement in interest rates.

The market value of your certificates will also be influenced by the supply of and demand for commercial mortgage-backed securities generally. The supply of commercial mortgage-backed securities will depend on, among other things, the amount of commercial and multifamily mortgage loans, whether newly originated or held in portfolio, that are available for securitization. A number of factors will affect investors' demand for commercial mortgage-backed securities, including—

- the availability of alternative investments that offer high yields or are perceived as being a better credit risk, having a less volatile market value or being more liquid;
- legal and other restrictions that prohibit a particular entity from investing in commercial mortgage-backed securities or limit the amount or types of commercial mortgage-backed securities that it may acquire;
- investors' perceptions regarding the commercial and multifamily real estate markets which may be adversely affected by, among other things, a decline in real estate values or an increase in defaults and foreclosures on mortgage loans secured by income-producing properties; and

- investors' perceptions regarding the capital markets in general, which may be adversely affected by political, social and economic events completely unrelated to the commercial and multifamily real estate markets.

If you decide to sell your certificates, you may have to sell at a discount from the price you paid for reasons unrelated to the performance of your certificates or the related mortgage loans. Pricing information regarding your certificates may not be generally available on an ongoing basis.

Recent Changes to Accounting Standards Could Have an Adverse Impact on the Certificates. Recently, the Financial Accounting Standards Board has adopted changes to the accounting standards for structured products. These changes, or any other future changes, may impact the accounting for entities such as the issuing entity. Each investor in the certificates should consult its accounting advisor to determine the impact these accounting changes might have as a result of their investment in the certificates.

Risks Relating to the Mortgage Loan Seller and Guarantor

The Conservator or Receiver May Repudiate Freddie Mac's Contracts, Including Its Guarantee. On September 6, 2008, the Federal Housing Finance Agency ("FHFA") was appointed Freddie Mac's conservator by the FHFA director. See "Description of the Mortgage Loan Seller and Guarantor—Freddie Mac Conservatorship" in this Information Circular. The conservator has the right to transfer or sell any asset or liability of Freddie Mac, including its guarantee obligation, without any approval, assignment or consent. If the conservator were to transfer Freddie Mac's guarantee obligation to another party, holders of the offered certificates would have to rely on that party for the satisfaction of the guarantee obligation and would be exposed to the credit risk of that party.

FHFA Could Terminate the Conservatorship by Placing Freddie Mac into Receivership, Which Could Adversely Affect the Freddie Mac Guarantee. Under the Federal Housing Finance Regulatory Reform Act of 2008 (the "Reform Act"), FHFA must place Freddie Mac into receivership if the director of FHFA makes a determination in writing that Freddie Mac's assets are, and for a period of 60 days have been, less than its obligations, or if it is not, and for a period of 60 days has not been, generally paying its debts as they become due. FHFA has notified Freddie Mac that the measurement period for any mandatory receivership determination with respect to Freddie Mac's assets and obligations would commence no earlier than the SEC public filing deadline for its quarterly or annual financial statements and would continue for 60 calendar days after that date.

The director of FHFA may also place Freddie Mac into receivership in his or her discretion for certain other reasons, including conditions that FHFA has already asserted existed at the time the director of FHFA placed Freddie Mac into conservatorship. A receivership would terminate the current conservatorship. If FHFA were to become Freddie Mac's receiver, it would exercise certain powers that could adversely affect the holders of the offered certificates.

As receiver, FHFA could repudiate any contract entered into by Freddie Mac prior to its appointment as receiver if FHFA determines, in its sole discretion, that performance of the contract is burdensome and that repudiation of the contract promotes the orderly administration of Freddie Mac's affairs. The Reform Act requires that any exercise by FHFA of its right to repudiate any contract occur within a reasonable period following its appointment as receiver.

If FHFA, as receiver, were to repudiate Freddie Mac's guarantee obligations, the receivership estate would be liable for actual direct compensatory damages as of the date of receivership under the Reform Act. Any such liability could be satisfied only to the extent that Freddie Mac's assets were available for that purpose.

Moreover, if Freddie Mac's guarantee obligations were repudiated, payments of principal and/or interest to the holders of the offered certificates would be reduced in the event of any borrower's late payment or failure to pay or a servicer's failure to remit borrower payments into the trust or advance borrower payments. Any actual direct compensatory damages owed as a result of the repudiation of Freddie Mac's guarantee obligations may not be sufficient to offset any shortfalls experienced by the holders of the offered certificates.

In its capacity as receiver, FHFA would have the right to transfer or sell any asset or liability of Freddie Mac, including its guarantee obligation, without any approval, assignment or consent of any party. If FHFA, as receiver,

were to transfer Freddie Mac's guarantee obligation to another party, holders of the offered certificates would have to rely on that party for the satisfaction of Freddie Mac's guarantee obligation and would be exposed to the credit risk of that party.

During a receivership, certain rights of the holders of the offered certificates under the series 2009-K4 pooling and servicing agreement and mortgage loan purchase agreement may not be enforceable against FHFA, or enforcement of such rights may be delayed.

The Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which Freddie Mac is a party, or obtain possession of or exercise control over any property of Freddie Mac, or affect any contractual rights of Freddie Mac, without the approval of FHFA as receiver, for a period of 90 days following the appointment of FHFA as receiver.

If Freddie Mac is placed into receivership and does not or cannot fulfill its guarantee obligations under the series 2009-K4 pooling and servicing agreement, holders of the offered certificates could become unsecured creditors of Freddie Mac with respect to claims made under its guarantee.

CAPITALIZED TERMS USED IN THIS INFORMATION CIRCULAR

From time to time we use capitalized terms in this information circular. A capitalized term used throughout this information circular will have the meaning assigned to it in the "Glossary" to this information circular.

FORWARD-LOOKING STATEMENTS

This information circular include the words "expects," "intends," "anticipates," "likely," "estimates," and similar words and expressions. These words and expressions are intended to identify forward-looking statements. Any forward-looking statements are made subject to risks and uncertainties that could cause actual results to differ materially from those stated. These risks and uncertainties include, among other things, declines in general economic and business conditions, increased competition, changes in demographics, changes in political and social conditions, regulatory initiatives and changes in customer preferences, many of which are beyond our control and the control of any other person or entity related to this offering. The forward-looking statements made in this information circular are accurate as of the date stated on the cover of this information circular. We have no obligation to update or revise any forward-looking statement.

DESCRIPTION OF THE ISSUING ENTITY

The entity issuing the offered certificates will be FREMF 2009-K4 Mortgage Trust, which we refer to herein as the "issuing entity." The issuing entity is a New York common law trust that will be formed on the closing date pursuant to the series 2009-K4 pooling and servicing agreement. The only activities that the issuing entity may perform are those set forth in the series 2009-K4 pooling and servicing agreement, which are generally limited to owning and administering the underlying mortgage loans and any REO Property, disposing of defaulted mortgage loans and REO Property, issuing the offered certificates and making distributions and providing reports to certificateholders. Accordingly, the issuing entity may not issue securities other than the certificates, or invest in securities, other than investment of funds in certain accounts maintained under the series 2009-K4 pooling and servicing agreement in certain short-term, high-quality investments. The issuing entity may not lend or borrow money, except that the master servicer or trustee may make advances to the issuing entity only to the extent it deems such advances to be recoverable from the related underlying mortgage loan. Such advances are intended to be in the nature of a liquidity, rather than a credit facility. The series 2009-K4 pooling and servicing agreement may be amended as set forth under "The Series 2009-K4 Pooling and Servicing Agreement—Amendment" in this information circular. The issuing entity administers the underlying mortgage loans through the master servicer and the special servicer. A discussion of the duties of the servicers, including any discretionary activities performed by each of them, is set forth herein under "The Series 2009-K4 Pooling and Servicing Agreement."

The only assets of the issuing entity other than the underlying mortgage loans and any REO Properties are certain accounts maintained pursuant to the series 2009-K4 pooling and servicing agreement, the obligations of Freddie Mac pursuant to the Freddie Mac Guarantee and the short-term investments in which funds in the collection accounts and other accounts are invested. The issuing entity has no present liabilities, but has potential liability

relating to ownership of the underlying mortgage loans and any REO Properties, and indemnity obligations to the trustee, the master servicer, the special servicer and the guarantor. The fiscal year of the issuing entity is the calendar year. The issuing entity has no executive officers or board of directors. It acts through the trustee, the master servicer and the special servicer.

The depositor is contributing the underlying mortgage loans to the issuing entity. The depositor is purchasing the underlying mortgage loans from the mortgage loan seller pursuant to a mortgage loan purchase agreement, as described herein under “Summary of Information Circular—The Underlying Mortgage Loans—Source of the Underlying Mortgage Loans” and “Description of the Underlying Mortgage Loans—Representations and Warranties.”

As a common-law trust, it is anticipated that the issuing entity would not be subject to the United States Bankruptcy Code. The depositor has been formed as a special purpose bankruptcy remote entity. In connection with the formation of the depositor, a legal opinion was rendered that if the parent company of the depositor were to become a debtor in a case under the United States Bankruptcy Code, a federal bankruptcy court, which acted reasonably and correctly applied the law to the facts as set forth in such opinion after full consideration of the relevant factors, would not disregard the separate corporate existence of the depositor so as to order substantive consolidation of the assets and liabilities of the depositor with those of such parent company. In addition, in connection with the sale of the underlying mortgage loans from the depositor to the issuing entity, a legal opinion is required to be rendered to the effect that if the depositor were to become a debtor in a case under the United States Bankruptcy Code, a federal bankruptcy court, which acted reasonably and correctly applied the law to the facts as set forth in such legal opinion after full consideration of all relevant factors, would hold (i) the underlying mortgage loans, and payments thereunder and proceeds thereof are not property of the estate of the depositor under Section 541 of the United States Bankruptcy Code and (ii) the automatic stay arising pursuant to Section 362 of the United States Bankruptcy Code upon the commencement of a bankruptcy case of the depositor is not applicable to payments on the certificates.

Such legal opinion is based on numerous assumptions, and there can be no assurance that all of such assumed facts are true, or will continue to be true. Moreover, there can be no assurance that a court would rule as anticipated in the foregoing legal opinion. Accordingly, although the depositor has been structured as a bankruptcy remote entity, and the transfer of the underlying mortgage loans from the depositor to the issuing entity has been structured as a sale, there can be no assurance that the depositor will not be subject to a bankruptcy proceeding. See “Risk Factors—Risks Related to the Underlying Mortgage Loans—The Bankruptcy of a Depositor May Delay or Reduce Collections on the Underlying Mortgage Loans” in this information circular.

There are no legal proceedings pending against the issuing entity that are material to the certificateholders.

DESCRIPTION OF THE DEPOSITOR

The depositor is Deutsche Mortgage & Asset Receiving Corporation. The depositor is a special purpose corporation incorporated in the State of Delaware on March 22, 1996, for the purpose of engaging in the business, among other things, of acquiring and depositing mortgage assets in trust in exchange for certificates evidencing interest in such trusts and selling or otherwise distributing such certificates. The principal executive offices of the depositor are located at 60 Wall Street, New York, New York 10005. Its telephone number is (212) 250-2500. The depositor’s capitalization is nominal. All of the shares of capital stock of the depositor are held by DB U.S. Financial Markets Holding Corporation. The depositor is an affiliate of one of the originators (Deutsche Bank Berkshire Mortgage, Inc.) and an affiliate of the special servicer and the initial series 2009-K4 directing certificateholder.

During the six years ending December 31, 2008, the depositor has acted as depositor with respect to public and private conduit or combined conduit/large loan commercial mortgage securitization transactions in an aggregate amount of approximately \$38 billion. The depositor will not have any business operations other than securitizing mortgage assets and related activities. The depositor does not have, nor is it expected in the future to have, any significant assets.

The depositor will have minimal ongoing duties with respect to the offered certificates and the underlying mortgage loans. The depositor’s duties pursuant to the series 2009-K4 pooling and servicing agreement include,

without limitation, the duty to appoint a successor trustee in the event of the resignation or removal of the trustee, to remove the trustee if requested by at least a majority of certificateholders, to provide information in its possession to the trustee to the extent necessary to perform REMIC tax administration and to indemnify the trustee, any similar party and trust fund for any liability, assessment or costs arising from its bad faith, negligence, fraud or malfeasance in providing such information. The depositor is required under the certificate purchase agreement relating to the offered certificates to indemnify Freddie Mac for certain liabilities.

Under the series 2009-K4 pooling and servicing agreement, the depositor and each of its members, managers, shareholders, affiliates, directors, officers, employees, agents and controlling persons will be entitled to indemnification from the issuing entity against any loss, liability or unanticipated expense that is incurred without willful misfeasance, bad faith, fraud or negligence in the performance of obligations or duties under the series 2009-K4 pooling and servicing agreement or by reason of negligent disregard of such obligations and duties; *provided, however*, that in any calendar year, such indemnification will not exceed an amount equal to the Depositor Aggregate Annual Cap. Any amounts payable in excess of the Depositor Aggregate Annual Cap shall be paid, to the extent the funds are available, in the subsequent year or years (subject to the Depositor Aggregate Annual Cap in each year) until paid in full; *provided, further*, that (i) the guarantor and the series 2009-K4 directing certificateholder shall have the right, in their sole and absolute discretion, to waive (as evidenced by a waiver signed by both the guarantor and the series 2009-K4 directing certificateholder) the Depositor Aggregate Annual Cap upon the written request of the depositor, (ii) any indemnification amounts unpaid as a result of the Depositor Aggregate Annual Cap will accrue interest at a rate equal to the Prime Rate from the date on which such amounts would have otherwise been paid had the Depositor Aggregate Annual Cap not applied to the date on which such amount is paid; and (iii) the Depositor Aggregate Annual Cap will not apply after the Aggregate Annual Cap Termination Date.

There are no legal proceedings pending against the depositor that are material to the certificateholders.

Neither we nor any of our affiliates will guarantee any of the mortgage loans included the trust. Furthermore, no governmental agency or instrumentality will guarantee or insure any of those mortgage loans.

DESCRIPTION OF THE MORTGAGE LOAN SELLER AND GUARANTOR

The Mortgage Loan Seller and Guarantor

All of the underlying mortgage loans were sold to us by the mortgage loan seller. The mortgage loans were purchased by the mortgage loan seller from Capmark Bank, CBRE Capital Markets, Inc., CBRE Melody & Company, CWCapital LLC, Deutsche Bank Berkshire Mortgage, Inc., Grandbridge Real Estate Capital, LLC, Holliday Fenoglio Fowler, L.P., Johnson Capital Group, Inc., KeyCorp Real Estate Capital Markets, Inc., Northmarq Capital, LLC, PNC ARCS, LLC, Sierra Capital Partners, Inc. (which was acquired by CWCapital LLC), Wachovia Multifamily Capital, Inc., Walker & Dunlop, LLC and Wells Fargo Bank, National Association, and were re-underwritten by the mortgage loan seller.

Freddie Mac is one of the largest participants in the U.S. mortgage market. Freddie Mac is a stockholder-owned government-sponsored enterprise chartered by Congress on July 24, 1970 under the Freddie Mac Act to stabilize residential mortgage markets in the United States and expand opportunities for homeownership and affordable rental housing.

Freddie Mac's statutory purposes are:

- To provide stability in the secondary market for residential mortgages;
- To respond appropriately to the private capital markets;
- To provide ongoing assistance to the secondary market for residential mortgages (including mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and

- To promote access to mortgage credit throughout the United States (including central cities, rural areas and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

Freddie Mac fulfills the requirements of its charter by purchasing residential mortgages and mortgage-related securities in the secondary mortgage market and securitizing such mortgages into mortgage-related securities for its mortgage-related investment portfolio. It also purchases multifamily residential mortgages in the secondary mortgage market and holds these loans either for investment or sale. Freddie Mac finances the purchases of its mortgage-related securities and mortgage loans, and manages its interest-rate and other market risks, primarily by issuing a variety of debt instruments and entering into derivative contracts in the capital markets. Although it is chartered by Congress, Freddie Mac is solely responsible for making payments on its obligations. Neither the U.S. government nor any agency or instrumentality of the U.S. government other than Freddie Mac guarantees its obligations.

Freddie Mac Conservatorship

Freddie Mac continues to operate under the conservatorship that commenced on September 6, 2008, conducting its business under the direction of FHFA, Freddie Mac's conservator (the "Conservator"). FHFA is an independent agency with general supervisory and regulatory authority over Freddie Mac. Upon its appointment, the Conservator immediately succeeded to all rights, titles, powers and privileges of Freddie Mac and of any stockholder, officer or director of Freddie Mac with respect to Freddie Mac and its assets. There is significant uncertainty as to whether and when Freddie Mac will emerge from conservatorship (as the conservatorship has no specified termination date) and as to what changes may occur to Freddie Mac's business structure during or following the conservatorship, including whether Freddie Mac will continue to exist.

The U.S. Department of the Treasury (the "Treasury") and the Board of Governors of the Federal Reserve System (the "Federal Reserve") have taken a number of actions to support Freddie Mac in conservatorship. On September 7, 2008, the Treasury entered into a senior preferred stock purchase agreement (as amended and restated on September 26, 2008 and further amended on May 6, 2009, the "Stock Purchase Agreement") with Freddie Mac pursuant to which the Treasury provided Freddie Mac with a commitment to provide up to \$100 billion in funding under specified conditions (subsequently increased to \$200 billion).

The Stock Purchase Agreement requires the Treasury, upon the Conservator's request, to provide Freddie Mac with funds after any quarter in which Freddie Mac has a negative net worth (that is, its total liabilities exceeds its total assets, as reflected on its balance sheet prepared in accordance with generally accepted accounting principles). In addition, the Stock Purchase Agreement requires the Treasury, upon the Conservator's request, to provide funds to Freddie Mac if the Conservator determines, at any time, that it will be mandated by law to appoint a receiver for Freddie Mac unless Freddie Mac receives these funds from the Treasury. The Stock Purchase Agreement contains covenants that significantly restrict Freddie Mac's operations and which are described in more detail in its annual report on Form 10-K for the year ended December 31, 2008, filed with the SEC on March 11, 2009, and its quarterly report on Form 10-Q for the quarterly period ended June 30, 2009, filed with the SEC on August 7, 2009. In exchange for the Treasury's funding commitment, Freddie Mac issued to the Treasury, as an initial commitment fee, one million shares of its senior preferred stock (with an initial aggregate liquidation preference of \$1 billion) and a warrant to purchase, for a nominal price, shares of its common stock equal to 79.9% of its outstanding common stock on a fully diluted basis at the time that the warrant is exercised. Freddie Mac did not receive any cash proceeds from the Treasury as a result of the initial issuance of the senior preferred stock or the warrant. The Treasury also implemented a program to purchase mortgage-related securities issued by Freddie Mac and the Federal National Mortgage Association ("Fannie Mae") until December 31, 2009.

On May 6, 2009, FHFA, acting on Freddie Mac's behalf in its capacity as Conservator, and the Treasury, amended the Stock Purchase Agreement to, among other items: (i) increase the funding available under the Stock Purchase Agreement from \$100 billion to \$200 billion; (ii) increase the limit on Freddie Mac's mortgage-related investments portfolio (which is based on the carrying value of such assets as reflected on its balance sheet) as of December 31, 2009 from \$850 billion to \$900 billion; and (iii) revise the limit on Freddie Mac's aggregate indebtedness and the method of calculating such limit. As of June 30, 2009, the aggregate liquidation preference of

the senior preferred stock issued by Freddie Mac under the Stock Purchase Agreement was \$51.7 billion and the amount remaining under the Treasury's funding agreement was \$149.3 billion.

On September 18, 2008, the Treasury established a new secured lending credit facility (the "Lending Agreement") that is available to Freddie Mac until December 31, 2009 as a liquidity back-stop. To borrow under the Lending Agreement, Freddie Mac must post collateral in the form of Freddie Mac or Fannie Mae mortgage-backed securities to secure all such borrowings under the facility. The Treasury is not obligated under the Lending Agreement to make any loan to Freddie Mac and as of June 30, 2009, Freddie Mac has not borrowed under the Lending Agreement.

On November 25, 2008, the Federal Reserve announced a program to purchase up to \$500 billion of mortgage-related securities issued by Freddie Mac, Fannie Mae and the Government National Mortgage Association ("Ginnie Mae"). According to the Federal Reserve, the goal of this program is to reduce the cost and increase the availability of credit for the purchase of houses, which, in turn, should support housing markets and foster improved conditions in financial markets more generally. The Federal Reserve began purchasing mortgage-related securities under the program in January 2009. On March 18, 2009, the Federal Reserve announced that it would increase its planned purchases under this program from \$500 billion to \$1.25 trillion. In addition, the Federal Reserve indicated that it expected to purchase up to \$300 billion of longer-term Treasury securities in the following six months. The Federal Reserve has also implemented a program to purchase, in the secondary market, up to \$200 billion in direct obligations of Freddie Mac, Fannie Mae and the Federal Home Loan Banks.

Details regarding these actions are available on the Treasury's website at "www.treas.gov".

Freddie Mac is dependent upon the continued support of the Treasury and FHFA in order to continue operating its business. Its ability to access funds from the Treasury under the Stock Purchase Agreement is critical to keeping it solvent and avoiding appointment of a receiver by FHFA under the statutory mandatory receivership provisions of the Reform Act.

Litigation Involving Mortgage Loan Seller and Guarantor

See "PART II—ITEM 1: LEGAL PROCEEDINGS" of Freddie Mac's quarterly report on Form 10-Q for the quarter ended June 30, 2009, filed with the SEC on August 7, 2009 and any subsequently filed current reports on Form 8-K for more information regarding our involvement as a party to various proceedings.

Mortgage Loan Purchase and Servicing Standards of the Mortgage Loan Seller

General. Any mortgages that Freddie Mac purchases must satisfy the mortgage purchase standards that are contained in the Freddie Mac Act. These standards require Freddie Mac to purchase mortgages of a quality, type and class that meet generally the purchase standards imposed by private institutional mortgage investors. This means the mortgages must be readily marketable to institutional mortgage investors.

The Guide. In addition to the standards in the Emergency Home Finance Act, which Freddie Mac cannot change, Freddie Mac has established its own multifamily mortgage purchase standards, appraisal guidelines and servicing policies and procedures. These are in Freddie Mac's Multifamily Seller/Service Guide which can be accessed by subscribers at www.allregs.com and, if applicable, the Capital Markets Execution Addendum to the Guide (together, the "Guide"). Forms of Freddie Mac's mortgage loan documents and the Capital Markets Execution Addendum to the Guide may be found on Freddie Mac's website, www.freddiemac.com.

Freddie Mac may waive or modify its mortgage purchase standards and guidelines and servicing policies and procedures when it purchases any particular mortgage. We have described those changes in this information circular if we believe they will materially change the prepayment behavior of the mortgages included in the issuing entity. Freddie Mac also reserves the right to change its mortgage purchase standards, credit, appraisal, underwriting guidelines and servicing policies and procedures at any time. This means that the mortgages included in the issuing entity may not conform at any particular time to all of the provisions of the Guide or Freddie Mac's mortgage purchase documents.

Certain aspects of Freddie Mac's mortgage purchase and servicing guidelines are summarized below. However, this summary is qualified in its entirety by the Guide, any applicable mortgage purchase documents, any applicable servicing agreement and any applicable supplemental disclosure.

Mortgage Purchase Standards. Freddie Mac uses mortgage information available to it to determine which mortgages it will purchase, the prices it will pay for mortgages, how to pool the mortgages it purchases and which mortgages it will retain in its portfolio. The information Freddie Mac uses varies over time, and may include:

- The loan-to-value and debt service coverage ratios of the mortgage.
- The strength of the market in which the mortgaged real property is located.
- The strength of the mortgaged real property's operations.
- The physical condition of the mortgaged real property.
- The financial strength of the borrower and its principals.
- The management experience and ability of the borrower and its principals or the property manager, as applicable.
- Freddie Mac's evaluation of and experience with the seller of the mortgage.

To the extent allowed by the Freddie Mac Act, Freddie Mac has discretion to determine its mortgage purchase standards and whether the mortgages it purchases will be securitized or held in its portfolio.

Eligible Sellers, Servicers and Warranties. Freddie Mac approves sellers and servicers of mortgages based on a number of factors, including their financial condition, operational capability and mortgage origination and servicing experience. The seller or servicer of a mortgage need not be the originator of that mortgage.

In connection with its purchase of a mortgage loan, Freddie Mac relies on the representations and warranties of the seller with respect to certain matters, as is customary in the secondary market. These warranties cover such matters as:

- the accuracy of the information provided by the borrower;
- the accuracy and completeness of any third party reports prepared by a qualified professional;
- the validity of each mortgage as a first or second lien, as applicable;
- the timely payments on each mortgage at the time of delivery to Freddie Mac;
- the physical condition of the mortgaged real property;
- the accuracy of rent schedules; and
- the originator's compliance with applicable state and federal laws.

Mortgage Servicing Policies and Procedures. Freddie Mac generally supervises servicing of the mortgages according to the policies and procedures in the Guide. Each servicer must diligently perform all services and duties customary to the servicing of multifamily mortgages and as required by the Guide. These include:

- collecting and posting payments on the mortgages;
- investigating delinquencies and defaults;
- analyzing and recommending any special borrower requests, such as requests for assumptions, subordinate financing and partial release;

- submitting monthly electronic remittance reports and annual financial statements obtained from borrowers;
- administering escrow accounts;
- inspecting properties;
- responding to inquiries of mortgagors or government authorities; and
- collecting insurance claims.

Servicers service the mortgages, either directly or through approved sub-servicers, and receive fees for their services. Freddie Mac monitors the servicer's performance through periodic and special reports and inspections to ensure it complies with its obligations. A servicer may remit payments to Freddie Mac under various arrangements but these arrangements do not affect the timing of payments to investors. Freddie Mac invests those payments at its own risk and for its own benefit until it passes through the payments to investors.

DESCRIPTION OF THE UNDERLYING MORTGAGE LOANS

General

The issuing entity will consist primarily of 46 fixed rate loans, secured by 46 multifamily properties. We refer to these fixed rate loans collectively herein as the underlying mortgage loans. The underlying mortgage loans will have an initial total principal balance of approximately \$1,075,295,763 as of October 1, 2009 (which we refer to herein as the "cut-off date"), subject to a variance of plus or minus 5%.

The cut-off date principal balance of any underlying mortgage loan is equal to its unpaid principal balance as of October 1, 2009, after application of all monthly debt service payments due with respect to the mortgage loan on or before that date, whether or not those payments were received. The cut-off date principal balance of each mortgage loan that we intend to include in the issuing entity is shown on Exhibit A-1 to this information circular.

Each of the mortgage loans that we intend to include in the issuing entity is an obligation of the related borrower to repay a specified sum with interest. Each of those mortgage loans is evidenced by one or more promissory notes and secured by a mortgage, deed of trust or other similar security instrument that creates a mortgage lien on the fee interest of the related borrower or another party in one or more multifamily real properties. That mortgage lien will, in all cases, be a first priority lien.

Except for certain standard non-recourse carveouts, each of the mortgage loans that we intend to include in the issuing entity is a nonrecourse obligation of the related borrower. In the event of a payment default by the related borrower, recourse will be limited to the corresponding mortgaged real property or properties for satisfaction of that borrower's obligations. None of the mortgage loans that we intend to include in the issuing entity will be insured or guaranteed by any governmental entity or by any other person.

We provide in this information circular a variety of information regarding the mortgage loans that we intend to include in the issuing entity. When reviewing this information, please note that—

- All numerical information provided with respect to those mortgage loans is provided on an approximate basis.
- All weighted average information provided with respect to those mortgage loans reflects a weighting by their respective cut-off date principal balances.

- In calculating the cut-off date principal balances of the mortgage loans that we intend to include in the issuing entity, we have assumed that—
 1. all scheduled payments of principal and/or interest due on those mortgage loans on or before their respective due dates in October 2009, are timely made; and
 2. there are no prepayments or other unscheduled collections of principal with respect to any of those mortgage loans during the period from its due date in September 2009 up to and including October 1, 2009.
- When information with respect to mortgaged real properties is expressed as a percentage of the initial pool balance, the percentages are based upon the cut-off date principal balances of the related underlying mortgage loans.
- Whenever we refer to a particular mortgaged real property by name, we mean the property identified by that name on Exhibit A-1 to this information circular. Whenever we refer to a particular underlying mortgage loan by name, we mean the underlying mortgage loan secured by the mortgaged real property identified by that name on Exhibit A-1 to this information circular.
- Statistical information regarding the mortgage loans that we intend to include in the issuing entity may change prior to the date of initial issuance of the offered certificates due to changes in the composition of the mortgage pool prior to that date.

Mortgage Loans with Affiliated Borrowers

The table below shows each group of mortgaged real properties that—

- has the same or affiliated borrowers, and
- secures two (2) or more non-cross-collateralized mortgage loans or groups of mortgage loans that we intend to include in the issuing entity, which mortgage loans have a total cut-off date principal balance equal to at least 36.03% of the initial pool balance.

Related Borrower Loans

<u>Loan Name</u>	<u>Cut-off Balance</u>	<u>Number of States Where Properties Are Located</u>	<u>% of Initial Pool Balance</u>
Windsor at Shirlington Village	\$72,529,870		6.75%
Windsor at Miramar	\$35,927,011		3.34%
Total	\$108,456,880	2	10.09%
Madison at Chase Oaks	\$25,748,104		2.39%
Saddle Brook Apartments	\$20,760,416		1.93%
Villas at Katy Trail Apartments	\$19,861,793		1.85%
Turnberry Isle Apartments	\$13,363,602		1.24%
Total	\$79,733,915	1	7.42%
Yacht Club at Brickell	\$37,886,876		3.52%
Crosswood Park Apartments	\$10,832,799		1.01%
Total	\$48,719,675	2	4.53%

Loan Name	Cut-off Balance	Number of States Where Properties Are Located	% of Initial Pool Balance
Nob Hill Apartments	\$30,899,336		2.87%
Greenbrook Gardens Apartments	\$16,446,421		1.53%
Total	\$47,345,757	1	4.40%
La Ventana Apartments	\$13,196,931		1.23%
The Vinings	\$12,200,511		1.13%
The Biarritz Apartments	\$7,967,820		0.74%
Total	\$33,365,262	2	3.10%
Lexington Heights Apartments	\$20,800,000		1.93%
Rancho Ladera Apartments	\$10,220,000		0.95%
Total	\$31,020,000	2	2.88%
Haven at Boiling Springs	\$12,076,542		1.12%
Haven at Berry Shoals	\$9,412,233		0.88%
Total	\$21,488,775	1	2.00%
Walina Apartments	\$7,604,000		0.71%
Napili Tower	\$6,621,000		0.62%
Hale Kahakai Apartments	\$3,102,000		0.29%
Total	\$17,327,000	1	1.61%

Certain Terms and Conditions of the Underlying Mortgage Loans

Due Dates. Subject, in some cases, to a next business day convention, monthly installments of principal and/or interest will be due on the first of the month with respect to each of the underlying mortgage loans.

Mortgage Interest Rates; Calculations of Interest. Each of the mortgage loans that we intend to include in the issuing entity bears interest at a mortgage interest rate that, in the absence of default or modification, is fixed until maturity.

The current mortgage interest rate for each of the mortgage loans that we intend to include in the issuing entity is shown on Exhibit A-1 to this information circular.

None of the mortgage loans that we intend to include in the issuing entity provides for negative amortization or for the deferral of interest.

Forty-four (44) of the mortgage loans that we intend to include in the issuing entity, representing 95.47% of the initial pool balance accrue interest on an Actual/360 Basis. Two (2) of the mortgage loans that we intend to include in the issuing entity, representing 4.53% of the initial pool balance accrue interest on a 30/360 Basis.

Balloon Loans. All of the mortgage loans that we intend to include in the issuing entity are characterized by—

- an amortization schedule that is significantly longer than the actual term of the subject mortgage loan, and
- a substantial payment of principal on its stated maturity date.

Additional Amortization Considerations.

Fifteen (15) of the mortgage loans that we intend to include in the issuing entity, representing 37.69% of the initial pool balance, provide for an initial interest only period of 24 months.

Thirty-one (31) of the mortgage loans that we intend to include in the issuing entity, representing 62.31% of the initial pool balance, provides for an initial interest only period of 12 months or less.

Prepayment Provisions. As of origination, all of the mortgage loans that we intend to include in the issuing entity provided for:

- a prepayment lock-out and a defeasance period, during which voluntary principal prepayments are prohibited (although, for a portion of that period, beginning no sooner than the second anniversary of the date of initial issuance of the offered certificates, the related mortgage loan may be defeased), followed by;
- an open period during which voluntary principal prepayments may be made without any restriction or prepayment premium.

The open prepayment period for any underlying mortgage loan will generally begin three (3) months prior to the month in which the mortgage loan matures.

Casualty and Condemnation. In the event of a condemnation or casualty at the mortgaged real property securing any of the underlying mortgage loans, the borrower will generally be required to restore that mortgaged real property. However, the lender may under certain circumstances apply the condemnation award or insurance proceeds to the repayment of debt, which will not require payment of any prepayment premium.

Lockboxes. With the exception of the two underlying mortgage loans secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as “Ritz Plaza” and “Church Park Apartments,” representing 26.09% of the initial pool balance, which each provide for a soft, springing lockbox account, none of the mortgage loans that we intend to include in the issuing entity provide for payments into a lockbox account.

Escrow and Reserve Accounts. All of the mortgage loans that we intend to include in the issuing entity provide for the establishment of escrow and/or reserve accounts for the purpose of holding amounts required to be on deposit as reserves for—

- taxes and insurance;
- capital improvements; and/or
- various other purposes.

As of the date of initial issuance of the offered certificates, these accounts will be under the sole control of the master servicer or an approved sub-servicer. Most of the underlying mortgage loans that provide for such accounts require that the accounts be funded out of monthly escrow and/or reserve payments by the related borrower.

Tax Escrows. In the case of forty-five (45) of the mortgage loans that we intend to include in the issuing entity, representing 96.43% of the initial pool balance, escrows were funded for taxes. The related borrower is generally required to deposit on a monthly basis an amount equal to one-twelfth of the annual real estate taxes and assessments.

If an escrow was funded, the funds will be applied by the master servicer to pay for taxes and assessments at the related mortgaged real property.

In some cases, no tax escrow was funded because the mortgage loan seller did not deem it necessary for various reasons.

Insurance Escrows. In the case of thirty-nine (39) of the mortgage loans that we intend to include in the issuing entity, representing 66.96% of the initial pool balance, escrows were funded for insurance premiums. The related borrower is generally required to deposit on a monthly basis an amount equal to one-twelfth of the annual premiums payable on insurance policies that the borrower is required to maintain.

If an escrow was funded, the funds will be applied by the master servicer to pay for insurance premiums at the related mortgaged real property.

Under some of the other mortgage loans that we intend to include in the issuing entity, the insurance carried by the related borrower is in the form of a blanket policy. In these cases, the amount of the escrow is an estimate of the proportional share of the premium allocable to the mortgaged real property, or the related borrower pays the premium directly. See “—Hazard, Liability and Other Insurance” below.

In still other cases, no insurance escrow was funded because the mortgage loan seller did not deem it necessary for various reasons.

Recurring Replacement Reserves. The columns titled “Engineering Escrow/Deferred Maintenance and Replacement Reserve (monthly)” on Exhibit A-1 to this information circular show for each applicable mortgage loan that we intend to include in the issuing entity the reserve deposits that the related borrower has been or is required to make into a separate account for capital replacements and repairs.

In the case of most of the mortgaged real properties that secure a mortgage loan that we intend to include in the issuing entity, those reserve deposits are initial amounts and may vary over time. In these cases, the related mortgage instrument and/or other related loan documents may provide for applicable reserve deposits to cease upon achieving predetermined maximum amounts in the related reserve account. Under some of the mortgage loans that we intend to include in the issuing entity, the related borrowers were permitted to deliver letters of credit from third parties in lieu of establishing and funding the reserve accounts or may substitute letters of credit and obtain release of established reserve accounts.

Engineering Reserves. The columns titled “Engineering Escrow/Deferred Maintenance and Replacement Reserve (Monthly)” on Exhibit A-1 to this information circular show the engineering reserves established at the origination of the corresponding underlying mortgage loans for deferred maintenance items that are required to be corrected within 12 months from origination. In a significant number of those cases, the engineering reserve for a mortgaged real property is less than the cost estimate in the related inspection report because—

- the mortgage loan seller may not have considered various items identified in the related inspection report significant enough to require a reserve; and/or
- various items identified in the related inspection report may have been corrected.

In the case of several mortgaged real properties securing mortgage loans that we intend to include in the issuing entity, the engineering reserve was a significant amount and substantially in excess of the cost estimate set forth in the related inspection report because the mortgage loan seller required the borrower to establish reserves for the completion of major work that had been commenced. In the case of some mortgaged real properties acquired with the proceeds of the related mortgage loan to be included in the issuing entity, the related borrower escrowed an amount substantially in excess of the cost estimate set forth in the related inspection report because it contemplated completing repairs in addition to those shown in the related inspection report. Not all engineering reserves are required to be replenished. We cannot provide any assurance that the work for which reserves were required will be completed in a timely manner or that the reserved amounts will be sufficient to cover the entire cost of the required work.

Release of Property Though Defeasance. All of the mortgage loans that we intend to include in the issuing entity permit the borrower to obtain the release of the related mortgaged real property through defeasance of an individual mortgaged real property.

The borrower is permitted to deliver, during specified periods and subject to specified conditions, (i) direct, non-callable and non-redeemable U.S. treasury obligations, (ii) non-callable bonds, debentures, notes and other similar debt obligations issued by Freddie Mac, and/or (iii) direct, non-callable and non-redeemable securities issued or fully insured as to payment by any consolidated bank that is a member of the Federal Home Loan Banks, as substitute collateral and obtain a full release of the mortgaged real property. In general, the securities that are to be delivered in connection with the defeasance of any underlying mortgage loan must provide for a series of payments that—

- will be made prior, but as closely as possible, to all successive due dates through and including the maturity date (or, in some cases, the end of the lockout period), and

- will, in the case of each due date, be in the total amount equal to or greater than the monthly debt service payment, including any applicable balloon payment, scheduled to be due on that date.

In connection with any delivery of defeasance collateral, the related borrower will be required to deliver a security agreement granting the issuing entity a first priority security interest in the collateral, together with an opinion of counsel confirming the first priority status of the security interest.

None of the mortgage loans that we intend to include in the issuing entity may be defeased prior to the second anniversary of the date of initial issuance of the offered certificates.

Neither we nor the mortgage loan seller makes any representation as to the enforceability of the defeasance provisions of any of the underlying mortgage loans.

Due-on-Sale and Due-on-Encumbrance Provisions. All of the mortgage loans that we intend to include in the issuing entity contain both a due-on-sale clause and a due-on-encumbrance clause. In general, except for the permitted transfers discussed in the next paragraph and subject to the discussion under “—Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing” below, these clauses either—

- permit the holder of the related mortgage instrument to accelerate the maturity of the subject mortgage loan if the borrower sells or otherwise transfers or encumbers the corresponding mortgaged real property without the consent of the holder of the mortgage, unless such sale, transfer or encumbrance is permitted by the loan documents; or
- unless permitted by the loan documents, prohibit the borrower from otherwise selling, transferring or encumbering the corresponding mortgaged real property without the consent of the holder of the mortgage.

All of the mortgage loans that we intend to include in the issuing entity permit one or more of the following types of transfers:

- transfer of the mortgaged real property if specified conditions are satisfied, without any adjustment to the interest rate or to any other economic terms of a mortgage loan, which conditions typically include, among other things—
 1. the transferee meets lender’s eligibility, credit, management and other standards satisfactory to lender in its sole discretion;
 2. the transferee’s organization, credit and experience in the management of similar properties are deemed by the lender, in its discretion, to be appropriate to the overall structure and documentation of the existing financing;
 3. the corresponding mortgaged real property will be managed by a property manager meeting the requirements set forth in the loan documents; and
 4. the corresponding mortgaged real property, at the time of the proposed transfer, meets all standards as to its physical condition, occupancy, net operating income and the collection of reserves satisfactory to lender in its sole discretion.
- a transfer that occurs by devise, descent, or by operation of law upon the death of a natural person to one or more members of the immediate family of such natural person or to a trust or family conservatorship established for the benefit of such immediate family member or members, if specified conditions are satisfied, which conditions typically include, among other things—
 1. the property manager (or a replacement property manager approved by lender), if applicable, continues to be responsible for the management of the corresponding mortgaged real property, and such transfer shall not result in a change in the day-to-day operations of the corresponding mortgaged real property; and

2. those persons responsible for the management and control of the applicable borrower remain unchanged as a result of such transfer, or any replacement management is approved by lender;
- any transfer of an interest in an applicable borrower or any interest in a controlling entity, such as the transfers set forth below:
 - a sale or transfer to one or more of the transferor's immediate family members (a spouse, parent, child or grandchild);
 - a sale or transfer to any trust having as its sole beneficiaries the transferor and/or one or more of the transferor's immediate family members (a spouse, parent, child or grandchild);
 - a sale or transfer from a trust to any one or more of its beneficiaries who are immediate family members (a spouse, parent, child or grandchild) of the transferor;
 - the substitution or replacement of the trustee of any trust with a trustee who is an immediate family member (a spouse, parent, child or grandchild) of the transferor;
 - a sale or transfer to an entity owned and controlled by the transferor or the transferor's immediate family members (a spouse, parent, child or grandchild);
 - a sale or transfer to a natural person or entity that has an existing interest in the borrower or in a controlling entity; or
 - a transfer of non-controlling ownership interests in the related borrower;

if, in each case, specified conditions are satisfied, which conditions typically include, among other things, a specified entity or person retains control of the applicable borrower and manages the day-to-day operations of the corresponding mortgaged real property.

The depositor and the mortgage loan seller make no representation as to the enforceability of any due-on-sale or due-on-encumbrance provision in any underlying mortgage loan.

Additional Financing. Other than as described in the succeeding paragraphs, the mortgage loans that we intend to include in the issuing entity generally prohibit borrowers from incurring, without lender consent, any additional debt secured or unsecured, direct or contingent other than (a) permitted supplemental mortgages and (b) customary unsecured trade payables incurred in the ordinary course of owning and operating the corresponding mortgaged real property that do not exceed, in the aggregate, at any time a maximum amount of up to five percent (5%) of the original principal amount of the corresponding mortgage loan and are paid within sixty (60) days of the date incurred.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as "Church Park Apartments," representing 12.07% of the initial pool balance, the First Church of Christ Scientist, the entity from which the related borrower purchased the mortgaged real property, has a purchase option with respect to the mortgaged real property exercisable in 2092 that is secured by a subordinate mortgage on the mortgaged real property.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as "One Thousand 8th Avenue Apartments," representing 3.56% of the initial pool balance, the mortgaged real property is subject to a security agreement (related to removal of a fuel tank) recorded in 1989 in favor of the City of Seattle, Washington and subordinated to the underlying mortgage loan through the related title insurance policy.

With respect to the mortgage loans secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as "Windsor at Shirlington Village" and "Windsor Miramar," representing 10.09% of the initial pool balances the related loan documents do not prohibit the related borrowers from incurring unsecured intra-company debt.

Beginning one year after the origination date of each underlying mortgage loan intended to be included in the issuing entity, the related borrowers are permitted to incur an additional limited amount of indebtedness secured by the related mortgaged real properties, which is sometimes referred to herein as a permitted supplemental mortgage. It is a condition to the incurrence of any future secured subordinate indebtedness on these mortgage loans that: (a) the total loan-to-value ratio of these loans be below certain thresholds and (b) subordination agreements and intercreditor agreements be put in place between the trust and the related lenders. In the event a borrower satisfies these conditions, the borrower will be permitted to obtain secured subordinate debt from certain approved lenders who will make such subordinate financing exclusively for purchase by Freddie Mac.

The loan documents require that any such subordinate debt be governed by an intercreditor agreement which will, in general, govern the respective rights of the holder of the subordinate indebtedness and the issuing entity as the holder of the related senior mortgage loan. The following paragraphs describe certain provisions that will be included in the intercreditor agreements, but they do not purport to be complete and are subject, and qualified in their entirety by reference to the actual provisions of each intercreditor agreement. The issuing entity as the holder of the senior mortgage loan is referred to in these paragraphs as the "Senior Lender" and the related mortgage loan included in the issuing entity is referred to as the "Senior Loan". The holder of the subordinate indebtedness is referred to in these paragraphs as the "Junior Lender" and the related subordinate indebtedness is referred to as the "Junior Loan".

Allocation of Payments. The right of the Junior Lender to receive payments of interest, principal and other amounts will be subordinated to the rights of the Senior Lender. Generally, as long as no event of default has occurred under the Senior Loan or the Junior Loan, the related borrower will make separate payments of principal and interest to the Junior Lender and the Senior Lender, respectively. If an event of default occurs with respect to the Senior Loan or the Junior Loan, or the related borrower becomes a subject of any bankruptcy, insolvency or reorganization proceeding, then, prior to any application of payments to the Junior Loan, all amounts tendered by the related borrower or otherwise available for payment will be applied (with any payments received by the Junior Lender during this time to be forwarded to the Senior Lender), net of certain amounts, to satisfy the interest (other than default interest), principal and other amounts owed with respect to the related Senior Loan until these amounts are paid in full.

Modifications. The Senior Lender will be permitted to enter into any amendment, deferral, extension, modification, increase, renewal, replacement, consolidation, supplement or waiver of any term or provision of any Senior Loan without the consent of the Junior Lender unless such modification will (i) increase the interest rate or principal amount of the Senior Loan, (ii) increase in any other material respect any monetary obligations of related borrower under the Senior Loan, (iii) extend or shorten the scheduled maturity date of the Senior Loan (other than pursuant to extension options exercised in accordance with the terms and provisions of the related loan documents), (iv) convert or exchange the Senior Loan into or for any other indebtedness or subordinate any of the Senior Loan to any indebtedness of related borrower, (v) amend or modify the provisions limiting transfers of interests in the related borrower or the related mortgaged real property, (vi) modify or amend the terms and provisions of the Senior Loan cash management agreement with respect to the manner, timing and method of the application of payments under the related loan documents, (vii) cross default the Senior Loan with any other indebtedness, (viii) consent to a higher strike price with respect to any new or extended interest rate cap agreement entered into in connection with the extended term of the Senior Loan, (ix) obtain any contingent interest, additional interest or so-called "kicker" measured on the basis of the cash flow or appreciation of the mortgaged real property (or other similar equity participation), or (x) extend the period during which voluntary prepayments are prohibited or during which prepayments require the payment of a prepayment fee or premium or yield maintenance charge or increase the amount of any such prepayment fee, premium or yield maintenance charge; *provided, however*, in no event will Senior Lender be obligated to obtain Junior Lender's consent in the case of a work-out or other surrender, compromise, release, renewal, or modification of the Senior Loan during the existence of a continuing Senior Loan event of default, except that under all conditions Senior Lender will obtain Junior Lender's consent to a modification with respect to clause (i) (with respect to increasing the principal amount of the Senior Loan only) and clause (x) of this paragraph.

The Junior Lender will be permitted to enter into any amendment, deferral, extension, modification, increase, renewal, replacement, consolidation, supplement or waiver of any term or provision of any Junior Loan without the consent of the Senior Lender unless such modification will (i) increase the interest rate or principal amount of the

Junior Loan, (ii) increase in any other material respect any monetary obligations of related borrower under the related loan documents with respect to the Junior Loan, (iii) extend or shorten the scheduled maturity date of the Junior Loan (other than pursuant to extension options exercised in accordance with the terms and provisions of the related loan documents), (iv) convert or exchange the Junior Loan into or for any other indebtedness or subordinate any of the Junior Loan to any indebtedness of the related borrower, (v) amend or modify the provisions limiting transfers of interests in the related borrower or the related mortgaged real property, (vi) consent to a higher strike price with respect to any new or extended interest rate cap agreement entered into in connection with the extended term of the Junior Loan, (vii) cross-default the Junior Loan with any other indebtedness, (viii) obtain any contingent interest, additional interest or so-called “kicker” measured on the basis of the cash flow or appreciation of the related mortgaged real property (or other similar equity participation), or (ix) extend the period during which voluntary prepayments are prohibited or during which prepayments require the payment of a prepayment fee or premium or yield maintenance charge or increase the amount of any such prepayment fee, premium or yield maintenance charge; *provided, however*, in no event shall Junior Lender be obligated to obtain Senior Lender’s consent to a modification or amendment in the case of a work-out or other surrender, compromise, release, renewal, or modification of the Junior Loan if an event of default has occurred and is continuing with respect to the Junior Loan, except that under all conditions Junior Lender shall obtain Senior Lender’s consent to a modification with respect to clause (i) (with respect to increasing the principal amount of the Junior Loan only), clause (ii), clause (iii) (with respect to shortening the scheduled maturity date of the Junior Loan only), clause (iv), clause (viii) and clause (ix) of this paragraph.

Cure. Upon the occurrence of any default that would permit the Senior Lender under the related loan documents to commence an enforcement action, the Junior Lender will also have the right to receive notice from the Senior Lender of the default and the right to cure that default after or prior to the expiration of the related borrower’s cure period or in some cases for a period extending beyond the related borrower’s cure period. The Junior Lender generally will have a specified period of time, set forth in the related intercreditor agreement, to cure any default, depending on whether the default is monetary or non-monetary. The Junior Lender is prohibited from curing monetary defaults for longer than four consecutive months. Before the lapse of such cure period, neither the master servicer nor the special servicer may foreclose on the related mortgaged real property or exercise any other remedies with respect to the mortgaged real property.

Purchase Option. If such loan becomes a Defaulted Loan (in accordance with the series 2009-K4 pooling and servicing agreement), pursuant to the intercreditor agreement and the series 2009-K4 pooling and servicing agreement, the Junior Lender and the series 2009-K4 directing certificateholder will have an option to purchase the Senior Loan at a purchase price equal to at least the fair value of such Senior Loan, or, if the fair value has not yet been established, the Junior Lender will have the first right to purchase such Defaulted Loan at a purchase price equal to the unpaid principal balance of such Senior Loan, plus accrued and unpaid interest on such balance, all related unreimbursed servicing advances together with any unpaid interest on any advance owing to the party or parties that made them, and all accrued special servicing fees and additional trust expenses allocable to such Senior Loan whether paid or unpaid and all costs and expenses in connection with the sale. See “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option” in this information circular.

In addition, the series 2009-K4 pooling and servicing agreement will provide that Freddie Mac may transfer its interests in the Junior Loan, provided that the series 2009-K4 directing certificateholder has confirmed, within five (5) business days of its receipt of all necessary documentation, that the proposed transferee meets the definition of “Qualified Transferee” in the intercreditor agreement. A “Qualified Transferee” generally includes (i) institutional lenders or investment funds which exceed a minimum net worth requirement and their affiliates and (ii) trusts or other entities established to acquire mortgage loans and issue securities backed by such loans. Upon such confirmation and the finalization of the terms of the purchase with the proposed transferee, the series 2009-K4 directing certificateholder will have a first priority option to purchase the Junior Loan on the same terms as negotiated with the proposed transferee. If the series 2009-K4 directing certificateholder has not notified Freddie Mac of its intention to purchase the Junior Loan within five (5) business days of the confirmation and communication of the final terms to the series 2009-K4 directing certificateholder, then the proposed transferee may purchase the Junior Loan upon such terms. Further, the intercreditor agreement will provide that the initial Junior Lender may only sell the Junior Loan to Freddie Mac or, upon the occurrence of certain events, the series 2009-K4 directing certificateholder or its designee.

Hazard, Liability and Other Insurance. The loan documents for each of the mortgage loans that we intend to include in the issuing entity generally require the related borrower to maintain with respect to the corresponding mortgaged real property the following insurance coverage, subject to exceptions in some cases for tenant insurance:

- hazard insurance in an amount that is, subject to a customary deductible, equal to the full insurable replacement cost of the improvements located on the insured property;
- if any portion of the improvements of the subject property was in a special flood hazard area, except for the mortgage loans secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as “Walina Apartments”, “Napili Tower” and “Hale Kahakai Apartments,” representing 1.61% of the initial pool balance, flood insurance in an amount that is equal to the full insurable value of the portion of the improvements within the flood zone, if such insurance is available. The mortgaged real properties identified on Exhibit A-1 to this information circular as “Walina Apartments”, “Napili Tower” and “Hale Kahakai Apartments” do not have flood insurance in the amount of full insurable value. The related borrower has secured flood insurance coverage in the amount of the maximum amount available under the federal flood insurance program and has secured windstorm insurance coverage in an amount equal to 100% of the replacement value of the improvements on the mortgaged real property;
- commercial general liability insurance, including contractual injury, bodily injury, broad form death and property damage liability against any and all claims, including all legal liability to the extent insurable imposed upon the applicable borrower and all attorneys’ fees and costs, arising out of or connected with the possession, use, leasing, operation, maintenance or condition of the corresponding mortgaged real property with a combined limit of not less than \$2,000,000 in the aggregate and \$1,000,000 per occurrence, plus umbrella or excess liability coverage with minimum limits in the aggregate and per occurrence of \$1,000,000 for improvements that have 1 to 3 stories and an additional \$2,000,000 in coverage for each additional story with maximum required coverage of \$15,000,000, plus motor vehicle liability coverage for all owned and non-owned vehicles (including, without limitation, rented and leased vehicles) containing minimum limits per occurrence, including umbrella coverage, of \$1,000,000; and
- business interruption, including loss of rental value, insurance for the mortgaged real property in an amount equal to not less than 12 months’ estimated gross rents and based on gross rents for the immediately preceding year and otherwise sufficient to avoid any co-insurance penalty with a 90 day extended period of indemnity or, in the case of a mortgaged real property consisting of five or more stories or mortgage loans equal to or greater than \$50,000,000, a minimum of eighteen months’ estimated gross rents attributable to the mortgaged real property and based on gross rents for the immediately preceding year and otherwise sufficient to avoid any co-insurance penalty with a 90 day extended period of indemnity.

The mortgaged real properties for the mortgage loans that we intend to include in the issuing entity are not insured against earthquake risks. In the case of those properties located in seismic zones 3 and 4, a seismic assessment was made to assess the probable maximum loss for the property. Earthquake insurance was not required with respect to the mortgaged real properties since probable maximum loss for each of the mortgaged real properties is less than 20%.

With respect to each of the mortgaged real properties for the underlying mortgage loans, subject to the discussion below regarding insurance for acts of terrorism, the master servicer shall use reasonable efforts consistent with the Servicing Standard and the mortgage loan documents to cause each borrower to maintain, and, if the borrower does not so maintain, the master servicer will itself cause to be maintained, for each mortgaged real property (including each mortgaged real property relating to any specially serviced mortgage loan) all insurance coverage as is required, subject to applicable law, under the related mortgage loan documents; *provided* that, if and to the extent that any such mortgage loan documents permit the holder thereof any discretion (by way of consent, approval or otherwise) as to the insurance coverage that the related borrower is required to maintain, the master servicer will exercise such discretion in a manner consistent with the Servicing Standard with a view towards requiring insurance comparable to that required by the mortgage loan seller with respect to each mortgaged real property as of the closing date absent a material change with respect to any mortgaged real property, the related borrower, or the geographic market in which any mortgaged real property is located, which would render such insurance coverage materially at variance with prevailing standards for properties of similar size, type and location

under other comparable commercial mortgage loans serviced by the master servicer with express provisions governing such matters, in which event the master servicer shall exercise such discretion to require such insurance as the master servicer deems appropriate under the Servicing Standard. The master servicer will use reasonable efforts, consistent with the Servicing Standard, to cause the related borrower to maintain insurance coverage, as described above. If the related borrower fails to do so, the master servicer must maintain that insurance coverage, to the extent—

- the trustee has an insurable interest;
- the insurance coverage is available at commercially reasonable rates; and
- any related servicing advance is deemed by the master servicer to be recoverable from collections on the related mortgage loan.

Notwithstanding the foregoing, the master servicer will not be required to call a default under a mortgage loan in the issuing entity if the related borrower fails to maintain insurance providing for coverage for property damage resulting from a terrorist or similar act, and the master servicer need not maintain (or require the borrower to obtain) such insurance, if the special servicer has determined after due inquiry (with the consent of the series 2009-K4 directing certificateholder; *provided* that the special servicer will not follow any such direction, or refrain from acting based upon the lack of any such direction, of the series 2009-K4 directing certificateholder, if following any such direction of the series 2009-K4 directing certificateholder or refraining from taking such action based upon the lack of any such direction of the series 2009-K4 directing certificateholder would violate the Servicing Standard), in accordance with the Servicing Standard, that either:

- such insurance is not available at commercially reasonable rates and such hazards are not at the time commonly insured against for properties similar to the subject mortgaged real property and located in and around the region in which the subject mortgaged real property is located; or
- such insurance is not available at any rate.

There can be no assurance as regards the extent to which the mortgaged real properties securing the underlying mortgage loans will be insured against acts of terrorism.

If the related loan documents do not expressly require a particular type of insurance but permit the mortgagee to require such other insurance as is reasonable, the related borrower may challenge whether maintaining that type of insurance is reasonable in light of all the circumstances, including the cost. The master servicer's efforts to require such insurance may be further impeded if the originator did not require the subject borrower to maintain such insurance, regardless of the terms of the related loan documents.

Various forms of insurance maintained with respect to one or more of the mortgaged real properties securing the underlying mortgage loans, including casualty insurance, may be provided under a blanket insurance policy. That blanket insurance policy will also cover other real properties, some of which may not secure loans in the issuing entity. As a result of total limits under any of those blanket policies, losses at other properties covered by the blanket insurance policy may reduce the amount of insurance coverage with respect to a property securing one of the loans in the issuing entity.

The mortgage loans that we intend to include in the issuing entity generally provide that insurance and condemnation proceeds are to be applied either—

- to restore the related mortgaged real property (with any balance to be paid to the borrower); or
- towards payment of the subject mortgage loan.

If any mortgaged real property is acquired by the issuing entity through foreclosure, deed-in-lieu of foreclosure or otherwise following a default on the related underlying mortgage loan, the special servicer will be required to maintain for that property insurance comparable to that required by the mortgage loan seller with respect to each mortgaged real property as of the cut-off date or, at the special servicer's election with the series 2009-K4 directing

certificateholder's consent, coverage satisfying insurance requirements consistent with the Servicing Standard, *provided* that such coverage is available at commercially reasonable rates.

Each of the master servicer and the special servicer may satisfy its obligations regarding maintenance of the hazard insurance policies referred to in this information circular by maintaining a blanket insurance policy or master single interest insurance policy insuring against hazard losses on all of the mortgage loans and/or REO Properties in the issuing entity for which it is responsible. If any blanket insurance policy or master single interest insurance policy maintained by the master servicer or the special servicer contains a deductible clause, however, the master servicer or special servicer, as the case may be, will be required, in the event of a casualty that would have been covered by an individual policy, to pay out of its own funds (without a right to reimbursement) all sums that—

- are not paid because of the deductible clause; and
- exceed the deductible limitation that pertains to the related mortgage loan or, in the absence of any such deductible limitation, an assumed deductible limitation for an individual policy which is consistent with the Servicing Standard.

Mortgage Pool Characteristics

A detailed presentation of various characteristics of the mortgage loans that we intend to include in the issuing entity, and of the corresponding mortgaged real properties, on an individual basis and in tabular format, is shown on Exhibit A-1 and Exhibit A-2 to this information circular. The statistics in the tables and schedules on Exhibit A-1 and Exhibit A-2 to this information circular were derived, in many cases, from information and operating statements furnished by or on behalf of the respective borrowers. The information and the operating statements were generally unaudited and have not been independently verified by us or Freddie Mac.

Additional Loan and Property Information

Borrower Structures. With respect to forty-four (44) of the mortgage loans that we intend to include in the issuing entity, representing 99.37% of the initial pool balance, the related borrowers are single purpose entities whose organizational documents or the terms of the mortgage loans limit their activities to the ownership of only the related mortgaged real property or properties and, subject to exceptions, including relating to subordinate debt secured by the related mortgaged real properties, generally limit the borrowers' ability to incur additional indebtedness other than trade payables and equipment financing relating to the mortgaged real properties in the ordinary course of business.

With respect to two (2) of the underlying mortgage loans, secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as "Arbor Woods Apartments" and "Hale Kahakai Apartments," and representing 0.63% of the initial pool balance, each related borrower is not permitted to (a) own any real or personal property other than the related mortgaged real property and personal property related to the operation and maintenance of the related mortgaged real property, (b) operate any business other than the management and operation of the related mortgaged real property or (c) maintain its assets in a way that is difficult to segregate and identify. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Type of Mortgagor May Entail Risk" in this information circular

With respect to two (2) of the underlying mortgage loans, secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as "Windsor at Shirlington Village" and "Windsor at Miramar," and representing 10.09% of the initial pool balance, although the related borrower (in the case of "Windsor at Shirlington Village") or the entities making up the related borrower (in the case of "Windsor at Miramar") currently keep separate financial records and have covenanted to continue to keep separate financial records, the assets of the related borrower or the entities that make up the related borrower are allowed to be included on the financial records of other entities and be co-mingled in accounts of other entities.

With respect to four (4) of the underlying mortgage loans, secured by the mortgaged real properties identified on Exhibit A-1 to this information circular as "Windsor at Miramar," "Gables Augusta Apartments," "Brookdale Lakes," and "Tanglewood Village," and representing 7.97% of the initial pool balance, the related borrowers, or in

the case of “Brookdale Lakes,” some of the entities making up the related borrower, own the related mortgaged real property as tenants-in-common.

With respect to one (1) of the underlying mortgage loans, secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “Brookdale Lakes,” representing 1.44% of the initial pool balance, the related borrower is an Illinois land trust. See “Risk Factors—Risks Related to the Underlying Mortgage Loans—Illinois Land Trust” in this information circular.

Delinquencies. None of the mortgage loans that we intend to include in the issuing entity was as of October 1, 2009, 30 days or more delinquent with respect to any monthly debt service payment.

Unsecured Indebtedness. The borrowers under two (2) of the mortgage loans identified on Exhibit A-1 to this information circular as “Windsor at Shirlington Village” and “Windsor at Miramar”, representing 10.09% of the initial pool balance, are permitted to incur additional unsecured intra-company debt upon the satisfaction of certain conditions, including (i) such unsecured debt is provided by such borrower’s majority limited partner, (ii) such debt is not secured by the mortgaged real property, any interests therein or any other assets of such borrower, (iii) the maturity date of such unsecured debt is no earlier than 90 days after the date of the related mortgage note and (iv) the terms of such unsecured debt comply with the relevant tax code. Such borrowers may have incurred unsecured indebtedness other than in the ordinary course of business which is or may be substantial in relation to the amount of the subject mortgage loan. Each unsecured debt creditor could cause the related borrower to seek protection under applicable bankruptcy laws.

Additionally, in some instances, the borrower under a mortgage loan may be required or allowed to post letters of credit as additional security for that mortgage loan, in lieu of reserves or otherwise, and the related borrower may be obligated to pay fees and expenses associated with the letter of credit and/or to reimburse the letter of credit issuer or others in the event of a draw upon the letter of credit by the lender.

Title, Survey and Similar Issues. In the case of certain mortgaged real properties securing mortgage loans that we intend to include in the issuing entity, the permanent improvements on the subject property encroach over an easement or a setback line or onto another property. In other instances, certain oil, gas or water estates affect a property. Generally in those cases, either (i) the related lender’s title policy insures against loss if a court orders the removal of the improvements causing the encroachment or (ii) the respective title and/or survey issue was analyzed by the originating lender and determined not to materially affect the respective mortgaged real property for its intended use. There is no assurance, however, that any such analysis in this regard is correct, or that such determination was made in each and every case.

Right of Reversion. With respect to one (1) of the underlying mortgage loans that we intend to include in the issuing entity, secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “Yacht Club at Brickell,” representing 3.52% of the initial pool balance, the adjacent road providing access to the property is subject to a certain right of reversion set forth in a recorded plat, pursuant to which the fee simple interest in such access road currently dedicated to the local governmental jurisdiction for use as a public roadway (pursuant to such plat) may potentially revert to the dedicator, its successors or assigns if such public use is discontinued by law.

Underwriting Matters

General. In connection with the origination or acquisition of each of the mortgage loans that we intend to include in the issuing entity, the related originator or acquiror of the subject mortgage loan evaluated the corresponding mortgaged real property or properties in a manner generally consistent with the standards described in this “—Underwriting Matters” section.

Environmental Assessments. With respect to all of the mortgaged real properties, Phase I environmental site assessments were prepared in connection with the origination of the mortgage loan. There can be no assurance that the environmental assessments or studies, as applicable, identified all environmental conditions and risks at, or that any environmental conditions will not have a material adverse effect on the value of or cash flow from, one or more of the mortgaged real properties.

The information provided by us in this information circular regarding environmental conditions at the respective mortgaged real properties is based on the environmental site assessments referred to in this “—Underwriting Matters—Environmental Assessments” subsection and has not been independently verified by—

- us;
- any of the other parties to the series 2009-K4 pooling and servicing agreement;
- the mortgage loan seller; or
- the affiliates of any of these parties.

The series 2009-K4 pooling and servicing agreement requires that the special servicer obtain an environmental site assessment of a mortgaged real property within 12 months prior to acquiring title to the property or assuming its operation. This requirement precludes enforcement of the security for the related mortgage loan until a satisfactory environmental site assessment is obtained or until any required remedial action is taken. There can be no assurance that the requirements of the series 2009-K4 pooling and servicing agreement will effectively insulate the issuing entity from potential liability for a materially adverse environmental condition at any mortgaged real property.

Property Condition Assessments. With respect to all of the mortgaged real properties securing the mortgage loans that we intend to include in the trust, a third-party engineering firm inspected the property to assess exterior walls, roofing, interior construction, mechanical and electrical systems and general condition of the site, buildings and other improvements located at each of the mortgaged real properties.

The inspections identified various deferred maintenance items and necessary capital improvements at some of the mortgaged real properties. The resulting inspection reports generally included an estimate of cost for any recommended repairs or replacements at a mortgaged real property. When repairs or replacements were recommended and deemed material by the related originator, the related borrower was required to carry out necessary repairs or replacements and, in some instances, to establish reserves, generally in the amount of 100% to 125% of the cost estimated in the inspection report, to fund deferred maintenance or replacement items that the reports characterized as in need of prompt attention. See the table titled “Engineering Reserves and Recurring Replacement Reserves” on Exhibit A-1 to this information circular. There can be no assurance that another inspector would not have discovered additional maintenance problems or risks, or arrived at different, and perhaps significantly different, judgments regarding the problems and risks disclosed by the respective inspection reports and the cost of corrective action.

Appraisals and Market Studies. In the case of all of the mortgaged real properties, securing 100% of the initial pool balance, an independent appraiser that is state-certified and/or a member of the Appraisal Institute conducted an appraisal during the 17-month period ending on October 1, 2009, in order to establish an appraised value of the mortgaged real property. Those appraisals are the basis for the Most Recent Appraised Values for the respective mortgaged real properties set forth on Exhibit A-1 to this information circular.

In general, appraisals seek to establish the amount a typically motivated buyer would pay a typically motivated seller. However, this amount could be significantly higher than the amount obtained from the sale of a particular mortgaged real property under a distress or liquidation sale. Implied in the Most Recent Appraised Values shown on Exhibit A-1 to this information circular, is the contemplation of a sale at a specific date and the passing of ownership from seller to buyer under the following conditions:

- buyer and seller are motivated;
- both parties are well informed or well advised, and each is acting in what he considers his own best interests;
- a reasonable time is allowed to show the property in the open market;
- payment is made in terms of cash in U.S. dollars or in comparable financial arrangements; and

- the price paid for the property is not adjusted by special or creative financing or sales concessions granted by anyone associated with the sale.

Each appraisal of a mortgaged real property referred to above involved a physical inspection of the property and reflects a correlation of the values established through the Sales Comparison Approach, the Income Approach and/or the Cost Approach.

Either the appraisal upon which is based the Most Recent Appraised Value for each mortgaged real property shown on Exhibit A-1 to this information circular, or a separate letter, contains a statement to the effect that the appraisal guidelines set forth in Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 were followed in preparing that appraisal. However, neither we, the manager, nor the mortgage loan seller has independently verified the accuracy of this statement.

In the case of any underlying mortgage loan, the related borrower may have acquired the mortgaged real property at a price less than the appraised value on which the subject mortgage loan was underwritten.

Zoning and Building Code Compliance. In connection with the origination of each mortgage loan that we intend to include in the issuing entity, the originator examined whether the use and operation of the related mortgaged real property were in material compliance with zoning, land-use, building, fire and health ordinances, rules, regulations and orders then-applicable to the mortgaged real property. Evidence of this compliance may have been in the form of certifications and other correspondence from government officials or agencies, title insurance endorsements, engineering, consulting or zoning reports, appraisals, legal opinions, surveys, recorded documents, temporary or permanent certificates of occupancy and/or representations by the related borrower. Where a material noncompliance was found or the property as currently operated is a permitted non-conforming use and/or structure, an analysis was generally conducted as to—

- whether, in the case of material noncompliance, such noncompliance constitutes a permitted non-conforming use and/or structure, and if not, whether an escrow or other requirement was appropriate to secure the taking of necessary steps to remediate any material noncompliance or constitute the condition as a permitted non-conforming use or structure;
- the likelihood that a material casualty would occur that would prevent the property from being rebuilt in its current form; and
- whether existing replacement cost hazard insurance or, if necessary, supplemental law or ordinance coverage would, in the event of a material casualty, be sufficient—
 1. to satisfy the entire subject mortgage loan; or
 2. taking into account the cost of repair, to pay down the subject mortgage loan to a level that the remaining collateral would be adequate security for the remaining loan amount.

There is no assurance, however, that any such analysis in this regard is correct, or that the above determinations were made in each and every case.

With respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 to this information circular as “Walina Apartments,” representing 0.71% of the initial pool balance, the related property is in breach of a covenant recorded in 1974 with regard to a waiver of certain parking requirements. The covenant requires that at least 51% of the kitchens at the related property be removed if the property is not rented to elderly low-income persons. The property is not currently rented to elderly low-income persons and the kitchens have not been removed. The related property has operated in contradiction of the covenant for several years and the related non-recourse carveout language was expanded to cover lender's loss or damage resulting from enforcement of the covenant.

Significant Mortgage Loans

For summary information on the ten largest mortgage loans that we intend to include in the issuing entity, see the Term Sheet in Exhibit A-3 to this information circular.

Assignment of the Underlying Mortgage Loans

On or before the date of initial issuance of the offered certificates, the mortgage loan seller will transfer to us the mortgage loans that it is including in the securitization, and we will transfer to the trustee all of those mortgage loans. The trustee will hold those mortgage loans for the benefit of the certificateholders and the guarantor within the meaning of Section 1367(b)(19)(B) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended. In each case, the transferor will assign the subject mortgage loans, without recourse, to the transferee.

In connection with the foregoing transfers, at the closing or at such later date as is permitted under the series 2009-K4 pooling and servicing agreement, the mortgage loan seller will generally be required to deliver or cause the delivery of the following documents, among others, to the trustee with respect to each of the mortgage loans as to which it is identified as the mortgage loan seller on Exhibit A-1 to this information circular:

- either—
 1. the original promissory note, endorsed without recourse, representation or warranty (other than as set forth in the mortgage loan purchase agreement) to the order of the trustee or in blank, or
 2. if the original promissory note has been lost, a copy of that note, together with a lost note affidavit and indemnity;
- the original, certified copy or a copy of the mortgage instrument, and if the particular document has been returned from the applicable recording office, together with originals, certified copies or copies of any intervening assignments of that document, in each case, with evidence of recording on the document or certified by the applicable recording office;
- an executed original assignment of the related mortgage instrument in favor of the trustee or in blank, in recordable form except for any missing recording information relating to that mortgage instrument;
- originals or copies of all written assumption, modification and substitution agreements, if any, in those instances where the terms or provisions of the related mortgage instrument or promissory note have been modified or the mortgage loan has been assumed;
- with respect to any other debt of a borrower or mezzanine borrower permitted under the related mortgage loan, an original or copy of a subordination agreement, standstill agreement or other intercreditor, co-lender or similar agreement relating to such other debt, if any, including any mezzanine loan documents or preferred equity documents, and a copy of the promissory note relating to such other debt (if such other debt is also secured by the related mortgage);
- original letters of credit, if any, relating to the mortgage loans and all appropriate assignment or amendment documentation related to the assignment to the issuing entity of any letter of credit securing the mortgage loan which entitle the issuing entity to draw thereon;
- the original or a copy of any environmental indemnity agreements and copies of any environmental insurance policies pertaining to the mortgaged real properties required in connection with the origination of the mortgage loan, if any;
- copies of the management agreements, if any, for the related mortgaged real property; and

- an original or copy of the lender’s title insurance policy or, if a title insurance policy has not yet been issued or located, a *pro forma* title policy or a “marked up” commitment for title insurance, which in either case is binding on the title insurance company.

The trustee, either directly or through a custodian, is required to hold all of the documents delivered to it with respect to the mortgage loans in trust for the benefit of the series 2009-K4 certificateholders under the terms of the series 2009-K4 pooling and servicing agreement. Within a specified period of time following that delivery, the trustee directly or through a custodian, will be further required to conduct a review of those documents. The scope of the trustee’s review of those documents will, in general, be limited solely to confirming that they have been received, that they appear regular on their face (handwritten additions, changes or corrections will not be considered irregularities if initialed by the borrower), that (if applicable) they appear to have been executed and that they purport to relate to a mortgage loan in the issuing entity. None of the trustee, the master servicer, the special servicer or any custodian is under any duty or obligation to inspect, review or examine any of the documents relating to the mortgage loans to determine whether the document is valid, effective, enforceable, in recordable form or otherwise appropriate for the represented purpose.

If—

- any of the above-described documents required to be delivered by the mortgage loan seller to the trustee is not delivered or is otherwise defective, and
- that omission or defect materially and adversely affects the value of the subject mortgage loan, or the interests of any class of series 2009-K4 certificateholders,

then the omission or defect will constitute a material document defect as to which the series 2009-K4 certificateholders will have the rights against the mortgage loan seller as described under “—Cures, Repurchases and Substitutions” below.

Within a specified period of time following the later of—

- the date on which the offered certificates are initially issued, and
- the date on which all recording information necessary to complete the subject document is received by the trustee,

the trustee or a third-party independent contractor will be required to submit for recording in the real property records of the applicable jurisdiction each of the assignments of recorded loan documents in the trustee’s favor described above. Because some of the mortgage loans that we intend to include in the issuing entity are newly originated, many of those assignments cannot be completed and recorded until the related mortgage instrument, reflecting the necessary recording information, is returned from the applicable recording office.

Representations and Warranties

As of the date of initial issuance of the offered certificates (or as of the date otherwise indicated in the mortgage loan purchase agreement), the mortgage loan seller will make, with respect to each mortgage loan that it is selling to us for inclusion in the issuing entity (except as described below), specific representations and warranties generally to the effect listed below. The representations and warranties to be made by the mortgage loan seller may be qualified by exceptions disclosed in the mortgage loan purchase agreement between the mortgage loan seller and us. The representations and warranties to be made by the mortgage loan seller will include, among other things—

1. the information set forth in the schedule of the mortgage loans attached to the mortgage loan purchase agreement is true, complete and accurate in all material respects as of the dates of the information set forth therein;
2. the mortgage loan seller is transferring the mortgage loan free and clear of any and all pledges, liens and/or other security interests, except for certain interests in servicing rights (including those being assigned pursuant to the series 2009-K4 pooling and servicing agreement);

3. no scheduled payment of principal and interest under the mortgage loan was 30 days or more delinquent as of the cut-off date, and the mortgage loan has not been more than 30 days delinquent since origination;
4. the related mortgage constitutes, subject to certain creditors' rights exceptions, a valid and enforceable first priority mortgage lien (subject to the Permitted Encumbrances) upon the related mortgaged real property;
5. the assignment of the related mortgage in favor of the trustee constitutes a legal, valid and binding assignment, except as enforcement thereof may be limited by laws affecting the enforcement of creditors' rights;
6. the mortgage loan has not been satisfied, canceled, rescinded or subordinated and the related mortgaged real property, nor any part thereof, has been released from the lien of the related mortgage in any manner that materially interferes with the security intended to be provided by that mortgage;
7. the related mortgaged real property is, to the seller's knowledge, free and clear of any material damage that would materially and adversely affect its value as security for the mortgage loan (normal wear and tear excepted) or reserves have been established to remediate such damage;
8. as of the closing date, there is no proceeding pending for the condemnation of all or any material portion of any mortgaged real property that would have a material adverse effect on the use or value of the related mortgaged real property;
9. the related mortgaged real property is covered by an American Land Title Association (or an equivalent form of) lender's title insurance policy or a "marked-up" title insurance commitment or the equivalent thereof (for which the required premium has been paid) which evidences such title insurance policy that insures that the related mortgage is a first priority lien on such mortgaged real property, subject only to the exceptions stated therein and the other Permitted Encumbrances;
10. the proceeds of the mortgage loan have been fully disbursed and there is no obligation for future advances with respect thereto;
11. an environmental site assessment was performed with respect to the mortgaged real property in connection with the origination of the related first mortgage loan, and the mortgage loan seller has no knowledge of any material noncompliance with environmental laws affecting such mortgaged real property that was not disclosed in the report of such assessment;
12. each mortgage note, mortgage and other agreement executed by or for the benefit of the borrower, any guarantor or their successors and assigns in connection with the related mortgage loan is, subject to certain creditors' rights exceptions and other exceptions of general application, the legal, valid and binding obligation of the related borrower, enforceable in accordance with its terms, and, there is no valid defense, counterclaim or right of rescission available to the related borrower with respect to such mortgage note, mortgage or other agreement, except as such enforcement may be limited by laws affecting the enforcement of creditors' rights and general principles of equity;
13. the related mortgaged real property is, and is required pursuant to the related mortgage and the mortgage loan seller to be, insured by casualty and liability insurance policies of a type specified in the related mortgage and the mortgage loan seller's requirements;
14. there are no delinquent and unpaid taxes or assessments affecting the related mortgaged real property that are or may become a lien of priority equal to or higher than the lien of the related mortgage or an escrow of funds has been created for the payment of such taxes and assessments;
15. as of the closing date, the related borrower is not a debtor in any state or federal bankruptcy or insolvency proceeding;

16. the mortgage loan is not cross-collateralized or cross-defaulted with any loan other than one or more other mortgage loans in the issuing entity;
17. except as disclosed in this information circular, no mortgage requires the holder thereof to release any material portion of the related mortgaged real property from the lien thereof except upon payment in full of the mortgage loan; and
18. as of the closing date, there exists no monetary default (other than payments due but not yet 30 days or more past due) or material non-monetary default, breach, violation or event of acceleration or, to the mortgage loan seller's knowledge, no event that, with the passage of time or the giving of notice, or both, would constitute a material default, breach, violation or event of acceleration under such mortgage loan; *provided* that this representation and warranty will not cover a default, breach, violation or event of acceleration arising out of the subject matter covered by any other representation and warranty made by the mortgage loan seller.

The representations and warranties made by the mortgage loan seller as listed and described above will be assigned by us to the trustee under the series 2009-K4 pooling and servicing agreement.

If—

- there exists a breach of any of the above-described representations and warranties made by the mortgage loan seller, and
- that breach materially and adversely affects the value of the subject mortgage loan, or the interests of any class of series 2009-K4 certificateholders,

then that breach will be a material breach of the representation and warranty. The rights of the series 2009-K4 certificateholders against the mortgage loan seller with respect to any material breach are described under “—Cures, Repurchases and Substitutions” below.

Cures, Repurchases and Substitutions

If the mortgage loan seller has been notified of a defect in any mortgage file or a breach of any of its representations and warranties, or, itself has discovered any such defect or breach, which, in either case, materially and adversely affects the value of any mortgage loan (including any REO Property acquired in respect of any foreclosed mortgage loan) or any interests of the holders of any class of series 2009-K4 certificates, then the mortgage loan seller will be required to take one of the following courses of action:

- cure such breach or defect in all material respects; or
- repurchase the affected mortgage loan at a price generally equal to the sum of—
 1. the outstanding principal balance of such mortgage loan as of the date of purchase, plus
 2. all accrued and unpaid interest on such mortgage loan at the related mortgage interest rate in effect from time to time in absence of a default, to but not including the due date in the collection period of purchase (which includes unpaid master servicing fees and sub-servicing fees), plus
 3. all related unreimbursed servicing advances plus, in general, accrued and unpaid interest on related advances at the reimbursement rate (as set forth in the series 2009-K4 pooling and servicing agreement), plus
 4. all expenses incurred (whether paid or then owing) by the master servicer, the special servicer, us and the trustee in respect of the defect or breach giving rise to the repurchase obligation, including any expenses arising out of the enforcement of the repurchase obligation, plus

5. the amount of any special servicing fees accrued on such mortgage loan and, if the mortgage loan is repurchased following the expiration of the applicable cure period (as it may be extended as described below), the amount of the liquidation fee payable to the special servicer; or
- replace the affected mortgage loan with a Qualified Substitute Mortgage Loan; *provided* that in no event may a substitution occur later than the second anniversary of the date of initial issuance of series 2009-K4 certificates; or
 - for certain breaches, reimburse the issuing entity for certain costs.

If the mortgage loan seller replaces one mortgage loan with another, as described in the third bullet of the preceding paragraph, then it will be required to pay to the issuing entity the amount, if any, by which—

- the price at which it would have had to purchase the removed mortgage loan, as described in the second bullet of the preceding paragraph, exceeds
- the Stated Principal Balance of the substitute mortgage loan as of the due date during the month that it is added to the issuing entity.

The time period within which the mortgage loan seller must complete the remedy, repurchase or substitution described in the immediately preceding paragraph, will generally be limited to 90 days following its receipt of notice of the subject material breach or material document defect. However, unless the subject material breach or material document defect relates to any mortgage note (or lost note affidavit or indemnity with respect thereto), if the subject material breach or material document defect is capable of being cured, if the mortgage loan seller is diligently attempting to correct the material breach or material document defect and with respect to a material document defect, such loan is not then a specially serviced mortgage loan and the missing or defective document is not needed to adequately pursue the lender's rights prior to such time, then it will generally be entitled to as much as an additional 90 days to complete that remedy, repurchase or substitution (unless such material breach or material document defect causes any mortgage loan to not be a "qualified mortgage" within the meaning of the REMIC provisions of the Code).

Any of the following document defects will be conclusively presumed materially and adversely to affect the interests of a class of series 2009-K4 certificateholders in an underlying mortgage loan:

- the absence from the mortgage file of the original signed mortgage note, unless the mortgage file contains a signed lost note affidavit, indemnity and endorsement;
- the absence from the mortgage file of the original signed mortgage, unless there is included in the mortgage file (a) a copy of the mortgage and the related recording information; or (b) a certified copy of the mortgage in the form sent for recording, with a certificate stating that the original signed mortgage was sent for recordation;
- the absence from the mortgage file of the original lender's title insurance policy or a copy thereof (together with all endorsements or riders that were issued with or subsequent to the issuance of such policy), or, if the policy has not yet been issued, a binding written commitment (including a *pro forma* or specimen title insurance policy, which has been accepted or approved in writing by the related title insurance company) relating to the subject mortgage loan;
- the absence from the mortgage file of any intervening assignments or endorsements required to create an effective assignment to the trustee on behalf of the issuing entity, unless there is included in the mortgage file a copy of the intervening assignment that will be or was sent for recordation; or
- the absence from the mortgage file of any required original letter of credit; *provided* that such defect may be cured by providing a substitute letter of credit or a cash reserve.

The foregoing obligation to cure, repurchase, provide a substitute mortgage loan or loans or reimburse the issuing entity will constitute the sole remedies available to the certificateholders and the trustee for any defect in a

mortgage file or any breach on the part of the mortgage loan seller of its representations or warranties regarding the underlying mortgage loans.

Any defect or any breach that, in either case, causes any mortgage loan not to be a “qualified mortgage” within the meaning of the REMIC provisions of the Code shall be deemed a material breach or material document defect, requiring the mortgage loan seller to purchase or substitute for the affected mortgage loan from the issuing entity within 90 days following its receipt of notice of the defect or breach at the applicable purchase price or in conformity with the mortgage loan purchase agreement.

There can be no assurance that the mortgage loan seller has or will have sufficient assets with which to fulfill any repurchase/substitution obligations on its part that may arise.

Changes in Mortgage Pool Characteristics

The description in this information circular of the mortgage pool is based upon the mortgage pool as it is expected to be constituted at the time the offered certificates are issued, with adjustments for the monthly debt service payments due on the underlying mortgage loans on or before their respective due dates in October 2009. Prior to the issuance of the offered certificates, one or more mortgage loans may be removed from the mortgage pool if we consider the removal necessary or appropriate. A limited number of other mortgage loans may be included in the mortgage pool prior to the issuance of the offered certificates, unless including those mortgage loans would materially alter the characteristics of the mortgage pool as described in this information circular. We believe that the information in this information circular will be generally representative of the characteristics of the mortgage pool as it will be constituted at the time the offered certificates are issued. However, the range of mortgage interest rates and maturities, as well as the other characteristics of the underlying mortgage loans described in this information circular, may vary, and the actual initial pool balance may be as much as 5% larger or smaller than the initial pool balance specified in this information circular.

DESCRIPTION OF THE SERIES 2009-K4 CERTIFICATES

General

The series 2009-K4 certificates will be issued, on or about October 22, 2009, under a pooling and servicing agreement to be dated as of October 1, 2009, between us, as depositor, the trustee, the master servicer, the special servicer and the guarantor. They will represent the entire beneficial ownership interest of the issuing entity. The assets of the issuing entity will include:

- the underlying mortgage loans;
- any and all payments under and proceeds of the underlying mortgage loans received after their respective due dates in October 2009, in each case exclusive of payments of principal, interest and other amounts due on or before that date;
- the loan documents for the underlying mortgage loans;
- our rights under the mortgage loan purchase agreement;
- any REO Properties acquired by the issuing entity with respect to defaulted underlying mortgage loans; and
- those funds or assets as from time to time are deposited in the master servicer's collection account described under "The Series 2009-K4 Pooling and Servicing Agreement—Collection Accounts" in this information circular, the special servicer's REO account described under "The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—REO Properties," the trustee's distribution account described under "—Distribution Account" below or the trustee's interest reserve account described under "—Interest Reserve Account" below.

The series 2009-K4 certificates will include the following classes:

- the class A-1, A-2, A-3 and A-X1 certificates, which are the classes of series 2009-K4 certificates that are offered by this information circular and have the benefit of the Freddie Mac Guarantee;
- the class B, A-X2 and R certificates, which are the classes of series 2009-K4 certificates that—
 1. will be retained or privately placed by us,
 2. are not offered by this information circular, and
 3. do not have the benefit of the Freddie Mac Guarantee.

The class A-1, A-2, A-3 and B certificates are the series 2009-K4 certificates that will have principal balances. The class A-3 certificates are subordinate in right of payment to the class A-1 and A-2 certificates. The class B certificates are subordinate in right of payment to the class A-1, A-2 and A-3 certificates and do not have the benefit of the Freddie Mac Guarantee. The series 2009-K4 certificates with principal balances constitute the series 2009-K4 principal balance certificates. The principal balance of any of these certificates will represent the total distributions of principal to which the holder of the certificate is entitled over time out of payments, or advances in lieu of payments, and other collections on the assets of the issuing entity or, with respect to the offered certificates, the Freddie Mac Guarantee. Accordingly, on each distribution date, the principal balance of each of these certificates will be permanently reduced by any principal distributions actually made with respect to the certificates on that distribution date, including any Balloon Guarantor Payment. See "—Distributions" below. On any particular distribution date, the principal balance of each of these certificates may also be permanently reduced, without any corresponding distribution, in connection with losses on the underlying mortgage loans and default-related and otherwise unanticipated issuing entity expenses. See "—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" below.

The class A-X1, A-X2 and R certificates will not have principal balances, and the holders of those certificates will not be entitled to receive distributions of principal. However, each of the class A-X1 and A-X2 certificates will have a notional amount for purposes of calculating the accrual of interest with respect to that certificate. The class A-X1 and A-X2 certificates are sometimes referred to in this information circular as the interest only certificates.

For purposes of calculating the accrual of interest, the class A-X1 certificates and class A-X2 certificates will each have a total notional amount that is, as of any date of determination, equal to the then total principal balance of the class A-1, A-2, A-3 and B certificates.

In general, principal balances and notional amounts will be reported on a class-by-class basis. In order to determine the principal balance of any of your offered certificates from time to time, you may multiply the original principal balance of that certificate as of the date of initial issuance of the series 2009-K4 certificates, as specified on the face of that certificate, by the then-applicable certificate factor for the relevant class. The certificate factor for any class of offered certificates, as of any date of determination, will equal a fraction, expressed as a percentage, the numerator of which will be the then-outstanding total principal balance of that class, and the denominator of which will be the original total principal balance of that class. Certificate factors will be reported monthly in the trustee's report.

Registration and Denominations

The offered certificates (other than the class A-X1 certificates) will be issued to Freddie Mac in physical form in original denominations of \$10,000 initial principal balance and any whole dollar denomination in excess of \$10,000. The class A-X1 certificates will be issued to Freddie Mac in physical form in original denominations of \$100,000 initial notional balance and any whole dollar denomination in excess of \$100,000.

Distribution Account

General. The trustee must establish and maintain an account in which it will hold funds pending their distribution on the series 2009-K4 certificates and from which it will make those distributions. That distribution account must be maintained in a manner and with a depository institution that satisfies rating agency standards for securitizations similar to the one involving the offered certificates. Funds held in the trustee's distribution account may be held in cash or, at the trustee's risk, invested in Permitted Investments. Subject to the limitations in the series 2009-K4 pooling and servicing agreement, any interest or other income earned on funds in the trustee's distribution account will be paid to the trustee as additional compensation.

Deposits. On the business day prior to each distribution date, the master servicer will be required to remit to the trustee for deposit in the distribution account the following funds:

- All payments and other collections on the mortgage loans and any REO Properties in the issuing entity on deposit in the master servicer's collection account as of close of business on the second business day prior to such remittance date, exclusive of any portion of those payments and other collections that represents one or more of the following:
 1. monthly debt service payments due on a due date subsequent to the end of the related collection period;
 2. payments and other collections received after the end of the related collection period;
 3. amounts that are payable or reimbursable from the master servicer's collection account to any person other than the series 2009-K4 certificateholders, including—
 - (a) amounts payable to the master servicer (or a sub-servicer) or the special servicer as compensation, including master servicing fees, sub-servicing fees, special servicing fees, work-out fees, liquidation fees, assumption fees, assumption application fees, modification fees, extension fees, consent fees, waiver fees, earnout fees and similar charges and, to the extent not otherwise applied to cover interest on advances and/or other Additional Issuing Entity Expenses with respect to the related underlying mortgage loan, Default Interest and late

payment charges, or as indemnification (including interest thereon, if applicable, and subject to the Master Servicer Aggregate Annual Cap or the Special Servicer Aggregate Annual Cap, as applicable);

- (b) amounts payable in reimbursement of outstanding advances, together with interest on those advances; and
- (c) amounts payable with respect to other issuing entity expenses including, without limitation, fees, expenses and indemnities of the trustee and custodian (including interest thereon, if applicable, and subject to the Trustee/Custodian Aggregate Annual Cap);

- 4. net investment income on the funds in the master servicer's collection account; and
- 5. amounts deposited in the master servicer's collection account in error.

- Any advances of delinquent monthly debt service payments made by the master servicer with respect to that distribution date.
- Any payments made by the master servicer to cover Prepayment Interest Shortfalls incurred during the related collection period.

See “—Advances of Delinquent Monthly Debt Service Payments” below and “The Series 2009-K4 Pooling and Servicing Agreement—Collection Accounts” and “—Servicing and Other Compensation and Payment of Expenses” in this information circular.

With respect to each distribution date that occurs during March, commencing in March 2010 (or February, if the related distribution date is the final distribution date), the trustee will be required to transfer from its interest reserve account, which we describe under “—Interest Reserve Account” below, to its distribution account the interest reserve amounts that are then being held in that interest reserve account with respect to the mortgage loans in the issuing entity that accrue interest on an Actual/360 Basis.

The trustee will be required to deposit in its distribution account the amount of any losses of principal arising from investments of funds held in the distribution account.

Withdrawals. The trustee may from time to time make withdrawals from its distribution account for any of the following purposes without regard to the order below:

- to pay itself a monthly trustee fee and expenses and the fees and expenses of the custodian as described under “The Series 2009-K4 Pooling and Servicing Agreement—Matters Regarding the Trustee” in this information circular;
- to reimburse and pay to itself, the master servicer and the special servicer, in that order, for outstanding and unreimbursed nonrecoverable advances and accrued and unpaid interest thereon, to the extent it or the master servicer is not reimbursed from the collection account;
- to reimburse the guarantor for any unreimbursed Balloon Guarantor Payment from collections on any underlying mortgage loan as to which any such Balloon Guarantor Payment was made, together with interest thereon (net of any such amount used to reimburse the master servicer or trustee for advances, together with interest thereon);
- to pay the guarantor the Guarantee Fee;
- to indemnify itself, the custodian, the depositor, the master servicer, the special servicer and various related persons, subject to the relevant Aggregate Annual Caps, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Certain Indemnities” in this information circular;

- to pay for any opinions of counsel required to be obtained in connection with any amendments to the series 2009-K4 pooling and servicing agreement;
- to pay any federal, state and local taxes imposed on the issuing entity, its assets and/or transactions, together with all incidental costs and expenses, including such taxes, that are required to be borne by the issuing entity as described under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—REO Properties” in this information circular;
- with respect to each distribution date during February of any year and each distribution date during January of any year that is not a leap year (unless, in either case, the related distribution date is the final distribution date), to transfer to the trustee’s interest reserve account the interest reserve amounts required to be so transferred in that month with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis; and
- to pay to the person entitled thereto any amounts deposited in the distribution account in error.

On each distribution date, all amounts on deposit in the trustee’s distribution account, exclusive of any portion of those amounts that are to be withdrawn for the purposes contemplated in the foregoing paragraph, will represent the Total Available Funds for that date. On each distribution date, the trustee will apply the Total Available Funds to make distributions on the series 2009-K4 certificates and to the guarantor (with respect to the Guarantee Fee and Guarantor Reimbursement Amounts).

For any distribution date, the Total Available Funds will consist of those funds, referred to in this information circular as the Standard Available P&I Funds, which will be paid to the holders of all the series 2009-K4 certificates and the guarantor, who is entitled to the Guarantee Fee, as described under “—Distributions—Priority of Distributions” below.

Interest Reserve Account

The trustee must maintain an account or subaccount in which it will hold the interest reserve amounts described in the next paragraph with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis. That interest reserve account must be maintained in a manner and with a depository that satisfies rating agency standards for securitizations similar to the one involving the series 2009-K4 certificates.

During January, except in a leap year, and February of each calendar year (unless, in either case, the related distribution date is the final distribution date), the trustee will, on or before the distribution date in that month, withdraw from its distribution account and deposit in its interest reserve account the interest reserve amount with respect to each of the underlying mortgage loans that accrue interest on an Actual/360 Basis and for which the monthly debt service payment due in that month was either received or advanced. In general, that interest reserve amount for each of those mortgage loans will equal one day’s interest accrued at the related Net Mortgage Interest Rate on the Stated Principal Balance of that loan as of the end of the related collection period.

During March of each calendar year (or February, if the related distribution date is the final distribution date), the trustee will, on or before the distribution date in that month, withdraw from its interest reserve account and deposit in its distribution account any and all interest reserve amounts then on deposit in the interest reserve account with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis. All interest reserve amounts that are so transferred from the interest reserve account to the distribution account will be included in the Standard Available P&I Funds for the distribution date during the month of transfer.

The funds held in the trustee’s interest reserve account may be held in cash or, at the risk of the trustee, invested in Permitted Investments. Subject to the limitations in the series 2009-K4 pooling and servicing agreement, any interest or other income earned on funds in the trustee’s interest reserve account may be withdrawn from the interest reserve account and paid to the trustee as additional compensation.

The trustee will be required to deposit in its interest reserve account the amount of any losses of principal arising from investments of funds held in the interest reserve account.

Fees and Expenses. The amounts available for distribution on the Certificates on any Distribution Date will generally be net of the following amounts which are payable to the master servicer, the special servicer, the trustee or the guarantor, as applicable:

Type/Recipient	Amount	Frequency	Source of Funds
Master Servicing Fee and Sub-Servicing Fee / Master Servicer	the Stated Principal Balance of each Mortgage Loan (including any specially serviced mortgage loan) multiplied by 0.01% (such fee is calculated using the same interest accrual basis of such mortgage loan) and the Stated Principal Balance of each Mortgage Loan multiplied by the applicable sub-servicing fee rate (such fee is calculated using the same interest accrual basis of such mortgage loan)	monthly	interest payments on related loan or, with respect to liquidated loans, general collections if liquidation proceeds are not sufficient
Additional Servicing Compensation / Master Servicer	<ul style="list-style-type: none"> all late payment fees and net default interest (other than on specially serviced mortgage loans) not used to pay interest on Advances and certain additional trust fund expenses with respect to the related mortgage loans 	from time to time	the related fee/ investment income
	<ul style="list-style-type: none"> 60% of commercially reasonable fees actually paid by the related borrower on modifications, extensions, earnouts and other actions for non-specially serviced mortgage loans, which require the consent of or review by the Special Servicer and 100% of such fees for non-specially serviced mortgage loans not requiring such consent or review 	from time to time	
	<ul style="list-style-type: none"> 60% of assumption application fees and assumption fees on non-specially serviced mortgage loans (when and to the extent all amounts due and payable on the related mortgage loan have been paid) 	from time to time	
	<ul style="list-style-type: none"> all investment income earned on amounts on deposit in the Collection Account and certain Reserve Accounts 	monthly	
Special Servicing Fee / Special Servicer	the Stated Principal Balance of each specially serviced mortgage loan multiplied by 0.25% (such fee is calculated using the same interest accrual basis of such mortgage loan)	monthly	general collections
Workout Fee / Special Servicer	1.0% of each collection of principal and interest on each Corrected Mortgage Loan	monthly	the related collections of principal and interest
Liquidation Fee / Special Servicer	1.0% of each recovery of Liquidation Proceeds, except as specified under “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses”	upon receipt of Liquidation Proceeds	the related Liquidation Proceeds
Additional Special Servicing Compensation / Special Servicer	<ul style="list-style-type: none"> all late payment fees and net default interest (on specially serviced mortgage loans) not used to pay interest on Advances and certain additional trust fund expenses with respect to the related mortgage loans 	from time to time	the related fee/ investment income

Type/Recipient	Amount	Frequency	Source of Funds
	<ul style="list-style-type: none"> 40% of commercially reasonable fees actually paid by the related borrower on modifications, extensions, earnouts and other actions for non-specially serviced mortgage loans, which require the consent of or review by the Special Servicer and 100% of such fees on specially serviced mortgage loans 	from time to time	
	<ul style="list-style-type: none"> 40% of assumption application fees and assumption fees on non-specially serviced mortgage loans and 100% of such fees on specially serviced mortgage loans 	from time to time	
	<ul style="list-style-type: none"> all investment income received on funds in any REO Account 	from time to time	
Trustee Fee / Trustee	0.0011% multiplied by the Stated Principal Balance of the Mortgage Loans (such fee is calculated using the same interest accrual basis of each mortgage loan)	monthly	interest payments on the related loan
Guarantee Fee	0.34% multiplied by the outstanding principal balance of the Guaranteed Certificates (other than the class A-X1 certificates) (calculated on a 30/360 Basis)	monthly	general collections
Expenses			
Servicing Advances / Master Servicer and Trustee	to the extent of funds available, the amount of any Servicing Advances	time to time	collections on the related loan, or if not recoverable, from general collections
Interest on Servicing Advances / Master Servicer and Trustee	at Prime Rate	when Advance is reimbursed	first from default interest/late payment fees, then from general collections
P&I Advances / Master Servicer and Trustee	to the extent of funds available, the amount of any P&I Advances	time to time	collections on the related loan, or if not recoverable, from general collections
Interest on P&I Advances / Master Servicer and Trustee	at Prime Rate	when Advance is reimbursed	first from default interest/late payment fees, then from general collections
Indemnification Expenses / Depositor, Trustee, Custodian, Master Servicer and Special Servicer	amounts for which the depositor, the trustee, the custodian, the master servicer and the special servicer are entitled to indemnification, in each case, up to the related Aggregate Annual Cap (if any) in each calendar year until paid in full.	time to time	general collections
Interest on Unreimbursed Indemnification Expenses / Depositor, Trustee/Custodian, Master Servicer and Special Servicer	at Prime Rate	when Indemnification Expenses are reimbursed	general collections

Distributions

General. On each distribution date, the trustee will, subject to the applicable available funds and the exception described in the next sentence, make all distributions required to be made on the series 2009-K4 certificates on that date to the holders of record as of the close of business on the last business day of the calendar month preceding the month in which those distributions are to be made. The final distribution of principal and/or interest on any offered certificate, however, will be made only upon presentation and surrender of that certificate at the location to be specified in a notice of the pendency of that final distribution.

Distributions made to a class of series 2009-K4 certificateholders will be allocated among those certificateholders in proportion to their respective percentage interests in that class.

Interest Distributions. All of the classes of the series 2009-K4 certificates will bear interest, except for the class B and R certificates.

With respect to each interest-bearing class of the series 2009-K4 certificates, that interest will accrue during each interest accrual period based upon:

- the pass-through rate with respect to that class for that interest accrual period;
- the total principal balance or notional amount, as the case may be, of that class outstanding immediately prior to the related distribution date; and
- the assumption that each year consists of twelve 30-day months.

On each distribution date, subject to the Standard Available P&I Funds for that date and the distribution priorities described below and, in the case of the offered certificates, subject to the Freddie Mac Guarantee, the holders of each interest-bearing class of the series 2009-K4 certificates will be entitled to receive—

- the total amount of interest accrued during the related interest accrual period with respect to that class of certificates, reduced (to not less than zero) by
- the total portion of any Net Aggregate Prepayment Interest Shortfall for that distribution date that is allocable to that class of series 2009-K4 certificates.

If the holders of any interest-bearing class of the series 2009-K4 certificates do not receive all of the interest to which they are entitled on any distribution date, as described in the prior paragraph (including by means of a Guarantor Payment), then they will continue to be entitled to receive the unpaid portion of that interest on future distribution dates, subject to the Standard Available P&I Funds for those future distribution dates and the distribution priorities described below.

The portion of any Net Aggregate Prepayment Interest Shortfall for any distribution date that is allocable to reduce the current accrued interest then payable with respect to any particular interest-bearing class of the series 2009-K4 certificates will equal

- the product of—
 1. the total amount of that Net Aggregate Prepayment Interest Shortfall, multiplied by
 2. a fraction, the numerator of which is the total amount of interest accrued during the related interest accrual period with respect to the subject interest-bearing class of series 2009-K4 certificates (calculated without regard to any allocation of that Net Aggregate Prepayment Interest Shortfall), and the denominator of which is the total amount of interest accrued during the related interest accrual period with respect to all of the interest-bearing classes of the series 2009-K4 certificates.

Notwithstanding any of the foregoing, such Net Aggregate Prepayment Interest Shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee.

Calculation of Pass-Through Rates. The pass-through rate applicable to each interest-bearing class of series 2009-K4 certificate for the initial interest accrual period is shown in the table on page 4. However, the initial pass-through rate shown in the table on page 4 with respect to the class A-X1 and class A-X2 certificates is approximate.

The pass-through rates applicable to the class A-1, A-2 and A-3 certificates for each interest accrual period will remain fixed at the initial pass-through rate for that class shown on page 4.

The pass-through rate of the class A-X1 certificates for any interest accrual period will equal the excess, if any, of (a) the weighted average of the class A-X strip rates described below (weighted based upon the relative sizes of their respective components), over (b) a per annum rate that would accrue interest on the basis of an assumed 360 day year consisting of twelve 30-day months, equal to 0.10% multiplied by the actual number of days in the related accrual period divided by 30.

The pass-through rate of the class A-X2 certificates for any interest accrual period will equal the lesser of (a) a per annum rate that would accrue interest on the basis of an assumed 360 day year consisting of twelve 30-day months, equal to 0.10% multiplied by the actual number of days in the related accrual period divided by 30, and (b) the weighted average of the class A-X strip rates described below (weighted based upon the relative sizes of their respective components).

The “class A-X strip rates” are, for the purposes of calculating the pass-through rates of the class A-X1 certificates and the class A-X2 certificates, interest rates at which interest accrues from time to time on the respective components of the total notional amount of the class A-X1 certificates or the class A-X2 certificates, as applicable, outstanding immediately prior to the related distribution date. Each of those components will be comprised of the total principal balance of one of the classes of series 2009-K4 principal balance certificates. For purposes of calculating the pass-through rates of the class A-X1 certificates and the class A-X2 certificates in respect of each interest accrual period, the applicable class A-X strip rate with respect to each such component for each such interest accrual period will equal the excess, if any, of (a) the Weighted Average Net Mortgage Pass-Through Rate for the related distribution date minus, in the case of the Guaranteed Certificates (other than the class A-X1 certificates), the Guarantee Fee Rate, over (b) the pass through rate in effect during the subject interest accrual period for the class of series 2009-K4 principal balance certificates whose principal balance comprises such component.

The class B and class R certificates will not be interest-bearing and, therefore, will not have pass-through rates.

Principal Distributions. Subject to the Standard Available P&I Funds and the priority of distributions described below, the total amount of principal payable with respect to the series 2009-K4 principal balance certificates on each distribution date will equal the Principal Distribution Amount for that distribution date.

In general, subject to the Standard Available P&I Funds and the priority of distributions described below, the total amount of principal to which the holders of the class A-1, A-2 and A-3 certificates will be entitled on each distribution date will, in the case of each of those classes, generally equal:

- in the case of the class A-1 certificates, an amount (not to exceed the total principal balance of the class A-1 certificates outstanding immediately prior to the subject distribution date) equal to the Principal Distribution Amount for the subject distribution date, until the total principal balance of such class of certificates is reduced to zero;
- in the case of the class A-2 certificates, an amount (not to exceed the total principal balance of the class A-2 certificates outstanding immediately prior to the subject distribution date) equal to the Principal Distribution Amount for the subject distribution date (exclusive of any distributions of principal to which the holders of the class A-1 certificates are entitled on the subject distribution date as described in the immediately preceding bullet), until the total principal balance of such class of certificates is reduced to zero; and
- in the case of the class A-3 certificates, an amount (not to exceed the total principal balance of the class A-3 certificates outstanding immediately prior to the subject distribution date) equal to the Principal

Distribution Amount for the subject distribution date (exclusive of any distributions of principal to which the holders of the class A-1 and A-2 certificates are entitled on the subject distribution date as described in the immediately preceding two bullets), until the total principal balance of such class of certificates is reduced to zero.

While the class A-1 and A-2 certificates are outstanding, no portion of the Principal Distribution Amount for any distribution date will be allocated to any other class of series 2009-K4 principal balance certificates.

Because of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, the total principal balance of the class A-3 and B certificates could be reduced to zero at a time when both of the class A-1 and A-2 certificates remain outstanding. Under those circumstances, any principal distributions on the class A-1 and A-2 certificates will be made on a *pro rata* basis in accordance with the relative sizes of the respective then outstanding total principal balances of those classes.

Following the retirement of the class A-1 and A-2 certificates, the Principal Distribution Amount for each distribution date will be allocated *first*, to the class A-3 certificates in the amount described in the third bullet above, and *second* to the class B certificates in an amount up to the lesser of the portion of that Principal Distribution Amount that remains unallocated, and the total principal balance of the subject class immediately prior to that distribution date.

In no event will the holders of any class A-3 certificates be entitled to receive any distributions of principal until the total principal balance of the class A-1 and A-2 certificates is reduced to zero and in no event will the holders of any class B certificates be entitled to receive any distributions of principal until the total principal balance of the offered principal balance certificates is reduced to zero.

If the master servicer or the trustee reimburses itself out of general collections on the mortgage pool for any Nonrecoverable Advance, then that advance (together with accrued interest thereon) will be deemed, to the fullest extent permitted, to be reimbursed first out of payments and other collections of principal on the mortgage pool otherwise distributable on the series 2009-K4 certificates, prior to being deemed reimbursed out of payments and other collections of interest on the mortgage pool otherwise distributable on the series 2009-K4 certificates.

Additionally, in the event that any advance (including any interest accrued thereon) with respect to a defaulted mortgage loan in the issuing entity remains unreimbursed following the time that such mortgage loan is modified and returned to performing status, the master servicer or the trustee will be entitled to reimbursement for such advance (even though such advance is not deemed to be a Nonrecoverable Advance), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for any Nonrecoverable Advance, as described in the preceding paragraph, prior to any distributions of principal on the series 2009-K4 certificates. If any such advance is not reimbursed in whole on any distribution date due to insufficient principal collections during the related collection period, then the portion of that advance which remains unreimbursed will be carried over (with interest thereon continuing to accrue) for reimbursement on the following distribution date (to the extent of principal collections available for that purpose). If any such advance, or any portion of any such advance, is determined, at any time during this reimbursement process, to be a Nonrecoverable Advance, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement out of general collections as a Nonrecoverable Advance in an amount equal to the portion of that advance that remains outstanding, plus accrued interest.

Reimbursements of the type described in the two preceding paragraphs would result in a reduction of the Principal Distribution Amount for the related distribution date.

Loss Reimbursement Amounts. As discussed under “—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses” below, the total principal balance of any class of series 2009-K4 principal balance certificates may be reduced without a corresponding distribution of principal. If that occurs with respect to any class of series 2009-K4 principal balance certificates, then, subject to the Freddie Mac Guarantee in the case of the offered certificates and the Standard Available P&I Funds for each subsequent distribution date and the priority of distributions described below, the holders of that class will be entitled to be reimbursed for the amount of that reduction, without interest. References to “loss reimbursement amount” in this information circular mean, in the case of any class of series 2009-K4 principal balance certificates,

for any distribution date, the total amount to which the holders of that class are entitled as reimbursement for all previously unreimbursed reductions, if any, made in the total principal balance of that class on all prior distribution dates as discussed under “—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses” below.

Freddie Mac Guarantee. On each distribution date following the receipt from the trustee of a statement to certificateholders that indicates a Deficiency Amount for any class of offered certificates for such distribution date, the guarantor will distribute the related Guarantor Payment in an aggregate amount equal to the Deficiency Amount for such class of offered certificates for such distribution date directly to the holders of such class of certificates, without first depositing such amount in the collection account or distribution account. Any Guarantor Payment made to any class of offered certificates in respect of principal (but not in respect of reimbursement of Realized Losses or Additional Issuing Entity Expenses) will reduce the principal balance of such class by a corresponding amount. On each distribution date on which a Guarantor Payment is due with respect to any class of offered certificates, the guarantor is required to notify the trustee, the master servicer and the special servicer that such Guarantor Payment has been made in full (or if such Guarantor Payment was not paid in full, the amount that was unpaid), and specifying the amount of such Guarantor Payment made to each class of offered certificates. In addition, the Freddie Mac Guarantee does not cover any loss of yield on the class A-X1 certificates following a reduction in their notional balance resulting from a write-down to any class of principal balance certificates. In addition, Freddie Mac will be entitled to a Guarantee Fee equal to 0.34% per annum multiplied by the outstanding principal balance of each class of Guaranteed Certificates (other than the class A-X1 certificates). The Freddie Mac Guarantee is not backed by the full faith and credit of the United States. If the guarantor were unable to pay under the Freddie Mac Guarantee, the offered certificates could be subject to losses.

Priority of Distributions. On each distribution date, the trustee will apply the Standard Available P&I Funds for that date to make the following distributions in the following order of priority, in each case to the extent of the remaining portion of the Standard Available P&I Funds:

Order of Distribution	Recipient	Type and Amount of Distribution
1st	A-1, A-2, A-X1 and A-X2	From the Standard Available P&I Funds, interest up to the total interest distributable on those classes, <i>pro rata</i> based on the respective interest entitlements of those classes
2nd	A-1 and A-2, ¹	Principal up to the total principal distributable on the class A-1 and A-2 certificates, in that order, until the total principal balance of each such class has been reduced to zero
3rd	A-1 and A-2	Reimbursement up to the loss reimbursement amounts, if any, for those classes, <i>pro rata</i> , based on the loss reimbursement amounts for those classes
4th	A-3	Interest up to the total interest distributable on that class
5th	A-3	Principal up to the total principal distributable on that class, until the total principal balance of such class has been reduced to zero
6th	A-3	Reimbursement up to the loss reimbursement amount for that class
7th	Guarantor	Any Guarantor Reimbursement Amounts other than Guarantor Timing

¹ Priority of principal distributions among the class A-1 and A-2 certificates are described above under “—Distributions—Principal Distributions.” Because of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, the total principal balance of the class A-3 and B certificates could be reduced to zero at a time when both of the class A-1 and A-2 certificates remain outstanding. Under those circumstances, any principal distributions on the class A-1 and A-2 certificates will be made on a *pro rata* basis in accordance with the relative sizes of the respective then outstanding total principal balances of those classes.

Order of Distribution	Recipient	Type and Amount of Distribution
		Reimbursement Amounts
8th	Guarantor	Any Guarantor Timing Reimbursement Amounts.
9th	B	Interest up to the total interest distributable on that class, if any
10th	B	Principal up to the total principal distributable on that class, until the total principal balance of such class has been reduced to zero
11th	B	Reimbursement up to the loss reimbursement amount for that class
12th	Guarantor	Any Guarantor Reimbursement Interest Amount
13th	R	Any remaining portion of the funds in the Lower-Tier REMIC or Upper-Tier REMIC

Subordination. As and to the extent described in this information circular, the rights of holders of the class B certificates to receive distributions of amounts collected or advanced on the underlying mortgage loans will be subordinated to the rights of holders of the class A-1, class A-2, class A-3, class A-X1, class A-X2 certificates and the rights of the holders of the class A-3 certificates to receive distributions of amounts collected or advanced on the underlying mortgage loans will be subordinated to the rights of holders of the class A-1 and class A-2, A-X1 and class A-X2 certificates. This subordination is intended to enhance the likelihood of timely receipt by the holders of the class A-1, class A-2, class A-X1 and class A-X2 certificates of the full amount of all interest payable in respect of such certificates on each distribution date, and the ultimate receipt by the holders of each class of such certificates (other than the class A-X1 and class A-X2 certificates) of principal in an amount equal to the entire outstanding principal balance of such certificates and will be accomplished by the application of the Available P&I Funds on each distribution date in accordance with the order of priority described above under “—Priority of Distributions” and by the allocation of Realized Losses and Additional Issuing Entity Expenses as described below under “—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses.”

Allocation to the class A-1, class A-2 and class A-3 certificates for so long as they are outstanding, of the entire Principal Distribution Amount for each distribution date will generally have the effect of reducing the outstanding principal balance of those classes at a faster rate than would be the case if principal payments were allocated *pro rata* to all classes of certificates with outstanding principal balances. Thus, as principal is distributed to the holders of the class A-1, class A-2 and class A-3 certificates, the percentage interest in the trust evidenced by such will be decreased, with a corresponding increase in the percentage interest in the trust evidenced by the applicable Subordinate Certificates, thereby increasing, relative to their respective outstanding principal balances, the subordination afforded the class A-1, class A-2 and class A-3 certificates by the applicable Subordinate Certificates.

Treatment of REO Properties

Notwithstanding that any mortgaged real property may be acquired as part of the issuing entity through foreclosure, deed-in-lieu of foreclosure or otherwise, the related underlying mortgage loan will be treated as having remained outstanding, until the REO Property is liquidated, for purposes of determining—

- distributions on the series 2009-K4 certificates;
- allocations of Realized Losses and Additional Issuing Entity Expenses to the series 2009-K4 certificates; and
- the amount of all fees payable to the master servicer, the special servicer and the trustee under the series 2009-K4 pooling and servicing agreement.

In connection with the foregoing, the related underlying mortgage loan will be taken into account when determining the Weighted Average Net Mortgage Pass-Through Rate and the Principal Distribution Amount for each distribution date.

Operating revenues and other proceeds from an REO Property will be applied—

- *first*, to pay, or to reimburse the master servicer, the special servicer and/or the trustee for the payment of, any costs and expenses incurred in connection with the operation and disposition of the REO Property, and
- *thereafter*, as collections of principal, interest and other amounts due on the related underlying mortgage loan.

To the extent described under “—Advances of Delinquent Monthly Debt Service Payments” below, the master servicer and the trustee will be required to advance (subject to a nonrecoverability determination) delinquent monthly debt service payments with respect to each underlying mortgage loan as to which the corresponding mortgaged real property has become an REO Property, in all cases as if that underlying mortgage loan had remained outstanding.

Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses

As a result of Realized Losses and Additional Issuing Entity Expenses, the total Stated Principal Balance of the mortgage pool may decline below the total principal balance of the series 2009-K4 principal balance certificates. If this occurs following the distributions made to the 2009-K4 certificateholders on any distribution date, then the respective total principal balances of the following classes of the series 2009-K4 certificates are to be sequentially reduced in the following order, until the total principal balance of those classes of series 2009-K4 certificates equals the total Stated Principal Balance of the mortgage pool that will be outstanding immediately following the subject distribution date; *provided* that the total Stated Principal Balance of the mortgage pool will be decreased, for this purpose only, by the amount of any unreimbursed Timing Guarantor Payments and increased, for this purpose only, by amounts of principal attributable to the mortgage pool previously used to reimburse nonrecoverable advances and certain advances related to rehabilitated mortgage loans, as described herein under “—Advances of Delinquent Monthly Debt Service Payments” and “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses,” other than any such amounts previously used to reimburse advances with respect to mortgage loans that have since become liquidated loans) that will be outstanding immediately following that distribution date.

Order of Allocation	Class
1st	B
2nd	A-3
3rd	A-1 and A-2*

* *Pro rata* based on the respective total outstanding principal balances of the subject classes.

The above-described reductions in the total principal balances of the respective classes of the series 2009-K4 certificates identified in the foregoing table, will represent an allocation of the Realized Losses and/or Additional Issuing Entity Expenses that caused the particular mismatch in balances between the underlying mortgage loans and those classes of series 2009-K4 certificates. Notwithstanding the foregoing, Freddie Mac will be required under its guarantee to pay the holder of any offered certificates an amount equal to any such loss allocated to its offered certificate as described under “—Distributions—Freddie Mac Guarantee” above.

The loss, if any, in connection with the liquidation of a defaulted underlying mortgage loan, or related REO Property, held by the issuing entity, will generally be an amount equal to the excess, if any, of:

- the outstanding principal balance of the subject mortgage loan as of the date of liquidation, together with all accrued and unpaid interest on the subject mortgage loan to but not including the due date in the collection

period in which the liquidation occurred, exclusive, however, of any portion of that interest that represents Default Interest, and

- all related unreimbursed servicing advances (with interest) and unpaid liquidation expenses, over
- the total amount of liquidation proceeds, if any, recovered in connection with the liquidation that are available to pay interest (other than Default Interest) on and principal of the subject mortgage loan.

If any portion of the debt due under any of the underlying mortgage loans is forgiven, whether in connection with a modification, waiver or amendment granted or agreed to by the master servicer or the special servicer or in connection with the bankruptcy, insolvency or similar proceeding involving the related borrower, the amount forgiven, other than Default Interest, also will be treated as a Realized Loss.

The following items, to the extent that they are paid out of collections on the mortgage pool (other than late payment charges and/or Default Interest collected on the underlying mortgage loans), are some examples of Additional Issuing Entity Expenses:

- any special servicing fees, work-out fees and liquidation fees paid to the special servicer;
- any interest paid to the master servicer, the special servicer and/or the trustee with respect to advances;
- the cost of various opinions of counsel required or permitted to be obtained in connection with the servicing of the underlying mortgage loans and the administration of the other assets of the issuing entity;
- any unanticipated expenses of the issuing entity, including—
 1. any reimbursements and indemnifications to the trustee and various related persons and entities, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Certain Indemnities” in this information circular,
 2. any reimbursements and indemnification to the master servicer, the special servicer, us and various related persons and entities, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Certain Indemnities” in this information circular, and
 3. any U.S. federal, state and local taxes, and tax-related expenses, payable out of assets of the issuing entity, as described under “Certain Federal Income Tax Consequences—Taxes That May Be Imposed on a REMIC” in this information circular; and
- any amounts expended on behalf of the issuing entity to remediate an adverse environmental condition at any mortgaged real property securing a defaulted underlying mortgage loan, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans” in this information circular.

Late payment charges and Default Interest collected with respect to any underlying mortgage loan are to be applied to pay interest on any advances that have been or are being reimbursed with respect to that mortgage loan. In addition, late payment charges and Default Interest collected with respect to any underlying mortgage loan are also to be applied to reimburse the trust for any Additional Issuing Entity Expenses previously incurred by the trust with respect to that mortgage loan. Late payment charges and Default Interest collected with respect to any underlying mortgage loan that are not so applied to pay interest on advances or to reimburse the trust for previously incurred Additional Issuing Entity Expenses will be paid to the master servicer and/or the special servicer as additional servicing compensation.

Advances of Delinquent Monthly Debt Service Payments

The master servicer will be required to make, for each distribution date, a total amount of advances of principal and/or interest generally equal to all scheduled monthly debt service payments, other than balloon payments, Default

Interest and late payment charges, and assumed monthly debt service payments, in each case net of related master servicing fees and sub-servicing fees, that—

- were due or deemed due, as the case may be, during the related collection period with respect to the underlying mortgage loans, and
- were not paid by or on behalf of the respective borrowers thereunder or otherwise collected as of the close of business on the last day of the related collection period.

Notwithstanding the foregoing, if it is determined that an Appraisal Reduction Amount exists with respect to any mortgage loan in the issuing entity, then the master servicer will reduce the interest portion, but not the principal portion, of each monthly debt service advance that it must make with respect to that mortgage loan during the period that the Appraisal Reduction Amount exists. The interest portion of any monthly debt service advance required to be made with respect to any underlying mortgage loan as to which there exists an Appraisal Reduction Amount, will equal the product of—

- the amount of the interest portion of that monthly debt service advance that would otherwise be required to be made for the subject distribution date without regard to this sentence and the prior sentence, multiplied by
- a fraction—
 1. the numerator of which is equal to the Stated Principal Balance of the subject mortgage loan, net of the Appraisal Reduction Amount, and
 2. the denominator of which is equal to the Stated Principal Balance of the subject mortgage loan.

However, there will be no such reduction in any advance for delinquent monthly debt service payments due to an Appraisal Reduction Event at any time after the principal balance of the class B certificates has been reduced to zero.

With respect to any distribution date, the master servicer will be required to make monthly debt service advances either out of its own funds or, subject to replacement as and to the extent provided in the series 2009-K4 pooling and servicing agreement, out of funds held in the master servicer's collection account that are not required to be paid on the series 2009-K4 certificates on the related distribution date. Further, if a Ratings Trigger Event occurs with respect to the master servicer, the guarantor will have the right to require the master servicer to remit out of its own funds to the master servicer's collection account, an amount equal to all monthly debt service advances previously made out of the master servicer's collection account and not previously repaid from collections on the underlying mortgage loans, and thereafter, the master servicer will be required to make monthly debt service advances solely out of its own funds.

If the master servicer fails to make a required monthly debt service advance and the trustee is aware of that failure, the trustee will be obligated to make that advance.

The master servicer and the trustee will each be entitled to recover any monthly debt service advance made by it out of its own funds (together with interest accrued thereon), from collections on the underlying mortgage loan as to which the advance was made. None of the master servicer or the trustee will be obligated to make any monthly debt service advance that, in its judgment, would not ultimately be recoverable out of collections on the related mortgage loan. If the master servicer or the trustee makes any monthly debt service advance with respect to any of the underlying mortgage loans that it or the special servicer subsequently determines will not be recoverable out of collections on that mortgage loan (such advance, a "Nonrecoverable P&I Advance"), it may obtain reimbursement for that advance, together with interest accrued on the advance as described in the third succeeding paragraph, out of general collections on the mortgage pool. See "Description of the Certificates—Advances" in this information circular and "The Series 2009-K4 Pooling and Servicing Agreement—Collection Accounts" in this information circular. Any reimbursement of a Nonrecoverable P&I Advance (including interest accrued thereon) as described in the second preceding sentence will be deemed to be reimbursed first from payments and other collections of principal on the mortgage pool (thereby reducing the amount of principal otherwise distributable on the series

2009-K4 certificates on the related distribution date) prior to the application of any other general collections on the mortgage pool against such reimbursement. The trustee may conclusively rely on the determination of the master servicer and special servicer regarding the recoverability of any monthly debt service advance, and the master servicer may conclusively rely on the determination of the special servicer regarding the recoverability of any monthly debt service advance.

Notwithstanding the foregoing, instead of obtaining reimbursement out of general collections on the mortgage pool immediately for a Nonrecoverable P&I Advance, the master servicer or the trustee, as applicable, may, in its sole discretion, elect to obtain reimbursement for such Nonrecoverable P&I Advance over a period of time (not to exceed six months without the consent of the series 2009-K4 directing certificateholder or 12 months in any event), with interest continuing to accrue thereon at the prime rate as described below. At any time after such a determination to obtain reimbursement over time in accordance with the preceding sentence, the master servicer or the trustee, as applicable, may, in its sole discretion, decide to obtain reimbursement for such Nonrecoverable P&I Advance from general collections on the mortgage pool (including, without limitation, interest collections) immediately. In general, such a reimbursement deferral will only be permitted under the series 2009-K4 pooling and servicing agreement if and to the extent that the subject Nonrecoverable P&I Advance, after taking into account other outstanding Nonrecoverable Advances, could not be reimbursed with interest out of payments and other collections of principal on the mortgage pool. The fact that a decision to recover a Nonrecoverable P&I Advance over time, or not to do so, benefits some classes of series 2009-K4 certificateholders to the detriment of other classes of 2009-K4 certificateholders will not constitute a violation of the Servicing Standard or a breach of the terms of the series 2009-K4 pooling and servicing agreement by any party thereto or a violation of any duty owed by any party thereto to the series 2009-K4 certificateholders.

In addition, in the event that any monthly debt service advance (including interest accrued thereon) with respect to a defaulted underlying mortgage loan remains unreimbursed following the time that such mortgage loan is modified and returned to performing status, the master servicer or the trustee will be entitled to reimbursement for that advance (even though that advance is not deemed a Nonrecoverable P&I Advance), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for any Nonrecoverable Advance, prior to any distributions of principal on the series 2009-K4 certificates. If any such advance is not reimbursed in whole on any distribution date due to insufficient principal collections during the related collection period, then the portion of that advance which remains unreimbursed will be carried over (with interest thereon continuing to accrue) for reimbursement on the following distribution date (to the extent of principal collections available for that purpose). If any such advance, or any portion of any such advance, is determined, at any time during this reimbursement process, to be a Nonrecoverable Advance, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement out of general collections as a Nonrecoverable Advance in an amount equal to the portion of that advance that remains outstanding, plus accrued interest.

The master servicer and the trustee will each be entitled to receive interest on monthly debt service advances made by that party out of its own funds. That interest will accrue on the amount of each monthly debt service advance for so long as that advance is outstanding from the date made (or, if made prior to the end of the applicable grace period, from the end of that grace period), at an annual rate equal to the prime rate as published in the “Money Rates” section of *The Wall Street Journal*, as that prime rate may change from time to time, and be compounded annually. Subject to the discussion in the two preceding paragraphs, interest accrued with respect to any monthly debt service advance on an underlying mortgage loan will be payable out of general collections on the mortgage pool.

A monthly debt service payment will be assumed to be due with respect to:

- each underlying mortgage loan that is delinquent with respect to its balloon payment beyond the end of the collection period in which its maturity date occurs and as to which no arrangements have been agreed to for the collection of the delinquent amounts, including an extension of maturity; and
- each underlying mortgage loan as to which the corresponding mortgaged real property has become an REO Property.

The assumed monthly debt service payment deemed due on any underlying mortgage loan described in the prior sentence will equal, for its maturity date (if applicable) and for each successive due date following the relevant event that it or any related REO Property remains part of the issuing entity, the sum of (a) the principal portion, if any, of the monthly debt service payment that would have been due on the subject mortgage loan on the relevant date if the related balloon payment had not come due or the related mortgaged real property had not become an REO property, as the case may be, and the subject mortgage loan had, instead, continued to amortize and accrue interest according to its terms in effect prior to that event, plus (b) one month's interest on the Stated Principal Balance of the subject mortgage loan at the related mortgage interest rate (but not including Default Interest).

Reports to Certificateholders and Guarantor; Available Information

Trustee Reports. Based solely on information provided on a one-time basis by the mortgage loan seller, and in monthly reports prepared by the master servicer and the special servicer in accordance with series 2009-K4 pooling and servicing agreement, and in any event delivered to the trustee, the trustee will be required to prepare and make available electronically or, upon written request, provide by first class mail, (a) three business days prior to each distribution date to the guarantor and (b) on each distribution date to each registered holder of a series 2009-K4 certificate, a reporting statement substantially in the form of, and containing substantially the information set forth in, Exhibit B to this information circular. The trustee's reporting statement will detail the distributions on the series 2009-K4 certificates on that distribution date and the performance, both in total and individually to the extent available, of the underlying mortgage loans and the related mortgaged real properties. Recipients will be deemed to have agreed to keep the subject information confidential.

Such statement (in the form of Exhibit B) will set forth, to the extent applicable:

- (i) the amount, if any, of such distributions to the holders of each class of series 2009-K4 principal balance certificates applied to reduce the aggregate certificate balance of such class;
- (ii) the amount of such distribution to holders of each class of certificates allocable to interest;
- (iii) the number of outstanding underlying mortgage loans and the aggregate principal balance and scheduled principal balance of the underlying mortgage loans at the close of business on the related determination date, and any material modifications, extensions or waivers to mortgage loan terms, fees, penalties or payments;
- (iv) the number and aggregate scheduled principal balance of underlying mortgage loans:
 - (A) delinquent 30 to 59 days,
 - (B) delinquent 60 to 89 days,
 - (C) delinquent 90 days or more,
 - (D) as to which foreclosure proceedings have been commenced, or
 - (E) as to which bankruptcy proceedings have been commenced;
- (v) with respect to any REO Property included in the issuing entity, the principal balance of the related underlying mortgage loan as of the date of acquisition of the REO Property and the scheduled principal balance of the related underlying mortgage loan;
- (vi) as of the related determination date:
 - (A) as to any REO Property sold during the related collection period, the date of the related determination by the special servicer that it has recovered all payments which it expects to be finally recoverable and the amount of the proceeds of such sale deposited into the collection account, and

- (B) the aggregate amount of other revenues collected by the special servicer with respect to each REO Property during the related collection period and credited to the collection account, in each case identifying such REO Property by the loan number of the related underlying mortgage loan;
- (vii) the aggregate certificate balance or notional amount of each class of certificates before and after giving effect to the distribution made on such distribution date;
 - (viii) the aggregate amount of principal prepayments made during the related collection period;
 - (ix) the pass-through rate applicable to each class of certificates for such distribution date;
 - (x) the aggregate amount of servicing fees paid to the master servicer and the special servicer;
 - (xi) the amount of unpaid interest, realized losses or expense losses, if any, incurred with respect to the underlying mortgage loans, including a break out by type of such expense losses on an aggregate basis;
 - (xii) the aggregate amount of advances outstanding, separately stated, that have been made by the master servicer, the special servicer and the trustee and the aggregate amount of advances made by the master servicer in respect of the non-specially serviced mortgage loans;
 - (xiii) any Appraisal Reduction Amounts effected during the related collection period on a loan-by-loan basis and the total Appraisal Reduction Amounts in effect as of such distribution date;
 - (xiv) the record date for such distribution date;
 - (xv) updated mortgage loan information, such as weighted average interest rate, and weighted average remaining term;
 - (xvi) material breaches of mortgage loan representations and warranties or material document defects of which the trustee, the master servicer or the special servicer has received written notice;
 - (xvii) material breaches of any covenants under the series 2009-K4 pooling and servicing agreement of which the trustee, the master servicer or the special servicer has received written notice;
 - (xviii) any Deficiency Amount with respect to a class of offered certificates;
 - (xix) the Guarantee Fee paid to the guarantor;
 - (xx) any Unreimbursed Indemnification Expenses (payable to each of the master servicer, the special servicer, the custodian and the trustee and in the aggregate); and
 - (xxi) such other information and in such form as will be specified in the series 2009-K4 pooling and servicing agreement.

In the case of information furnished pursuant to subclauses (a)(i), (a)(ii) and (a)(xi) above, the amounts shall be expressed as a dollar amount per \$1,000 of original actual principal amount of the certificates for all certificates of each applicable class.

The master servicer will be required to provide the standard CMSA investor reporting package to the trustee on a monthly basis. The trustee shall not be obligated to deliver any such report until the reporting package is provided by the master servicer.

Information Available Electronically. In addition, the trustee will also make this information circular, the series 2009-K4 pooling and servicing agreement and certain underlying mortgage loan information as presented in the standard CMSA investor reporting package available to any registered holder or beneficial owner of an offered certificate and to certain other persons via the trustee's internet website in accordance with the terms and provisions of the series 2009-K4 pooling and servicing agreement. The trustee's internet website will initially be located at "www.ctslink.com" For assistance with the trustee's internet website certificateholders may call 301-815-6600.

The trustee will make no representations or warranties as to the accuracy or completeness of, and may disclaim responsibility for, any information made available by it for which it is not the original source.

The trustee may require registration and the acceptance of a disclaimer, as well as an agreement to keep the subject information confidential, in connection with providing access to its internet website. The trustee will not be liable for the dissemination of information made by it in accordance with the series 2009-K4 pooling and servicing agreement.

Other Information. The series 2009-K4 pooling and servicing agreement will obligate the trustee (or in the case of the items listed in the fifth, sixth and seventh bullet points below, the master servicer or special servicer, as applicable) to make available at its offices, during normal business hours, upon reasonable advance written notice, or electronically via its website, for review by any holder or beneficial owner of an offered certificate or any person identified to the trustee as a prospective transferee of an offered certificate or any interest in that offered certificates, originals or copies, in paper or electronic form, of, among other things, the following items:

- the series 2009-K4 pooling and servicing agreement, including exhibits, and any amendments to the series 2009-K4 pooling and servicing agreement;
- all monthly reports of the trustee delivered, or otherwise electronically made available, to series 2009-K4 certificateholders since the date of initial issuance of the offered certificates;
- all officer's certificates delivered to the trustee by the master servicer and/or the special servicer since the date of initial issuance of the offered certificates, as described under "The Series 2009-K4 Pooling and Servicing Agreement—Evidence as to Compliance" in this information circular;
- all accountant's reports delivered to the trustee with respect to the master servicer and/or the special servicer since the date of initial issuance of the offered certificates, as described under "The Series 2009-K4 Pooling and Servicing Agreement—Evidence as to Compliance" in this information circular;
- the most recent inspection report with respect to each mortgaged real property securing a mortgage loan prepared by the master servicer or the special servicer as described under "The Series 2009-K4 Pooling and Servicing Agreement—Inspections; Collection of Operating Information" in this information circular;
- the most recent appraisal, if any, with respect to each mortgaged real property securing a mortgage loan obtained by the master servicer or the special servicer;
- the most recent annual operating statement and rent roll for each mortgaged real property securing a mortgage loan and financial statements of the related borrower collected by the master servicer or the special servicer as described under "The Series 2009-K4 Pooling and Servicing Agreement—Inspections; Collection of Operating Information" in this information circular; and
- the mortgage files for the mortgage loans, including all documents, such as modifications, waivers and amendments, that are to be added to those mortgage files from time to time and any updated list of exceptions to the trustee's review of the mortgage files for the underlying mortgage loans.

Copies of any and all of the foregoing items will be available from the trustee, master servicer or special servicer upon request. However, the trustee, master servicer or special servicer, as applicable, will be permitted to require payment of a sum sufficient to cover the reasonable costs and expenses of providing the copies.

In connection with providing access to or copies of the items described above, the trustee, master servicer or special servicer may require:

- in the case of a registered holder or beneficial owner of an offered certificate, a written confirmation executed by the requesting person or entity, in the form attached to the series 2009-K4 pooling and servicing agreement, generally to the effect that, among other things, the person or entity is a registered holder or beneficial owner of offered certificates and will keep the information confidential and will indemnify the trustee, the master servicer and the special servicer; and

- in the case of a prospective purchaser of an offered certificate or any interest in that offered certificate, confirmation executed by the requesting person or entity, in the form attached to the series 2009-K4 pooling and servicing agreement, generally to the effect that, among other things, the person or entity is a prospective purchaser of offered certificates or an interest in offered certificates, is requesting the information for use in evaluating a possible investment in the offered certificates and will otherwise keep the information confidential and will indemnify the trustee, the master servicer and the special servicer.

Reports to Guarantor. On or before the third business day prior to each distribution date, the trustee shall, in accordance with the terms of the series 2009-K4 pooling and servicing agreement, prepare and distribute to the guarantor certain supplemental reports related to the offered certificates.

Voting Rights

The voting rights for the series 2009-K4 certificates will be allocated as follows:

- 99% of the voting rights will be allocated to the class A-1, A-2, A-3 and B certificates, in proportion to the respective total principal balances of those classes;
- 1% of the voting rights will be allocated to the class A-X1 and A-X2 certificates, in proportion to the respective notional amounts of those classes; and
- 0% of the voting rights will be allocated to the holders of the class R certificates.

Voting rights allocated to a class of series 2009-K4 certificateholders will be allocated among those certificateholders in proportion to their respective percentage interests in that class.

YIELD AND MATURITY CONSIDERATIONS

Yield Considerations

General. The yield on any offered certificate will depend on—

- the price at which the certificate is purchased by an investor; and
- the rate, timing and amount of distributions on the certificate.

The rate, timing and amount of distributions on any offered certificate will in turn depend on, among other things—

- the pass-through rate for the certificate;
- the rate and timing of principal payments, including principal prepayments, and other principal collections on the underlying mortgage loans and the extent to which those amounts are to be applied or otherwise result in reduction of the principal balance of the certificate;
- the rate, timing and severity of Realized Losses and Additional Issuing Entity Expenses and the extent to which those losses and expenses result in the reduction of the principal balance of the certificate; and
- the timing and severity of any Net Aggregate Prepayment Interest Shortfalls and the extent to which those shortfalls result in the reduction of the interest distributions on the certificate.

Freddie Mac Guarantee. Although the Freddie Mac Guarantee will mitigate the yield and maturity considerations with respect to the offered certificates discussed herein, the Freddie Mac Guarantee is not backed by the full faith and credit of the United States. If the guarantor were unable to pay under the Freddie Mac Guarantee, such mitigation would not apply.

Pass-Through Rates. The pass-through rate for the class A-X1 certificates will vary with the changes in the relative size of the total principal balance of the classes of series 2009-K4 principal balance certificates and will be adversely affected if mortgage loans with relatively high mortgage interest rates experience a faster rate of principal payments than mortgage loans with relatively low mortgage interest rates.

Rate and Timing of Principal Payments. The yield to maturity of the interest only certificates will be extremely sensitive to, and the yield to maturity on any offered principal balance certificates purchased at a discount or a premium will be affected by, the rate and timing of principal distributions made in reduction of the total principal balances of those certificates. In turn, the rate and timing of principal distributions that are paid or otherwise result in reduction of the total principal balance of any offered principal balance certificates will be directly related to the rate and timing of principal payments on or with respect to the underlying mortgage loans. Finally, the rate and timing of principal payments on or with respect to the underlying mortgage loans will be affected by their amortization schedules, the dates on which balloon payments are due and the rate and timing of principal prepayments and other unscheduled collections on them, including for this purpose, collections made in connection with liquidations of underlying mortgage loans due to defaults, casualties or condemnations affecting the mortgaged real properties, pay downs of loans due to failure of the related property to meet certain performance criteria or purchases or other removals of underlying mortgage loans from the issuing entity.

If you are contemplating an investment in the interest only certificates, you should further consider the risk that an extremely rapid rate of payments and other collections of principal on the mortgage loans could result in your failure to fully recoup your initial investment.

Prepayments and other early liquidations of the underlying mortgage loans will result in distributions on the offered principal balance certificates of amounts that would otherwise be paid over the remaining terms of the subject mortgage loans. This will tend to shorten the weighted average lives of the offered principal balance certificates and accelerate the rate at which any notional amounts of the interest only certificates are reduced. Defaults on the underlying mortgage loans, particularly at or near their maturity dates, may result in significant delays in distributions of principal on the subject mortgage loans and, accordingly, on the offered principal balance certificates, while work-outs are negotiated or foreclosures are completed. These delays will tend to lengthen the weighted average lives of the offered principal balance certificates. See “The Series 2009-K4 Pooling and Servicing Agreement—Modifications, Waivers, Amendments and Consents” in this information circular.

The extent to which the yield to maturity on any offered certificate may vary from the anticipated yield will depend upon the degree to which the principal balance certificate is purchased at a discount or premium and when, and to what degree payments of principal on the underlying mortgage loans are in turn paid in a reduction of the principal balance of the certificate. If you purchase your offered principal balance certificates at a discount, you should consider the risk that a slower than anticipated rate of principal payments on the underlying mortgage loans could result in an actual yield to you that is lower than your anticipated yield. If you purchase your interest only certificates or offered principal balance certificates at a premium, you should consider the risk that a faster than anticipated rate of principal payments on the underlying mortgage loans could result in an actual yield to you that is lower than your anticipated yield.

Because the rate of principal payments on or with respect to the underlying mortgage loans will depend on future events and a variety of factors, no assurance can be given as to that rate or the rate of principal prepayments in particular.

Delinquencies and Defaults on the Mortgage Loans. The rate and timing of delinquencies and defaults on the underlying mortgage loans will affect—

- the amount of distributions on your offered certificates;
- the yield to maturity of your offered certificates;
- the notional amount of the interest only certificates;
- the rate of principal distributions on your offered certificates; and

- the weighted average life of your offered certificates.

Delinquencies on the underlying mortgage loans may result in shortfalls in distributions of interest and/or principal on your offered certificates for the current month, although Freddie Mac will be required under its guarantee to pay the holder of any offered certificate an amount equal to any such shortfall allocated to its certificates as set forth in “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee” in this information circular. Although any shortfalls in distributions of interest may be made up on future distribution dates, no interest would accrue on those shortfalls. Thus, any shortfalls in distributions of interest would adversely affect the yield to maturity of your offered certificates.

If—

- you calculate the anticipated yield to maturity for your offered certificates based on an assumed rate of default and amount of losses on the underlying mortgage loans that is lower than the default rate and amount of losses actually experienced, and
- the additional losses result in a reduction of the total distributions on or the total principal balance of your offered certificates,

then your actual yield to maturity will be lower than you calculated and could, under some scenarios, be negative.

The timing of any loss on a liquidated mortgage loan that results in a reduction of the total distributions on or the total principal balance of your offered certificates will also affect your actual yield to maturity, even if the rate of defaults and severity of losses are consistent with your expectations. In general, the earlier your loss occurs, the greater the effect on your yield to maturity.

Even if losses on the underlying mortgage loans do not result in a reduction of the total distributions on or the total principal balance of your offered certificates, the losses may still affect the timing of distributions on, and the weighted average life and yield to maturity of, your offered certificates.

In addition, if the master servicer or the trustee reimburses itself out of general collections on the mortgage pool for any Nonrecoverable Advance, then that advance (together with accrued interest thereon) will be deemed, to the fullest extent permitted, to be reimbursed first out of payments and other collections of principal on the mortgage pool otherwise distributable on the series 2009-K4 certificates, prior to being deemed reimbursed out of payments and other collections of interest on the mortgage pool otherwise distributable on the series 2009-K4 certificates.

In the event that any advance (including any interest accrued thereon) with respect to a defaulted underlying mortgage loan remains unreimbursed following the time that such underlying mortgage loan is modified and returned to performing status, the master servicer or the trustee, as applicable, will be entitled to reimbursement for that advance (even though that advance is not deemed a Nonrecoverable Advance), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for any Nonrecoverable Advance, as described in the preceding paragraph, prior to any distributions of principal on the series 2009-K4 certificates. If any such advance is not reimbursed in whole on any distribution date due to insufficient principal collections during the related collection period, then the portion of that advance which remains unreimbursed will be carried over (with interest thereon continuing to accrue) for reimbursement on the following distribution date (to the extent of principal collections available for that purpose). If any such advance, or any portion of any such advance, is determined, at any time during this reimbursement process, to be a Nonrecoverable Advance, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement as a Nonrecoverable Advance in an amount equal to the portion of that advance that remains outstanding, plus accrued interest.

Relevant Factors. The following factors, among others, will affect the rate and timing of principal payments and defaults and the severity of losses on or with respect to the underlying mortgage loans:

- prevailing interest rates;

- the terms of those mortgage loans, including—
 1. provisions that impose prepayment lock-out periods;
 2. amortization terms that require balloon payments;
 3. due on sale/encumbrance provisions; and
 4. any provisions requiring draws on letters of credit or escrowed funds to be applied to principal;
- the demographics and relative economic vitality of the areas in which the mortgaged real properties are located;
- the general supply and demand for multifamily rental space, of the type available at the mortgaged real properties in the areas in which those properties are located;
- the quality of management of the mortgaged real properties;
- the servicing of those mortgage loans;
- possible changes in tax laws; and
- other opportunities for investment.

See “Risk Factors—Risks Related to the Underlying Mortgage Loans,” “Description of the Underlying Mortgage Loans” and “The Series 2009-K4 Pooling and Servicing Agreement” in this information circular.

The rate of prepayment on the mortgage loans in the issuing entity is likely to be affected by prevailing market interest rates for mortgage loans of a comparable type, term and risk level. When the prevailing market interest rate is below the annual rate at which a mortgage loan accrues interest, the related borrower may have an increased incentive to refinance that mortgage loan. Conversely, to the extent prevailing market interest rates exceed the annual rate at which a mortgage loan accrues interest, the related borrower may be less likely to voluntarily prepay that mortgage loan.

Depending on prevailing market interest rates, the outlook for market interest rates and economic conditions generally, some underlying borrowers may sell their mortgaged real properties in order to realize their equity in those properties, to meet cash flow needs or to make other investments. In addition, some underlying borrowers may be motivated by U.S. federal and state tax laws, which are subject to change, to sell their mortgaged real properties.

In addition, certain of the mortgage loans may have performance escrows or letters of credit pursuant to which the funds held in escrow or the proceeds of such letters of credit may be applied to reduce the principal balance of such mortgage loans if certain performance triggers are not satisfied. This circumstance would have the same effect on the offered certificate as a partial prepayment on such mortgage loans without payment of a yield maintenance charge. For more information regarding these escrows and letters of credit, see the footnotes to Exhibit A-1 to this information circular.

A number of the underlying borrowers are partnerships. The bankruptcy of the general partner in a partnership may result in the dissolution of the partnership. The dissolution of a borrower partnership, the winding-up of its affairs and the distribution of its assets could result in an acceleration of its payment obligations under the related mortgage loan.

We make no representation or warranty regarding:

- the particular factors that will affect the rate and timing of prepayments and defaults on the underlying mortgage loans;
- the relative importance of those factors;

- the percentage of the total principal balance of the underlying mortgage loans that will be prepaid or as to which a default will have occurred as of any particular date;
- whether the underlying mortgage loans that are in a prepayment lock-out period, including any part of that period when defeasance is allowed, will be prepaid as a result of involuntary liquidations upon default or otherwise during that period; or
- the overall rate of prepayment or default on the underlying mortgage loans.

Delay in Distributions. Because monthly distributions will not be made on the offered certificates until the distribution date following the due dates for the underlying mortgage loans during the related collection period, your effective yield will be lower than the yield that would otherwise be produced by your pass-through rate and purchase price, assuming that purchase price did not account for a delay.

Weighted Average Lives of the Offered Series 2009-K4 Principal Balance Certificates

For purposes of this information circular, the weighted average life of any series 2009-K4 principal balance certificate refers to the average amount of time that will elapse from the assumed settlement date of October 22, 2009 until each dollar to be applied in reduction of the total principal balance of those certificates is paid to the investor. For purposes of this “Yield and Maturity Considerations” section, the weighted average life of any series 2009-K4 principal balance certificate is determined by:

- multiplying the amount of each principal distribution on the certificate by the number of years from the assumed settlement date to the related distribution date;
- summing the results; and
- dividing the sum by the total amount of the reductions in the principal balance of the certificate.

Accordingly, the weighted average life of any series 2009-K4 principal balance certificate will be influenced by, among other things, the rate at which principal of the underlying mortgage loans is paid or otherwise collected or advanced and the extent to which those payments, collections and/or advances of principal are in turn applied in reduction of the principal balance of that certificate (including any reductions in principal balance as a result of Balloon Guarantor Payments).

As described in this information circular, the Principal Distribution Amount for each distribution date will be payable *first* to make distributions of principal to the holders of the class A-1 and/or A-2 certificates (allocated among those classes as described under “Description of the Series 2009-K4 Certificates—Distributions—Principal Distributions” in this information circular) until the total principal balances of those classes are reduced to zero, *second* to make distributions of principal to holders of the class A-3 certificates until the total principal balance of that class is reduced to zero, and will thereafter be distributable entirely to the class B certificates. As a consequence of the foregoing, the weighted average lives of the class A-1 certificates may be shorter, and the weighted average lives of the class A-2, A-3 and B certificates may be longer, than would otherwise be the case if the Principal Distribution Amount for each distribution date was being paid on a *pro rata* basis among the respective classes of series 2009-K4 principal balance certificates.

The tables set forth in Exhibit C show with respect to each class of offered certificates, which is a series 2009-K4 principal balance certificate—

- the weighted average life of that class, and
- the percentage of the initial total principal balance of that class that would be outstanding after each of the specified dates,

based upon each of the indicated levels of CPR and the Modeling Assumptions.

The actual characteristics and performance of the underlying mortgage loans will differ from the Modeling Assumptions used in calculating the tables on Exhibit C to this information circular. Those tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under the assumed prepayment scenarios. Any difference between the Modeling Assumptions used in calculating the tables on Exhibit C to this information circular and the actual characteristics and performance of the underlying mortgage loans, or actual prepayment or loss experience, will affect the percentages of initial total principal balances outstanding over time and the weighted average lives of the respective classes of offered certificates. You must make your own decisions as to the appropriate prepayment, liquidation and loss assumptions to be used in deciding whether to purchase any offered certificate.

We make no representation that—

- the underlying mortgage loans will prepay in accordance with the assumptions set forth in this information circular at any of the indicated levels of CPR or at any other particular prepayment rate;
- all the underlying mortgage loans will prepay in accordance with the assumptions set forth in this information circular at the same rate; or
- underlying mortgage loans that are in a prepayment lock-out period will not prepay as a result of involuntary liquidations upon default or otherwise during that period.

You must make your own decisions as to the appropriate loss, prepayment and liquidation assumptions to be used in deciding to purchase any offered certificates.

Yield Sensitivity of the Class A-X1 Certificates

The yield to investors on the class A-X1 certificates will be highly sensitive to the rate and timing of principal payments, including prepayments, on the mortgage loans. If you are contemplating an investment in the certificates, you should fully consider the associated risks, including the risk that an extremely rapid rate of prepayment and/or liquidation of the mortgage loans could result in your failure to recoup fully your initial investment.

The table set forth in Exhibit D shows pre-tax corporate bond equivalent yields for the class A-X1 certificates based on the Modeling Assumptions except that the appropriate CPR is assumed to be applied to each mortgage loan only after the expiration of any lock-out period, including any contemporaneous defeasance period, and further assuming the specified purchase prices and the indicated levels of CPR. Those assumed purchase prices are—

- expressed in 32nds as a percentage of the initial total notional amount of the class A-X1 certificates (*i.e.*, 2-12 means 2.375%), and
- exclusive of accrued interest.

The yields set forth in the table in Exhibit D were calculated by:

- determining the monthly discount rate that, when applied to the assumed stream of cash flows to be paid on the class A-X1 certificates, as applicable, would cause the discounted present value of that assumed stream of cash flows to equal—
 1. the assumed purchase price for the class A-X1 certificates, as applicable, plus
 2. accrued interest at the initial pass-through rate for the class A-X1 certificates, as applicable, from and including October 1, 2009 to but excluding the assumed settlement date of October 22, 2009, which is a part of the Modeling Assumptions; and
- converting those monthly discount rates to corporate bond equivalent rates.

Those calculations do not take into account variations that may occur in the interest rates at which investors in the class A-X1 certificates, as applicable, certificates may be able to reinvest funds received by them as payments on

their certificates. Consequently, they do not purport to reflect the return of any investment on the class A-X1 certificates, as applicable, when reinvestment rates are considered.

There can be no assurance that—

- the mortgage loans will prepay in accordance with the assumptions used in preparing the table in Exhibit D,
- the mortgage loans will prepay as assumed at any of the rates shown in the table in Exhibit D,
- the mortgage loans will not experience losses,
- the mortgage loans will not be liquidated during any applicable prepayment lockout period or prepaid or liquidated during any other period that prepayments are assumed not to occur,
- the cash flows on the class A-X1 certificates will correspond to the cash flows shown in this information circular, or
- the purchase price of the class A-X1 certificates will be as assumed.

It is unlikely that the mortgage loans will prepay as assumed at any of the specified percentages of CPR until maturity or that all of the mortgage loans will so prepay at the same rate. Actual yields to maturity for investors in the class A-X1 certificates may be materially different than those indicated in the table in Exhibit D. Timing of changes in rate of prepayment and other liquidations may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments and other liquidations is consistent with the expectations of investors. You must make your own decisions as to the appropriate prepayment, liquidation and loss assumptions to be used in deciding whether to purchase the class A-X1 certificates.

THE SERIES 2009-K4 POOLING AND SERVICING AGREEMENT

General

The series 2009-K4 certificates will be issued, the issuing entity will be created and the underlying mortgage loans will be serviced and administered under a pooling and servicing agreement to be dated as of October 1, 2009, by and among us, as depositor, the master servicer, the special servicer, the trustee and the guarantor.

The trustee will provide a copy of the series 2009-K4 pooling and servicing agreement to a prospective or actual holder or beneficial owner of an offered certificate, upon written request and the completion of an appropriate confidentiality agreement in the form attached to the series 2009-K4 pooling and servicing agreement and, at the trustee's discretion, payment of a reasonable fee for any expenses. The series 2009-K4 pooling and servicing agreement will also be made available by the trustee on its website, at the address set forth under "Description of the Series 2009-K4 Certificates—Reports to Certificateholders; Available Information" in this information circular.

The Master Servicer

Midland Loan Services, Inc. ("Midland") will be the master servicer and in this capacity will be responsible for the master servicing and administration of the underlying mortgage loans pursuant to the series 2009-K4 pooling and servicing agreement. Certain servicing and administrative functions will also be provided by one or more sub-servicers that previously serviced the mortgage loans for the mortgage loan seller.

Midland is a Delaware corporation and a wholly-owned subsidiary of PNC Bank, National Association. Midland's principal servicing office is located at 10851 Mastin Street, Building 82, Suite 300, Overland Park, Kansas 66210.

Midland is a real estate financial services company that provides loan servicing, asset management and technology solutions for large pools of commercial and multifamily real estate assets. Midland is approved as a master servicer, special servicer and primary servicer for investment-grade commercial and multifamily mortgage-backed securities ("CMBS") by S&P, Moody's and Fitch. Midland has received the highest rankings as a master, primary and special servicer of real estate assets under U.S. CMBS transactions from both S&P and Fitch. S&P ranks Midland as "Strong" and Fitch ranks Midland as "1" for each category. Midland is also a HUD/FHA-approved mortgagee.

Midland has detailed operating procedures across the various servicing functions to maintain compliance with its servicing obligations and the servicing standards under Midland's servicing agreements, including procedures for managing delinquent and specially serviced loans. The policies and procedures are reviewed annually and centrally managed and available electronically within Midland's Enterprise!® Loan Management System. Furthermore Midland's disaster recovery plan is reviewed annually.

Midland will not have primary responsibility for custody services of original documents evidencing the underlying mortgage loans. Midland may from time to time have custody of certain of such documents as necessary for enforcement actions involving particular underlying mortgage loans or otherwise. To the extent that Midland has custody of any such documents for any such servicing purposes, such documents will be maintained in a manner consistent with the Servicing Standard.

No securitization transaction involving commercial or multifamily mortgage loans in which Midland was acting as master servicer, primary servicer or special servicer has experienced a servicer event of default as a result of any action or inaction of Midland as master servicer, primary servicer or special servicer, as applicable, including as a result of Midland's failure to comply with the applicable servicing criteria in connection with any securitization transaction. Midland has made all advances required to be made by it under the servicing agreements on the commercial and multifamily mortgage loans serviced by Midland in securitization transactions.

From time-to-time Midland is a party to lawsuits and other legal proceedings as part of its duties as a loan servicer (e.g., enforcement of loan obligations) and/or arising in the ordinary course of business. Midland does not believe that any such lawsuits or legal proceedings would, individually or in the aggregate, have a material adverse effect on its business or its ability to service loans pursuant to the series 2009-K4 pooling and servicing agreement.

Midland currently maintains an Internet-based investor reporting system, CMBS Investor Insight®, that contains performance information at the portfolio, loan and property levels on the various commercial mortgage-backed securities transactions that it services. Certificateholders, prospective transferees of the certificates and other appropriate parties may obtain access to CMBS Investor Insight through Midland's website at www.midlandls.com. Midland may require registration and execution of an access agreement in connection with providing access to CMBS Investor Insight.

As of June 30, 2009, Midland was servicing approximately 26,270 commercial and multifamily mortgage loans with an aggregate principal balance of approximately \$256 billion. The collateral for such loans is located in all 50 states, the District of Columbia, Puerto Rico, Guam and Canada. Approximately 15,657 of such loans, with a total principal balance of approximately \$149 billion, pertain to commercial and multifamily mortgage-backed securities. The related loan pools include multifamily, office, retail, hospitality and other income-producing properties.

Midland has been servicing mortgage loans in commercial mortgage-backed securities transactions since 1992. The table below contains information on the size and growth of the portfolio of commercial and multifamily mortgage loans in commercial mortgage-backed securities and other servicing transactions for which Midland has acted as master and/or primary servicer from 2006 to 2008.

Portfolio Growth – Master/Primary	Calendar Year End		
	(Approximate amounts in billions)		
	2006	2007	2008
CMBS	\$139	\$156	\$149
Other	\$61	\$74	\$100
Total	\$200	\$230	\$249

The Special Servicer

DB Mortgage Services, LLC (“DBMS”), a Delaware limited liability company, will be appointed as the special servicer. In this capacity, DBMS will be responsible for the servicing and administration of the specially serviced mortgage loans and REO properties pursuant to the series 2009-K4 pooling and servicing agreement.

DBMS is an affiliate of (i) Deutsche Mortgage & Asset Receiving Corporation, the depositor, (ii) Deutsche Bank Berkshire Mortgage, Inc. (“DBBM”), a business unit of Deutsche Bank Commercial Real Estate, and one of the originators and (iii) Spring Asset Funding, Ltd. which is anticipated to be the initial Directing Certificateholder. In addition to being the special servicer, DBMS will be the primary servicer for mortgage loans originated by DBBM.

DBMS’s principal servicing office is located at One Beacon Street, 14th Floor, Boston, Massachusetts 02108. DBMS is a real estate financial services company that provides loan servicing and asset management for commercial and multifamily real estate assets. DBMS is approved as a primary servicer and special servicer by S&P (Average for both) and Fitch (CPS2-, CSS3). DBMS is an approved Fannie Mae, Freddie Mac and GNMA multifamily seller/servicer.

DBMS has operating procedures encompassing the various servicing functions to maintain compliance with its servicing obligations and the servicing standards under DBMS’s servicing agreements, including procedures for managing delinquent and specially serviced loans.

DBMS has substantial experience in working out loans and in performing the other obligations of the special servicer described in the series 2009-K4 pooling and servicing agreement, including but not limited to, processing borrower requests for lender consent to assumptions, leases, easements, partial releases and expansion and/or redevelopment of mortgaged properties.

As of June 30, 2009, DBMS was servicing approximately \$28.7 billion in a loan portfolio of 2,265 commercial and multifamily loans. The collateral for these loans is located in 46 states, the District of Columbia and US Territories. The related loans include multifamily, lodging, mixed use, healthcare and other income-producing properties. DBMS was the special servicer for approximately 46 loans with a total principal balance of approximately \$339.1 million.

DBMS as special servicer will not have primary responsibility for custody services of original documents evidencing the underlying mortgage loans. DBMS may from time to time have custody of certain of such documents as necessary for enforcement actions involving particular mortgage loans or otherwise. To the extent that DBMS has custody of any such documents for any such servicing purposes, such documents will be maintained in a manner consistent with the Servicing Standard.

No securitization transaction involving commercial or multifamily mortgage loans in which DBMS was acting as primary servicer or special servicer has experienced a servicer event of default as a result of any action or inaction of DBMS as primary servicer or special servicer, as applicable, including as a result of DBMS's failure to comply with the applicable servicing criteria in connection with any securitization transaction. DBMS has made all advances required to be made by it under its servicing agreements for commercial and multifamily mortgage loans.

From time to time DBMS is a party to lawsuits and other legal proceeding as part of its duties as a loan servicer (e.g., enforcement of loan obligations) and/or arising in the ordinary course of business. There are currently no legal proceedings pending and no legal proceedings known to be contemplated by government authorities against DBMS or of which any of its property is the subject.

Liability of the Servicers

The underlying mortgage loans will not be an obligation of, or be insured or guaranteed by the master servicer or the special servicer. In addition, the master servicer and the special servicer will be under no liability to the issuing entity, the other parties thereto or the certificateholders for any action taken, or not taken, in good faith pursuant to the series 2009-K4 pooling and servicing agreement or for errors in judgment; *provided, however*, that the master servicer and the special servicer will not be protected against any liability that would otherwise be imposed by reason of willful misfeasance, bad faith, fraud or negligence in the performance of obligations or duties thereunder or by reason of negligent disregard of such obligations and duties. Moreover, the master servicer and the special servicer will be entitled to indemnification by the issuing entity against any loss, liability or expense that may be imposed on, incurred by or asserted against such parties in connection with, related to, or arising out of, the series 2009-K4 pooling and servicing agreement or the certificates; *provided, however*, that (a) such indemnification will not extend to any loss, liability or expense incurred by reason of willful misfeasance, bad faith, fraud or negligence in the performance of obligations or duties under the series 2009-K4 pooling and servicing agreement, by reason of negligent disregard of such obligations or duties and (b) until the Aggregate Annual Cap Termination Date, such indemnification to each of the master servicer and special servicer will not exceed an amount equal to the applicable Aggregate Annual Cap. Any amounts payable in excess of the relevant Aggregate Annual Cap shall be paid, to the extent the funds are available, in the subsequent year or years (subject to the relevant Aggregate Annual Cap in each year) until paid in full; *provided, further*, that (i) the guarantor and the series 2009-K4 directing certificateholder shall have the right, in their sole and absolute discretion, to waive (as evidenced by a waiver signed by both the guarantor and the series 2009-K4 directing certificateholder), the Master Servicer Aggregate Annual Cap or the Special Servicer Aggregate Annual Cap upon the written request of the master servicer or special servicer, as applicable, (ii) any indemnification amounts unpaid as a result of the relevant Aggregate Annual Cap will accrue interest at a rate equal to the Prime Rate from the date on which such amounts would have otherwise been paid had such Aggregate Annual Cap not applied, to the date on which such amount is paid; and (iii) the foregoing Aggregate Annual Caps will not apply after the Aggregate Annual Cap Termination Date. The master servicer and the special servicer also will be required to maintain a fidelity bond and errors and omissions policy or their equivalent that provides coverage against losses that may be sustained as a result of an officer's or employee's

misappropriation of funds or errors and omissions, subject to certain limitations as to amount of coverage, deductible amounts, conditions, exclusions and exceptions permitted by the series 2009-K4 pooling and servicing agreement.

Removal, Resignation and Replacement of Servicers; Transfer of Servicing Duties

If an event of default occurs and remains unremedied with respect to the master servicer or the special servicer under the series 2009-K4 pooling and servicing agreement, then, in each and every such case, so long as the event of default remains unremedied, the trustee will be authorized to, and at the written direction of the guarantor or the series 2009-K4 directing certificateholder, will be required to, terminate all of the obligations and rights of the master servicer or the special servicer, as applicable, under the series 2009-K4 pooling and servicing agreement and in and to the assets of the issuing entity, other than any rights the defaulting party may have (a) as a series 2009-K4 certificateholder or (b) that accrued prior to such termination in respect of any unpaid servicing compensation, unreimbursed advances and interest thereon or rights to indemnification. Upon any such termination, the trustee must either:

- succeed to all of the responsibilities, duties and liabilities of the master servicer or the special servicer, as applicable, under the series 2009-K4 pooling and servicing agreement; or
- appoint a qualified mortgage loan servicing institution to act as successor to the master servicer or the special servicer, as applicable, under the series 2009-K4 pooling and servicing agreement.

If the trustee is unwilling or unable so to act in accordance with the foregoing procedures, it may (or, at the written request of certificateholders entitled to not less than 51% of the voting rights will be required to), appoint, or petition a court of competent jurisdiction to appoint as successor to such master servicer or such special servicer, as applicable, a qualified mortgage loan servicing institution or other entity as to which the trustee has received, among other things, approval from the guarantor of the successor to such master servicer or special servicer. No such successor master servicer may terminate a sub-servicer without the consent of the guarantor except as provided in the series 2009-K4 pooling and servicing agreement and the existing sub-servicing agreement.

In connection with such appointment and assumption of a successor to the master servicer or the special servicer as described herein, subject to the right of the predecessor master servicer or special servicer to retain certain fees earned by it prior to the subject event of default, the trustee may make such arrangements for the compensation of such successor out of payments on the underlying mortgage loans as it and such successor agree. However, no such compensation with respect to a successor master servicer or successor special servicer, as the case may be, will be in excess of that paid to the terminated master servicer or special servicer, as the case may be, under the series 2009-K4 pooling and servicing agreement. The trustee, the master servicer, the special servicer and such successor are required to take such action, consistent with the series 2009-K4 pooling and servicing agreement, as will be necessary to effectuate any such succession. Any reasonable costs and expenses associated with the transfer of the servicing function (other than with respect to a termination without cause as described in the immediately succeeding paragraph) under the series 2009-K4 pooling and servicing agreement will be required to be borne by the predecessor master servicer or special servicer.

In addition, the series 2009-K4 directing certificateholder will be entitled to remove, with or without cause, the special servicer and appoint a successor special servicer rather than have the trustee act as that successor, upon not less than 30 business days' prior written notice to the respective parties to the series 2009-K4 pooling and servicing agreement. If such removal is without cause, all costs of the issuing entity and the special servicer incurred in connection with transferring the subject special servicing responsibilities to a successor special servicer will be the responsibility of the series 2009-K4 directing certificateholder that effected the termination. However, any such appointment of a successor special servicer will be subject to, among other things, receipt by the trustee of the written agreement of the proposed special servicer to be bound by the terms and conditions of the series 2009-K4 pooling and servicing agreement. Moreover, the terminated special servicer may be entitled to—

- payment out of the collection account for all earned and unpaid special servicing fees and additional special servicing compensation;
- continued rights to indemnification; and

- continued rights to some or all liquidation and work-out fees earned by it as described under “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses” in this information circular.

Further, if a Ratings Trigger Event occurs with respect to a sub-servicer or as otherwise set forth in the series 2009-K4 pooling and servicing agreement, the guarantor will be entitled to direct the master servicer to remove any sub-servicer and any such removal will be at the expense of the guarantor; none of the master servicer, the issuing entity, the depositor or the trustee will be liable for any termination fees and expenses payable to any sub-servicer upon such removal.

If the master servicer or special servicer, as the case may be, is terminated pursuant to the terms of the series 2009-K4 pooling and servicing agreement, it is required to promptly provide the trustee with all documents and records requested by it to enable the trustee or another successor to assume the master servicer’s or special servicer’s, as the case may be, functions thereunder, and is required to reasonably cooperate with the trustee in effecting the termination of the master servicer’s or special servicer’s, as the case may be, responsibilities and rights under the series 2009-K4 pooling and servicing agreement, including, without limitation, the prompt transfer to the trustee or another successor for administration by it of all cash amounts which are at the time, or should have been, credited by the master servicer to the collection account or any other account held by it on account of the underlying mortgage loans or credited by the special servicer to an REO account, as the case may be, or which thereafter are received with respect to any underlying mortgage loan or any REO Property.

The Trustee and Custodian

Wells Fargo Bank, National Association (“Wells Fargo Bank”) will act as trustee and custodian under the series 2009-K4 pooling and servicing agreement. Wells Fargo Bank is a national banking association and a wholly-owned subsidiary of Wells Fargo & Company. A diversified financial services company, Wells Fargo & Company is a U.S. bank holding company with approximately \$1.3 trillion in assets and 282,000 employees as of June 30, 2009. Those numbers are the result of the merger on December 31, 2008 of Wachovia Corporation into Wells Fargo & Company. The resulting institution provides banking, insurance, trust, mortgage and consumer finance services throughout the United States and internationally. Wells Fargo Bank provides retail and commercial banking services and corporate trust, custody, securities lending, securities transfer, cash management, investment management and other financial and fiduciary services. The depositor, the mortgage loan seller, the master servicer and the special servicer may maintain banking and other commercial relationships with Wells Fargo Bank and its affiliates. Wells Fargo Bank is also one of the originators of the underlying mortgage loans and an affiliate of another of the originators (Wachovia Multifamily Capital, Inc.). In addition, Wells Fargo Bank and Wachovia Multifamily Capital Inc. are also expected to be the respective primary servicers of the underlying mortgage loans originated by each of them. Wells Fargo Bank maintains principal corporate trust offices at 9062 Old Annapolis Road, Columbia, Maryland 21045-1951 (among other locations) and its office for certificate transfer services is located at Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479-0113.

Wells Fargo Bank has provided corporate trust services since 1934. Wells Fargo Bank acts as trustee with respect to a variety of transactions and asset types including corporate and municipal bonds, mortgage-backed and asset-backed securities and collateralized debt obligations. As of June 30, 2009, Wells Fargo Bank was acting as trustee on over 248 series of commercial mortgage-backed securities with an aggregate principal balance of over \$237 billion.

In its capacity as trustee on commercial mortgage securitizations, Wells Fargo Bank is generally required to make an advance if the related master servicer or special servicer fails to make a required advance. In the past three years, Wells Fargo Bank as trustee has not been required to make an advance on a commercial mortgage-backed securities transaction.

The trustee hereunder shall at all times be, and will be required to resign if it fails to be, (i) a corporation, national bank, trust company or national banking association, organized and doing business under the laws of any state or the United States of America or the District of Columbia, authorized under such laws to exercise corporate trust powers and to accept the trust conferred under the series 2009-K4 pooling and servicing agreement, having a combined capital and surplus of at least \$50,000,000 and subject to supervision or examination by federal or state authority and shall not be an Affiliate of the depositor, the master servicer or the special servicer (except during any

period when the trustee is acting as, or has become successor to, a master servicer or special servicer, as the case may be), (ii) an institution insured by the Federal Deposit Insurance Corporation and (iii) an institution whose long-term senior unsecured debt is rated “A” or higher by S&P and Fitch or is otherwise acceptable to the series 2009-K4 directing certificateholder and the guarantor.

Wells Fargo Bank is acting as custodian of the mortgage loan files pursuant to the series 2009-K4 pooling and servicing agreement. In that capacity, Wells Fargo Bank is responsible for holding and safeguarding the mortgage notes and other contents of the mortgage files on behalf of the trustee and the certificateholders. The custodian will not have any duty or obligation to inspect, review or examine any of the documents, instruments, certificates or other papers relating to the mortgage loans delivered to it to determine that the same are valid. The disposition of the mortgage loan files will be governed by the series 2009-K4 pooling and servicing agreement.

Wells Fargo Bank maintains each mortgage loan file in a separate file folder marked with a unique bar code to assure loan-level file integrity and to assist in inventory management. Files are segregated by transaction and/or issuer. Wells Fargo Bank has been engaged in the mortgage document custody business for more than 25 years. Wells Fargo Bank maintains its commercial document custody facilities in Minneapolis, Minnesota. As of June 30, 2009, Wells Fargo Bank was acting as custodian of more than 42,000 commercial mortgage loan files.

Wells Fargo Bank has served as loan file custodian for various mortgage loans owned by the depositor or an affiliate of the depositor, which may include mortgage loans included in the issuing entity. The terms of the custodial agreement are provided by Wells Fargo Bank are customary for the commercial mortgage backed securities industry and provide for the delivery, receipt, review and safekeeping of mortgage loan files. The terms of the series 2009-K4 pooling and servicing agreement with respect to the custody of the mortgage loans supersede any such custodial agreement.

Under the terms of the series 2009-K4 pooling and servicing agreement, the trustee is responsible for securities administration, which includes pool performance calculations, distribution calculations and the preparation of monthly distribution reports. As securities administrator, the trustee is responsible for the preparation of all REMIC tax returns on behalf of the Trust REMICs. Wells Fargo Bank has been engaged in the business of securities administration in connection with mortgage-backed securities in excess of 20 years and in connection with commercial mortgage-backed securities since 1997. It has acted as securities administrator with respect to more than 400 series of commercial mortgage-backed securities, and, as of June 30, 2009, was acting as securities administrator with respect to more than \$426 billion of outstanding commercial mortgage-backed securities.

In the past three years, there have been no material changes to Wells Fargo Bank’s policies or procedures with respect to its securities administration function other than changes required by applicable laws.

In the past three years, Wells Fargo Bank has not materially defaulted in its trustee, custodian or securities administration obligations under any pooling and servicing agreement or caused an early amortization or other performance triggering event because of servicing by Wells Fargo Bank with respect to commercial mortgage-backed securities.

The trustee will not be obligated to cover any losses resulting from the bankruptcy or insolvency of any depository institution or trust company holding the distribution account or the interest reserve account meeting the requirements set forth in the series 2009-K4 pooling and servicing agreement. In addition, the trustee and the custodian and each of their respective directors, officers, employees, agents and controlling persons will be entitled to indemnification from the trust against any loss, liability or expense incurred without misfeasance, bad faith, fraud or negligence in the performance of its duties under the series 2009-K4 pooling and servicing agreement or reckless disregard of its obligations under the series 2009-K4 pooling and servicing agreement; *provided, however*, that in any calendar year, such indemnification to the trustee and the custodian and their respective members, managers, shareholders, affiliates, directors, officers, employees, agents and controlling persons will not exceed an amount equal to the Trustee/Custodian Aggregate Annual Cap. Any amounts payable in excess of the relevant Trustee/Custodian Aggregate Annual Cap shall be paid, to the extent the funds are available, in the subsequent year or years (subject to the Trustee/Custodian Aggregate Annual Cap in each year) until paid in full; *provided, however*, that (i) the guarantor and the series 2009-K4 directing certificateholder shall have the right, in their sole and absolute discretion, to waive (as evidenced by a waiver signed by both the guarantor and the series 2009-K4 directing certificateholder) the Trustee/Custodian Aggregate Annual Cap upon the written request of the trustee/custodian, (ii)

any indemnification amounts unpaid as a result of the Trustee/Custodian Aggregate Annual Cap will accrue interest at a rate equal to the Prime Rate from the date on which such amounts would have otherwise been paid had such Trustee/Custodian Aggregate Annual Cap not applied to the date on which such amount is paid; and (iii) the foregoing Trustee/Custodian Aggregate Annual Cap will not apply after the Aggregate Annual Cap Termination Date.

See “—Rights Upon Event of Default,” “—Matters Regarding the Trustee” and “—Certain Indemnities” in this information circular.

Resignation and Removal of the Trustee

The trustee will be permitted at any time to resign from its obligations and duties under the series 2009-K4 pooling and servicing agreement by giving written notice to the depositor, master servicer, special servicer, the guarantor and all series 2009-K4 certificateholders. In addition, compliance with the Investment Company Act of 1940 may require the trustee to resign if (a) borrowers have defeased more than 20% of the mortgage loans (by principal balance) in the issuing entity and (b) an affiliate of the trustee is servicing or sub-servicing the mortgage loans. Upon receiving a notice of resignation, the depositor will be required to use its best efforts to promptly appoint a qualified successor trustee reasonably acceptable to the guarantor. If no successor trustee has accepted an appointment within a specified period after the giving of the notice of resignation, the resigning trustee may petition any court of competent jurisdiction to appoint a successor trustee.

If at any time the trustee ceases to be eligible to continue as the trustee under the series 2009-K4 pooling and servicing agreement, or if at anytime the trustee becomes incapable of acting, or if some events of, or proceedings in respect of, bankruptcy or insolvency occur with respect to the trustee, the depositor will be authorized to remove the trustee and appoint a successor trustee reasonably acceptable to the master servicer and the guarantor. In addition, holders of the certificates entitled to at least 51% of the voting rights may at any time, without cause, remove the trustee under the series 2009-K4 pooling and servicing agreement and appoint a successor trustee reasonably acceptable to the guarantor. Further, if the then-current long term senior unsecured debt ratings of the trustee fall below “A” by Fitch or S&P, the guarantor will have the right to remove the trustee and appoint a successor trustee in accordance with the standards set forth in the series 2009-K4 pooling and servicing agreement and who is otherwise acceptable to the guarantor in its sole discretion.

Any resignation or removal of a trustee and appointment of a successor trustee will not become effective until acceptance of appointment by the successor trustee.

See “—Rights Upon Event of Default,” “—Matters Regarding the Trustee,” and “—Certain Indemnities” in this information circular.

Assignment of the Mortgage Loans

On the date of initial issuance of the offered certificates, we will sell, assign, transfer or otherwise convey all of our right, title and interest in and to the mortgage loans acquired from the mortgage loan seller, without recourse, to the trustee for the benefit of the holders of the series 2009-K4 certificates. We will also assign to the trustee our rights under the agreements whereby we acquired the mortgage loans from the mortgage loan seller.

Servicing Under the Series 2009-K4 Pooling and Servicing Agreement

General. The master servicer and special servicer must service and administer the underlying mortgage loans and any REO Properties owned by the issuing entity for which it is responsible under the series 2009-K4 pooling and servicing agreement directly, through sub-servicers or through an affiliate as provided in the series 2009-K4 pooling and servicing agreement, in accordance with—

- any and all applicable laws,
- the express terms of the series 2009-K4 pooling and servicing agreement,

- the express terms of the respective underlying mortgage loans and any applicable intercreditor, co-lender or similar agreements, and
- to the extent consistent with the foregoing, the Servicing Standard.

In general, the master servicer will be responsible for the servicing and administration of—

- all mortgage loans in the issuing entity as to which no Servicing Transfer Event has occurred, and
- all worked-out mortgage loans in the issuing entity as to which no new Servicing Transfer Event has occurred.

In the event that a Servicing Transfer Event occurs with respect to any mortgage loan in the issuing entity, that mortgage loan will not be considered to be “worked-out” until all applicable Servicing Transfer Events have ceased to exist.

In general, subject to specified requirements and certain consultations, consents and approvals of the series 2009-K4 directing certificateholder contained in the series 2009-K4 pooling and servicing agreement, the special servicer will be responsible for the servicing and administration of each mortgage loan in the issuing entity as to which a Servicing Transfer Event has occurred and is continuing. They will also be responsible for the administration of each REO Property in the issuing entity.

Despite the foregoing, the series 2009-K4 pooling and servicing agreement will require the master servicer:

- to continue to receive payments and, subject to the master servicer’s timely receipt of information from the special servicer, prepare all reports to the trustee required with respect to any specially serviced assets; and
- otherwise, to render other incidental services with respect to any specially serviced assets.

The master servicer will transfer servicing of a mortgage loan in the issuing entity to the special servicer upon the occurrence of a Servicing Transfer Event with respect to that mortgage loan. The special servicer will return the servicing of that mortgage loan to the master servicer, and that mortgage loan will be considered to have been worked-out, if and when all Servicing Transfer Events with respect to that mortgage loan cease to exist and that mortgage loan has become a Corrected Mortgage Loan.

Servicing and Other Compensation and Payment of Expenses

The Servicing Fee. The principal compensation to be paid to the master servicer with respect to its master servicing activities will be a servicing fee consisting of a master servicing fee and a sub-servicing fee.

A master servicing fee:

- will be earned with respect to each and every underlying mortgage loan including (without duplication)—
 1. each specially serviced mortgage loan, if any,
 2. each mortgage loan, if any, as to which the corresponding mortgaged real property has become an REO Property,
- in the case of each underlying mortgage loan will—
 1. be calculated on the same interest accrual basis as that mortgage loan,
 2. accrue at a master servicing fee rate of 0.01% per annum,
 3. accrue on the same principal amount as interest accrues or is deemed to accrue from time to time with respect to that mortgage loan, and

4. be payable monthly from amounts received with respect to interest on that mortgage loan (or if not so paid, will accrue and remain outstanding).

A sub-servicing fee:

will be earned with respect to each and every underlying mortgage loan, including (without duplication) specially serviced mortgage loans and each mortgage loan, if any, as to which the corresponding mortgaged real property has become an REO Property, and

- in the case of each underlying mortgage loan will—
 1. be calculated on the same interest accrual basis as that mortgage loan,
 2. accrue at a sub-servicing fee rate ranging from 0.03% per annum to 0.15% per annum on the stated principal balance of the related underlying mortgage loan,
 3. accrue on the same principal amount as interest accrues or is deemed to accrue from time to time with respect to that mortgage loan, and
 4. be payable monthly from amounts received with respect to interest on that mortgage loan (or if not so paid, will accrue and remain outstanding).

In the event that the Midland resigns or is terminated as a master servicer, Midland will be entitled to retain the Excess Servicing Strip, equal to a portion of the master servicing fee payable to Midland (accrued at a rate in excess of 0.005% (0.50 basis points) per annum) and the per annum rate applicable to any related sub-servicing fee payable to Midland in its capacity as primary servicer, except to the extent that any portion of such Excess Servicing Strip is needed to compensate any replacement master servicer for assuming the duties of such master servicer under the series 2009-K4 pooling and servicing agreement.

Subject to certain conditions, the master servicer is entitled, under the series 2009-K4 pooling and servicing agreement, to assign or pledge to any qualified institutional buyer or institutional accredited investor, the Excess Servicing Strip. If the master servicer resigns or is terminated as a master servicer, it (or its assignee) will continue to be entitled to receive the Excess Servicing Strip and will be paid that Excess Servicing Strip (except to the extent that any portion of that Excess Servicing Strip is needed to compensate any successor master servicer for assuming its duties as a master servicer under the series 2009-K4 pooling and servicing agreement). We make no representation or warranty regarding following any resignation or termination of the master servicer, (a) whether any holder of the Excess Servicing Strip would dispute the trustee's determination that any portion of the Excess Servicing Strip was necessary to compensate a successor master servicer or (b) the ability of the trustee to successfully recapture the Excess Servicing Strip or any portion of that strip from any holder of the Excess Servicing Strip, in particular if that holder were the subject of a bankruptcy or insolvency proceeding.

Prepayment Interest Shortfalls. The series 2009-K4 pooling and servicing agreement provides that, although the mortgage loan documents require the payment of a full month's interest on any voluntary prepayment, if any Prepayment Interest Shortfall is incurred with respect to the mortgage pool by reason of the master servicer's acceptance, other than at the request of the series 2009-K4 directing certificateholder, of any principal prepayment by the related borrower of any underlying mortgage loan during any collection period (other than Prepayment Interest Shortfalls resulting from a principal prepayment accepted by the master servicer (i) with respect to any specially serviced mortgage loan, (ii) subsequent to a default under the related mortgage loan documents (*provided* that the master servicer or special servicer reasonably believes that acceptance of such prepayment is consistent with the Servicing Standard), (iii) pursuant to applicable law or a court order, (iv) payments of insurance or condemnation proceeds or (v) as permitted by the related loan documents), then the master servicer must make a non-reimbursable payment with respect to the related distribution date in an amount equal to such Prepayment Interest Shortfall up to an amount not to exceed a portion of the master servicing fee accrued at a rate equal to 0.005% per annum for such collection period with no right to reimbursement.

In addition, if a Prepayment Interest Shortfall is incurred during any collection period with respect to any underlying mortgage loan serviced by such master servicer and the master servicer's payment in respect of such

Prepayment Interest Shortfall as contemplated by the prior paragraph is less than the entire Prepayment Interest Shortfall, then such master servicer (a) must apply any Prepayment Interest Excesses received during that collection period with respect to other underlying mortgage loans for which it is also the master servicer to offset such Prepayment Interest Shortfall and (b) in any event, may retain, as additional compensation, any such Prepayment Interest Excesses that are not needed to accomplish such offset.

No other master servicing compensation will be available to cover Prepayment Interest Shortfalls, and a master servicer's obligation to make payments to cover Prepayment Interest Shortfalls in respect of a particular collection period will not carry over to any subsequent collection period.

Any payments made by the master servicer with respect to any distribution date to cover Prepayment Interest Shortfalls, and any Prepayment Interest Excesses applied to offset Prepayment Interest Shortfalls, will be included in the Standard Available P&I Funds for that distribution date, as described under "Description of the Series 2009-K4 Certificates—Distributions" in this information circular. If the amount of Prepayment Interest Shortfalls incurred with respect to the mortgage pool during any collection period exceeds the sum of—

- any payments made by the master servicer with respect to the related distribution date to cover those Prepayment Interest Shortfalls, and
- any Prepayment Interest Excesses applied to offset those Prepayment Interest Shortfalls,

then the resulting Net Aggregate Prepayment Interest Shortfall will be allocated among the respective interest-bearing classes of the series 2009-K4 certificates, in reduction of the interest distributable on those certificates, as and to the extent described under "Description of the Series 2009-K4 Certificates—Distributions—Interest Distributions" in this information circular.

Principal Special Servicing Compensation. The principal compensation to be paid to the special servicer with respect to its special servicing activities will be—

- the corresponding special servicing fees;
- the corresponding work-out fees; and
- the corresponding liquidation fees.

Special Servicing Fee. A special servicing fee:

- will be earned with respect to—
 1. each underlying mortgage loan, if any, that is being specially serviced, and
 2. each underlying mortgage loan, if any, as to which the corresponding mortgaged real property has become an REO Property;
- in the case of each underlying mortgage loan described in the foregoing bullet, will—
 1. be calculated on the same interest accrual basis as that mortgage loan,
 2. accrue at a special servicing fee rate of 0.25% per annum, and
 3. accrue on the Stated Principal Balance of that mortgage loan outstanding from time to time; and
- will generally be payable to the special servicer monthly from general collections on the mortgage pool.

Work-out Fee. The special servicer will, in general, be entitled to receive a work-out fee with respect to each specially serviced mortgage loan in the issuing entity that has been worked out by it. The work-out fee will be payable out of, and will generally be calculated by application of a work-out fee rate of 1.0% to each payment of interest (other than Default Interest) and principal (including scheduled payments, prepayments, balloon payments,

payments at maturity and payments resulting from a partial condemnation) received on the mortgage loan for so long as it remains a worked-out mortgage loan. The work-out fee with respect to any worked-out mortgage loan will cease to be payable if a new Servicing Transfer Event occurs with respect to that mortgage loan. However, a new work-out fee would become payable if the mortgage loan again became a worked-out mortgage loan with respect to that new Servicing Transfer Event.

If the special servicer is terminated (other than for cause) or resigns, it will retain the right to receive any and all work-out fees payable with respect to underlying mortgage loans that were (or were close to being) worked out by it during the period that it acted as the special servicer and as to which no new Servicing Transfer Event had occurred as of the time of that termination. The successor special servicer will not be entitled to any portion of those work-out fees.

Although work-out fees are intended to provide the special servicer with an incentive to better perform its duties, the payment of any work-out fee will reduce amounts payable to the series 2009-K4 certificateholders.

Liquidation Fee. The special servicer will be entitled to receive a liquidation fee with respect to each specially serviced mortgage loan in the issuing entity for which it obtains a full, partial or discounted payoff from the related borrower. The special servicer will also be entitled to receive a liquidation fee with respect to any specially serviced mortgage loan or REO Property in the issuing entity as to which it receives any liquidation proceeds or condemnation proceeds, except as described in the next paragraph. A liquidation fee will also be payable in connection with the repurchase or replacement of any worked-out mortgage loan in the issuing entity for a material breach of representation or warranty or a material document defect, as described under “Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions” in this information circular, if the repurchase or substitution occurs after the end of the applicable cure period (and any applicable extension thereof). As to each specially serviced mortgage loan and REO Property in the issuing entity, the liquidation fee will generally be payable from, and will be calculated by application of a liquidation fee rate of 1.0% to, the related payment or proceeds, exclusive of liquidation expenses.

Despite anything to the contrary described in the prior paragraph, no liquidation fee will be payable based on, or out of, proceeds received in connection with—

- the repurchase or replacement of any underlying mortgage loan for a material breach of representation or warranty or a material document defect as described under “Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions” in this information circular, within the applicable cure period (and any applicable extension thereof);
- the purchase of any Defaulted Loan by the special servicer or any of its affiliates, as described under “—Realization Upon Mortgage Loans” below; or
- the purchase of all of the mortgage loans and REO Properties in the issuing entity by the master servicer, the special servicer or holders of more than 50% of the Percentage Interests of the class B certificates in connection with the termination of the issuing entity, as described under “—Termination” below.

Although liquidation fees are intended to provide the special servicer with an incentive to better perform its duties, the payment of any liquidation fee will reduce amounts payable to the series 2009-K4 certificateholders.

Additional Servicing Compensation. The master servicer may retain, as additional compensation, any Prepayment Interest Excesses received with respect to the underlying mortgage loans, but only to the extent that such Prepayment Interest Excesses are not needed to offset Prepayment Interest Shortfalls, as described under “—Prepayment Interest Shortfalls” above.

In addition, the following items collected on the mortgage loans in the issuing entity will be allocated between the master servicer and the special servicer as additional compensation in accordance with the series 2009-K4 pooling and servicing agreement:

- any late payment charges and Default Interest actually collected on an underlying mortgage loan and that are not otherwise applied—
 1. to pay the master servicer or the trustee, as applicable, any unpaid interest on advances made by that party with respect to that mortgage loan or the related mortgaged real property,
 2. to reimburse the issuing entity for any unreimbursed interest on advances that were made with respect to that mortgage loan or the related mortgaged real property, which interest was paid to the master servicer or the trustee, as applicable, from collections on the mortgage pool other than late payment charges and Default Interest collected on that mortgage loan, or
 3. to reimburse the issuing entity for any other Additional Issuing Entity Expenses (including any special servicing fees, workout fees and liquidation fees) related to that mortgage loan, and
- any extension fees, modification fees, assumption fees, assumption application fees, earnout fees, defeasance fees, consent/waiver fees and other comparable transaction fees and charges.

The master servicer will be authorized to invest or direct the investment of funds held in its collection account, or in any escrow and/or reserve account maintained by it, in Permitted Investments. See “—Collection Accounts” below. The master servicer—

- will generally be entitled to retain any interest or other income earned on those funds; and
- will be required to cover any losses of principal from its own funds, to the extent those losses are incurred with respect to investments made for the master servicer’s benefit unless the loss is caused by the insolvency of the depository institution or trust company holding the collection account which is not an affiliate of the entity charged with maintaining the account (and, with respect to the master servicer, such federal or state chartered depository institution or trust company is not an affiliate of the master servicer if such depository institution or trust company satisfied the qualification set forth in the definition of eligible account both (x) at the time the investment was made and (y) 30 days prior to such insolvency).

The special servicer will be authorized to invest or direct the investment of funds held in its REO account in Permitted Investments. See “—Realization Upon Mortgage Loans—REO Account” below. The special servicer—

- will generally be entitled to retain any interest or other income earned on those funds; and
- will be required to cover any losses of principal from its own funds, to the extent those losses are incurred with respect to investments made for the special servicer’s benefit unless the loss is caused by the insolvency of the depository institution or trust company holding the REO account which is not an affiliate of the entity charged with maintaining the account (and, with respect to the master servicer, such federal or state chartered depository institution or trust company is not an affiliate of the master servicer if such depository institution or trust company satisfied the qualification set forth in the definition of eligible account both (x) at the time the investment was made and (y) 30 days prior to such insolvency).

Servicing Advances. With respect to each underlying mortgage loan, in accordance with the Servicing Standard, the master servicer will be obligated, if and to the extent necessary, to advance all such amounts as are necessary to pay, among other things, (a) premiums on insurance policies with respect to the related mortgaged real property; (b) operating, leasing, managing and liquidation expenses for the related mortgaged real property after it has become an REO property; (c) the cost of environmental inspections with respect to the related mortgaged real property; (d) real estate taxes, assessments and other items that are or may become a lien on the related mortgaged real property; (e) the costs of any enforcement or judicial proceedings with respect to that mortgage loan, including foreclosure and similar proceedings; and (f) any other amount required to be paid as a servicing advance under the series 2009-K4 pooling and servicing agreement.

Any and all customary, reasonable and necessary out-of-pocket costs and expenses (including for the remediation of any adverse environmental circumstance or condition at any of the mortgaged real properties) incurred by the master servicer or special servicer in connection with the servicing of an underlying mortgage loan if a default, delinquency or other unanticipated event has occurred or is reasonably foreseeable, or in connection with the administration of any REO Property in the issuing entity, will be servicing advances. Servicing advances will be reimbursable from future payments and other collections, including insurance proceeds, condemnation proceeds and liquidation proceeds, received in connection with the related mortgage loan or REO Property.

The special servicer will request the master servicer to make required servicing advances with respect to a specially serviced mortgage loan or REO Property on a monthly basis (except for servicing advances required on an emergency basis). The special servicer must make the request a specified number of days prior to the date the subject advance is required to be made. The master servicer must make the requested servicing advance within a specified number of days following the master servicer's receipt of the request. The special servicer will be required to provide the master servicer any information in its possession as the master servicer may reasonably request to enable the master servicer to determine whether a requested servicing advance would be recoverable from expected collections on the related mortgage loan or REO Property.

To the extent that the master servicer fails to make a servicing advance that it is required to make under the series 2009-K4 pooling and servicing agreement and a responsible officer of the trustee has received written notice or has actual knowledge of such failure by the master servicer, the trustee will make such servicing advance pursuant to the series 2009-K4 pooling and servicing agreement no later than one business day following the master servicer's failure to make such servicing advances by expiration of the cure period in the definition of master servicer event of default.

Despite the foregoing discussion or anything else to the contrary in this information circular, neither the trustee nor the master servicer will be obligated to make servicing advances that, in its judgment, would not be ultimately recoverable from expected collections on the related mortgage loan or REO Property. If the master servicer or the trustee makes a servicing advance with respect to any mortgage loan or related REO Property that it or the special servicer subsequently determines is not recoverable from expected collections on that mortgage loan or REO Property or determines is not ultimately recoverable out of payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for nonrecoverable debt service advances and/or servicing advances (any such servicing advance, a "Nonrecoverable Servicing Advance"), it may obtain reimbursement for that advance, together with interest on that advance, out of general collections on the mortgage pool. Any reimbursement of a Nonrecoverable Servicing Advance (including interest accrued thereon) as described in the preceding sentence will be deemed to be reimbursed first from payments and other collections of principal on the mortgage pool (thereby reducing the amount of principal otherwise distributable on the series 2009-K4 certificates on the related distribution date) prior to the application of any other general collections on the mortgage pool against such reimbursement. The trustee may conclusively rely on the determination of the master servicer and special servicer regarding the recoverability of any servicing advance and the master servicer may conclusively rely on the determination of the special servicer regarding the recoverability of any servicing advance.

Notwithstanding the foregoing, instead of obtaining reimbursement out of general collections on the mortgage pool immediately, a master servicer or the trustee, as applicable, may, in its sole discretion, elect to obtain reimbursement for a Nonrecoverable Servicing Advance over a period of time (not to exceed six months without the consent of the series 2009-K4 directing certificateholder or 12 months in any event), with interest thereon at the prime rate described below. At any time after such a determination to obtain reimbursement over time in accordance with the preceding sentence, the master servicer or the trustee, as applicable, may, in its sole discretion, decide to obtain reimbursement from general collections on the mortgage pool immediately. In general, such a reimbursement deferral will only be permitted under the series 2009-K4 pooling and servicing agreement if and to the extent that the subject Nonrecoverable Servicing Advance, after taking into account other outstanding Nonrecoverable Advances, could not be reimbursed with interest out of payments and other collections of principal on the mortgage pool during the current collection period. The fact that a decision to recover a Nonrecoverable Servicing Advance over time, or not to do so, benefits some classes of series 2009-K4 certificateholders to the detriment of other classes of series 2009-K4 certificateholders will not constitute a violation of the Servicing Standard or a breach of the terms

of the series 2009-K4 pooling and servicing agreement by any party thereto or a violation of any duty owed by any party thereto to the series 2009-K4 certificateholder.

In addition, in the event that any servicing advance (including interest accrued thereon) with respect to a defaulted underlying mortgage loan remains unreimbursed following the time that such underlying mortgage loan is modified and returned to performing status, the master servicer or the trustee, as applicable, will be entitled to reimbursement for such advance (even though that advance is not deemed a Nonrecoverable Servicing Advance), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for any Nonrecoverable Advance, prior to any distributions of principal on the series 2009-K4 certificates. If any such advance is not reimbursed in whole on any distribution date due to insufficient principal collections during the related collection period, the portion of that advance which remains unreimbursed will be carried over (with interest thereon continuing to accrue) for reimbursement on the following distribution date (to the extent of principal collections available for that purpose). If any such advance, or any portion of any such advance, is determined, at any time during this reimbursement process, to be a Nonrecoverable Advance, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement as a Nonrecoverable Advance from general collections on the mortgage pool in an amount equal to the portion of that advance that remains outstanding, plus accrued interest.

The series 2009-K4 pooling and servicing agreement will permit the master servicer, at the direction of the special servicer if a specially serviced asset is involved, to pay directly out of its collection account any servicing expense that, if advanced by the master servicer, would not be recoverable from expected collections on the related mortgage loan or REO Property. This is only to be done, however, when the master servicer, or the special servicer if a specially serviced asset is involved, has determined in accordance with the Servicing Standard that making the payment is in the best interests of the series 2009-K4 certificateholders as a collective whole.

The master servicer and the trustee will be entitled to receive interest on servicing advances made by them. The interest will accrue on the amount of each servicing advance for so long as the servicing advance is outstanding, at a rate per annum equal to the prime rate as published in the “Money Rates” section of *The Wall Street Journal*, as that prime rate may change from time to time. Interest accrued with respect to any servicing advance made with respect to any underlying mortgage loan or the related mortgaged real property will be payable in connection with the reimbursement of that servicing advance—

- first, out of any Default Interest and late payment charges collected on that underlying mortgage loan subsequent to the accrual of that advance interest, and
- then, at the time or after the advance has been reimbursed, if and to the extent that the Default Interest and late payment charges referred to in the prior bullet are insufficient to cover the advance interest, out of any amounts on deposit in the master servicer’s collection account.

Enforcement of “Due-on-Sale” and “Due-on-Encumbrance” Clauses

The special servicer, with respect to the specially serviced mortgage loans in the issuing entity, and the master servicer, with respect to the other mortgage loans, each will be required to determine, in a manner consistent with the Servicing Standard, whether to exercise or waive any right the lender may have under either a due-on-encumbrance or due-on-sale clause to accelerate payment of that mortgage loan. In addition, the master servicer or special servicer, as applicable, may not waive its rights under a due-on-encumbrance or due-on-sale clause unless the related borrower pays all related expenses with respect to such waiver. Furthermore, the master servicer may not waive its rights or grant its consent under any due-on-encumbrance or due-on-sale clause, other than as expressly permitted pursuant to the series 2009-K4 pooling and servicing agreement, without the consent of the special servicer and the series 2009-K4 directing certificateholder, *provided* that the special servicer and series 2009-K4 directing certificateholder provide such consent within the time periods specified in the series 2009-K4 pooling and servicing agreement.

Notwithstanding the foregoing, if the master servicer or special servicer, as applicable, determines, in accordance with the Servicing Standard, that a proposed replacement borrower (whether a related party or otherwise) in connection with a requested assignment of a mortgage loan is satisfactory, from a credit perspective,

taking into consideration, with respect to both the proposed replacement borrower and the existing borrower, past performance and management experience, balance sheet, equity at risk, size, net worth, ownership structure and any credit enhancers, the master servicer or special servicer, as applicable, may approve such assumption of the mortgage loan if permitted by the loan documents (subject to the special servicer obtaining the consent of the series 2009-K4 directing certificateholder, such consent not to be unreasonably withheld). If the master servicer or special servicer, as applicable, is unable to make such determination with respect to any mortgage loan which is a significant mortgage loan as specified in the series 2009-K4 pooling and servicing agreement, the master servicer or special servicer, as applicable, may approve such assumption of the mortgage loan.

If the mortgage loan documents do not expressly permit an assumption of the related mortgage loan or the incurrence of subordinate debt, prior to (i) agreeing to a requested assumption of a mortgage loan or (ii) agreeing to the incurrence of additional subordinate financing, the master servicer or special servicer, as applicable, will be required to receive confirmation from the series 2009-K4 directing certificateholder, which confirmation must be provided within the time periods specified in the series 2009-K4 pooling and servicing agreement and, with respect to a requested assumption, which confirmation may not be unreasonably withheld, that the conditions to such assumption or additional subordinate financing of the mortgage loan have been met.

Modifications, Waivers, Amendments and Consents

The series 2009-K4 pooling and servicing agreement will permit the master servicer or the special servicer, as applicable, to modify, waive or amend any term of any mortgage loan in the issuing entity if it determines in accordance with the Servicing Standard that it is appropriate to do so. However, no such modification, waiver or amendment of a non-specially serviced mortgage loan may—

- with limited exception generally involving the waiver of Default Interest and late payment charges, affect the amount or timing of any scheduled payments of principal, interest or other amounts payable under the mortgage loan;
- permit a principal prepayment during the applicable lockout period;
- except as expressly provided by the related mortgage loan documents, in connection with a defeasance, a pending or threatened condemnation or in connection with a material adverse environmental condition at the related mortgaged real property, result in a release of the lien of the related mortgage on any material portion of such mortgaged real property without a corresponding principal prepayment; or
- in the judgment of the master servicer or the special servicer, as applicable, materially impair the security for the mortgage loan or reduce the likelihood of timely payment of amounts due thereon;

unless in the reasonable judgment of the master servicer or special servicer, as applicable, such modification, waiver or amendment is reasonably likely to produce a greater (or equal) recovery to the series 2009-K4 certificateholders; and either (x) the loan is in default, default is reasonably foreseeable or the master servicer or special servicer, as applicable, reasonably determines that a significant risk of default exists, and after the modification the loan does not fail to qualify as a “qualified mortgage” within the meaning of the REMIC provisions subject to and in accordance with the requirements of applicable REMIC provisions (and such servicer may rely on an opinion of counsel in making such determination) or (y) the special servicer has determined (and may rely on an opinion of counsel in making such determination) that the modification, waiver or amendment will not be a “significant modification” of the subject mortgage loan within the meaning of Treasury regulations section 1.860G-2(b).

Notwithstanding the second sentence of the preceding paragraph, but subject to the following paragraph, the special servicer may, in accordance with the Servicing Standard—

- reduce the amounts owing under any specially serviced mortgage loan by forgiving principal and/or, accrued interest;
- reduce the amount of the monthly payment on any specially serviced mortgage loan, including by way of a reduction in the related mortgage interest rate;

- forbear in the enforcement of any right granted under any mortgage note or mortgage relating to a specially serviced mortgage loan;
- extend the maturity of a specially serviced mortgage loan;
- permit the release or substitution of collateral for a specially serviced mortgage loan; and/or
- accept a principal prepayment during any lockout period;

provided that the related borrower is in default with respect to the specially serviced mortgage loan or, in the judgment of such special servicer, such default is reasonably foreseeable and the special servicer has determined (and may rely on an opinion of counsel in making such determination) that the modification, waiver or amendment will not be a “significant modification” of the subject mortgage loan within the meaning of Treasury regulations section 1.860G-2(b).

However, in no event will the special servicer or master servicer, as applicable, be permitted to—

- (1) extend the maturity date of any mortgage loan at an interest rate less than the lower of (a) the interest rate in effect prior to such extension or (b) the then prevailing interest rate for comparable mortgage loans; or
- (2) defer interest due on any mortgage loan in excess of 5% of the Stated Principal Balance of such mortgage loan.

Neither the master servicer nor the special servicer may permit or modify a mortgage loan to permit a voluntary prepayment of a mortgage loan (other than a specially serviced mortgage loan) on any day other than its due date, unless: (a) the master servicer or the special servicer also collects interest thereon through the due date following the date of such prepayment; (b) it is otherwise permitted under the related mortgage loan documents; (c) that principal prepayment would not result in a Prepayment Interest Shortfall; (d) that principal prepayment is accepted by the master servicer or the special servicer at the request of or with the consent of the series 2009-K4 directing certificateholder, or if accepted by the master servicer, with the consent of the special servicer; or (e) it is consistent with the Servicing Standard to do so.

To the extent not inconsistent with the limitations to modifications and consents contained in the series 2009-K4 pooling and servicing agreement, the master servicer or the special servicer, as applicable, may, without the consent of any other party, including the series 2009-K4 directing certificateholder, modify or amend the terms of any mortgage loan, in accordance with the Servicing Standard, in order to (i) cure any non-material ambiguity or mistake therein, (ii) correct or supplement any non-material provisions therein which may be inconsistent with any other provisions therein or correct any non-material error, (iii) waive minor covenant defaults or (iv) effect other non-material waivers, consents, modifications or amendments in the ordinary course of servicing a loan.

The special servicer or the master servicer, as applicable, will notify the trustee, among others, of any modification, waiver or amendment of any term of an underlying mortgage loan and must deliver to the trustee (with a copy to the master servicer) for deposit in the related mortgage file an original counterpart of the agreement related to such modification, waiver or amendment, promptly following the execution thereof (and, in any event, within 30 business days). Copies of each agreement whereby any such modification, waiver or amendment of any term of any mortgage loan is effected are to be available for review during normal business hours, upon prior request, at the offices of the special servicer. Notwithstanding the foregoing, no such notice shall be required with respect to any waiver of Default Interest or late payment charges and any such waiver need not be in writing.

The ability of the master servicer or the special servicer to agree to modify, waive or amend any of the terms of any underlying mortgage loan will be subject to the discussions under “—Realization Upon Mortgage Loans— Series 2009-K4 Directing Certificateholder” below in this information circular.

Required Appraisals

Within 60 days following the occurrence of any Appraisal Reduction Event with respect to any of the mortgage loans in the issuing entity, the special servicer must perform an internal valuation pursuant to the following

paragraph or obtain an MAI appraisal of the related mortgaged real property from an independent appraiser meeting the qualifications imposed in the series 2009-K4 pooling and servicing agreement (*provided* that in no event shall the period to receive such appraisal exceed 120 days from the occurrence of the event that, with the passage of time, would become such Appraisal Reduction Event), unless—

- an appraisal had previously been obtained within the prior 12 months; and
- there has been no material change in the circumstances surrounding the related mortgaged real property subsequent to that appraisal that would, in the judgment of the special servicer, materially affect the value set forth in that earlier appraisal.

Notwithstanding the foregoing, if the unpaid principal balance of the subject underlying mortgage loan is less than \$2,000,000, then the special servicer may perform an internal valuation of the related mortgaged real property in lieu of an appraisal.

As a result of any appraisal or internal valuation, the master servicer or special servicer may determine that an Appraisal Reduction Amount exists with respect to the subject underlying mortgage loan. If such appraisal is not received or an internal valuation is not completed, as applicable, by such date, the Appraisal Reduction Amount for the related underlying mortgage loan will be 25% of the Stated Principal Balance of such mortgage loan as of the date of the related Appraisal Reduction Event. An Appraisal Reduction Amount is relevant to the determination of the amount of any advances of delinquent interest required to be made with respect to the affected underlying mortgage loan. See “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular.

If an Appraisal Reduction Event occurs with respect to any mortgage loan in the issuing entity, then the special servicer will have an ongoing obligation to obtain or perform, as the case may be, within 30 days of each anniversary of the occurrence of that Appraisal Trigger Event, an update of the prior required appraisal or other valuation. Based upon that update, the special servicer is to redetermine and report to the trustee, the guarantor and the master servicer the new Appraisal Reduction Amount, if any, with respect to the subject underlying mortgage loan. This ongoing obligation will cease if and when—

- the subject underlying mortgage loan has become a worked-out mortgage loan as contemplated under “—Servicing Under the Series 2009-K4 Pooling and Servicing Agreement” above and has remained current for 12 consecutive monthly payments under the terms of the work-out; and
- no other Servicing Transfer Event or Appraisal Reduction Event has occurred with respect to the subject mortgage loan during the preceding three months.

The cost of each required appraisal, and any update of that appraisal, will be advanced by the master servicer, at the direction of the special servicer, and will be reimbursable to the master servicer as a servicing advance.

Collection Accounts

General. The master servicer will be required to establish and maintain a collection account for purposes of holding payments and other collections that it receives with respect to the mortgage loans. Each collection account must be maintained in a manner and with a depository institution that satisfies rating agency standards for securitizations similar to the one involving the offered certificates.

The funds held in the master servicer’s collection account may be held as cash or invested in Permitted Investments. Subject to the limitations in the series 2009-K4 pooling and servicing agreement, any interest or other income earned on funds in the master servicer’s collection account will be paid to the master servicer as additional compensation.

Deposits. The master servicer must deposit or cause to be deposited in its collection account on a daily basis in the case of payments from borrowers and other collections on the mortgage loans, or as otherwise required under the series 2009-K4 pooling and servicing agreement, the following payments and collections received or made by or on

behalf of the master servicer with respect to the underlying mortgage loans for which it is responsible, subsequent to the date of initial issuance of the offered certificates—

- all principal payments collected, including principal prepayments;
- all interest payments collected, including late payment charges and Default Interest (net of master servicing fees, sub-servicing fees, special servicing fees, and in respect of late payment charges and Default Interest, net of amounts used to offset interest on any advances);
- any proceeds received under any hazard, flood, title or other insurance policy that provides coverage with respect to a mortgaged real property or the related mortgage loan, and all proceeds received in connection with the condemnation or the taking by right of eminent domain of a mortgaged real property, in each case to the extent not required to be applied to the restoration of the related mortgaged real property or released to the related borrower;
- any amounts received and retained in connection with the liquidation of defaulted mortgage loans by foreclosure, deed-in-lieu of foreclosure or as otherwise contemplated under “—Realization Upon Mortgage Loans” below, in each case to the extent not required to be returned to the related borrower;
- any amounts paid by the mortgage loan seller in connection with the repurchase or replacement of, or the curing of any breach of representation and warranty with respect to, a mortgage loan by that party as described under “Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions” in this information circular;
- any amounts paid to purchase or otherwise acquire all the mortgage loans and any REO Properties in connection with the termination of the issuing entity as contemplated under “—Termination” below;
- any amounts required to be deposited by the master servicer in connection with losses incurred with respect to Permitted Investments of funds held in its collection account;
- all payments required to be paid by the master servicer or received from the special servicer with respect to any deductible clause in any blanket hazard insurance policy or master force placed hazard insurance policy, as described under “Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Hazard, Liability and Other Insurance” in this information circular; and
- any amount transferred by a special servicer from its REO account with respect to the REO Properties.

Upon its receipt of any of the amounts described in the prior paragraph (other than the seventh bullet) with respect to any specially serviced mortgage loan in the issuing entity, the special servicer is required to remit those amounts within one business day to the master servicer for deposit in the master servicer’s collection account.

Withdrawals. The master servicer may make withdrawals from its collection account for any of the following purposes, which are not listed in any order of priority:

1. to remit to the trustee for deposit in the trustee’s distribution account, as described under “Description of the Series 2009-K4 Certificates—Distribution Account” in this information circular, on the business day preceding each distribution date, all payments and other collections on the mortgage loans and any REO Properties in the issuing entity that are then on deposit in the collection accounts, exclusive of any portion of those payments and other collections that represents one or more of the following—
 - (a) monthly debt service payments due on a due date subsequent to the end of the related collection period;
 - (b) payments and other collections received by or on behalf of the issuing entity after the end of the related collection period; and

- (c) amounts that are payable or reimbursable from the collection account to any person other than the series 2009-K4 certificateholders in accordance with any of clauses 2. through 20. below;
2. to reimburse the master servicer, the special servicer or the trustee, as applicable, for any unreimbursed advances made by that party with respect to the mortgage pool, as described under “—Servicing and Other Compensation and Payment of Expenses” above and “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular, with that reimbursement to be made out of collections on the underlying mortgage loan or REO Property as to which the advance was made;
 3. to pay (A) itself any earned and unpaid master servicing fees or sub-servicing fees with respect to each mortgage loan in the issuing entity, with that payment to be made out of collections on that mortgage loan that represent payments of interest and (B) itself unpaid master servicing fees or sub-servicing fees with respect to each mortgage loan in the issuing entity or REO loan that remains unpaid in accordance with clause (A) following a final recovery determination made with respect to such mortgage loan or the related REO Property and the deposit into the collection account of all amounts received in connection with such final recovery determination;
 4. to pay the special servicer, out of general collections, earned and unpaid special servicing fees with respect to each mortgage loan in the issuing entity that is either—
 - (a) a specially serviced mortgage loan; or
 - (b) a mortgage loan as to which the related mortgaged real property has become an REO Property;
 5. to pay the special servicer earned and unpaid work-out fees and liquidation fees to which it is entitled, with that payment to be made from the sources described under “—Servicing and Other Compensation and Payment of Expenses” above;
 6. to reimburse the master servicer or the trustee, as applicable, out of general collections on the mortgage pool, for any unreimbursed advance made by that party with respect to the mortgage pool as described under “—Servicing and Other Compensation and Payment of Expenses” above and “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular, which advance has been determined not to be ultimately recoverable under clause 2. above (or, if the subject underlying mortgage loan has been worked out and returned to performing status, is not recoverable under clause 2. above by the time it is returned to performing status) out of collections on the related underlying mortgage loan or REO Property; provided that any such reimbursement is to be made as and to the extent described under “—Servicing and Other Compensation and Payment of Expenses” above, in the case of a servicing advance, or “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular, in the case of a P&I advance;
 7. to pay the master servicer, the special servicer or the trustee, as applicable, out of general collections on the mortgage pool unpaid interest accrued on any advance made by that party with respect to the mortgage pool (generally at or about the time of reimbursement of that advance); provided that, in the case of any advance reimbursed as described in clause 6. above, the payment of any interest thereon is to be made as and to the extent described under “—Servicing and Other Compensation and Payment of Expenses” above, in the case of interest on any such advance that is a servicing advance, or “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular, in the case of interest on any such advance that is a P&I Advance;
 8. to pay itself or the special servicer, as applicable, any items of additional servicing compensation on deposit in the collection account as discussed under “—Servicing and Other Compensation and Payment of Expenses—Additional Servicing Compensation” above;
 9. to pay any unpaid liquidation expenses incurred with respect to any liquidated mortgage loan or REO Property in the issuing entity;

10. to pay, out of general collections on the mortgage pool, any servicing expenses that would, if advanced, be nonrecoverable under clause 2. above;
11. to pay, out of general collections on the mortgage pool, for costs and expenses incurred by the issuing entity due to actions taken pursuant to any environmental assessment, in accordance with the series 2009-K4 pooling and servicing agreement;
12. to pay the guarantor, the master servicer, the special servicer, the trustee, us or any of their or our respective affiliates, directors, members, managers, shareholders, officers, employees, controlling persons and agents, as the case may be, out of general collections on the mortgage pool, any of the reimbursements or indemnities to which we or any of those other persons or entities are entitled, subject to the relevant Aggregate Annual Cap, as described under “—Certain Indemnities” below;
13. to pay, out of general collections on the mortgage pool, for (a) the costs of various opinions of counsel related to the servicing and administration of mortgage loans not paid by the related borrower; (b) expenses properly incurred by the trustee in connection with providing tax-related advice to the special servicer and (c) the fees of the master servicer or the trustee for confirming a fair value determination by the special servicer of a Defaulted Loan;
14. to reimburse the master servicer, the special servicer, us or the trustee, as the case may be, for any unreimbursed expenses reasonably incurred in respect of any material breach of a representation or warranty or a material document defect in respect of an underlying mortgage loan giving rise to a repurchase obligation of the mortgage loan seller or other party, or the enforcement of such obligation, under the mortgage loan purchase agreement;
15. to pay for—
 - the cost of the opinions of counsel for purposes of REMIC administration or amending the series 2009-K4 pooling and servicing agreement; and
 - the cost of obtaining an extension from the Internal Revenue Service for the sale of any REO Property;
16. to pay, out of general collections for any and all U.S. federal, state and local taxes imposed on any of the REMICs or their assets or transactions together with incidental expenses;
17. to pay to the mortgage loan seller any amounts that represent monthly debt service payments due on the mortgage loans on or prior to the cut-off date or, in the case of a replacement mortgage loan, during or before the month in which that loan was added to the issuing entity;
18. to withdraw amounts deposited in the collection account in error, including amounts received on any mortgage loan or REO Property that has been purchased or otherwise removed from the issuing entity;
19. to pay any other items described in this information circular as being payable from a collection account; and
20. to clear and terminate the collection account upon the termination of the series 2009-K4 pooling and servicing agreement.

Realization Upon Mortgage Loans

Purchase Option. The series 2009-K4 pooling and servicing agreement grants the series 2009-K4 directing certificateholder, and with respect to Defaulted Loans for which the related Junior Loan Holder holds a second priority lien, the related Junior Loan Holder, an assignable option (a “Purchase Option”) to purchase Defaulted Loans from the issuing entity in the manner and at the price described below.

Promptly after the determination that a mortgage loan in the issuing entity has become a Defaulted Loan, the master servicer (if the mortgage loan is not a Specially Serviced Loan) or the special servicer (if the mortgage loan is a Specially Serviced Loan) will be required to notify the trustee, the master servicer or special servicer, as

applicable, the related Junior Loan Holder and the series 2009-K4 directing certificateholder of such determination. Subject to the Junior Loan Holder's right with respect to a Defaulted First Lien Loan (as defined below), the series 2009-K4 directing certificateholder will then have the right to exercise its Purchase Option until the Defaulted Loan becomes a Corrected Loan or an REO Loan or upon the modification, waiver or pay-off (full or discounted) of the Defaulted Loan in connection with a workout.

Notwithstanding the previous paragraph, for any Defaulted Loan for which the related Junior Loan Holder is the holder of a second priority lien ("Defaulted First Lien Loan"), the related Junior Loan Holder will have the first option to purchase that Defaulted Loan for a price equal to the unpaid principal balance of that Defaulted Loan, plus accrued and unpaid interest on such balance, all related unreimbursed servicing advances together with any unpaid interest on any advance owing to the party or parties that made them, and all accrued special servicing fees and additional trust expenses allocable to that Defaulted First Lien Loan whether paid or unpaid and all costs and expenses in connection with the sale (the "Purchase Price"). Upon the determination of Fair Value and receipt of the Fair Value Notice relating to any Defaulted First Lien Loan, each of the Junior Loan Holder and the Directing Certificateholder will have the right to purchase such Defaulted First Lien Loan at a price that equals or exceeds Fair Value by giving notice to the other party, the trustee, the master servicer and special servicer (the first party to give such notice, the "First Offeror"). Within ten (10) business days after receipt from the First Offeror of notice of its intent to exercise the Purchase Option, the related Junior Loan Holder or the Directing Certificateholder, as the case may be, will have the right to purchase such Defaulted First Lien Loan by giving notice (the "Increased Offer Notice") to the First Offeror, the trustee, the master servicer and special servicer, specifying a purchase price of at least 2.5% more than the purchase price specified by the First Offeror in the initial purchase option notice. If the First Offeror is willing to purchase the Defaulted First Lien Loan after receipt of the Increased Offer Notice, it will only be permitted to do so at the Purchase Price by giving notice of the same (the "Par Purchase Notice") to the other party, the trustee, the master servicer and the special servicer within five (5) business days of receiving the Increased Offer Notice. Any purchase will be required to be consummated no later than fifteen (15) business days after the expiration of the Par Purchase Notice period.

Within 60 days after a mortgage loan becomes a Defaulted Loan, the special servicer will be required to determine the Fair Value of such mortgage loan in accordance with the Servicing Standard and consistent with the guidelines contained in the series 2009-K4 pooling and servicing agreement. The special servicer will be permitted to change from time to time thereafter, its determination of the fair value of a Defaulted Loan based upon changed circumstances, new information or otherwise, in accordance with the Servicing Standard. All reasonable costs and expenses of the special servicer in connection with the determination of the fair value of a Defaulted Loan will be reimbursable as servicing advances. The special servicer must give prompt written notice of its fair value determination to the trustee, the master servicer, the guarantor or its designee and the series 2009-K4 directing certificateholder.

Subject to the discussion above, each holder of a Purchase Option may, at its option, purchase the subject Defaulted Loan from the issuing entity at a price (the "Option Price") equal to—

- if the special servicer has not yet determined the fair value of that Defaulted Loan, the unpaid principal balance of that Defaulted Loan, plus accrued and unpaid interest on such balance, all related unreimbursed servicing advances together with any unpaid interest on any advance owing to the party or parties that made them, and all accrued special servicing fees and additional trust expenses allocable to that Defaulted Loan whether paid or unpaid and all costs and expenses in connection with the sale; or
- if the special servicer has made such fair value determination, the fair value of that Defaulted Loan as determined by the special servicer.

If the most recent fair value calculation was made more than 90 days prior to the exercise date of a Purchase Option, then the special servicer must confirm or revise the fair value determination, and the Option Price at which the Defaulted Loan may be purchased will be modified accordingly.

Unless and until the Purchase Option with respect to a Defaulted Loan is exercised, the special servicer will be required to pursue such other resolution strategies available under the series 2009-K4 pooling and servicing agreement, including work-out and foreclosure, consistent with the Servicing Standard, but it will not be permitted

to sell the Defaulted Loan other than pursuant to the exercise of the Purchase Option or in accordance with any applicable intercreditor or co-lender agreement.

If not exercised sooner, the Purchase Option with respect to any Defaulted Loan will automatically terminate upon—

- the cure by the related borrower or a party with cure rights of all defaults that caused the subject underlying mortgage loan to be a Defaulted Loan;
- the acquisition on behalf of the trust of title to the related mortgaged real property by foreclosure or deed in lieu of foreclosure; or
- the modification or pay-off (full or discounted) of the Defaulted Loan in connection with a work-out.

Foreclosure and Similar Proceedings. Pursuant to the series 2009-K4 pooling and servicing agreement, if an event of default on an underlying mortgage loan has occurred and is continuing, the special servicer, on behalf of the issuing entity, may at any time institute foreclosure proceedings, exercise any power of sale contained in the related mortgage or otherwise acquire title to the related mortgaged real property. The special servicer shall not, however, acquire title to any mortgaged real property or take any other action with respect to any mortgaged real property that would cause the trustee, for the benefit of the series 2009-K4 certificateholders or any other specified person to be considered to hold title to, to be a “mortgagee-in-possession” of or to be an “owner” or an “operator” of such mortgaged real property within the meaning of certain federal environmental laws, unless the special servicer has previously received a report prepared by a person who regularly conducts environmental audits (the cost of which report will be a servicing advance) and either—

- such report indicates that (a) the mortgaged real property is in compliance with applicable environmental laws and regulations and (b) there are no circumstances or conditions present at the mortgaged real property for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any applicable environmental laws and regulations; or
- the special servicer, based solely (as to environmental matters and related costs) on the information set forth in such report, determines that taking such actions as are necessary to bring the mortgaged real property into compliance with applicable environmental laws and regulations and/or taking the actions contemplated by clause (b) of the preceding bullet, is reasonably likely to increase the net proceeds of the liquidation of such mortgaged real property, than not taking such actions.

A borrower’s failure to make required mortgage loan payments may mean that operating income from the related mortgaged real property is insufficient to service the mortgage debt, or may reflect the diversion of that income from the servicing of the mortgage debt. In addition, a borrower that is unable to make mortgage loan payments may also be unable to make timely payments of taxes or otherwise to maintain and insure the related mortgaged real property. In general, the special servicer will be required to monitor any specially serviced mortgage loan serviced by it, evaluate whether the causes of the default can be corrected over a reasonable period without significant impairment of the value of the related mortgaged real property, initiate corrective action in cooperation with the borrower if cure is likely, inspect the related mortgaged real property and take such other actions as it deems necessary and appropriate. A significant period of time may elapse before the special servicer is able to assess the success of any such corrective action or the need for additional initiatives. The time within which the special servicer can make the initial determination of appropriate action, evaluate the success of corrective action, develop additional initiatives, institute foreclosure proceedings and actually foreclose, or accept a deed to a mortgaged real property in lieu of foreclosure, on behalf of the holders of the series 2009-K4 certificates may vary considerably depending on the particular underlying mortgage loan, the related mortgaged real property, the borrower, the presence of an acceptable party to assume the subject mortgage loan and the laws of the jurisdiction in which the related mortgaged real property is located. If a borrower files a bankruptcy petition, the special servicer may not be permitted to accelerate the maturity of the defaulted loan or to foreclose on the related real property for a considerable period of time.

If liquidation proceeds collected with respect to any defaulted mortgage loan in the issuing entity are less than the outstanding principal balance of the subject defaulted mortgage loan, together with accrued interest on and

reimbursable expenses incurred by the special servicer, the master servicer and/or any other party in connection with the subject defaulted mortgage loan, then the issuing entity will realize a loss in the amount of the shortfall (although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee). The special servicer and/or master servicer will be entitled to reimbursement out of the liquidation proceeds recovered on any defaulted mortgage loan, prior to the payment of any portion of those liquidation proceeds to the holders of the series 2009-K4 certificates, for any and all amounts that represent unpaid servicing compensation in respect of the subject mortgage loan, unreimbursed servicing expenses incurred with respect to the subject mortgage loan and any unreimbursed advances of delinquent payments made with respect to the subject mortgage loan. In addition, amounts otherwise payable on the series 2009-K4 certificates may be further reduced by interest payable to the master servicer and/or special servicer on expenses and advances with respect to the subject mortgage loan.

REO Properties. If title to any mortgaged real property is acquired by the special servicer on behalf of the issuing entity, the special servicer will be required to sell that property as soon as practicable, but not later than the end of the third calendar year following the year of acquisition, unless—

- the IRS grants an extension of time to sell the property; or
- the special servicer obtains an opinion of independent counsel generally to the effect that the holding of the property subsequent to the end of the third calendar year following the year in which the acquisition occurred will not result in the imposition of a tax on the assets of the issuing entity or cause any REMIC created under the series 2009-K4 pooling and servicing agreement to fail to qualify as a REMIC under the Code.

The special servicer will be required to use reasonable efforts to solicit cash offers for any REO Property held in the issuing entity in a manner that will be reasonably likely to realize a fair price for the property within the time periods contemplated by the prior paragraph. The special servicer may, at the expense of the issuing entity, retain an independent contractor to operate and manage any REO Property. The retention of an independent contractor will not relieve the special servicer of its obligations with respect to any REO Property. Regardless of whether the special servicer applies for or is granted an extension of time to sell any REO Property, the special servicer will be required to act in accordance with the Servicing Standard to liquidate that REO Property on a timely basis. If an extension is granted or opinion given, the special servicer must sell the subject REO Property within the period specified in the extension or opinion.

In general, the special servicer or an independent contractor employed by the special servicer at the expense of the issuing entity will be obligated to operate and manage any REO Property held by the issuing entity solely for the purpose of its prompt disposition and sale, in a manner that maintains its status as “foreclosure property” within the meaning of Code Section 860G(a)(8).

Subject to the Servicing Standard and any other limitations imposed by the series 2009-K4 pooling and servicing agreement, a special servicer will be permitted, with respect to any REO Property, to incur a tax on net income from foreclosure property, within the meaning of Code Section 857(b)(4)(B).

To the extent that income the issuing entity receives from an REO property is subject to a tax on net income from foreclosure property, that income would be subject to U.S. federal tax at the highest marginal corporate tax rate, which is currently 35%.

The determination as to whether income from an REO Property held by the issuing entity would be subject to a tax will depend on the specific facts and circumstances relating to the management and operation of each REO Property. Any tax imposed on the issuing entity’s income from an REO Property would reduce the amount available for payment to the series 2009-K4 certificateholders. See “U.S. Federal Income Tax Consequences” in this information circular. The reasonable out-of-pocket costs and expenses of obtaining professional tax advice in connection with the foregoing will be payable out of the master servicer’s collection account.

REO Account. The special servicer will be required to segregate and hold all funds collected and received in connection with any REO Property held by the issuing entity separate and apart from its own funds and general assets. If an REO Property is acquired by the issuing entity, the special servicer will be required to establish and maintain an account for the retention of revenues and other proceeds derived from that REO Property. That REO

account must be maintained in a manner and with a depository institution that satisfies rating agency standards for securitizations similar to the one involving the offered certificates. The special servicer will be required to deposit, or cause to be deposited, in its REO account, within one business day following receipt, all net income, insurance proceeds, condemnation proceeds and liquidation proceeds received with respect to each REO Property held by the issuing entity. The funds held in this REO account may be held as cash or invested in Permitted Investments. Any interest or other income earned on funds in the special servicer's REO account will be payable to the special servicer, subject to the limitations described in the series 2009-K4 pooling and servicing agreement.

The special servicer will be permitted to withdraw from its REO account funds necessary for the proper operation, management, leasing, maintenance and disposition of any REO Property administered by it, but only to the extent of amounts on deposit in the account relating to that particular REO Property. Promptly following the end of each collection period, the special servicer will be required to withdraw from its REO account and deposit, or deliver to the master servicer for deposit, into the master servicer's collection account the total of all amounts received in respect of each REO Property administered by it during that collection period, net of:

- any withdrawals made out of those amounts, as described in the preceding sentence; and
- any portion of those amounts that may be retained as reserves, as described in the next sentence.

The special servicer may, subject to the limitations described in the series 2009-K4 pooling and servicing agreement, retain in its REO account such portion of the proceeds and collections on any REO Property administered by it as may be necessary to maintain a reserve of sufficient funds for the proper operation, management, leasing, maintenance and disposition of that property, including the creation of a reasonable reserve for repairs, replacements, necessary capital improvements and other related expenses.

The special servicer shall keep and maintain separate records, on a property by property basis, for the purpose of accounting for all deposits to, and withdrawals from, its REO account.

Liquidation Proceeds. To the extent that liquidation proceeds collected with respect to any underlying mortgage loan are less than the sum of—

- the outstanding principal balance of that mortgage loan,
- interest (other than Default Interest) accrued on that mortgage loan,
- interest accrued on any monthly debt service advance made with respect to that mortgage loan,
- the aggregate amount of outstanding reimbursable expenses (including any unreimbursed servicing advances and unpaid and accrued interest on such advances) incurred with respect to that mortgage loan, and
- any and all special servicing compensation payable with respect to that mortgage loan,

then the issuing entity will realize a loss in the amount of such shortfall (although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee).

The trustee, the master servicer and/or the special servicer will be entitled to reimbursement out of the liquidation proceeds recovered on an underlying mortgage loan, prior to the distribution of such liquidation proceeds to series 2009-K4 certificateholders, of any and all amounts that represent unpaid servicing compensation or trustee fees in respect of that mortgage loan, certain unreimbursed expenses incurred with respect to that mortgage loan and any unreimbursed advances made with respect to that mortgage loan. In addition, amounts otherwise distributable on the series 2009-K4 certificates will be further reduced by interest payable to the master servicer or the trustee, as applicable, on any such advances.

If any mortgaged real property suffers damage such that the proceeds, if any, of the related hazard insurance policies or flood insurance are insufficient to restore fully the damaged property, the master servicer will not be required to make servicing advances to effect such restoration unless—

- the special servicer determines that such restoration will increase the proceeds to the series 2009-K4 certificateholders (as a collective whole) on liquidation of the mortgage loan after reimbursement of the master servicer for its expenses; and
- the master servicer determines that such expenses will be recoverable by it from related liquidation proceeds.

Specially Serviced Mortgage Loans. With respect to any mortgage loan in the issuing entity as to which a Servicing Transfer Event has occurred, the master servicer will transfer its servicing responsibilities to the special servicer, but will continue to receive payments on such mortgage loan (including amounts collected by the special servicer), to make certain calculations with respect to such mortgage loan and to make remittances and prepare certain reports to the trustee with respect to such mortgage loan.

The special servicer will continue to be responsible for the operation and management of an REO Property. The master servicer will have no responsibility for the performance by the special servicer of its duties under the series 2009-K4 pooling and servicing agreement.

The special servicer will return the full servicing of a specially serviced mortgage loan to the master servicer when all Servicing Transfer Events with respect to that mortgage loan have ceased to exist and that mortgage loan has become a Corrected Mortgage Loan.

Series 2009-K4 Directing Certificateholder. The “series 2009-K4 directing certificateholder” will be a certificateholder or its designee (or, in the case of a class of book-entry certificates, a beneficial owner) selected by holders (or beneficial owners) of series 2009-K4 certificates representing a majority interest in the class B certificates, until the total principal balance of such class of certificates is less than 2.5% of the total initial principal balance of such class; *provided, however*, that until a series 2009-K4 directing certificateholder is so selected or after receipt of a notice from the holders of series 2009-K4 certificates representing a majority interest in the series class B certificates that a series 2009-K4 directing certificateholder is no longer designated, the person or entity that beneficially owns the largest principal balance of the class B certificates will be the series 2009-K4 directing certificateholder. Thereafter, Freddie Mac will be the series 2009-K4 directing certificateholder. It is anticipated that Spring Asset Funding, Ltd. will serve as the initial series 2009-K4 directing certificateholder.

As and to the extent described under “—Asset Status Report” below, the series 2009-K4 directing certificateholder may direct the master servicer or special servicer with respect to various servicing matters involving each of the underlying mortgage loans.

Asset Status Report. Pursuant to the series 2009-K4 pooling and servicing agreement, the special servicer is required to prepare and deliver a report to the master servicer, the series 2009-K4 directing certificateholder and the guarantor (the “Asset Status Report”) with respect to any underlying mortgage loan that becomes a specially serviced mortgage loan within 30 days of any such mortgage loan becoming specially serviced.

Any Asset Status Report prepared by a special servicer will set forth the following information, to the extent reasonably determined:

- a summary of the status of the subject specially serviced mortgage loan;
- a discussion of the legal and environmental considerations reasonably known to the special servicer, consistent with the Servicing Standard, that are applicable to the exercise of remedies and whether outside legal counsel has been retained;
- a current rent roll and income or operating statement available for the related mortgaged real property;

- a recommendation by the special servicer as to how the subject specially serviced mortgage loan might be returned to performing status, returned to the master servicer for regular servicing or otherwise realized upon;
- a summary of any proposed actions;
- a status report on any foreclosure actions or other proceedings undertaken with respect to the related mortgaged real property, any proposed workouts with respect to the subject specially serviced mortgage loan and the status of any negotiations with respect to those workouts and an assessment of the likelihood of additional events of default thereon; and
- such other information as the special servicer deems relevant in light of the Servicing Standard.

If, within 10 business days following delivery of the Asset Status Report, the series 2009-K4 directing certificateholder does not disapprove in writing of any action proposed to be taken in that Asset Status Report, the special servicer is required to implement the recommended action as outlined in such Asset Status Report. If the series 2009-K4 directing certificateholder disapproves in writing such Asset Status Report within such 10 business days, the special servicer is required to revise and deliver a new Asset Status Report within 30 days after the series 2009-K4 directing certificateholder's disapproval. The special servicer must continue to revise that Asset Status Report until either the series 2009-K4 directing certificateholder fails to disapprove the revised Asset Status Report within 10 business days of receipt or the passage of 60 days from the date of preparation of the first Asset Status Report; *provided* that the special servicer (a) may, following the occurrence of an extraordinary event with respect to the related mortgaged real property, take any action set forth in such Asset Status Report before the expiration of a 10-business day approval period if the special servicer has reasonably determined that failure to take such action would materially and adversely affect the interests of the series 2009-K4 certificateholders and it has made a reasonable effort to contact the series 2009-K4 directing certificateholder and (b) in any case, shall determine whether any affirmative disapproval by the series 2009-K4 directing certificateholder described in this paragraph would violate the Servicing Standard.

The special servicer may not take any action inconsistent with an Asset Status Report, unless that action would be required in order to act in accordance with the Servicing Standard. The special servicer may, from time to time, modify any Asset Status Report it has previously delivered and implement that report, *provided* that the revised report has been prepared, reviewed and not rejected pursuant to the terms described above.

In addition to the foregoing, the special servicer is required to, subject to the Servicing Standard and the terms of the series 2009-K4 pooling and servicing agreement, obtain the consent of the series 2009-K4 directing certificateholder and respond to any reasonable request for information from the guarantor prior to the taking by the special servicer of (or prior to consenting to the master servicer taking) the following actions—

- any proposed or actual foreclosure upon or comparable conversion of, which may include acquisitions of an REO Property, the ownership of the property or properties securing any specially serviced mortgage loans in the issuing entity as come into and continue in default;
- any modification, amendment or waiver of a monetary term (including any change in the timing of payments but excluding the waiver of Default Interest and late payment charges) or any material non-monetary term (excluding any waiver of a due-on-sale or due-on-encumbrance clause, which is covered by the last bullet below) of a mortgage loan in the issuing entity;
- any acceptance of a discounted payoff with respect to a specially serviced mortgage loan in the issuing entity;
- any proposed or actual sale of an REO Property out of the issuing entity for less than the outstanding principal balance of, and accrued interest (other than Default Interest) on, the related mortgage loan, except in connection with a termination of the issuing entity as described under “—Termination” below;
- any determination to bring an REO Property held by the issuing entity into compliance with applicable environmental laws or to otherwise address hazardous material located at the REO Property;

- subject to the terms of the series 2009-K4 pooling and servicing agreement, any release of real property collateral for a mortgage loan in the issuing entity, other than in accordance with the specific terms of, or upon satisfaction of, that mortgage loan;
- any acceptance of substitute or additional real property collateral for a mortgage loan in the issuing entity, other than in accordance with the specific terms of that mortgage loan;
- any approval of releases of earn-out reserves or related letters of credit with respect to a mortgaged real property securing a mortgage loan in the issuing entity other than in accordance with the specific terms of that mortgage loan;
- the release of any reserves in excess of the threshold set forth in the series 2009-K4 pooling and servicing agreement;
- any approval of a replacement property manager for mortgage loans with a Stated Principal Balance in excess of \$10,000,000 (which consent may not be unreasonably withheld); and
- any approval of a waiver of a due-on-sale or due-on-encumbrance clause in a mortgage loan in the issuing entity.

Notwithstanding the foregoing, no direction of the series 2009-K4 directing certificateholder, and no failure to consent to any action requiring the consent thereof under the series 2009-K4 pooling and servicing agreement, may (a) require or cause the master servicer or the special servicer to violate the terms of the subject specially serviced mortgage loan, applicable law or any provision of the series 2009-K4 pooling and servicing agreement; (b) result in the imposition of a “prohibited transaction” or “prohibited contribution” tax under the REMIC provisions of the Code; (c) expose the master servicer, the special servicer, the trustee, us, the issuing entity or any of various other parties to any material claim, suit or liability or (d) materially expand the scope of the special servicer’s or the master servicer’s responsibilities under the series 2009-K4 pooling and servicing agreement. The master servicer or the special servicer, as the case may be, will not (x) follow any such direction of the series 2009-K4 directing certificateholder, (y) initiate any such actions having any of the effects set out above, or (z) refrain from taking any action, based on its failure to obtain the consent of the series 2009-K4 directing certificateholder, if the failure to take such action would violate the Servicing Standard.

Inspections; Collection of Operating Information

The special servicer will be required, at the expense of the issuing entity, to physically inspect or cause a physical inspection of the related corresponding mortgaged real property as soon as practicable after any mortgage loan in the issuing entity becomes a specially serviced mortgage loan and annually thereafter for so long as that mortgage loan remains a specially serviced mortgage loan. Beginning in 2010, the master servicer will be required, at its own expense, to physically inspect or cause a physical inspection of each mortgaged real property securing an underlying mortgage loan for which it acts as master servicer at least once per calendar year or, in the case of each underlying mortgage loan with an unpaid principal balance (or allocated loan amount) of under \$2,000,000, once every two (2) years, if the special servicer has not already done so in that period as contemplated by the preceding sentence. The master servicer and the special servicer will be required to prepare or cause the preparation of a written report of each inspection performed by it that generally describes the condition of the particular real property and, upon request, deliver such written report in electronic format to the trustee.

Most of the mortgages obligate the related borrower to deliver quarterly, and substantially all mortgages require annual, property operating statements. However, there can be no assurance that any operating statements required to be delivered will in fact be delivered, nor is the special servicer or the master servicer likely to have any practical means of compelling such delivery in the case of an otherwise performing mortgage loan.

Servicer Reports

As set forth in the series 2009-K4 pooling and servicing agreement, on a date preceding the applicable distribution date, the master servicer and the special servicer are required to deliver to the trustee, the series 2009-K4 directing certificateholder and the guarantor a servicer remittance report setting forth the information necessary for

the trustee to make the distributions set forth under “Description of the Series 2009-K4 Certificates—Distributions” in this information circular and containing the information to be included in the distribution report for that distribution date delivered by the trustee as described above under “Description of the Series 2009-K4 Certificates—Reports to Certificateholders; Available Information.”

Evidence as to Compliance

No later than April 30, each of the master servicer and the special servicer must deliver or cause to be delivered, as applicable, to the depositor, the trustee and the guarantor, among others:

- a statement of compliance signed by an officer of the master servicer or the special servicer, as the case may be, to the effect that (i) a review of the activities of the master servicer or the special servicer, as the case may be, during the preceding calendar year—or, in the case of the first such certification, during the period from the closing date to December 31, 2009, inclusive—and of its performance under the series 2009-K4 pooling and servicing agreement, has been made under such officer’s supervision, and (ii) to the best of such officer’s knowledge, based on such review, the master servicer or special servicer, as the case may be, has fulfilled its obligations under the series 2009-K4 pooling and servicing agreement in all material respects throughout the preceding calendar year or the portion of that year during which the certificates were outstanding (or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure known to such officer and the nature and status thereof); and
- as to each annual statement of compliance delivered by the master servicer or the special servicer, as the case may be, as described in the preceding bullet, an accountant’s statement from a registered public accounting firm to the effect that the assessment made by the asserting party in such statement of compliance is fairly stated and that the asserting party complied with the minimum servicing standards identified in the Uniform Single Attestation Program for Mortgage Bankers.

As long as one party is performing the duties of both the master servicer and the special servicer, that party will be required to deliver only one report, certificate or statement satisfying the requirements listed immediately above. Copies of such statement will be provided to any certificateholder, upon written request thereof, by the trustee.

Events of Default

Each of the following events, circumstances and conditions will be considered events of default with respect to the master servicer or special servicer under the series 2009-K4 pooling and servicing agreement:

- any failure by such master servicer to make (a) any required deposit into its collection account or any other account created under the series 2009-K4 pooling and servicing agreement, which failure continues unremedied for two business days, or any required remittance to the trustee for deposit in the trustee’s distribution account by the time required under the series 2009-K4 pooling and servicing agreement on the business day prior to the related distribution date, which failure continues unremedied until 11:00 a.m. (New York City time) on the related distribution date; or (b) any required servicing advance within the time specified in the series 2009-K4 pooling and servicing agreement, which failure remains uncured for 15 days (or such shorter time as is necessary to avoid the lapse of any required insurance policy or the foreclosure of any tax lien on the related mortgaged real property);
- any failure by such special servicer to deposit into the REO Account, or to remit to the master servicer for deposit in the master servicer’s collection account, any such deposit or remittance required to be made by the special servicer, when so required under the series 2009-K4 pooling and servicing agreement, which failure continues unremedied for two business days;
- any failure by such master servicer or such special servicer duly to observe or perform in any material respect any of its other covenants or obligations under the series 2009-K4 pooling and servicing agreement, which failure continues unremedied for 30 days (or 60 days so long as the master servicer or special servicer, as applicable, is diligently pursuing such cure) after written notice thereof has been given to the

master servicer or special servicer, as the case may be, by any other party to the series 2009-K4 pooling and servicing agreement;

- any breach by such master servicer or such special servicer of a representation or warranty contained in the series 2009-K4 pooling and servicing agreement which materially and adversely affects the interests of the series 2009-K4 certificateholders and continues unremedied for 30 days after the date on which notice of such breach shall have been given to the master servicer or special servicer, as the case may be, by any other party to the series 2009-K4 pooling and servicing agreement; *provided, however*, if such breach is not capable of being cured within such 30-day period and the master servicer or special servicer, as applicable, is diligently pursuing such cure, then such 30-day period shall be extended for an additional 30 days;
- certain events of insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings in respect of or relating to such master servicer or such special servicer, as applicable, and certain actions by or on behalf of the master servicer or special servicer, as applicable indicating its insolvency or inability to pay its obligations and such decree or order shall have remained in force for 60 days;
- consent by such master servicer or special servicer to the appointment of a conservator, receiver, liquidator, trustee or similar official in any bankruptcy, insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to such master servicer or special servicer or relating to all or substantially all of its property;
- admittance by such master servicer or special servicer in writing of its inability to pay its debts generally as they become due, the filing of a petition to take advantage of any applicable bankruptcy, insolvency or reorganization statute, the making of an assignment for the benefit of its creditors, or the voluntary suspension of payment of its obligations or take any corporate action in furtherance of the foregoing;
- a Ratings Trigger Event occurs with respect to the master servicer or the special servicer; *provided* that the master servicer shall have 60 days after its removal resulting from such default within which it may sell the servicing rights to a party as provided in the series 2009-K4 pooling and servicing agreement;
- an auditor of such master servicer or special servicer has provided a written assessment that such master servicer or special servicer, as applicable, may be unable to continue as a “going concern”; or
- failure of the master servicer to provide the trustee with certain periodic information pertaining to the underlying mortgage loans as required under the series 2009-K4 pooling and servicing agreement more than 3 times in a rolling 12-month period within 1 business day of the date on which the relevant report is due, unless such failure is due to force majeure or an act of god or such failure is waived by the guarantor; *provided* a report shall not be considered late unless the guarantor provides the master servicer with written notice of such late delivery within 5 days of the related distribution date.

Rights Upon Event of Default

If an event of default described above under “—Events of Default” above occurs with respect to the master servicer or the special servicer and remains unremedied, the trustee will be authorized, and at the direction of the series 2009-K4 directing certificateholder or the guarantor, the trustee will be required, to terminate all of the obligations and, with limited exception, all of the rights of the defaulting party under the series 2009-K4 pooling and servicing agreement and in and to the assets of the issuing entity, other than any rights the defaulting party may have (a) as a series 2009-K4 certificateholder; or (b) in respect of any unpaid servicing compensation (including the Excess Servicing Strip), unreimbursed advances and interest thereon or rights to indemnification. Upon any such termination, subject to the discussion in the next two paragraphs and under “—Removal, Resignation and Replacement of Servicers; Transfer of Servicing Duties” above, the trustee must either:

- succeed to all of the responsibilities, duties and liabilities of the defaulting party under the series 2009-K4 pooling and servicing agreement; or

- appoint an established mortgage loan servicing institution to act as successor to the defaulting party under the series 2009-K4 pooling and servicing agreement.

Certificateholders entitled to more than 50% of the series 2009-K4 voting rights may require the trustee to appoint an established mortgage loan servicing institution, or other entity as to which the trustee has received the approval of the guarantor, to act as successor to the defaulting party rather than have the trustee act as that successor.

In general, certificateholders entitled to at least $66\frac{2}{3}\%$ of the voting rights allocated to each class of series 2009-K4 certificates affected by any event of default may waive the event of default. However, the events of default described in the first and second bullets under “—Events of Default” above may only be waived by all of the holders of the affected classes of series 2009-K4 certificates, the Trustee and the guarantor. Furthermore, if the trustee is required to spend any monies in connection with any event of default, then that event of default may not be waived unless and until the trustee has been reimbursed, with interest, by the party requesting the waiver. Upon any waiver of an event of default, the event of default will cease to exist and will be deemed to have been remedied for every purpose under the series 2009-K4 pooling and servicing agreement.

No series 2009-K4 certificateholder will have the right under the series 2009-K4 pooling and servicing agreement to institute any proceeding with respect thereto unless:

- that holder previously has given to the trustee written notice of default;
- except in the case of a default by the trustee, series 2009-K4 certificateholders representing at least 25% of a class have made written request upon the trustee to institute that proceeding in its own name as trustee under the series 2009-K4 pooling and servicing agreement and have offered to the trustee reasonable indemnity; and
- the trustee for 60 days has neglected or refused to institute any such proceeding.

The trustee, however, will be under no obligations to exercise any of the trusts or powers vested in it by the series 2009-K4 pooling and servicing agreement or to make any investigation of matters arising thereunder or to institute, conduct or defend any litigation thereunder or in relation thereto at the request, order or direction of any of the series 2009-K4 certificateholders, unless in the trustee’s opinion, those series 2009-K4 certificateholders have offered to the trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred by the trustee as a result.

Matters Regarding the Trustee

The trustee is at all times required to be a corporation, national bank, trust company or national banking association organized and doing business under the laws of the U.S. or any State of the U.S. or the District of Columbia. Furthermore, the trustee must at all times, among other things—

- be authorized under those laws to exercise corporate trust powers;
- have a combined capital and surplus of at least \$50,000,000; and
- be subject to supervision or examination by federal or state authority.

If the corporation, national bank, trust company or national banking association publishes reports of condition at least annually, in accordance with law or the requirements of the supervising or examining authority, then the combined capital and surplus of that corporation, national bank or national banking association will be deemed to be its combined capital and surplus as described in its most recent published report of condition.

We, the master servicer, the special servicer, the guarantor and our and their respective affiliates, may from time to time enter into normal banking and trustee relationships with the trustee and its affiliates. The trustee and any of its respective affiliates may hold series 2009-K4 certificates in their own names. In addition, for purposes of meeting the legal requirements of some local jurisdictions, the trustee will have the power to appoint a co-trustee or separate trustee of all or any part of the assets of the issuing entity. All rights, powers, duties and obligations conferred or

imposed upon the trustee will be conferred or imposed upon the trustee and the separate trustee or co-trustee jointly or, in any jurisdiction in which the trustee shall be incompetent or unqualified to perform some acts, singly upon the separate trustee or co-trustee, who shall exercise and perform its rights, powers, duties and obligations solely at the direction of the trustee.

The trustee will be entitled to a monthly fee for its services. That fee will accrue with respect to each and every mortgage loan in the mortgage pool. In each case, that fee will accrue at 0.0011% per annum on the Stated Principal Balance of the subject mortgage loan outstanding from time to time and will be calculated on the same basis as on the subject mortgage loan. The trustee fee is payable out of general collections on the mortgage pool in the issuing entity.

The trustee will be authorized to invest or direct the investment of funds held in its distribution account and interest reserve account in Permitted Investments. It will be—

- entitled to retain any interest or other income earned on those funds; and
- required to cover any losses of principal of those investments from its own funds.

Certain Indemnities

We, the trustee, the custodian, the master servicer, the special servicer and each of our and their respective members, managers, shareholders, affiliates, directors, officers, employees, agents and controlling persons will be entitled to indemnification from the issuing entity against any loss, liability or expense that is incurred without willful misfeasance, bad faith, fraud or negligence in the performance of obligations or duties under the series 2009-K4 pooling and servicing agreement or by reason of negligent disregard of such obligations and duties; *provided, however*, that in any calendar year, indemnification to us, the trustee, custodian, master servicer, the special servicer and their respective members, managers, shareholders, affiliates, directors, officers, employees, agents and controlling persons will not exceed an amount equal to the Depositor Aggregate Annual Cap, the Trustee/Custodian Aggregate Annual Cap, the Master Servicer Aggregate Annual Cap or the Special Servicer Aggregate Annual Cap, as applicable. Any amounts payable in excess of the relevant Aggregate Annual Cap shall be paid, to the extent the funds are available, in the subsequent year or years (subject to the relevant Aggregate Annual Cap in each year) until paid in full; *provided, however*, that (i) the guarantor and the series 2009-K4 directing certificateholder shall have the right, in their sole and absolute discretion, to waive (as evidenced by a waiver signed by both the guarantor and the series 2009-K4 directing certificateholder) the Depositor Aggregate Annual Cap, the Master Servicer Aggregate Annual Cap, the Trustee/Custodian Aggregate Annual Cap or the Special Servicer Aggregate Annual Cap upon the written request of the depositor, the trustee/custodian, master servicer or special servicer, as applicable, (ii) any indemnification amounts unpaid as a result of the relevant Aggregate Annual Cap will accrue interest at a rate equal to the Prime Rate from the date on which such amounts would have otherwise been paid had such Aggregate Annual Cap not applied to the date on which such amount is paid; and (iii) the foregoing Aggregate Annual Caps will not apply after the Aggregate Annual Cap Termination Date.

Termination

The obligations created by the series 2009-K4 pooling and servicing agreement will terminate following the earlier of—

1. the final payment or advance on, or other liquidation of, the last mortgage loan or related REO Property remaining in the issuing entity; and
2. the purchase of all of the mortgage loans and REO Properties remaining in the issuing entity by the holders of a majority of the percentage interest of the controlling class (excluding Freddie Mac) or the series 2009-K4 directing certificateholder, the master servicer or the special servicer, in the order of preference discussed below.

Written notice of termination of the series 2009-K4 pooling and servicing agreement will be given to each series 2009-K4 certificateholder and the guarantor. The final distribution with respect to each series 2009-K4

certificate will be made only upon surrender and cancellation of that certificate at the office of the series 2009-K4 certificate registrar or at any other location specified in the notice of termination.

The following parties will each in turn, according to the order listed below, have the option to purchase all of the mortgage loans and all other property remaining in the issuing entity on any distribution date on which the total Stated Principal Balance of the mortgage pool is less than 1.0% of the initial pool balance, upon written notice to the guarantor:

- the series 2009-K4 directing certificateholder;
- the special servicer; and
- the master servicer.

Any purchase by the holder of a majority of the percentage interest of the controlling class (excluding Freddie Mac), a master servicer or a special servicer of all the mortgage loans and REO Properties remaining in the issuing entity is required to be made at a price equal to:

- the sum of—
 1. the total Stated Principal Balance of all the mortgage loans then included in the issuing entity, other than any mortgage loans as to which the mortgaged real properties have become REO Properties, together with—
 - all unpaid and unadvanced interest, other than Default Interest, on those mortgage loans through their respective due dates in the related collection period, and
 - all unreimbursed advances for those mortgage loans, together with any interest on those advances owing to the parties that made them, and
 2. the appraised value of all REO properties then included in the issuing entity, as determined by an appraiser mutually agreed upon by the master servicer, the special servicer and the trustee; minus
- solely in the case of a purchase by the master servicer or the special servicer, the total of all amounts payable or reimbursable to the purchaser under the series 2009-K4 pooling and servicing agreement.

The purchase will result in early retirement of the then outstanding series 2009-K4 certificates. However, the right of the holder of a majority of the percentage interest of the controlling class (excluding Freddie Mac), of the master servicer or the special servicer to make the purchase is subject to the requirement that the total Stated Principal Balance of the mortgage pool be less than 1.0% of the initial pool balance. The termination price, exclusive of any portion of the termination price payable or reimbursable to any person other than the series 2009-K4 certificateholders, will constitute part of the Standard Available P&I Funds for the final distribution date. Any person or entity making the purchase will be responsible for reimbursing the parties to the series 2009-K4 pooling and servicing agreement for all reasonable out-of-pocket costs and expenses incurred by those parties in connection with the purchase.

Amendment

In general, the series 2009-K4 pooling and servicing agreement is subject to amendment. However, no amendment of the series 2009-K4 pooling and servicing agreement may significantly change the activities of the issuing entity without the consent of—

- the holders of the series 2009-K4 certificates entitled to not less than $66\frac{2}{3}\%$ of the series 2009-K4 voting rights, not taking into account series 2009-K4 certificates held by us, any of our affiliates or agents or the guarantor; and

- all of the series 2009-K4 certificateholders that will be adversely affected by the amendment in any material respect.

Additionally, absent a material adverse effect on any certificateholder, the series 2009-K4 pooling and servicing agreement may be amended by the parties thereto without the consent of any of the certificateholders to the extent necessary in order for the mortgage loan seller and their affiliates to obtain accounting “sale” treatment for the mortgage loans under the applicable accounting guidance of the Financial Accounting Standards Board.

The Master Servicer and the Special Servicer Permitted to Buy Certificates

The master servicer and special servicer will be permitted to purchase the class B certificates and the class A-X2 certificates. Such a purchase by the master servicer or the special servicer could cause a conflict relating to the master servicer’s or special servicer’s duties pursuant to the series 2009-K4 pooling and servicing agreement and the master servicer’s or special servicer’s interest as a holder of the series 2009-K4 certificates, especially to the extent that certain actions or events have a disproportionate effect on one or more classes of certificates. Pursuant to the series 2009-K4 pooling and servicing agreement, the master servicer and special servicer are required to administer the relevant underlying mortgage loans in accordance with the Servicing Standard without regard to ownership of any series 2009-K4 certificate by the master servicer or special servicer or any affiliate thereof.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

The following is a general discussion of the anticipated material federal income tax consequences of the purchase, ownership and disposition of the offered certificates. The discussion below does not purport to address all federal income tax consequences that may be applicable to particular categories of investors, some of which (such as banks, insurance companies and foreign investors) may be subject to special rules. The authorities on which this discussion is based are subject to change or differing interpretations, and any such change or interpretation could apply retroactively. This discussion reflects the applicable provisions of the Code, as well as regulations (the “REMIC Regulations”) promulgated by the U.S. Department of the Treasury. Investors should consult their own tax advisors in determining the federal, state, local or any other tax consequences to them of the purchase, ownership and disposition of Certificates.

The following summary is not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. federal, state, or local tax penalties. The following summary is written and provided by the depositor in connection with the promotion or marketing of the transactions or matters addressed in this information circular by the depositor. Investors should seek advice based on their particular circumstances from an independent tax advisor.

Elections will be made to treat applicable portions of the Trust Fund as two separate REMICs within the meaning of Code Section 860D (the “Lower-Tier REMIC” and the “Upper-Tier REMIC”, and collectively, the “Trust REMICs”). The Lower-Tier REMIC will hold the underlying mortgage loans, the proceeds thereof, the related portion of the Collection Account, the related portion of the distribution account, and the portion of any property that secured a related underlying mortgage loan that was acquired by foreclosure or deed-in-lieu of foreclosure, and will issue certain uncertificated classes of “regular interests” (the “Lower-Tier REMIC Regular Interests”) as classes of “regular interests” in the Lower-Tier REMIC and the sole class of “residual interests” in the Lower-Tier REMIC, represented by the class R certificates. The Upper-Tier REMIC will hold the Lower-Tier REMIC Regular Interests and the related portion of the distribution account and will issue the offered certificates and the non-offered certificates other than the class R certificates (the “Regular Certificates”) as “regular interests” in the Upper-Tier REMIC and the sole class of “residual interests” in the Upper-Tier REMIC, represented by the class R certificates. Qualification as a REMIC requires ongoing compliance with certain conditions. Assuming (i) the making of appropriate elections, (ii) compliance with the series 2009-K4 pooling and servicing agreement, and (iii) compliance with any changes in the law, including any amendments to the Code or applicable Treasury regulations thereunder, in the opinion of Cadwalader, Wickersham & Taft LLP, counsel to the Depositor, each of the Trust REMICs will qualify as a REMIC on the closing date and thereafter. References herein to “REMIC” refer to either of the two Trust REMICs, as appropriate. References to “Holder” or “Certificateholder” in this discussion are to the beneficial owner of a certificate as specified herein.

Qualification as a REMIC

In order for each of the Trust REMICs to qualify as a REMIC, there must be ongoing compliance on the part of each REMIC with the requirements set forth in the Code. Each of the Trust REMICs must fulfill an asset test, which requires that no more than a *de minimis* portion of the assets of each REMIC, as of the close of the third calendar month beginning after the “Startup Day” (which for purposes of this discussion is the closing date) and at all times thereafter, may consist of assets other than “qualified mortgages” and “permitted investments.” The REMIC Regulations provide a safe harbor pursuant to which the *de minimis* requirements will be met if at all times the aggregate adjusted basis of the nonqualified assets is less than 1% of the aggregate adjusted basis of all the REMIC’s assets. Each REMIC also must provide “reasonable arrangements” to prevent its residual interests from being held by “disqualified organizations” or agents thereof and must furnish applicable tax information to transferors or agents that violate this requirement. The series 2009-K4 pooling and servicing agreement will provide that no legal or beneficial interest in the class R certificates may be transferred or registered unless certain conditions, designed to prevent violation of this requirement, are met.

A qualified mortgage is any obligation that is principally secured by interest in real property and that is either transferred to the REMIC on the Startup Day or is either purchased by the REMIC within a three-month period thereafter or represents an increase in the loan advanced to the obligor under its original terms, in either case, pursuant to a fixed price contract in effect on the Startup Day. Qualified mortgages include whole mortgage loans or participation interests therein, such as the underlying mortgage loans, and regular interests in another REMIC, such as the Lower-Tier REMIC Regular Interests that are held by the Upper-Tier REMIC, *provided*, in general, (i) the fair market value of the real property security (including buildings and structural components thereof) is at least 80% of the principal balance of the related underlying mortgage loan either at origination or as of the Startup Day (a loan-to-value ratio of not more than 125% with respect to the real property security) or (ii) substantially all the proceeds of an underlying mortgage loan were used to acquire, improve or protect an interest in real property that, at the origination date, was the only security for the underlying mortgage loans. If an underlying mortgage loan was not in fact principally secured by real property or is otherwise not a qualified mortgage, it must be disposed of within 90 days of discovery of such defect, or otherwise ceases to be a qualified mortgage after such 90-day period.

Permitted investments include cash flow investments, qualified reserve assets and foreclosure property. A cash flow investment is an investment, earning a return in the nature of interest, of amounts received on or with respect to qualified mortgages for a temporary period, not exceeding 13 months, until the next scheduled distribution to Holders of interests in the REMIC. A qualified reserve asset includes any intangible property held for investment that is part of any reasonably required reserve maintained by the REMIC to provide for payments of expenses of the REMIC or amounts due on the regular or residual interests in the event of defaults (including delinquencies) on the qualified mortgages, lower than expected reinvestment returns, prepayment interest shortfalls and certain other contingencies. The Trust REMICs will not hold any reserve funds. Foreclosure property is real property acquired by a REMIC in connection with the default or imminent default of a qualified mortgage and maintained by the REMIC in compliance with applicable rules, *provided* the Depositor had no knowledge or reason to know as of the Startup Day that such a default had occurred or would occur. Foreclosure property may generally not be held after the close of the third calendar year beginning after the date the REMIC acquires such property, with one extension that may be granted by the IRS.

In addition to the foregoing requirements, the various interests in a REMIC also must meet certain requirements. All of the interests in a REMIC must be either of the following: (i) one or more classes of regular interests or (ii) a single class of residual interests on which distributions, if any, are made *pro rata*. A regular interest is an interest in a REMIC that is issued on the Startup Day with fixed terms, is designated as a regular interest, and unconditionally entitles the Holder to receive a specified principal amount, and provides that interest payments, if any, at or before maturity either are payable based on a fixed rate or a qualified variable rate, or consist of a specified, nonvarying portion of the interest payments on the qualified mortgages. The rate on the specified portion may be a fixed rate, a variable rate, or the difference between one fixed or qualified variable rate and another fixed or qualified variable rate. The specified principal amount of a regular interest that provides for interest payments consisting of a specified, nonvarying portion of interest payments on qualified mortgages may be zero. An interest in a REMIC may be treated as a regular interest even if payments of principal with respect to such interest are subordinated to payments on other regular interests or the residual interest in the REMIC, and are dependent on the absence of defaults or delinquencies on qualified mortgages or permitted investments, lower than reasonably

expected returns on permitted investments, expenses incurred by REMIC or Prepayment Interest Shortfalls. A residual interest is an interest in a REMIC other than a regular interest that is issued on the Startup Day that is designated as a residual interest. Accordingly, the Regular Certificates will constitute classes of Regular Certificates in the Upper-Tier REMIC; the Lower-Tier REMIC Regular Interests will constitute classes of regular interests in the Lower-Tier REMIC; and the class R certificates will represent the sole classes of residual interest in the Lower-Tier REMIC and the Upper-Tier REMIC, respectively. Any first priority option of a series 2009-K4 certificateholder to purchase a Junior Loan from the Junior Lender shall not be a right in respect of any regular interest owned by such Holder.

If an entity fails to comply with one or more of the ongoing requirements of the Code for status as one or more REMICs during any taxable year, the Code provides that the entity or applicable portion thereof will not be treated as a REMIC for such year and thereafter. In this event, any entity with debt obligations with two or more maturities, such as the Trust, may be treated as a separate association taxable as a corporation under Treasury regulations, and the Certificates may be treated as equity interests therein. The Code, however, authorizes the Treasury Department to issue regulations that address situations where failure to meet one or more of the requirements for REMIC status occurs inadvertently and in good faith. Investors should be aware, however, that the Conference Committee Report to the Tax Reform Act of 1986 (the “1986 Act”) indicates that the relief may be accompanied by sanctions, such as the imposition of a corporate tax on all or a portion of the REMIC’s income for the period of time in which the requirements for REMIC status are not satisfied.

Status of Regular Certificates

Regular Certificates held by a real estate investment trust will constitute “real estate assets” within the meaning of Code Section 856(c)(5)(B) and interest on the Regular Certificates will be considered “interest on obligations secured by mortgages on real property or on interests in real property” within the meaning of Code Section 856(c)(3)(B) in the same proportion that, for both purposes, the assets of the Trust would be so treated. For purposes of Code Section 856(c)(5)(B), payments of principal and interest on the underlying mortgage loans that are reinvested pending distribution to Holders of Regular Certificates qualify for such treatment. Regular Certificates held by a domestic building and loan association will be treated as “loans...secured by an interest in real property which is...residential real property” within the meaning of Code Section 7701(a)(19)(C)(v). For purposes of the foregoing tests, the Trust REMICs are treated as a single REMIC. If at all times 95% or more of the assets of the Trust qualify for each of the foregoing treatments, the Regular Certificates will qualify for the corresponding status in their entirety.

Taxation of Regular Certificates

General. In general, interest, OID and market discount on a Regular Certificate will be treated as ordinary income to a Certificateholder, and principal payments on a Regular Certificate will be treated as a return of capital to the extent of the Certificateholder’s basis allocable thereto (other than accrued market discount, if any, not yet reported as income). Certificateholders must use the accrual method of accounting with regard to the Regular Certificates, regardless of the method of accounting otherwise used by such Certificateholders.

Original Issue Discount. Holders of Regular Certificates issued with OID generally must include OID in ordinary income for federal income tax purposes as it accrues in accordance with the constant yield method, which takes into account the compounding of interest, in advance of receipt of the cash attributable to such income. The following discussion is based in part on temporary and final Treasury regulations (the “OID Regulations”) under Code Sections 1271 through 1273 and 1275 and in part on the provisions of the 1986 Act. Certificateholders should be aware, however, that the OID Regulations do not adequately address certain issues relevant to prepayable securities, such as the Regular Certificates. To the extent such issues are not addressed in the OID Regulations, it is anticipated that the Trustee will apply the methodology described in the Conference Committee Report to the 1986 Act. No assurance can be *provided* that the IRS will not take a different position as to those matters not currently addressed by the OID Regulations. Moreover, the OID Regulations include an anti-abuse rule allowing the IRS to apply or depart from the OID Regulations where necessary or appropriate to ensure a reasonable tax result in light of the applicable statutory provisions. A tax result will not be considered unreasonable under the anti-abuse rule in the absence of a substantial effect on the present value of a taxpayer’s tax liability. Investors are advised to consult their

own tax advisors as to the discussion herein and the appropriate method for reporting interest and OID with respect to the Regular Certificates.

Each Regular Certificate will be treated as a single installment obligation for purposes of determining the OID includible in a Certificateholder's income. The total amount of OID on a Regular Certificate is the excess of the "stated redemption price at maturity" of the Regular Certificate over its "issue price." The issue price of a Class of Regular Certificates is the first price at which a substantial amount of Regular Certificates of such Class are sold to investors (excluding bond houses, brokers and underwriters). Although unclear under the OID Regulations, it is anticipated that the Trustee will treat the issue price of a Class of Regular Certificates as to which there is no substantial sale as of the closing date as the fair market value of such Class as of the closing date. The issue price of a Class of Regular Certificates also includes the amount paid by an initial Certificateholder of such Class for accrued interest that relates to a period prior to the closing date of such Class of Regular Certificates. The stated redemption price at maturity of a Regular Certificate is the sum of all payments thereof other than any qualified stated interest payments. Under the OID Regulations, qualified stated interest generally means interest payable at a single fixed rate or a qualified variable rate, *provided* that such interest payments are unconditionally payable at intervals of one year or less during the entire term of the obligation. Because there is no penalty or default remedy in the case of nonpayment of interest with respect to a Regular Certificate, it is possible that no interest on any Class of Regular Certificates will be treated as qualified stated interest. However, because the underlying mortgage loans provide for remedies in the event of default, it is anticipated, unless required otherwise by applicable Treasury regulations, that the Trustee will treat all payments of stated interest on the offered certificates (other than the class A-X1 certificates) as qualified stated interest.

It is anticipated that the Trustee will treat the class A-X1 certificates as having no qualified stated interest. Accordingly, the class A-X1 certificates will be considered to be issued with OID in an amount equal to the excess of all distributions of interest expected to be received thereon over their issue price (including accrued interest). Any "negative" amounts of OID on such Classes attributable to rapid prepayments with respect to the underlying mortgage loans will not be deductible currently. A Holder of the class A-X1 certificates may be entitled to a loss deduction to the extent it becomes certain that such Holder will not recover a portion of its basis in such Certificate, assuming no further prepayments. In the alternative, it is possible that rules similar to the "noncontingent bond method" of the contingent interest rules of the OID Regulations may be promulgated with respect to the class A-X1 certificates. Unless and until required otherwise by applicable authority, it is not anticipated that the contingent interest rules will apply.

Under a *de minimis* rule, OID on a Regular Certificate will be considered to be zero if such OID is less than 0.25% of the stated redemption price at maturity of the Regular Certificate multiplied by the weighted average maturity of the Regular Certificate. For this purpose, the weighted average maturity is computed as the sum of the amounts determined by multiplying the number of full years (*i.e.*, rounding down partial years) from the closing date until each distribution scheduled to be made by a fraction, the numerator of which is the amount of each distribution included in the stated redemption price at maturity of the Regular Certificate and the denominator of which is the stated redemption price at maturity of the Regular Certificate. The Conference Committee Report to the 1986 Act provides that the schedule of such distributions should be determined in accordance with the assumed rate of prepayment of the mortgage loan, *i.e.*, no prepayments and no extensions (the "Prepayment Assumption"). Holders generally must report *de minimis* OID *pro rata* as principal payments are received, and such income will be capital gain if the Regular Certificate is held as a capital asset. However, under the OID Regulations, Certificateholders may elect to accrue all *de minimis* OID as well as market discount and premium under the constant yield method. See "—Election to Treat All Interest Under the Constant Yield Method" below.

The holder of a Regular Certificate issued with OID generally must include in gross income for any taxable year the sum of the "daily portions," as defined below, of the OID on the Regular Certificate accrued during an accrual period for each day on which it holds the Regular Certificate, including the date of purchase but excluding the date of disposition. With respect to each such Regular Certificate, a calculation will be made of the OID that accrues during each successive full accrual period that ends on the day prior to each Distribution Date with respect to the Regular Certificate. The OID accruing in a full accrual period will be the excess, if any, of (i) the sum of (a) the present value of all of the remaining distributions to be made on the Regular Certificate as of the end of that accrual period based on the Prepayment Assumption and (b) the distributions made on the Regular Certificate during the accrual period that are included in the Regular Certificate's stated redemption price at maturity, over (ii) the adjusted

issue price of the Regular Certificate at the beginning of the accrual period. The present value of the remaining distributions referred to in the preceding sentence is calculated based on (i) the yield to maturity of the Regular Certificate as of the Startup Day and (ii) events (including actual prepayments) that have occurred prior to the end of the accrual period. For these purposes, the adjusted issue price of a Regular Certificate at the beginning of any accrual period equals the issue price of the Regular Certificate, increased by the aggregate amount of OID with respect to the Regular Certificate that accrued in all prior accrual periods and reduced by the amount of distributions included in the Regular Certificate's stated redemption price at maturity that were made on the Regular Certificate that were attributable to such prior periods. The OID accruing during any accrual period (as determined in this paragraph) will then be divided by the number of days in the period to determine the daily portion of OID for each day in the period. The OID allocable to the short first accrual period will be computed based on the exact method.

Under the method described above, the daily portions of OID required to be included as ordinary income by a Certificateholder generally will increase to take into account prepayments on the related Regular Certificate as a result of prepayments on the underlying mortgage loans. Due to the unique nature of interest only REMIC Regular Certificates, the preceding sentence may not apply in the case of the class A-X1 certificates.

Acquisition Premium. A purchaser of a Regular Certificate at a price greater than its adjusted issue price and less than its remaining stated redemption price at maturity will be required to include in gross income the daily portions of the OID on the Regular Certificate reduced *pro rata* by a fraction, the numerator of which is the excess of its purchase price over such adjusted issue price and the denominator of which is the excess of the remaining stated redemption price at maturity over the adjusted issue price. Alternatively, such a purchaser may elect to treat all such acquisition premium under the constant yield method, as described below under the heading “—Election to Treat All Interest Under the Constant Yield Method” below.

Market Discount. A purchaser of a Regular Certificate also may be subject to the market discount rules of Code Sections 1276 through 1278. Under these Code sections and the principles applied by the OID Regulations in the context of OID, “market discount” is the amount by which the purchaser's original basis in the Regular Certificate (i) is exceeded by the remaining outstanding principal payments and non-qualified stated interest payments due on a Regular Certificate, or (ii) in the case of a Regular Certificate having OID, is exceeded by the adjusted issue price of such Regular Certificate at the time of purchase. Such purchaser generally will be required to recognize ordinary income to the extent of accrued market discount on such Regular Certificate as distributions includible in the stated redemption price at maturity thereof are received, in an amount not exceeding any such distribution. Such market discount would accrue in a manner to be provided in Treasury regulations and should take into account the prepayment assumption. The Conference Committee Report to the 1986 Act provides that until such regulations are issued, such market discount would accrue, at the election of the Holder, either (i) on the basis of a constant interest rate or (ii) in the ratio of interest accrued for the relevant period to the sum of the interest accrued for such period plus the remaining interest after the end of such period, or, in the case of Classes issued with OID, in the ratio of OID accrued for the relevant period to the sum of the OID accrued for such period plus the remaining OID after the end of such period. Such purchaser also generally will be required to treat a portion of any gain on a sale or exchange of the Regular Certificate as ordinary income to the extent of the market discount accrued to the date of disposition under one of the foregoing methods, less any accrued market discount previously reported as ordinary income as partial distributions in reduction of the stated redemption price at maturity were received. Such purchaser will be required to defer deduction of a portion of the excess of the interest paid or accrued on indebtedness incurred to purchase or carry the Regular Certificate over the interest (including OID) distributable thereon. The deferred portion of such interest expense in any taxable year generally will not exceed the accrued market discount on the Regular Certificate for such year. Any such deferred interest expense is, in general, allowed as a deduction not later than the year in which the related market discount income is recognized or the Regular Certificate is disposed of. As an alternative to the inclusion of market discount in income on the foregoing basis, the Certificateholder may elect to include market discount in income currently as it accrues on all market discount instruments acquired by such Certificateholder in that taxable year or thereafter, in which case the interest deferral rule will not apply. See “—Election to Treat All Interest Under the Constant Yield Method” below regarding an alternative manner in which such election may be deemed to be made.

Market discount with respect to a Regular Certificate will be considered to be zero if such market discount is less than 0.25% of the remaining stated redemption price at maturity of such Regular Certificate multiplied by the weighted average maturity of the Regular Certificate remaining after the date of purchase. For this purpose, the

weighted average maturity is determined by multiplying the number of full years (*i.e.*, rounding down partial years) from the closing date until each distribution in reduction of stated redemption price at maturity is scheduled to be made by a fraction, the numerator of which is the amount of each such distribution included in the stated redemption price at maturity of the Regular Certificate and the denominator of which is the total stated redemption price at maturity of the Regular Certificate. It appears that *de minimis* market discount would be reported *pro rata* as principal payments are received. Treasury regulations implementing the market discount rules have not yet been issued, and investors should therefore consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto. Investors should also consult Revenue Procedure 92-67 concerning the elections to include market discount in income currently and to accrue market discount on the basis of the constant yield method.

Premium. A Regular Certificate purchased upon initial issuance or in the secondary market at a cost greater than its remaining stated redemption price at maturity generally is considered to be purchased at a premium. If the Certificateholder holds such Regular Certificate as a “capital asset” within the meaning of Code Section 1221, the Certificateholder may elect under Code Section 171 to amortize such premium under the constant yield method. Final Treasury regulations under Code Section 171 do not, by their terms, apply to prepayable obligations such as the Regular Certificates. However, the Conference Committee Report to the 1986 Act indicates a Congressional intent that the same rules that will apply to the accrual of market discount on installment obligations will also apply to amortizing bond premium under Code Section 171 on installment obligations such as the Regular Certificates, although it is unclear whether the alternatives to the constant interest method described above under “—Market Discount” are available. Amortizable bond premium will be treated as an offset to interest income on a Regular Certificate rather than as a separate deduction item. See “—Election to Treat All Interest Under the Constant Yield Method” below regarding an alternative manner in which the Code Section 171 election may be deemed to be made. Based on the foregoing, it is anticipated that the class A-1, class A-2 and class A-3 certificates will be issued at a premium. Because the stated redemption price at maturity of the class A-X1 certificates will include all anticipated distributions of interest on such Classes, it is unlikely that such Classes could be purchased at a premium.

Election to Treat All Interest Under the Constant Yield Method. A Holder of a debt instrument such as a Regular Certificate may elect to treat all interest that accrues on the instrument using the constant yield method, with none of the interest being treated as qualified stated interest. For purposes of applying the constant yield method to a debt instrument subject to such an election, (i) “interest” includes stated interest, OID, *de minimis* OID, market discount and *de minimis* market discount, as adjusted by any amortizable bond premium or acquisition premium and (ii) the debt instrument is treated as if the instrument were issued on the Holder’s acquisition date in the amount of the Holder’s adjusted basis immediately after acquisition. A Holder generally may make such an election on an instrument-by-instrument basis or for a class or group of debt instruments. However, if the Holder makes such an election with respect to a debt instrument with amortizable bond premium or with market discount, the Holder is deemed to have made elections to amortize bond premium or to report market discount income currently as it accrues under the constant yield method, respectively, for all premium bonds held or market discount bonds acquired by the Holder in the same taxable year or thereafter. The election is made on the Holder’s federal income tax return for the year in which the debt instrument is acquired and is irrevocable except with the approval of the IRS. Investors should consult their own tax advisors regarding the advisability of making such an election.

Treatment of Losses. Holders of the Regular Certificates will be required to report income with respect thereto on the accrual method of accounting, without giving effect to delays or reductions in distributions attributable to a default or delinquency on the underlying mortgage loan, except to the extent it can be established that such losses are uncollectible. Accordingly, the Holder of a Regular Certificate may have income, or may incur a diminution in cash flow as a result of a default or delinquency, but may not be able to take a deduction (subject to the discussion below) for the corresponding loss until a subsequent taxable year. In this regard, investors are cautioned that while they generally may cease to accrue interest income if it reasonably appears that the interest will be uncollectible, the IRS may take the position that OID must continue to be accrued in spite of its uncollectibility until the debt instrument is disposed of in a taxable transaction or becomes worthless in accordance with the rules of Code Section 166. Under Code Section 166, Certificateholders that are corporations or that otherwise hold the Regular Certificates in connection with a trade or business should in general be allowed to deduct as an ordinary loss any such loss sustained during the taxable year on account of any such Regular Certificates becoming wholly or partially worthless, and, in general, Certificateholders that are not corporations and do not hold the Regular Certificates in connection with a trade or business will be allowed to deduct as a short-term capital loss any loss with respect to

principal sustained during the taxable year on account of a portion of any Class of such Regular Certificates becoming wholly worthless. Although the matter is not free from doubt, such non-corporate Certificateholders should be allowed a bad debt deduction at such time as the principal balance of any Class of such Regular Certificates is reduced to reflect losses resulting from liquidation of the related underlying mortgage loan. The IRS could also assert that losses on a Class of Regular Certificates are deductible based on some other method, such as reducing future cash flow for purposes of computing OID. This may have the effect of creating “negative” OID which, with the possible exception of the method discussed in the following sentence, would be deductible only against future positive OID or otherwise upon termination of the applicable Class. Although not free from doubt, a Certificateholder with negative OID may be entitled to deduct a loss to the extent that its remaining basis would exceed the maximum amount of future payments to which such Holder was entitled, assuming no further prepayments. Certificateholders are urged to consult their own tax advisors regarding the appropriate timing, amount and character of any loss sustained with respect to such Regular Certificates. Losses attributable to interest previously reported as income should be deductible as ordinary losses by both corporate and non-corporate Holders. Special loss rules are applicable to banks and thrift institutions, including rules regarding reserves for bad debts. Such taxpayers are advised to consult their tax advisors regarding the treatment of losses on the Regular Certificates.

Sale or Exchange of Regular Certificates. If a Certificateholder sells or exchanges a Regular Certificate, the Certificateholder will recognize gain or loss equal to the difference, if any, between the amount received and its adjusted basis in the Regular Certificate. The adjusted basis of a Regular Certificate generally will equal the cost of the Regular Certificate to the seller, increased by any OID or market discount previously included in the seller’s gross income with respect to the Regular Certificate and reduced by amounts included in the stated redemption price at maturity of the Regular Certificate that were previously received by the seller, by any amortized premium, and by any deductible losses thereon.

Except as described above with respect to market discount, and except as provided in this paragraph, any gain or loss on the sale or exchange of a Regular Certificate realized by an investor who holds the Regular Certificate as a capital asset will be capital gain or loss and will be long-term or short-term depending on whether the Regular Certificate has been held for the long-term capital gain holding period (currently more than one year). Such gain will be treated as ordinary income (i) if the Regular Certificate is held as part of a “conversion transaction” as defined in Code Section 1258(c), up to the amount of interest that would have accrued on the Certificateholder’s net investment in the conversion transaction at 120% of the appropriate applicable Federal rate under Code Section 1274(d) in effect at the time the taxpayer entered into the transaction minus any amount previously treated as ordinary income with respect to any prior disposition of property that was held as part of such transaction, (ii) in the case of a noncorporate taxpayer, to the extent such taxpayer has made an election under Code Section 163(d)(4) to have net capital gains taxed as investment income at ordinary income rates, or (iii) to the extent that such gain does not exceed the excess, if any, of (a) the amount that would have been includible in the gross income of the Holder if his yield on such Regular Certificate were 110% of the applicable federal rate as of the date of purchase, over (b) the amount of income actually includible in the gross income of such Holder with respect to the Regular Certificate. In addition, gain or loss recognized from the sale of a Regular Certificate by certain banks or thrift institutions will be treated as ordinary income or loss pursuant to Code Section 582(c). Long-term capital gains of individuals are taxed at a lower rate than ordinary income and short-term capital gains. Tax rates of corporations are the same for capital gains and ordinary income, but their capital losses may be offset only against capital gains.

Taxes That May Be Imposed on a REMIC

Prohibited Transactions. Income from certain transactions by a REMIC, called “prohibited transactions,” will not be part of the calculation of income or loss includible in the federal income tax, but rather will be taxed directly to the REMIC at a 100% rate. Prohibited transactions generally include (i) the disposition of a qualified mortgage other than for (a) substitution within two years of the Startup Day for a defective (including a defaulted) obligation (or repurchase in lieu of substitution of a defective (including a defaulted) obligation at any time) or for any qualified mortgage within three months of the Startup Day, (b) foreclosure, default, or imminent default of a qualified mortgage, (c) bankruptcy or insolvency of the REMIC, or (d) a qualified (complete) liquidation, (ii) the receipt of income from assets that are not the type of mortgages or investments that the REMIC is permitted to hold, (iii) the receipt of compensation for services, or (iv) the receipt of gain from disposition of cash flow investments other than pursuant to a qualified liquidation. Notwithstanding (i) and (iv), it is not a prohibited transaction to sell REMIC property to prevent a default on regular interests as a result of a default on qualified mortgages or to

facilitate a qualified liquidation or a clean-up call. The REMIC Regulations indicate that the modification of a mortgage loan generally will not be treated as a disposition if it is occasioned by a default or reasonably foreseeable default, an assumption of a mortgage loan, or the waiver of a due-on-sale or due-on encumbrance clause. It is not anticipated that either of the REMICs will engage in any prohibited transactions.

Contributions to a REMIC After the Startup Day. In general, a REMIC will be subject to a tax at a 100% rate on the value of any property contributed to the REMIC after the Startup Day. Exceptions are provided for cash contributions to the REMIC (i) during the three months following the Startup Day, (ii) made to a qualified reserve fund by a holder of a residual interest, (iii) in the nature of a guarantee, (iv) made to facilitate a qualified liquidation or clean-up call, and (v) as otherwise permitted in Treasury regulations yet to be issued. It is not anticipated that there will be any taxable contributions to any of the Trust REMICs.

Net Income from Foreclosure Property. The Lower-Tier REMIC will be subject to federal income tax at the highest corporate rate on “net income from foreclosure property,” determined by reference to the rules applicable to real estate investment trusts. Generally, property acquired by foreclosure or deed in lieu of foreclosure would be treated as “foreclosure property” until the close of the third calendar year beginning after the Lower-Tier REMIC’s acquisition of a mortgaged real property, with a possible extension. Net income from foreclosure property generally means gain from the sale of a foreclosure property that is inventory property and gross income from foreclosure property other than qualifying rents and other qualifying income for a real estate investment trust.

In order for a mortgaged real property to qualify as foreclosure property, any operation of the mortgaged real property by the Lower-Tier REMIC, as applicable, generally must be conducted through an independent contractor. Further, such operation, even if conducted through an independent contractor, may give rise to “net any income from foreclosure property,” taxable at the highest corporate rate. Payment of such tax by the Lower-Tier REMIC would reduce amounts available for distribution to Certificateholders.

The special servicer is required to determine generally that the operation of foreclosure property in a manner that would subject the Lower-Tier REMIC to such tax would be expected to result in higher after-tax proceeds than an alternative method of operating such property that would not subject the Lower-Tier REMIC to such tax.

Taxation of Certain Foreign Investors

Interest, including OID, distributable to beneficial owners of Regular Certificates who are nonresident aliens, foreign corporations, or other non-U.S. Persons (*i.e.*, any person who is not a “U.S. Person,” as defined in the next paragraph), will be considered “portfolio interest” and, therefore, generally will not be subject to 30% United States withholding tax, *provided* that such non-U.S. Person (i) is not a “10-percent shareholder” within the meaning of Code Section 871(h)(3)(B), or a controlled foreign corporation described in Code Section 881(c)(3)(C) related to, a REMIC (or possibly one or more mortgagors) and (ii) provides the trustee, or the person who would otherwise be required to withhold tax from such distributions under Code Section 1441 or 1442, with an appropriate statement, signed under penalties of perjury, identifying the beneficial owner and stating, among other things, that the beneficial owner of the Regular Certificate is a non-U.S. Person. The appropriate documentation includes Form W-8BEN, if the non-U.S. Person is a corporation or individual eligible for the benefits of the portfolio interest exemption or an exemption based on a treaty; Form W-8ECI if the non-U.S. Person is eligible for an exemption on the basis of its income from the Regular Certificate being effectively connected to a United States trade or business; Form W-8BEN or Form W-8IMY if the non-U.S. Person is a trust, depending on whether such trust is classified as the beneficial owner of the Regular Certificate; and Form W-8IMY, with supporting documentation as is specified in the Treasury Regulations, required to substantiate exemptions from withholding on behalf of its partners, if the non-U.S. Person is a partnership. An intermediary (other than a partnership) must provide Form W-8IMY, revealing all required information, including its name, address, taxpayer identification number, the country under the laws of which it is created, and certification that it is not acting for its own account. A “qualified intermediary” must certify that it has provided, or will provide, a withholding statement as required under Treasury Regulations Section 1.1441-1(e)(5)(v), but need not disclose the identity of its account holders on its Form W-8IMY, and may certify its account holders’ status without including each beneficial owner’s certification. A “non-qualified intermediary” must additionally certify that it has provided, or will provide, a withholding statement that is associated with the appropriate Forms W-8 and W-9 required to substantiate exemptions from withholding on behalf of its beneficial owners. The term “intermediary” means a person acting as a custodian, a broker, nominee or

otherwise as an agent for the beneficial owner of a Regular Certificate. A “qualified intermediary” is generally a foreign financial institution or clearing organization or a non-U.S. branch or office of a U.S. financial institution or clearing organization that is a party to a withholding agreement with the IRS.

If such statement, or any other required statement, is not provided, 30% withholding will apply unless interest on the Regular Certificate is effectively connected with the conduct of a trade or business within the United States by such non-U.S. Person. In that case, such non-U.S. Person will be subject to United States federal income tax at regular rates. The term “U.S. Person” means a citizen or resident of the United States, a corporation or partnership created or organized in or under the laws of the United States, any State thereof or the District of Columbia, including an entity treated as a corporation or partnership for federal income tax purposes, an estate whose income is subject to U.S. federal income tax regardless of its source, or a trust if a court within the United States is able to exercise primary supervision over the administration of such trust, and one more such U.S. Persons have the authority to control all substantial decisions of such trust (or, to the extent provided in applicable Treasury regulations, certain trusts in existence on August 20, 1996 which are eligible to elect to be treated as U.S. Persons).

Backup Withholding

Distributions made on the Regular Certificates, and proceeds from the sale of the Regular Certificates to or through certain brokers may be subject to a “backup” withholding tax under Code Section 3406 at the current rate of 28% on “reportable payments” (including interest distributions, OID, and, under certain circumstances, principal distributions) unless the Certificateholder is a U.S. Person and provides IRS Form W-9 with the correct taxpayer identification number; is a non-U.S. Person and provides IRS Form W-8BEN identifying the non-U.S. Person and stating that the beneficial owner is not a U.S. Person; or can be treated as an exempt recipient within the meaning of Treasury Regulations Section 1.6049-4(c)(1)(ii). Any amounts withheld from distribution on the Regular Certificates would be refunded by the IRS or allowed as a credit against the Certificateholder’s federal income tax liability. Information reporting requirements may also apply regardless of whether withholding is required. Investors are urged to contact their own tax advisors regarding the application to them of backup withholding and information reporting.

Reporting and Administrative Requirements

Reports of accrued interest, OID, if any, and information necessary to compute the accrual of any market discount on the Regular Certificates will be made annually to the IRS and to individuals, estates, non-exempt and non-charitable trusts, and partnerships who are either Holders of record of Regular Certificates or beneficial owners who own Regular Certificates through a broker or middleman as nominee. All brokers, nominees and all other non-exempt Holders of record of Regular Certificates (including corporations, non-calendar year taxpayers, securities or commodities dealers, real estate investment trusts, investment companies, common trust funds, thrift institutions and charitable trusts) may request such information for any calendar quarter by telephone or in writing by contacting the person designated in IRS Publication 938 with respect to the related REMIC. Holders through nominees must request such information from the nominee.

Treasury regulations require that information be furnished annually to Holders of Regular Certificates and filed annually with the IRS concerning the percentage of each REMIC’s assets meeting the qualified asset tests described above under “—Status of Regular Certificates.”

DUE TO THE COMPLEXITY OF THESE RULES AND THE CURRENT UNCERTAINTY AS TO THE MANNER OF THEIR APPLICATION TO THE TRUST FUND AND CERTIFICATEHOLDERS, IT IS PARTICULARLY IMPORTANT THAT POTENTIAL INVESTORS CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX TREATMENT OF THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF THE CERTIFICATES.

STATE AND OTHER TAX CONSIDERATIONS

In addition to the federal income tax consequences described in “Certain Federal Income Tax Consequences,” potential investors should consider the state, local and other income tax consequences of the acquisition, ownership, and disposition of the certificates. State and local income tax law may differ substantially from the corresponding

federal law, and this discussion does not purport to describe any aspect of the income tax laws of any state, local or other jurisdiction. Therefore, potential investors should consult their own tax advisors with respect to the various tax consequences of investments in the certificates.

USE OF PROCEEDS

We will use the net proceeds from the sale of the offered certificates to pay part of the purchase price of the mortgage loans that we intend to include in the issuing entity.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a certificate purchase agreement, we have agreed to sell to Freddie Mac the offered certificates and Freddie Mac has agreed to purchase the offered certificates from us. Freddie Mac intends to include the offered certificates in pass-through pools that it will form for its Series K-004 Structured Pass-Through Certificates.

LEGAL MATTERS

Certain legal matters will be passed upon for us by Cadwalader, Wickersham & Taft LLP, New York, New York. Cadwalader, Wickersham & Taft LLP also regularly provides legal representation to Freddie Mac.

GLOSSARY

The following capitalized terms will have the respective meanings assigned to them in this “Glossary” section whenever they are used in this information circular, including in any of the exhibits to this information circular or on the accompanying CD-ROM.

“0.0%/y” means, with respect to any of the underlying mortgage loans, a duration of y payments for the open period during which the loan is freely payable.

“30/360 Basis” means the accrual of interest based on a 360 day year consisting of twelve 30 day months.

“Actual/360 Basis” means the accrual of interest based on the actual number of days elapsed during each one-month accrual period in a year assumed to consist of 360 days.

“Additional Issuing Entity Expense” means an expense (other than, master servicing fees, sub-servicing fees and trustee fees) of the issuing entity that—

- arises out of a default on an underlying mortgage loan or an otherwise unanticipated event;
- is not covered by a servicing advance or a corresponding collection from the related borrower; and
- to the extent that it is allocable to a particular underlying mortgage loan, is not covered by late payment charges or Default Interest collected on that mortgage loan.

We provide some examples of Additional Issuing Entity Expenses under “Description of the Series 2009-K4 Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses” in this information circular.

“Aggregate Annual Cap” means the Depositor Aggregate Annual Cap, the Trustee/Custodian Aggregate Annual Cap, the Master Servicer Aggregate Annual Cap and/or the Special Servicer Aggregate Annual Cap, as applicable.

“Aggregate Annual Cap Termination Date” means the earlier to occur of (i) the determination date in October 2018 and (ii) any determination date on which the master servicer determines that the aggregate amount of Unreimbursed Indemnification Expenses (with interest thereon) and other outstanding servicing advances (with interest thereon), debt service advances (with interest thereon), nonrecoverable advances (with interest thereon), workout-delayed reimbursement amounts (with interest thereon) and Additional Issuing Entity Expenses (excluding special servicing fees, liquidation fees and workout fees) equals or exceeds an amount equal to 50% of the outstanding principal balance of the mortgage pool on such determination date (after the application of all payments of principal and/or interest collected during the related collection period).

“Appraisal Reduction Amount” means, for any distribution date and for any mortgage loan as to which any Appraisal Reduction Event has occurred, subject to the discussion under “The Series 2009-K4 Pooling and Servicing Agreement—Required Appraisals” in this information circular, an amount equal to the excess, if any, of (1) the Stated Principal Balance of the subject mortgage loan over (2) the excess, if any, of (a) the sum of (i) 90% of the appraised value of the related mortgaged real property as determined (A) by one or more independent MAI appraisals with respect to any mortgage loan with an outstanding principal balance equal to or in excess of \$2,000,000 (the costs of which shall be paid by the master servicer as a servicing advance) or (B) by an independent MAI appraisal (or an update of a prior appraisal) or an internal valuation performed by the special servicer with respect to any mortgage loan with an outstanding principal balance less than \$2,000,000, in the case of either (A) or (B), as such appraisal or internal valuation may be adjusted downward by the special servicer in accordance with the Servicing Standard, without implying any duty to do so, based upon the special servicer’s review of such appraisal, internal valuation or such other information as the special servicer deems relevant, plus (ii) any letter of credit, reserve, escrow or similar amount held by the master servicer which may be applied to payments on the subject mortgage loan over (b) the sum of (i) to the extent not previously advanced by the master servicer or the trustee, all unpaid interest on the subject mortgage loan at a per annum rate equal to its mortgage interest rate, (ii) all unreimbursed advances in respect of the subject mortgage loan and interest thereon at the Prime Rate and (iii) all

currently due and unpaid real estate taxes and assessments, insurance policy premiums, ground rents and all other amounts due and unpaid with respect to the subject mortgage loan (which taxes, assessments, premiums, ground rents and other amounts have not been subject to an advance by the master servicer or the trustee and/or for which funds have not been escrowed).

“Appraisal Reduction Event” means, with respect to any mortgage loan in the issuing entity, the earliest of any of the following events—

- 120 days after an uncured delinquency (without regard to the application of any grace period) occurs in respect of a mortgage loan;
- the date on which a reduction in the amount of monthly payments on a mortgage loan, or a change in any other material economic term of the mortgage loan (other than an extension of its maturity for a period of six months or less), becomes effective as a result of a modification of such mortgage loan by the special servicer;
- 60 days after a receiver has been appointed for the related borrower or immediately after a receiver has been appointed for the related mortgaged real property;
- 30 days after a borrower declares bankruptcy;
- 60 days after the borrower becomes the subject of an undischarged and unstayed decree or order for a bankruptcy proceeding; and
- immediately after a mortgaged real property becomes an REO Property;

provided, however, that there shall be no reduction in any advance for delinquent monthly debt service payments if an Appraisal Reduction Event shall occur at any time after the aggregate certificate balances of all classes of series 2009-K4 principal balance certificates (other than the class A-1, A-2 and A-3 certificates) have been reduced to zero.

“Asset Status Report” means the report designated as such and described under, “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report” in this information circular.

“Assumed Additional Principal Distribution Amount” means, with respect to any Distribution Date, the aggregate amount of the Stated Principal Balance of each mortgage loan that reached its maturity date during the related Collection Period (and with respect to which no final recovery determination has been made prior to its maturity date) but as to which the related borrower failed to pay the entire outstanding principal balance thereof, including the balloon payment by the end of such Collection Period; such aggregate amount not to exceed the aggregate outstanding principal balance of the Guaranteed Certificates (except for the class A-X1 certificates), as reduced by the Principal Distribution Amount to be applied in reduction of the outstanding principal balance of any class of Guaranteed Certificates (except for the class A-X1 certificates) on such Distribution Date.

“Assumed Final Distribution Date” means, with respect to any class of Guaranteed Certificates, the date set forth for such class on the cover of this information circular.

“ASTM” means the American Society for Testing and Materials.

“Audit Program” means the Audit Program for Mortgages serviced for Freddie Mac.

“Balloon Guarantor Payment” means any payment made by the guarantor in respect of clause 2 of the definition of Deficiency Amount.

“CERCLA” means the federal Comprehensive Environmental Response, Compensation & Liability Act of 1980, as amended.

“Class Final Guarantor Payment” means any payment made by the guarantor in respect of clause 4 of the definition of Deficiency Amount.

“CMSA” means the Commercial Mortgage Securities Association, an international trade organization for the commercial real estate capital markets.

“Code” means the Internal Revenue Code of 1986, as amended.

“Corrected Mortgage Loan” means any specially serviced mortgage loan that has become a performing mortgage loan, in accordance with its original term or as modified in accordance with the series 2009-K4 pooling and servicing agreement, for three consecutive monthly payments and the servicing of which has been returned to the master servicer; *provided* that no additional Servicing Transfer Event is foreseeable in the reasonable judgment of the special servicer.

“Cost Approach” means the determination of the value of a mortgaged real property arrived at by adding the estimated value of the land to an estimate of the current replacement cost of the improvements, and then subtracting depreciation from all sources.

“CPR” means an assumed constant rate of prepayment each month, which is expressed on a per annum basis, relative to the then-outstanding principal balance of a pool of mortgage loans for the life of those loans. The CPR model is the prepayment model that we use in this information circular.

“Cut-off Date Loan-to-Value Ratio” or “Cut-off Date LTV” means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the next two bullets, the ratio of—
 1. the cut-off-date principal balance of the subject mortgage loan, to
 2. the Most Recent Appraised Value of the related mortgaged real property; and
- with respect to any underlying mortgage loan that is secured, by multiple real properties, the ratio of—
 1. the aggregate cut-off date principal balances of the mortgage loan, to
 2. the sum of the Most Recent Appraised Values of all related mortgaged real properties.

“Default Interest” means any interest that—

- accrues on a defaulted underlying mortgage loan solely by reason of the subject default; and
- is in excess of all interest at the regular mortgage interest rate for the subject mortgage loan.

“Defaulted Loan” means any underlying mortgage loan that is at least 60 days delinquent in respect of its monthly payments or delinquent in respect of its balloon payment, if any, in each case without giving effect to any grace period permitted by the related mortgage or mortgage note or if any non-monetary event of default occurs that results in the mortgage loan becoming a specially serviced mortgage loan.

“Deficiency Amount” means with respect to any Distribution Date and any class of Guaranteed Certificates, the sum of:

1. the amount, if any, by which the interest payable on such class of Guaranteed Certificates exceeds the amount of interest actually distributed to the holders of such Guaranteed Certificates on such Distribution Date;
2. the amount of additional principal that would have been distributed to such class of Guaranteed Certificates (other than the class A-X1 certificates) if the Principal Distribution Amount had been increased by an amount equal to the Assumed Additional Principal Distribution Amount for such Distribution Date;
3. the amount, if any, of Realized Losses and Additional Issuing Entity Expenses allocated to such class of Guaranteed Certificates (other than the class A-X1 certificates); and

4. on the Assumed Final Distribution Date for any class of Guaranteed Certificates (except for the class A-X1 certificates), the class principal balance of such class on such Assumed Final Distribution Date (after giving effect to all amounts distributable and allocable to principal on such class but prior to giving effect to any Guarantor Payment including any Balloon Guarantor Payment for such class on such final distribution date).

“Depositor Aggregate Annual Cap” means \$300,000.

“Estimated Annual Operating Expenses” means, for each of the mortgaged real properties securing an underlying mortgage loan, the historical annual operating expenses for the property, adjusted upward or downward, as appropriate, to reflect, among other things, any expense modifications made as discussed below.

For purposes of calculating the Estimated Annual Operating Expenses for any mortgaged real property securing an underlying mortgage loan:

- the “historical annual operating expenses” for that property normally consist of historical expenses that were generally obtained/estimated—
 1. from operating statements relating to a complete fiscal year of the borrower ended in 2006, 2007, 2008 or a trailing 12-month period ended in 2008 or 2009,
 2. by annualizing the amount of expenses for partial 2008 or 2009 periods for which operating statements were available, with adjustments for some items deemed inappropriate for annualization,
 3. by calculating a stabilized estimate of operating expenses which takes into consideration historical financial statements and material changes in the operating position of the property, such as newly signed leases and market data, or
 4. if the property was recently constructed, by calculating an estimate of operating expenses based upon the appraisal of the property or market data; and
- the “expense modifications” made to the historical annual operating expenses for that property often include—
 1. assuming, in most cases, that a management fee, equal to approximately 2.5% to 5% of total revenues, was payable to the property manager,
 2. adjusting historical expense items upwards or downwards to reflect inflation and/or industry norms for the particular type of property,
 3. the underwritten recurring replacement reserve amounts,
 4. adjusting historical expenses downwards by eliminating various items which are considered non-recurring in nature or which are considered capital improvements, including recurring capital improvements.

The amount of any underwritten recurring replacement reserve amounts and/or underwritten leasing commissions and tenant improvements for each of the mortgaged real properties securing an underlying mortgage loan is shown in the table titled “Engineering Reserves and Recurring Replacement Reserves” on Exhibit A-1 to this information circular. The underwritten recurring replacement reserve amounts shown on Exhibit A-1 to this information circular are expressed as dollars per unit.

By way of example, Estimated Annual Operating Expenses generally include—

- salaries and wages;

- the costs or fees of—
 1. utilities,
 2. repairs and maintenance,
 3. replacement reserves,
 4. marketing,
 5. insurance,
 6. management,
 7. landscaping,
 8. security, if provided at the property, and
- the amount of taxes, general and administrative expenses and other costs.

Estimated Annual Operating Expenses generally do not reflect, however, any deductions for debt service, depreciation and amortization or capital expenditures or reserves for any of those items, except as described above.

Estimated Annual Operating Expenses for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual operating expenses for such mortgaged real property to differ materially from the Estimated Annual Operating Expenses set forth herein. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including future expense levels, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan sellers, the master servicer, the special servicer or the trustee have control. In some cases, the Estimated Annual Operating Expenses for any mortgaged real property are lower, and may be materially lower, than the annual operating expenses for that mortgaged real property based on historical operating statements. In determining the Estimated Annual Operating Expenses for a mortgaged real property, the mortgage loan seller in most cases relied on generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrowers, or the adequacy of any procedures used by the mortgage loan seller in determining the Estimated Annual Operating Expenses.

“Estimated Annual Revenues” generally means, for each of the mortgaged real properties securing an underlying mortgage loan, the base estimated annual revenues for the property, adjusted upward or downward, as appropriate, to reflect any revenue modifications made as discussed below.

For purposes of calculating the Estimated Annual Revenues for any mortgaged real property securing an underlying mortgage loan:

- the “base estimated annual revenues” for that property were generally assumed to equal the annualized amounts of gross potential rents; and
- the “revenue modifications” made to the base estimated annual revenues for that property often include—
 1. adjusting the revenues downwards by applying a combined vacancy and rent loss, including concessions, adjustment that reflected then current occupancy or, in some cases, a stabilized occupancy or, in some cases, an occupancy that was itself adjusted for historical trends or market rates of occupancy with consideration to competitive properties,
 2. adjusting the revenues upwards to reflect, in the case of some tenants, increases in base rents scheduled to occur during the following 12 months,

3. adjusting the revenues upwards for estimated income consisting of, among other items, late fees, laundry income, application fees, cable television fees, storage charges, electrical pass throughs, pet charges, janitorial services, furniture rental and parking fees, and
4. adjusting the revenues downwards in some instances where rental rates were determined to be significantly above market rates and the subject space was then currently leased to tenants that did not have long-term leases or were believed to be unlikely to renew their leases.

Estimated Annual Revenues for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual revenues for such mortgaged real property to differ materially from the Estimated Annual Revenues set forth herein. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including the re-leasing of vacant space and the continued leasing of occupied spaces, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer or the trustee have control. In some cases, the Estimated Annual Revenues for any mortgaged real property are higher, and may be materially higher, than the annual revenues for that mortgaged real property based on historical operating statements. In determining the Estimated Annual Revenues for a mortgaged real property, the mortgage loan seller in most cases relied on rent rolls and/or generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrowers, or the adequacy of any procedures used by the mortgage loan seller in determining the Estimated Annual Revenues.

“Excess Servicing Strip” means a portion of the master servicing fee payable to Midland (equal to fees accrued at a rate in excess of 0.005% (0.50 basis points) per annum) and the per annum rate applicable to any related sub-servicing fee payable to Midland in its capacity as primary servicer.

“Fair Value” means the amount that, in the special servicer’s judgment, exercised in accordance with the Servicing Standard, and taking into account the factors specified in the series 2009-K4 pooling and servicing agreement, is the fair value of a Defaulted Loan.

“Fitch” means Fitch, Inc.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation.

“Freddie Mac Act” means Title III of the Emergency Home Finance Act of 1970, as amended.

“Freddie Mac Guarantee” means obligations of the guarantor as described under “Description of the Series 2009-K4 Certificates—Distributions—Freddie Mac Guarantee.”

“GAAP” means generally accepted accounting principles.

“Guarantee Fee” means, for any distribution date and with respect to the Guaranteed Certificates, the fee payable to the guarantor in respect of its services as Guarantor, which fee accrues at the Guarantee Fee Rate on a balance equal to the aggregate class principal balance of the Guaranteed Certificates (other than the class A-X1 certificates) immediately prior to such distribution date. The Guarantee Fee with respect to the Guaranteed Certificates will accrue on the basis of a 360-day year and twelve 30-day months.

“Guarantee Fee Rate” means a per annum rate equal to 0.34%.

“Guaranteed Certificates” means the class A-1, class A-2, class A-3 and class A-X1 certificates.

“Guarantor Payment” means any payment made by the guarantor in respect of a Deficiency Amount.

“Guarantor Reimbursement Amount” means with respect to any Distribution Date, the sum of all amounts paid by the guarantor in respect of Deficiency Amounts on all prior Distribution Dates, to the extent not previously reimbursed (including from collections in respect of any mortgage loan on which a Balloon Guarantor Payment was made).

“Guarantor Reimbursement Interest Amount” means, interest on any Guarantor Reimbursement Amount (other than with respect to Guarantor Timing Reimbursement Amounts) at a per annum rate for each day equal to the prime rate for United States money center commercial banks as published in *The Wall Street Journal* for such day plus 2.00%.

“Guarantor Timing Reimbursement Amount”: The portion of any Guarantor Reimbursement Amount related to any Timing Guarantor Payment, together with interest thereon that accrued on any unreimbursed Guarantor Timing Reimbursement Amount during the related Interest Accrual Period and any such interest remaining unpaid from prior Interest Accrual Periods, in each case, at the Timing Guarantor Interest Rate.

“Guide” means the Freddie Mac Multifamily Seller/Servicer Guide, as it may be amended from time to time.

“Income Approach” means the determination of the value of a mortgaged real property by using the discounted cash flow method of valuation or by the direct capitalization method. The discounted cash flow analysis is used in order to measure the return on a real estate investment and to determine the present value of the future income stream expected to be generated by the mortgaged real property. The future income of the mortgaged real property, as projected over an anticipated holding period, and the resulting net operating incomes or cash flows are then discounted to present value using an appropriate discount rate. The direct capitalization method generally converts an estimate of a single year’s income expectancy, or, in some cases, a hypothetical stabilized single year’s income expectancy, into an indication of value by dividing the income estimate by an appropriate capitalization rate. An applicable capitalization method and appropriate capitalization rates are developed for use in computations that lead to an indication of value. In utilizing the Income Approach, the appraiser’s method of determination of gross income, gross expense and net operating income for the subject property may vary from the method of determining Underwritten Net Operating Income for that property, resulting in variances in the related net operating income values.

“IRS” means the Internal Revenue Service.

“Junior Loan Holder” means the holder of a second priority lien on certain of the underlying mortgage loans if the related borrower exercises its option to obtain secondary secured financing as described under “Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Financing” in this information circular.

“Lower-Tier REMIC” means the REMIC identified as such, and described under, “Summary of Information Circular—Legal and Investment Considerations—Federal Income Tax Consequences” in this information circular.

“Master Servicer Aggregate Annual Cap” means \$300,000.

“Maturity Balance” means, with respect to any underlying mortgage loan, the unpaid principal balance of the subject mortgage loan immediately prior to its maturity, according to the payment schedule for the subject mortgage loan and otherwise assuming no prepayments, defaults or extensions.

“Maturity Loan-to-Value Ratio” or “Maturity LTV” means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the next bullets, the ratio of—
 1. the Maturity Balance of the subject mortgage loan, to
 2. the Most Recent Appraised Value of the related mortgaged real property; and

- with respect to any underlying mortgage loan that is secured by multiple real properties, the ratio of—
 1. the aggregate Maturity Balances of the mortgage loan, to
 2. the sum of the Most Recent Appraised Values of all related mortgaged real properties.

“Modeling Assumptions” means, collectively, the following assumptions regarding the series 2009-K4 certificates and the underlying mortgage loans:

- the underlying mortgage loans have the characteristics set forth on Exhibit A-1 to this information circular and the initial pool balance is approximately \$1,075,295,763;
- the total initial principal balance or notional amount, as the case may be, of each class of series 2009-K4 certificates is as described in this information circular;
- the pass-through rate for each interest-bearing class of series 2009-K4 certificates is as described in this information circular;
- there are no delinquencies or losses with respect to the underlying mortgage loans;
- there are no modifications, extensions, waivers or amendments affecting the monthly debt service payments by borrowers on the underlying mortgage loans;
- there are no Appraisal Reduction Amounts with respect to the underlying mortgage loans;
- there are no casualties or condemnations affecting the corresponding mortgaged real properties;
- each of the underlying mortgage loans provides monthly debt service payments to be due on the first day of each month, regardless of whether the subject date is a business day or not;
- monthly debt service payments on the underlying mortgage loans are timely received on their respective due dates in each month, regardless of whether the subject date is a business day or not;
- no voluntary or involuntary prepayments are received as to any underlying mortgage loan during that mortgage loan’s prepayment lock-out period, including any contemporaneous defeasance period;
- except as otherwise assumed in the immediately preceding two bullets, prepayments are made on each of the underlying mortgage loans at the indicated CPRs set forth in the subject tables or other relevant part of this information circular, without regard to any limitations in those mortgage loans on partial voluntary principal prepayments;
- all prepayments on the underlying mortgage loans are assumed to be—
 - 1 accompanied by a full month’s interest, and
 2. received on the applicable due date of the relevant month;
- no person or entity entitled thereto exercises its right of optional termination as described in this information circular under “The Series 2009-K4 Pooling and Servicing Agreement—Termination”;
- none of the underlying mortgage loans is required to be repurchased or replaced by the mortgage loan seller or any other person, as described under “Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions” in this information circular;
- the only issuing entity expenses are the trustee fee, the master servicing fee, the sub-servicing fee and the Guarantee Fee;
- there are no Additional Issuing Entity Expenses;

- funds released from the interest reserve account for any underlying mortgage loan that has paid in full will be included in the calculation of net weighted average coupon of the remaining underlying mortgage loans;
- payments on the offered certificates are made on the 25th day of each month, commencing in November 2009; and
- the offered certificates are settled on an assumed settlement date of October 22, 2009.

“Moody’s” means Moody’s Investors Servicer, Inc.

“Most Recent Appraised Value” or “Appraised Value” means for any mortgaged real property securing an underlying mortgage loan in the issuing entity, the “as is” value estimate reflected in the most recent appraisal obtained by or otherwise in the possession of the mortgage loan seller.

In general, the amount of costs assumed by the appraiser for these purposes is based on—

- an estimate by the individual appraiser;
- an estimate by the related borrower;
- the estimate set forth in the property condition assessment conducted in connection with the origination of the related mortgage loan; or
- a combination of these estimates.

“Most Recent Debt Service Coverage Ratio” or “Most Recent DSCR” means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the next bullets, the ratio of—
 1. the Most Recent Net Cash Flow for the related mortgaged real property, to
 2. twelve times the monthly debt service payment for the subject mortgage loan due on its related due date in October 2009;
- with respect to any underlying mortgage loan that is secured by multiple mortgaged real properties, the ratio of—
 1. the total Most Recent Net Cash Flow for those properties, to
 2. twelve times the monthly debt service payment(s) for that underlying mortgage loan, due on the related due date in October 2009.

provided that, if the subject underlying mortgage loan is currently in an interest only period, then the amount in clause 2. of any of the foregoing bullets of this definition will be either (a) if that interest only period extends to maturity, the aggregate of the monthly debt service payments to be due thereon from and including the due date in November 2009 through and including the due date in October 2010 or (b) if that interest only period ends prior to maturity, twelve times the monthly debt service payment to be due thereon on the first due date after amortization begins.

The Most Recent DSCR is presented in this information circular for illustrative purposes only and is limited in its usefulness in assessing the current, or predicting the future, ability of a mortgaged real property to generate sufficient cash flow to repay the related mortgage loan. As a result, no assurance can be given, and no representation is made, that the Most Recent DSCR accurately reflects that ability. The Most Recent DSCR for the mortgage loans that have a partial interest only period is based on the payment due after the initial interest only period.

“Most Recent EGI” generally means, for any mortgaged real property that secures an underlying mortgage loan, the revenues received, or annualized or estimated in some cases, in respect of the property for the 12-month period

ended as of the Most Recent Financial End Date, based upon the latest available annual or, in some cases, partial-year operating statement and other information furnished by the related borrower. For purposes of the foregoing, revenues generally consist of all revenues received in respect of the property, including rental and other revenues.

In determining the Most Recent EGI for any property, the mortgage loan seller may have made adjustments to the financial information provided by the related borrower similar to those used in calculating the Estimated Annual Revenues for that property.

Most Recent EGI for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual revenues for such mortgaged real property to differ materially from the Most Recent EGI set forth herein. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including the re-leasing of vacant space and the continued leasing of occupied spaces, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer or the trustee have control. In some cases, the Most Recent EGI for any mortgaged real property are higher, and may be materially higher, than the annual revenues for that mortgaged real property based on historical operating statements. In determining the Most Recent EGI for a mortgaged real property, the mortgage loan seller in most cases relied on rent rolls and/or generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrowers, or the adequacy of any procedures used by the mortgage loan seller in determining the Most Recent EGI.

“Most Recent Expenses” means, for any mortgaged real property that secures an underlying mortgage loan, the expenses incurred, or annualized or estimated in some cases, for the property for the 12-month period ended as of the Most Recent Operating Statement Date, based upon the latest available annual or, in some cases, partial-year operating statement and other information furnished by the related borrower.

Expenses generally consist of all expenses incurred for the property, including—

- salaries and wages,
- the costs or fees of—
 1. utilities,
 2. repairs and maintenance,
 3. marketing,
 4. insurance,
 5. management,
 6. landscaping,
 7. security, if provided at the property, and
- the amount of—
 1. real estate taxes,
 2. general and administrative expenses, and
 3. other costs.

For purposes of the foregoing, expenses do not reflect, however, any deductions for debt service, depreciation, amortization or capital expenditures.

In determining the Most Recent Expenses for any property, the mortgage loan seller may have made adjustments to the financial information provided by the related borrower similar to those used in calculating the Estimated Annual Operating Expenses for that property. Most Recent Expenses for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual operating expenses for such mortgaged real property to differ materially from the Most Recent Expenses set forth herein. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including future expense levels, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer or the trustee have control. In some cases, the Most Recent Expenses for any mortgaged real property are lower, and may be materially lower, than the annual operating expenses for that mortgaged real property based on historical operating statements. In determining the Most Recent Expenses for a mortgaged real property, the mortgage loan seller in most cases relied on generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrowers, or the adequacy of any procedures used by the mortgage loan seller in determining the Most Recent Expenses.

“Most Recent Financial End Date” means, with respect to each of the underlying mortgage loans, the date indicated on Exhibit A-1 as the Most Recent Financial End Date with respect to that mortgage loan. In general, this date is the end date of the period covered by the latest available annual or, in some cases, partial-year operating statement for the related mortgaged real property.

“Most Recent Net Cash Flow” or “Most Recent NCF” means with respect to each mortgaged real property that secures an underlying mortgage loan in the issuing entity, the Most Recent Net Operating Income, less underwritten replacement reserve amounts.

“Most Recent Net Operating Income” or “Most Recent NOI” means with respect to each of the mortgaged real properties that secures an underlying mortgage loan, the total cash flow derived from the property that was available for annual debt service on the related underlying mortgage loan, calculated as the Most Recent EGI less Most Recent Expenses for that property.

“Net Aggregate Prepayment Interest Shortfall” means, with respect to any distribution date, the excess, if any, of:

- the total Prepayment Interest Shortfalls incurred with respect to the mortgage pool during the related collection period, over
- the sum of—
 1. the total payments made by the master servicer to cover any Prepayment Interest Shortfalls incurred during the related collection period; and
 2. the total Prepayment Interest Excesses collected during the related collection period that are applied to offset Prepayment Interest Shortfalls incurred during the related collection period.

The master servicer will not make payments to cover, or apply Prepayment Interest Excesses received on the underlying mortgage loans to offset, Prepayment Interest Shortfalls incurred with respect to the underlying mortgage loans.

“Net Mortgage Interest Rate” means with respect to any mortgage loan in the issuing entity, the related mortgage interest rate then in effect reduced by the sum of the annual rates at which the master servicing fee, sub-servicing fee and the trustee fee are calculated.

“Net Mortgage Pass-Through Rate” means,

- with respect to any underlying mortgage loan that accrues interest on a 30/360 Basis, for any distribution date, a rate per annum equal to the Net Mortgage Interest Rate in effect for that mortgage loan as of the date of initial issuance of the offered certificates;

- with respect to any underlying mortgage loan that accrues interest on an Actual/360 Basis for any distribution date, a rate per annum equal to twelve times a fraction, expressed as a percentage—
 1. the numerator of which fraction is, subject to adjustment as described below in this definition, an amount of interest equal to the product of (a) the number of days in the related interest accrual period, multiplied by (b) the Stated Principal Balance of that mortgage loan immediately preceding that distribution date, multiplied by (c) 1/360, multiplied by either (d)(1) the Original Net Mortgage Rate for such underlying mortgage loan or (2) if the mortgage interest rate for such underlying mortgage loan is increased in connection with a subsequent modification of such underlying mortgage loan after the closing date (but, for the avoidance of doubt, not if the mortgage interest rate is decreased), the Net Mortgage Interest Rate for such underlying mortgage loan, and
 2. the denominator of which is the Stated Principal Balance of that mortgage loan immediately preceding that distribution date;

Notwithstanding the foregoing, if the subject distribution date occurs during January, except during a leap year, or February, then, the amount of interest referred to in the fractional numerator described in clause 1. of the first and second bullets of the prior sentence will be decreased to reflect any interest reserve amount with respect to the subject mortgage loan that is transferred from the trustee's distribution account to the trustee's interest reserve account during that month. Furthermore, if the subject distribution date occurs during March, then in the case of any mortgage loan, the amount of interest referred to in the fractional numerator described in clause 1. of the first and second bullets of the second preceding sentence will be increased to reflect any interest reserve amount(s) with respect to the subject mortgage loan that are transferred from the trustee's interest reserve account to the trustee's distribution account during that month.

“Nonrecoverable Advance” has the meaning assigned to that term under “Description of the Series 2009-K4 Certificates—Distribution Account—Withdrawals” in this information circular.

“Nonrecoverable P&I Advance” has the meaning assigned to that term under “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments” in this information circular.

“Nonrecoverable Servicing Advance” has the meaning assigned to that term under “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and other Compensation and Payment of Expenses—Servicing Advances” in this information circular.

“Occupancy Rate at Underwriting” or “Occupancy Rate at U/W” means the percentage of units of the subject property that were occupied or leased as of the approximate date of the original underwriting of the related mortgage loan in the issuing entity or any later date as the Mortgage Loan Seller considered appropriate, in any event as reflected in information provided by the borrower or in the appraisal on which the Most Recent Appraised Value of the property is based.

“Offered Certificates” means the class A-1, A-2, A-3 and A-X1 series 2009-K4 certificates.

“Option Price” means the cash price at which any Defaulted Loan may be purchased under the related Purchase Option, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans” in this information circular.

“Original Net Mortgage Rate”: With respect to any Loan, the Net Mortgage Interest Rate in effect for such Loan as of the closing date (or, in the case of any Loan substituted in replacement of another Loan pursuant to or as contemplated by the Mortgage Loan Purchase Agreement, as of the date of substitution).

“Permitted Encumbrances” means, with respect to any mortgaged real property securing a mortgage loan in the issuing entity, any and all of the following—

- the lien of current real property taxes, water charges, sewer rents and assessments not yet delinquent or accruing interest or penalties,

- covenants, conditions and restrictions, rights of way, easements and other matters that are of public record,
- exceptions and exclusions specifically referred to in the related lender’s title insurance policy or, if that policy has not yet been issued, referred to in a *pro forma* title policy or marked-up commitment, which in either case is binding on the subject title insurance company,
- other matters to which like properties are commonly subject,
- the rights of tenants, as tenants only, under leases, including subleases, pertaining to the related mortgaged real property, and
- if the subject mortgaged real property is a unit in a condominium, the related condominium declaration.

“Permitted Investments” means the U.S. government securities and other obligations specified in the series 2009-K4 pooling and servicing agreement.

“Prepayment Interest Excess” means, with respect to any full or partial prepayment of an underlying mortgage loan made by the related borrower or otherwise in connection with a casualty or condemnation during any collection period after the due date for that loan, the amount of any interest collected on that prepayment for the period from and after that due date, less the amount of master servicing fees and sub-servicing fees payable from that interest collection, and exclusive of any Default Interest included in that interest collection.

“Prepayment Interest Shortfall” means, with respect to any full or partial prepayment of an underlying mortgage loan made by the related borrower that is not accompanied by an amount of interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of prepayment or otherwise in connection with a casualty or condemnation during any collection period prior to the due date for that loan, the amount of any uncollected interest that would have accrued on that prepayment to, but not including, such due date, less the amount of master servicing fees and sub-servicing fees that would have been payable from that uncollected interest, and exclusive of any portion of that uncollected interest that would have been Default Interest.

“Prime Rate” means an annual rate equal to the prime rate as published in the “Money Rates” section of *The Wall Street Journal*, as that prime rate may change from time to time.

“Principal Distribution Adjustment Amount” means, with respect to any distribution date, the sum of (i) the amount of any Nonrecoverable Advance (and interest thereon) that was reimbursed to the master servicer or the trustee that was deemed to have been so reimbursed out of payments and other collections of principal (as described herein under “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses” or “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments,” as applicable), (ii) any advance that remained unreimbursed following the time that a defaulted mortgage loan is modified and returned to performing status, that (although not considered a Nonrecoverable Advance) was reimbursed to the master servicer or the trustee, with interest on such advance, and that was deemed to have been so reimbursed out of payments and other collections of principal (as described herein under “The Series 2009-K4 Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses” or “Description of the Series 2009-K4 Certificates—Advances of Delinquent Monthly Debt Service Payments,” as applicable), in each case, during the period since the preceding Distribution Date and (iii) any principal collections used to reimburse Balloon Guarantor Payments during the related Collection Period.

“Principal Distribution Amount” means:

- for any distribution date prior to the final distribution date, an amount equal to the total, without duplication, of the following—
 1. all payments of principal, including voluntary principal prepayments, received by or on behalf of the issuing entity with respect to the underlying mortgage loans during the related collection period, exclusive of any of those payments that represents a late collection of principal for which an advance was previously made for a prior distribution date or that represents a monthly payment of principal due

on or before the due date for the related underlying mortgage loan in October 2009 or on a due date for the related underlying mortgage loan subsequent to the end of the related collection period,

2. all monthly payments of principal received by or on behalf of the issuing entity with respect to the underlying mortgage loans prior to, but that are due during, the related collection period,
 3. all other collections, including liquidation proceeds, condemnation proceeds, insurance proceeds and repurchase proceeds, that were received by or on behalf of the issuing entity with respect to any of the underlying mortgage loans or any related REO Properties during the related collection period and that were identified and applied as recoveries of principal of the subject mortgage loan or, in the case of an REO Property, of the related underlying mortgage loan, in each case net of any portion of the particular collection that represents a late collection of principal for which an advance of principal was previously made for a prior distribution date or that represents a monthly payment of principal due on or before the due date for the related mortgage loan in October 2009, and
 4. all advances of principal made with respect to the underlying mortgage loans for that distribution date; and
- for the final distribution date, an amount equal to the total Stated Principal Balance of the mortgage pool outstanding immediately prior to that final distribution date.

Notwithstanding the foregoing, the Principal Distribution Amount will be reduced on any distribution date by an amount equal to the Principal Distribution Adjustment Amount calculated with respect to such distribution date. The Principal Distribution Amount will be increased on any distribution date by the amount of any recovery occurring during the related collection period of an amount that was previously advanced with respect to any underlying mortgage loan, but only if and to the extent such advance was previously reimbursed from principal collections that would otherwise have constituted part of the Principal Distribution Amount for a prior distribution date in a manner that resulted in a Principal Distribution Adjustment Amount for such prior distribution date. In addition, if any insurance proceeds, condemnation proceeds or liquidation proceeds were received and/or a final recovery determination were made with respect to any underlying mortgage loan during any particular collection period, then the portion of the Principal Distribution Amount for the related distribution date that is otherwise allocable to that underlying mortgage loan will be reduced (to not less than zero) by any special servicing fees or liquidation fees payable in connection therewith.

“Purchase Option” means, with respect to any Defaulted Loan, the purchase option described under “The Series 2009-K4 Pooling and Servicing Agreement—Realization Upon Mortgage Loans” in this information circular.

“Qualified Substitute Mortgage Loan” means a mortgage loan which must, on the date of substitution: (a) have an outstanding principal balance, after application of all scheduled payments of principal and/or interest due during or prior to the month of substitution, whether or not received, not in excess of the Stated Principal Balance of the deleted mortgage loan as of the due date in the calendar month during which the substitution occurs; (b) have a mortgage interest rate not less than the mortgage interest rate of the deleted mortgage loan; (c) have the same due date as the deleted mortgage loan; (d) accrue interest on the same basis as the deleted mortgage loan (for example, on the basis of a 360-day year and the actual number of days elapsed); (e) have a remaining term to stated maturity not greater than, and not more than two years less than, the remaining term to stated maturity of the deleted mortgage loan; (f) have an original loan-to-value ratio not higher than that of the deleted mortgage loan and a current loan-to-value ratio not higher than the then current loan-to-value ratio of the deleted mortgage loan; (g) materially comply as of the date of substitution with all of the representations and warranties set forth in the applicable purchase agreement; (h) have an environmental report with respect to the related mortgaged real property that indicates no material adverse environmental conditions with respect to the related mortgaged real property and which will be delivered as a part of the related mortgage file; (i) have an original debt service coverage ratio not less than the original debt service coverage ratio of the deleted mortgage loan and a current debt service coverage ratio not less than the current debt service coverage ratio of the deleted mortgage loan; (j) be determined by an opinion of counsel to be a “qualified replacement mortgage” within the meaning of Code Section 860G(a)(4); (k) have been approved by the series 2009-K4 directing certificateholder in its sole discretion; (l) prohibit defeasance within two years of the date of initial issuance of the series 2009-K4 certificates; and (m) not be substituted for a deleted mortgage loan if it would result in the termination of the REMIC status of any REMIC created under the series

2009-K4 pooling and servicing agreement or the imposition of tax on any REMIC created under the series 2009-K4 pooling and servicing agreement other than a tax on income expressly permitted or contemplated to be received by the terms of the series 2009-K4 pooling and servicing agreement. In the event that one or more mortgage loans are substituted for one or more deleted mortgage loans simultaneously, then the amounts described in clause (i) are required to be determined on the basis of aggregate principal balances and the rates described in clause (ii) above and the remaining term to stated maturity referred to in clause (e) above are required to be determined on a weighted average basis. When a Qualified Substitute Mortgage Loan is substituted for a deleted mortgage loan, the mortgage loan seller will be required to certify that the mortgage loan meets all of the requirements of the above definition and send the certification to the trustee.

“Ratings Trigger Event”: If on the closing date the Master Servicer, any Sub-Servicer or the Special Servicer has a rating (a) by S&P higher than or equal to “Average,” or (b) by Fitch higher than or equal to “CMS3,” “CPS3” or “CSS3,” respectively, and at any time after the closing date such rating drops to a level lower than “Average,” “CMS3,” “CPS3” or “CSS3,” as the case may be, and such Master Servicer, Sub-Servicer or the Special Servicer, as the case may be, is not reinstated to at least “Average,” “CMS3,” “CPS3” or “CSS3” within 60 days.

“Realized Losses” means losses on or with respect to the underlying mortgage loans arising from the inability of the master servicer and/or the special servicer to collect all amounts due and owing under those mortgage loans, including by reason of the fraud or bankruptcy of a borrower or, to the extent not covered by insurance, a casualty of any nature at a mortgaged real property. We discuss the calculation of Realized Losses under “Description of the Series 2009-K4 Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses” in this information circular.

“REMIC” means a “real estate mortgage investment conduit” as defined in Code Section 860D.

“REO Property” means any mortgaged real property that is acquired by the special servicer for the benefit of the series 2009-K4 certificateholders through foreclosure, deed-in-lieu of foreclosure or otherwise following a default on the corresponding mortgage loan in the issuing entity.

“Report on Assessment of Compliance with Servicing Criteria” means a report on an assessment of compliance with servicing criteria as required by Item 1122 of Regulation AB.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc.

“Sales Comparison Approach” means a determination of the value of a mortgaged real property based upon a comparison of that property to similar properties that have been sold recently or for which listing prices or offering figures are known. In connection with that determination, data for generally comparable properties are used and comparisons are made to demonstrate a probable price at which the subject mortgaged real property would sell if offered on the market.

“SEC” means the Securities and Exchange Commission.

“Servicing Standard” means the standard by which the master servicer and the special servicer will service and administer the mortgage loans and/or REO Properties on behalf of the trustee and in the best interests of and for the benefit of the series 2009-K4 certificateholders (as a collective whole), which standard will be to perform such servicing and administration in accordance with applicable law, the terms of the series 2009-K4 pooling and servicing agreement and the terms of the respective subject mortgage loans and any applicable intercreditor or co-lender and/or similar agreement(s) and, to the extent not inconsistent with the foregoing, further as follows—

- (a) the same manner in which, and with the same care, skill, prudence and diligence with which the master servicer or special servicer, as the case may be, services and administers similar mortgage loans for other third party portfolios, giving due consideration to the customary and usual standards of practice of prudent institutional commercial and multifamily mortgage loan servicers servicing mortgage loans for third parties, and (b) the same care, skill, prudence and diligence with which the master servicer or special servicer, as the case may be, services and administers commercial and multifamily mortgage loans owned by it, whichever is higher;

- with a view to the timely collection of all scheduled payments of principal and interest under the serviced mortgage loans and, in the case of the special servicer, if a serviced mortgage loan comes into and continues in default and if, in the judgment of the special servicer, no satisfactory arrangements can be made for the collection of the delinquent payments, the maximization of the recovery on that mortgage loan to the series 2009-K4 certificateholders (as a collective whole), on a net present value basis; but
- without regard to—
 - (a) any relationship that the master servicer or special servicer, as the case may be, or any affiliate thereof may have with the related borrower, the mortgage loan seller or any other party to the series 2009-K4 pooling and servicing agreement,
 - (b) the ownership of any series 2009-K4 certificate, or any subordinate debt by the master servicer or special servicer, as the case may be, or by any affiliate thereof,
 - (c) the master servicer’s obligation to make advances,
 - (d) the special servicer’s obligation to request that the master servicer make servicing advances,
 - (e) the right of the master servicer (or any affiliate thereof) or the special servicer (or any affiliate thereof), as the case may be, to receive reimbursement of costs, or the sufficiency of any compensation payable to it, or with respect to any particular transaction,
 - (f) the ownership, servicing or management for others of any other mortgage loans or mortgaged properties by the master servicer or special servicer, as the case may be, or any affiliate thereof, as applicable,
 - (g) any obligation of the master servicer (in its capacity as a mortgage loan originator, if applicable) to cure a breach of a representation or warranty or repurchase the mortgage loan, or
 - (h) any debt that the master servicer or special servicer, as the case may be, or any affiliate thereof has extended to any borrower.

“Servicing Transfer Event” means, with respect to any mortgage loan in the issuing entity, any of the following events, among others:

- a payment default has occurred at its maturity date (except, if the borrower is making its normal monthly payment and is diligently pursuing a refinancing and in connection therewith delivers within 45 days of the maturity date a firm commitment to refinance acceptable to the special servicer (with notice to the guarantor), with the consent of the series 2009-K4 directing certificateholder, in which case a Servicing Transfer Event would not occur as to such mortgage loan until the earlier of (1) 60 days after such payment default, which may be extended to 120 days at the special servicer’s discretion, with the consent of the series 2009-K4 directing certificateholder and notice to the guarantor or (2) the expiration of such commitment); *provided*, that the special servicer will not follow any such direction, or refrain from acting based upon the lack of any such direction, of the series 2009-K4 directing certificateholder, if following any such direction of the series 2009-K4 directing certificateholder or refraining from taking such action based upon the lack of any such direction of the series 2009-K4 directing certificateholder would violate the Servicing Standard;
- any monthly payment (other than a balloon payment) is more than 60 or more days delinquent;
- the related borrower has—
 - (1) filed for, or consented to, bankruptcy, appointment of a receiver or conservator or a similar insolvency proceeding;

- (2) become the subject of a decree or order for such a proceeding which is not stayed or discharged within 60 days; or
- (3) has admitted in writing its inability to pay its debts generally as they become due;
- the master servicer or special servicer shall have received notice of the foreclosure or proposed foreclosure of any other lien on the mortgaged real property;
- in the judgment of (a) the master servicer, or (b) with the approval of the guarantor and the series 2009-K4 directing certificateholder, the special servicer, a payment default or a material non-monetary default has occurred or is imminent and is not likely to be cured by the borrower within 60 days; or
- any other default has occurred under the mortgage loan documents that, in the reasonable judgment of (a) the master servicer, or (b) with the approval of the series 2009-K4 directing certificateholder and notice to the guarantor, the special servicer, has materially and adversely affected the value of the related mortgage loan or otherwise materially and adversely affected the interests of the series 2009-K4 certificateholders and has continued unremedied for 30 days (irrespective of any grace period specified in the related mortgage note) and, *provided* that failure of the related borrower to obtain all-risk casualty insurance which does not contain any carve-out for terrorist or similar act (other than such amounts as are specifically required under the related mortgage loan) shall not apply with respect to this clause if the special servicer has determined in accordance with the Servicing Standard that either—
 - (1) such insurance is not available at commercially reasonable rates and that such hazards are not commonly insured against for properties similar to the mortgaged real property and located in or around the region in which such mortgaged real property is located, or
 - (2) such insurance is not available at any rate.

A Servicing Transfer Event will cease to exist, if and when a specially serviced mortgage loan becomes a Corrected Mortgage Loan.

“Special Servicer Aggregate Annual Cap” means \$300,000.

“Standard Available P&I Funds” means, with respect to any distribution date, the Total Available Funds for that distribution date.

The trustee will apply the Standard Available P&I Funds as described under “Description of the Series 2009-K4 Certificates—Distributions” in this information circular to pay principal and accrued interest on the series 2009-K4 certificates on that date.

“Stated Principal Balance” means, for each mortgage loan in the issuing entity, an amount that:

- will initially equal its unpaid principal balance as of October 1, 2009 or, in the case of a replacement mortgage loan, as of the date it is added to the issuing entity, after application of all payments of principal due during or prior to the month of such addition to the issuing entity, whether or not those payments have been received; and
- will be permanently reduced on each subsequent distribution date, to not less than zero, by—
 - 1. that portion, if any, of the Principal Distribution Amount for that distribution date that is attributable to that mortgage loan (without regard to any adjustments to that Principal Distribution Amount in accordance with the last paragraph of the definition of “Principal Distribution Amount” below), and
 - 2. any reduction in the outstanding principal balance of that mortgage loan pursuant to a modification or a bankruptcy proceeding during the related collection period.

However, the “Stated Principal Balance” of any mortgage loan in the issuing entity will, in all cases, be zero as of the distribution date following the collection period in which it is determined that all amounts ultimately collectible with respect to that mortgage loan or any related REO Property have been received.

“Subordinate Certificates” means the class A-3 and class B certificates. The class B certificates are not being offered hereby and do not have the benefit of the Freddie Mac Guarantee.

“Sub-Servicing Agreement” means each sub-servicing agreement between the master servicer and the related sub-servicer relating to servicing and administration of underlying mortgage loans by such sub-servicer as provided in the series 2009-K4 pooling and servicing agreement.

“Timing Guarantor Interest Rate” means with respect to any interest accrual period, the Weighted Average Net Mortgage Pass-Through Rate on a portion of any unreimbursed Guarantor Timing Reimbursement Amounts up to an amount equal to the excess of (i) the total Stated Principal Balance of the mortgage pool over (ii) the outstanding aggregate certificate balances of the Certificates on which interest accrues during such interest accrual period.

“Timing Guarantor Payment” means any Balloon Guarantor Payment or Class Final Guarantor Payment.

“Total Available Funds” means, with respect to any distribution date, the total amount of funds available to make distributions on the series 2009-K4 certificates on that date as described under “Description of the Series 2009-K4 Certificates—Distribution Account—Withdrawals” in this information circular.

“Total Units” means the estimated number of apartments at the particular property, regardless of the number or size of rooms in the apartments as reflected in information provided by the borrower or in the appraisal on which the Most Recent Appraised Value is based.

“Trustee/Custodian Aggregate Annual Cap” means \$300,000, in the aggregate.

“Underwritten Debt Service Coverage Ratio” or “UW NCF DSCR (Amortizing)” means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the next two bullets, the ratio of—
 1. the Underwritten Net Cash Flow for the related mortgaged real property, to
 2. twelve times the monthly debt service payment for that mortgage loan due on the related due date in October 2009;
- with respect to any underlying mortgage loan that is secured by multiple mortgaged real properties, the ratio of—
 1. the total Underwritten Net Cash Flow for those properties, to
 2. twelve times the monthly debt service payment(s) for that mortgage loan due on the related due date in October 2009;

provided that, if the subject mortgage loan or group of mortgage loans is currently in an interest only period, then the amount in clause 2. of any of the foregoing bullets of this definition will be either (a) if that interest only period extends to maturity, the aggregate of the monthly debt service payments to be due thereon from and including the due date in November 2009 through and including the due date in October 2010 or (b) if that interest only period ends prior to maturity, twelve times the monthly debt service payment to be due thereon on the first due date after amortization begins.

“Underwritten Effective Gross Income” or “UW EGI” means, with respect to any mortgaged real property securing an underlying mortgage loan, the Estimated Annual Revenues for that property.

“Underwritten Net Cash Flow” or “UW NCF” means, with respect to each of the mortgaged real properties securing an underlying mortgage loan, the estimated total cash flow from that property expected to be available for annual debt service on the related underlying mortgage loan. In general, that estimate:

- was made at the time of origination of the related underlying mortgage loan or in connection with the transactions described in this information circular; and
- is equal to the excess of—
 1. the Estimated Annual Revenues for the property, over
 2. the Estimated Annual Operating Expenses for the property.

The management fees and reserves assumed in calculating Underwritten Net Cash Flow differ in many cases from actual management fees and reserves actually required under the loan documents for the related underlying mortgage loans. In addition, actual conditions at the mortgaged real properties will differ, and may differ substantially, from the conditions assumed in calculating Underwritten Net Cash Flow. Furthermore, the Underwritten Net Cash Flow for each of the mortgaged real properties does not reflect the effects of future competition or economic cycles. Accordingly, there can be no assurance that the Underwritten Net Cash Flow for any of the mortgaged real properties shown on Exhibit A-1 to this information circular will be representative of the actual future net cash flow for the particular property.

Underwritten Net Cash Flow and the revenues and expenditures used to determine Underwritten Net Cash Flow for each of the mortgaged real properties are derived from generally unaudited information furnished by the related borrower. However, in some cases, an accounting firm performed agreed upon procedures, or employees of the related originator performed cash flow verification procedures, that were intended to identify any errors in the information provided by the related borrower. Audits of information furnished by borrowers could result in changes to the information. These changes could, in turn, result in the Underwritten Net Cash Flow shown on Exhibit A-1 to this information circular being overstated. Net income for any of the underlying real properties as determined under GAAP would not be the same as the Underwritten Net Cash Flow for the property shown on Exhibit A-1 to this information circular. In addition, Underwritten Net Cash Flow is not a substitute for or comparable to operating income as determined in accordance with GAAP as a measure of the results of the property’s operations nor a substitute for cash flows from operating activities determined in accordance with GAAP as a measure of liquidity.

“Underwritten Net Operating Income” or “UW NOI” means, with respect to each of the mortgaged real properties securing an underlying mortgage loan in the issuing entity, the Underwritten Net Cash Flow for the property, increased by any and all of the following items that were included in the Estimated Annual Operating Expenses for the property for purposes of calculating that Underwritten Net Cash Flow:

- underwritten recurring replacement reserve amounts; and
- capital improvements, including recurring capital improvements.

“United States Person” means—

- a citizen or resident of the United States,
- a domestic partnership,
- a domestic corporation,
- any estate, other than a foreign estate within the meaning of paragraph (31) of section 7701(a) of the Code, and

- any trust if—
 1. a court within the United States is able to exercise primary supervision over the administration of the issuing entity, and
 2. one or more United States Persons have the authority to control all substantial decisions of the issuing entity.

“Unreimbursed Indemnification Expenses” means indemnification amounts payable by the Issuing Entity to the depositor, master servicer, special servicer, the custodian or the trustee in excess of the Depositor Aggregate Annual Cap, the Trustee/Custodian Aggregate Annual Cap, the Master Servicer Aggregate Annual Cap and the Special Servicer Aggregate Annual Cap, as the case may be, which have not been previously reimbursed.

“Upper-Tier REMIC” means the REMIC identified as such, and described under, “Summary of Information Circular—Legal and Investment Considerations—Federal Income Tax Consequences” in this information circular.

“USAP” means the Uniform Single Attestation Program for Mortgage Bankers established by the Mortgage Bankers of America.

“UW” means underwritten.

“Weighted Average Net Mortgage Pass-Through Rate” means, for each distribution date, the weighted average of the respective Net Mortgage Pass-Through Rates with respect to all of the mortgage loans in the issuing entity for that distribution date, weighted on the basis of their respective Stated Principal Balances immediately prior to that distribution date.

“Wells Fargo Bank” means Wells Fargo Bank, National Association.

“Year Built” means, with respect to any mortgaged real property securing an underlying mortgage loan, the year when construction of the property was principally completed, as reflected in information provided by the borrower or in the appraisal on which the Most Recent Appraised Value of the property is based.

“Year Renovated” means, with respect to any mortgaged real property securing an underlying mortgage loan, the year when the most recent substantial renovation of the property, if any, was principally completed, as reflected in information provided by the borrower or in the appraisal on which the Most Recent Appraised Value of the property is based or the engineering report.

EXHIBIT A-1

**CERTAIN CHARACTERISTICS OF THE UNDERLYING
MORTGAGE LOANS AND THE RELATED MORTGAGED REAL PROPERTIES**

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No	Crossed Loans	Number of Properties	Property Name	Originator	Street Address	Property City	Property State	Zip Code	County
1	N	1	Ritz Plaza	Walker & Dunlop, LLC	235 West 48th Street	New York	NY	10036	New York
2	N	1	Church Park Apartments	CWCcapital LLC	199-255 Massachusetts Avenue & 35 Westland Avenue	Boston	MA	02115	Suffolk
3	N	1	Windsor at Shirlington Village	PNC ARCS LLC	3000 South Randolph Street	Arlington	VA	22206	Arlington
4	N	1	The Point at Fairfax	CWCcapital LLC	12101 Pine Forest Circle	Fairfax	VA	22030	Fairfax
5	N	1	The Green at Chevy Chase	Deutsche Bank Berkshire Mortgage, Inc.	1701 Johnson Drive	Buffalo Grove	IL	60089	Lake
6	N	1	Baxter Crossings Apartments	Grandbridge Real Estate Capital LLC	975 Westmeade Drive	Chesterfield	MO	63005	Saint Louis
7	N	1	One Thousand 8th Avenue Apartments	CBRE Capital Markets, Inc.	1000 8th Avenue	Seattle	WA	98104	King
8	N	1	Yacht Club at Brickell	KeyCorp Real Estate Capital Markets, Inc.	1111 Brickell Bay Drive	Miami	FL	33131	Miami-Dade
9	N	1	Windsor at Miramar	Holliday Fenoglio Fowler, L.P.	3701 Southwest 160th Avenue	Miramar	FL	33027	Boward
10	N	1	Nob Hill Apartments	Wachovia Multifamily Capital, Inc.	35 Locust Avenue	Roseland	NJ	07068	Essex
11	N	1	Madison at Chase Oaks	NorthMarq Capital, LLC	300 Legacy Drive	Plano	TX	75023	Collin
12	N	1	Gables Augusta Apartments	Capmark Bank	2660 Augusta Drive	Houston	TX	77057	Harris
13	N	1	Lido at Shandin Hills	CBRE Capital Markets, Inc.	1265 Kendall Drive	San Bernardino	CA	92407	San Bernardino
14	N	1	Lexington Heights Apartments	CBRE Capital Markets, Inc.	300 Vuemont Place Northeast	Renton	WA	98056	King
15	N	1	Saddle Brook Apartments	CBRE Capital Markets, Inc.	5353 Keller Springs Road	Dallas	TX	75248	Dallas
16	N	1	Villas at Katy Trail Apartments	CBRE Capital Markets, Inc.	3200 Maple Avenue	Dallas	TX	75201	Dallas
17	N	1	Greenbrook Gardens Apartments	Wachovia Multifamily Capital, Inc.	1275 Rock Avenue	North Plainfield	NJ	07060	Somerset
18	N	1	Lovejoy Fountain Tower	KeyCorp Real Estate Capital Markets, Inc.	301 Southwest Lincoln Street	Portland	OR	97201	Multnomah
19	N	1	Bristol Park at Riverchase	Capmark Bank	100 Riverchase Boulevard	Madison	TN	37115	Davidson
20	N	1	Brookdale Lakes	Capmark Bank	1812 Gowdey Road	Naperville	IL	60563	DuPage
21	N	1	Stonebrook Apartments	CBRE Capital Markets, Inc.	1000 Stonebrook Drive	Sanford	FL	32773	Seminole
22	N	1	Verde Woodson Park Apartments	Wells Fargo Bank, National Association	14633 Woodson Park Drive	Houston	TX	77044	Harris
23	N	1	Turnberry Isle Apartments	CBRE Capital Markets, Inc.	15190 Prestonwood Boulevard	Dallas	TX	75248	Dallas
24	N	1	La Ventana Apartments	Holliday Fenoglio Fowler, L.P.	12200 Academy Road Northeast	Albuquerque	NM	87111	Bernalillo
25	N	1	Madison at Melrose Apartments	NorthMarq Capital, LLC	1520 Richardson Drive	Richardson	TX	75080	Dallas
26	N	1	The Vinings	Holliday Fenoglio Fowler, L.P.	735 Dulles Avenue	Stafford	TX	77477	Fort Bend
27	N	1	Haven at Boiling Springs	CBRE Capital Markets, Inc.	901 Dornoch Drive	Boiling Springs	SC	29316	Spartanburg
28	N	1	Compton Place at Tampa Palms	PNC ARCS LLC	6000 Compton Estates Way	Tampa	FL	33647	Hillsborough
29	N	1	Granite Place Apartments	Deutsche Bank Berkshire Mortgage, Inc.	125 Granite Street	Quincy	MA	02169	Norfolk
30	N	1	Crosswood Park Apartments	KeyCorp Real Estate Capital Markets, Inc.	6801 San Tomas Drive	Citrus Heights	CA	95621	Sacramento
31	N	1	Rancho Ladera Apartments	CBRE Capital Markets, Inc.	9605 South 48th Street	Phoenix	AZ	85044	Maricopa
32	N	1	Bellwether Apartments	Johnson Capital Group, Inc.	1400 Fones Road	Olympia	WA	98501	Thurston
33	N	1	The Clarion Apartments	CWCcapital LLC	10 Rimington Lane	Decatur	GA	30030	DeKalb
34	N	1	Southern Pines	CWCcapital LLC	10010 Belle Rive Boulevard	Jacksonville	FL	32256	Duval
35	N	1	Mountain View Apartments	Sierra Capital Partners, Inc. (acquired by CWCcapital LLC)	659 Las Posas Road	Camarillo	CA	93010	Ventura
36	N	1	Haven at Berry Shoals	CBRE Capital Markets, Inc.	200 Tralee Drive	Duncan	SC	29334	Spartanburg
37	N	1	Tanglewood Village	Capmark Bank	47 Tanglewood Court	West Warwick	RI	02893	Kent
38	N	1	Skyline Place	NorthMarq Capital, LLC	4700 Wimbelton Way	Dallas	TX	75227	Dallas
39	N	1	The Biarritz Apartments	Holliday Fenoglio Fowler, L.P.	2255 Eldridge Parkway	Houston	TX	77077	Harris
40	N	1	Walina Apartments	CBRE Capital Markets, Inc.	441 Walina Street	Honolulu	HI	96815	Honolulu
41	N	1	Evergreen Vale Townhomes	CWCcapital LLC	35929 21st Place South	Federal Way	WA	98003	King
42	N	1	Collegiate Suites of Blacksburg II	Grandbridge Real Estate Capital LLC	1201 Patrick Henry Drive	Blacksburg	VA	24060	Montgomery
43	N	1	Napili Tower	CBRE Capital Markets, Inc.	455 Nahua Street	Honolulu	HI	96815	Honolulu
44	N	1	Santa Rosa Apartments	CBRE Capital Markets, Inc.	3425 East Chandler Boulevard	Phoenix	AZ	85048	Maricopa
45	N	1	Arbor Woods Apartments	CBRE Melody & Company	1800 South 330th Street	Federal Way	WA	98003	King
46	N	1	Hale Kahakai Apartments	CBRE Capital Markets, Inc.	1909 Kahakai Drive	Honolulu	HI	96814	Honolulu

No	Crossed Loans	Number of Properties	Property Name	Property Type	Property Subtype	Year Built	Year Renovated	Total Units	Cut-Off Date Balance/Unit	Unit of Measure	Occupancy %	Occupancy As of Date	Loan Purpose (Acquisition, Refinance)	SPE (Y/N)	Payment Date
1	N	1	Ritz Plaza	Multifamily	High Rise	1989	2008	479	314,954	Units	95.0%	7/1/2009	Refinance	Y	1
2	N	1	Church Park Apartments	Multifamily	Mid Rise	1973	2008	508	255,384	Units	98.8%	7/24/2009	Refinance	Y	1
3	N	1	Windsor at Shirlington Village	Multifamily	Mid Rise	1989	2008	404	179,529	Units	96.0%	7/31/2009	Refinance	Y	1
4	N	1	The Point at Fairfax	Multifamily	Garden	1989	N/A	364	126,374	Units	94.5%	6/17/2009	Acquisition	Y	1
5	N	1	The Green at Chevy Chase	Multifamily	Garden	1988	N/A	592	76,415	Units	92.9%	5/17/2009	Acquisition	Y	1
6	N	1	Baxter Crossings Apartments	Multifamily	Garden	1989	N/A	694	55,331	Units	91.2%	6/12/2009	Acquisition	Y	1
7	N	1	One Thousand 8th Avenue Apartments	Multifamily	High Rise	1949	2008	351	108,974	Units	93.5%	8/31/2009	Refinance	Y	1
8	N	1	Yacht Club at Brickell	Multifamily	High Rise	1998	N/A	357	106,126	Units	97.5%	6/28/2009	Refinance	Y	1
9	N	1	Windsor at Miramar	Multifamily	Garden	2001	N/A	348	103,239	Units	98.0%	5/26/2009	Refinance	Y	1
10	N	1	Nob Hill Apartments	Multifamily	Garden	1978	2008	360	85,831	Units	97.2%	6/30/2009	Refinance	Y	1
11	N	1	Madison at Chase Oaks	Multifamily	Garden	1995	2006	470	54,783	Units	94.9%	4/29/2009	Acquisition	Y	1
12	N	1	Gables Augusta Apartments	Multifamily	Mid Rise	2004	N/A	312	80,048	Units	90.4%	5/22/2009	Acquisition	Y	1
13	N	1	Lido at Shandin Hills	Multifamily	Garden	1988	2006	336	65,563	Units	93.2%	7/31/2009	Refinance	Y	1
14	N	1	Lexington Heights Apartments	Multifamily	Garden	1998	N/A	252	82,540	Units	90.9%	5/28/2009	Acquisition	Y	1
15	N	1	Saddle Brook Apartments	Multifamily	Garden	1992	N/A	282	73,618	Units	94.0%	7/5/2009	Acquisition	Y	1
16	N	1	Villas at Katy Trail Apartments	Multifamily	Mid Rise	1997	2003	252	78,817	Units	96.0%	7/13/2009	Acquisition	Y	1
17	N	1	Greenbrook Gardens Apartments	Multifamily	Garden	1964	N/A	404	40,709	Units	97.5%	6/30/2009	Refinance	Y	1
18	N	1	Lovejoy Fountain Tower	Multifamily	High Rise	1979	2008	208	77,889	Units	90.4%	8/11/2009	Refinance	Y	1
19	N	1	Bristol Park at Riverchase	Multifamily	Garden	2001	N/A	300	53,000	Units	89.0%	6/30/2009	Refinance	Y	1
20	N	1	Brookdale Lakes	Multifamily	Garden	1991	N/A	200	77,500	Units	93.0%	4/28/2009	Acquisition	Y	1
21	N	1	Stonebrook Apartments	Multifamily	Garden	1991/2001	N/A	356	39,272	Units	87.1%	6/30/2009	Acquisition	Y	1
22	N	1	Verde Woodson Park Apartments	Multifamily	Garden	2008	N/A	248	55,823	Units	92.3%	6/30/2009	Refinance	Y	1
23	N	1	Turnberry Isle Apartments	Multifamily	Garden	1993	N/A	187	71,463	Units	95.2%	6/4/2009	Acquisition	Y	1
24	N	1	La Ventana Apartments	Multifamily	Garden	1996	N/A	232	56,883	Units	95.7%	6/25/2009	Refinance	Y	1
25	N	1	Madison at Melrose Apartments	Multifamily	Garden	1995	N/A	200	61,036	Units	96.0%	5/15/2009	Acquisition	Y	1
26	N	1	The Vinings	Multifamily	Garden	1996	2008	240	50,835	Units	89.6%	6/23/2009	Refinance	Y	1
27	N	1	Haven at Boiling Springs	Multifamily	Garden	2004	N/A	264	45,744	Units	86.0%	6/30/2009	Refinance	Y	1
28	N	1	Compton Place at Tampa Palms	Multifamily	Garden	1998	N/A	384	31,156	Units	89.6%	8/19/2009	Refinance	Y	1
29	N	1	Granite Place Apartments	Multifamily	High Rise	1978	N/A	269	43,543	Units	100.0%	6/30/2009	Refinance	Y	1
30	N	1	Crosswood Park Apartments	Multifamily	Garden	1976	2009	180	60,182	Units	95.0%	6/28/2009	Refinance	Y	1
31	N	1	Rancho Ladera Apartments	Multifamily	Garden	1986	2005	220	46,455	Units	90.5%	8/28/2009	Refinance	Y	1
32	N	1	Bellwether Apartments	Multifamily	Garden	1988	N/A	215	47,535	Units	92.1%	8/28/2009	Refinance	Y	1
33	N	1	The Clarion Apartments	Multifamily	Garden	1990	N/A	217	46,267	Units	92.6%	6/4/2009	Acquisition	Y	1
34	N	1	Southern Pines	Multifamily	Garden	1990	2005	200	49,500	Units	89.5%	8/25/2009	Acquisition	Y	1
35	N	1	Mountain View Apartments	Multifamily	Garden	1979	N/A	106	91,756	Units	95.3%	6/18/2009	Acquisition	Y	1
36	N	1	Haven at Berry Shoals	Multifamily	Garden	2004	N/A	248	37,953	Units	87.5%	6/30/2009	Refinance	Y	1
37	N	1	Tanglewood Village	Multifamily	Garden	1972	N/A	176	52,841	Units	94.3%	6/23/2009	Acquisition	Y	1
38	N	1	Skyline Place	Multifamily	Garden	1987	2004	318	25,157	Units	94.3%	6/25/2009	Refinance	Y	1
39	N	1	The Biarritz Apartments	Multifamily	Garden	2000	2009	192	41,499	Units	94.3%	6/22/2009	Refinance	Y	1
40	N	1	Walina Apartments	Multifamily	Mid Rise	1968	2008	72	105,611	Units	91.7%	7/24/2009	Refinance	Y	1
41	N	1	Evergreen Vale Townhomes	Multifamily	Walk-up	1988	N/A	132	57,277	Units	96.2%	8/20/2009	Refinance	Y	1
42	N	1	Collegiate Suites of Blacksburg II	Multifamily	Garden	1997	2007	248	28,470	Units	99.6%	7/31/2009	Refinance	Y	1
43	N	1	Napili Tower	Multifamily	Mid Rise	1969	2008	34	194,735	Units	94.1%	7/24/2009	Refinance	Y	1
44	N	1	Santa Rosa Apartments	Multifamily	Garden	1997	2007	112	49,554	Units	95.5%	7/31/2009	Refinance	Y	1
45	N	1	Arbor Woods Apartments	Multifamily	Garden	1991	2008	63	58,434	Units	92.1%	9/9/2009	Refinance	N	1
46	N	1	Hale Kahakai Apartments	Multifamily	Walk-up	1958	2008	33	94,000	Units	100.0%	7/24/2009	Refinance	N	1

No	Crossed Loans	Number of Properties	Property Name	Grace Period	Note Date	First Payment		Original Loan Amount	Cut-Off Date Loan Amount	% Initial Net		Gross Interest Rate	Administrative Fees ⁽¹⁾	Net Mortgage Interest Rate	Accrual Basis
						Payment Date	Maturity Date			Pool Balance	Maturity Balance				
1	N	1	Ritz Plaza	10	7/29/2009	9/1/2009	8/1/2019	150,863,000	150,863,000	14.03%	131,652,674	5.3400%	0.0411%	5.2989%	Actual/360
2	N	1	Church Park Apartments	10	7/17/2009	9/1/2009	8/1/2019	130,000,000	129,735,287	12.07%	108,621,654	5.5100%	0.0611%	5.4489%	Actual/360
3	N	1	Windsor at Shirlington Village	10	7/14/2009	9/1/2009	8/1/2019	72,675,000	72,529,870	6.75%	60,892,461	5.6000%	0.0711%	5.5289%	Actual/360
4	N	1	The Point at Fairfax	10	7/15/2009	9/1/2009	8/1/2019	46,000,000	46,000,000	4.28%	40,451,687	5.6600%	0.0711%	5.5889%	Actual/360
5	N	1	The Green at Chevy Chase	10	6/15/2009	8/1/2009	7/1/2019	45,375,000	45,237,430	4.21%	37,834,172	5.4400%	0.0711%	5.3689%	Actual/360
6	N	1	Baxter Crossings Apartments	10	7/30/2009	9/1/2009	8/1/2019	38,400,000	38,400,000	3.57%	33,510,289	5.3400%	0.0711%	5.2689%	Actual/360
7	N	1	One Thousand 8th Avenue Apartments	10	7/15/2009	9/1/2009	8/1/2019	38,250,000	38,250,000	3.56%	33,444,339	5.4200%	0.0811%	5.3389%	Actual/360
8	N	1	Yacht Club at Brickell	10	6/30/2009	8/1/2009	7/1/2019	38,010,000	37,886,876	3.52%	31,459,857	5.5970%	0.0781%	5.5189%	30/360
9	N	1	Windsor at Miramar	10	7/15/2009	9/1/2009	8/1/2019	36,000,000	35,927,011	3.34%	30,098,469	5.5300%	0.0711%	5.4589%	Actual/360
10	N	1	Nob Hill Apartments	10	6/16/2009	8/1/2009	7/1/2019	31,000,000	30,899,336	2.87%	25,595,013	5.1300%	0.0811%	5.0489%	Actual/360
11	N	1	Madison at Chase Oaks	10	5/29/2009	7/1/2009	6/1/2019	25,853,000	25,748,104	2.39%	21,628,707	5.5500%	0.0811%	5.4689%	Actual/360
12	N	1	Gables Augusta Apartments	10	6/19/2009	8/1/2009	7/1/2019	24,975,000	24,975,000	2.32%	21,833,316	5.4100%	0.0811%	5.3289%	Actual/360
13	N	1	Lido at Shandin Hills	10	5/7/2009	7/1/2009	6/1/2019	22,122,000	22,029,114	2.05%	18,415,415	5.3900%	0.1111%	5.2789%	Actual/360
14	N	1	Lexington Heights Apartments	10	6/30/2009	8/1/2009	7/1/2019	20,800,000	20,800,000	1.93%	18,415,879	5.9500%	0.0711%	5.8789%	Actual/360
15	N	1	Saddle Brook Apartments	10	7/22/2009	9/1/2009	8/1/2019	20,800,000	20,760,416	1.93%	17,544,510	5.8200%	0.0911%	5.7289%	Actual/360
16	N	1	Villas at Katy Trail Apartments	10	7/31/2009	9/1/2009	8/1/2019	19,900,000	19,861,793	1.85%	16,765,201	5.7800%	0.0911%	5.6889%	Actual/360
17	N	1	Greenbrook Gardens Apartments	10	6/16/2009	8/1/2009	7/1/2019	16,500,000	16,446,421	1.53%	13,623,152	5.1300%	0.0911%	5.0389%	Actual/360
18	N	1	Lovejoy Fountain Tower	10	7/1/2009	8/1/2009	7/1/2019	16,250,000	16,200,953	1.51%	13,557,887	5.4600%	0.1211%	5.3389%	Actual/360
19	N	1	Bristol Park at Riverchase	10	6/30/2009	8/1/2009	7/1/2019	15,900,000	15,900,000	1.48%	14,045,273	5.8500%	0.1011%	5.7489%	Actual/360
20	N	1	Brookdale Lakes	10	6/24/2009	8/1/2009	7/1/2019	15,500,000	15,500,000	1.44%	13,735,867	5.9900%	0.1011%	5.8889%	Actual/360
21	N	1	Stonebrook Apartments	10	4/30/2009	6/1/2009	5/1/2019	14,050,000	13,980,761	1.30%	11,780,751	5.6200%	0.1011%	5.5189%	Actual/360
22	N	1	Verde Woodson Park Apartments	10	5/4/2009	7/1/2009	6/1/2019	13,899,000	13,844,171	1.29%	11,674,382	5.6800%	0.1011%	5.5789%	Actual/360
23	N	1	Turnberry Isle Apartments	10	6/26/2009	8/1/2009	7/1/2019	13,400,000	13,363,602	1.24%	11,337,702	5.9200%	0.0711%	5.8489%	Actual/360
24	N	1	La Ventana Apartments	10	5/5/2009	7/1/2009	6/1/2019	13,250,000	13,196,931	1.23%	11,105,477	5.6100%	0.1111%	5.4989%	Actual/360
25	N	1	Madison at Melrose Apartments	10	6/22/2009	8/1/2009	7/1/2019	12,240,000	12,207,294	1.14%	10,377,717	5.9900%	0.1111%	5.8789%	Actual/360
26	N	1	The Vinings	10	5/5/2009	7/1/2009	6/1/2019	12,250,000	12,200,511	1.13%	10,254,713	5.5700%	0.1111%	5.4589%	Actual/360
27	N	1	Haven at Boiling Springs	10	5/21/2009	7/1/2009	6/1/2019	12,125,000	12,076,542	1.12%	10,165,674	5.6200%	0.1111%	5.5089%	Actual/360
28	N	1	Compton Place at Tampa Palms	10	6/15/2009	8/1/2009	7/1/2019	12,000,000	11,963,862	1.11%	10,015,099	5.4700%	0.1111%	5.3589%	Actual/360
29	N	1	Granite Place Apartments	10	5/28/2009	7/1/2009	6/1/2019	11,880,000	11,713,025	1.09%	5,195,716	5.5700%	0.1111%	5.4589%	Actual/360
30	N	1	Crosswood Park Apartments	10	6/30/2009	8/1/2009	7/1/2019	10,867,000	10,832,799	1.01%	9,032,667	5.7500%	0.1111%	5.6389%	30/360
31	N	1	Rancho Ladera Apartments	10	6/9/2009	8/1/2009	7/1/2019	10,220,000	10,220,000	0.95%	8,808,550	5.7400%	0.1111%	5.6289%	Actual/360
32	N	1	Bellwether Apartments	10	7/1/2009	8/1/2009	7/1/2019	10,250,000	10,219,958	0.95%	8,586,394	5.5900%	0.1511%	5.4389%	Actual/360
33	N	1	The Clarion Apartments	10	7/15/2009	9/1/2009	8/1/2019	10,040,000	10,040,000	0.93%	8,954,350	6.2800%	0.1211%	6.1589%	Actual/360
34	N	1	Southern Pines	10	5/29/2009	7/1/2009	6/1/2019	9,900,000	9,900,000	0.92%	8,866,133	6.4700%	0.1211%	6.3489%	Actual/360
35	N	1	Mountain View Apartments	10	6/25/2009	8/1/2009	7/1/2019	9,750,000	9,726,157	0.90%	8,355,549	6.3600%	0.1611%	6.1989%	Actual/360
36	N	1	Haven at Berry Shoals	10	5/21/2009	7/1/2009	6/1/2019	9,450,000	9,412,233	0.88%	7,922,938	5.6200%	0.1111%	5.5089%	Actual/360
37	N	1	Tanglewood Village	10	6/30/2009	8/1/2009	7/1/2019	9,300,000	9,300,000	0.86%	8,282,270	6.2100%	0.1211%	6.0889%	Actual/360
38	N	1	Skyline Place	10	7/1/2008	8/1/2008	7/1/2018	8,000,000	8,000,000	0.74%	7,090,830	6.0000%	0.1111%	5.8889%	Actual/360
39	N	1	The Biarritz Apartments	10	5/5/2009	7/1/2009	6/1/2019	8,000,000	7,967,820	0.74%	6,701,077	5.5900%	0.1311%	5.4589%	Actual/360
40	N	1	Walina Apartments	10	7/7/2009	9/1/2009	8/1/2019	7,604,000	7,604,000	0.71%	6,699,390	5.7400%	0.1111%	5.6289%	Actual/360
41	N	1	Evergreen Vale Townhomes	10	4/30/2009	6/1/2009	5/1/2019	7,600,000	7,560,513	0.70%	6,325,188	5.3800%	0.1111%	5.2689%	Actual/360
42	N	1	Collegiate Suites of Blacksburg II	10	4/30/2009	6/1/2009	5/1/2019	7,092,000	7,060,658	0.66%	6,032,557	6.1000%	0.1411%	5.9589%	Actual/360
43	N	1	Napili Tower	10	7/7/2009	9/1/2009	8/1/2019	6,621,000	6,621,000	0.62%	5,833,333	5.7400%	0.1111%	5.6289%	Actual/360
44	N	1	Santa Rosa Apartments	10	7/10/2009	9/1/2009	8/1/2019	5,550,000	5,550,000	0.52%	4,742,963	5.4300%	0.1111%	5.3189%	Actual/360
45	N	1	Arbor Woods Apartments	10	4/15/2009	6/1/2009	5/1/2019	3,700,000	3,681,317	0.34%	3,091,896	5.5100%	0.1611%	5.3489%	Actual/360
46	N	1	Hale Kahakai Apartments	10	7/7/2009	9/1/2009	8/1/2019	3,102,000	3,102,000	0.29%	2,732,970	5.7400%	0.1111%	5.6289%	Actual/360

No	Crossed Loans	Number of Properties	Property Name	Loan Amortization Type	Monthly Debt Service Amount (Amortizing) ⁽²⁾	Amortization Term (Original)	Amortization Term (Remaining)	Loan Term (Original)	Loan Term (Remaining)	IO Period	Seasoning	Prepayment Provision ⁽³⁾	Appraisal Valuation Date
1	N	1	Ritz Plaza	Partial IO	841,500.60	360	360	120	118	24	2	L(26) D(90) O(4)	5/15/2009
2	N	1	Church Park Apartments	Balloon	738,941.55	360	358	120	118	0	2	L(26) D(90) O(4)	3/25/2009
3	N	1	Windsor at Shirlington Village	Balloon	417,211.90	360	358	120	118	0	2	L(26) D(90) O(4)	4/13/2009
4	N	1	The Point at Fairfax	Partial IO	265,819.32	360	360	120	118	24	2	L(26) D(90) O(4)	6/3/2009
5	N	1	The Green at Chevy Chase	Balloon	255,928.72	360	357	120	117	0	3	L(27) D(89) O(4)	4/21/2009
6	N	1	Baxter Crossings Apartments	Partial IO	214,191.84	360	360	120	118	24	2	L(26) D(90) O(4)	5/13/2009
7	N	1	One Thousand 8th Avenue Apartments	Partial IO	215,263.30	360	360	120	118	24	2	L(26) D(90) O(4)	5/19/2009
8	N	1	Yacht Club at Brickell	Balloon	218,135.52	360	357	120	117	0	3	L(27) D(89) O(4)	2/26/2009
9	N	1	Windsor at Miramar	Balloon	205,082.16	360	358	120	118	0	2	L(26) D(90) O(4)	4/21/2009
10	N	1	Nob Hill Apartments	Balloon	168,886.34	360	357	120	117	0	3	L(27) D(89) O(4)	4/3/2009
11	N	1	Madison at Chase Oaks	Balloon	147,602.54	360	356	120	116	0	4	L(28) D(88) O(4)	4/21/2009
12	N	1	Gables Augusta Apartments	Partial IO	140,398.25	360	360	120	117	24	3	L(27) D(89) O(4)	5/6/2009
13	N	1	Lido at Shandin Hills	Balloon	124,083.79	360	356	120	116	0	4	L(28) D(88) O(4)	2/26/2009
14	N	1	Lexington Heights Apartments	Partial IO	124,038.66	360	360	120	117	24	3	L(27) D(89) O(4)	4/23/2009
15	N	1	Saddle Brook Apartments	Balloon	122,309.67	360	358	120	118	0	2	L(26) D(90) O(4)	6/19/2009
16	N	1	Villas at Katy Trail Apartments	Balloon	116,510.53	360	358	120	118	0	2	L(26) D(90) O(4)	6/18/2009
17	N	1	Greenbrook Gardens Apartments	Balloon	89,891.12	360	357	120	117	0	3	L(27) D(89) O(4)	4/3/2009
18	N	1	Lovejoy Fountain Tower	Balloon	91,858.31	360	357	120	117	0	3	L(27) D(89) O(4)	3/16/2009
19	N	1	Bristol Park at Riverchase	Partial IO	93,800.61	360	360	120	117	24	3	L(27) D(89) O(4)	1/30/2009
20	N	1	Brookdale Lakes	Partial IO	92,830.70	360	360	120	117	24	3	L(27) D(89) O(4)	4/14/2009
21	N	1	Stonebrook Apartments	Balloon	80,835.38	360	355	120	115	0	5	L(29) D(87) O(4)	3/20/2009
22	N	1	Verde Woodson Park Apartments	Balloon	80,493.78	360	356	120	116	0	4	L(28) D(88) O(4)	1/26/2009
23	N	1	Turnberry Isle Apartments	Balloon	79,651.86	360	357	120	117	0	3	L(27) D(89) O(4)	4/8/2009
24	N	1	La Ventana Apartments	Balloon	76,149.04	360	356	120	116	0	4	L(28) D(88) O(4)	3/23/2009
25	N	1	Madison at Melrose Apartments	Balloon	73,306.31	360	357	120	117	0	3	L(27) D(89) O(4)	4/21/2009
26	N	1	The Vinings	Balloon	70,093.11	360	356	120	116	0	4	L(28) D(88) O(4)	3/19/2009
27	N	1	Haven at Boiling Springs	Balloon	69,760.07	360	356	120	116	0	4	L(28) D(88) O(4)	4/8/2009
28	N	1	Compton Place at Tampa Palms	Balloon	67,908.98	360	357	120	117	0	3	L(27) D(89) O(4)	4/7/2009
29	N	1	Granite Place Apartments	Balloon	97,511.37	180	176	120	116	0	4	L(28) D(88) O(4)	1/29/2009
30	N	1	Crosswood Park Apartments	Balloon	63,416.86	360	357	120	117	0	3	L(27) D(89) O(4)	5/6/2009
31	N	1	Rancho Ladera Apartments	Partial IO	59,576.24	360	360	120	117	12	3	L(27) D(89) O(4)	3/19/2009
32	N	1	Bellwether Apartments	Balloon	58,778.48	360	357	120	117	0	3	L(27) D(89) O(4)	6/2/2009
33	N	1	The Clarion Apartments	Partial IO	62,014.04	360	360	120	118	24	2	L(26) D(90) O(4)	5/27/2009
34	N	1	Southern Pines	Partial IO	62,379.54	360	360	120	116	24	4	L(28) D(88) O(4)	4/10/2009
35	N	1	Mountain View Apartments	Balloon	60,731.69	360	357	120	117	0	3	L(27) D(89) O(4)	5/7/2009
36	N	1	Haven at Berry Shoals	Balloon	54,369.70	360	356	120	116	0	4	L(28) D(88) O(4)	4/8/2009
37	N	1	Tanglewood Village	Partial IO	57,019.98	360	360	120	117	24	3	L(27) D(89) O(4)	4/17/2009
38	N	1	Skyline Place	Partial IO	47,964.04	360	360	120	105	24	15	L(39) D(77) O(4)	5/28/2008
39	N	1	The Biarritz Apartments	Balloon	45,875.88	360	356	120	116	0	4	L(28) D(88) O(4)	3/19/2009
40	N	1	Walina Apartments	Partial IO	44,326.59	360	360	120	118	24	2	L(26) D(90) O(4)	5/5/2009
41	N	1	Evergreen Vale Townhomes	Balloon	42,581.51	360	355	120	115	0	5	L(29) D(87) O(4)	2/27/2009
42	N	1	Collegiate Suites of Blacksburg II	Balloon	42,977.15	360	355	120	115	0	5	L(29) D(87) O(4)	2/24/2009
43	N	1	Napili Tower	Partial IO	38,596.31	360	360	120	118	24	2	L(26) D(90) O(4)	5/5/2009
44	N	1	Santa Rosa Apartments	Partial IO	31,268.97	360	360	120	118	12	2	L(26) D(90) O(4)	4/2/2009
45	N	1	Arbor Woods Apartments	Balloon	21,031.41	360	355	120	115	0	5	L(29) D(87) O(4)	2/3/2009
46	N	1	Hale Kahakai Apartments	Partial IO	18,082.73	360	360	120	118	24	2	L(26) D(90) O(4)	5/5/2009

No	Crossed Loans	Number of Properties	Property Name	Appraised Value	Cut-Off Date LTV	Maturity LTV	UW NCF DSCR (Amortizing)	UW NCF DSCR (IO)	UW EGI	UW Expenses	UW NOI	UW NCF	Most Recent Financial End Date	Most Recent EGI
1	N	1	Ritz Plaza	228,500,000	66.0%	57.6%	1.25x	1.55x	22,532,834	9,796,758	12,736,076	12,629,259	6/30/2009	23,628,236
2	N	1	Church Park Apartments	195,000,000	66.5%	55.7%	1.27x	N/A	18,563,709	7,210,101	11,353,609	11,277,409	6/30/2009	18,978,864
3	N	1	Windsor at Shirlington Village	96,900,000	74.9%	62.8%	1.28x	N/A	9,528,954	2,995,502	6,533,452	6,407,000	7/31/2009	9,704,095
4	N	1	The Point at Fairfax	59,500,000	77.3%	68.0%	1.28x	1.55x	6,250,674	2,014,356	4,236,317	4,098,361	5/31/2009	6,274,557
5	N	1	The Green at Chevy Chase	61,700,000	73.3%	61.3%	1.36x	N/A	7,722,998	3,378,142	4,344,856	4,164,888	3/31/2009	7,949,176
6	N	1	Baxter Crossings Apartments	51,000,000	75.3%	65.7%	1.39x	1.72x	6,563,719	2,698,139	3,865,580	3,584,510	5/31/2009	6,629,478
7	N	1	One Thousand 8th Avenue Apartments	51,000,000	75.0%	65.6%	1.31x	1.60x	5,200,054	1,742,576	3,457,478	3,372,536	T-7 Ending 7/31/2009 (Annualized)	5,076,071
8	N	1	Yacht Club at Brickell	55,600,000	68.1%	56.6%	1.33x	N/A	7,827,101	4,185,749	3,641,351	3,485,699	6/30/2009	8,562,099
9	N	1	Windsor at Miramar	51,800,000	69.4%	58.1%	1.39x	N/A	6,296,972	2,791,947	3,505,025	3,410,021	4/30/2009	6,472,255
10	N	1	Nob Hill Apartments	63,200,000	48.9%	40.5%	2.04x	N/A	7,234,905	3,000,643	4,234,262	4,127,342	6/30/2009	7,328,142
11	N	1	Madison at Chase Oaks	32,710,000	78.7%	66.1%	1.36x	N/A	4,570,939	2,053,023	2,517,916	2,400,416	3/31/2009	4,687,497
12	N	1	Gables Augusta Apartments	40,000,000	62.4%	54.6%	1.41x	1.73x	4,642,085	2,203,950	2,438,135	2,375,735	4/30/2009	4,829,946
13	N	1	Lido at Shandin Hills	29,500,000	74.7%	62.4%	1.34x	N/A	3,546,904	1,470,162	2,076,742	1,990,054	7/31/2009	3,507,038
14	N	1	Lexington Heights Apartments	29,800,000	69.8%	61.8%	1.34x	1.59x	3,304,563	1,235,232	2,069,330	1,993,478	4/30/2009	3,337,916
15	N	1	Saddle Brook Apartments	26,120,000	79.5%	67.2%	1.27x	N/A	3,585,993	1,655,156	1,930,837	1,860,337	5/31/2009	3,570,068
16	N	1	Villas at Katy Trail Apartments	26,020,000	76.3%	64.4%	1.25x	N/A	3,442,633	1,627,851	1,814,782	1,751,782	6/30/2009	3,566,932
17	N	1	Greenbrook Gardens Apartments	33,800,000	48.7%	40.3%	2.11x	N/A	5,201,189	2,803,243	2,397,945	2,276,745	6/30/2009	5,264,858
18	N	1	Lovejoy Fountain Tower	27,150,000	59.7%	49.9%	1.42x	N/A	2,724,573	1,103,752	1,620,821	1,564,869	T-6 Ending 6/30/2009 (Annualized)	2,664,818
19	N	1	Bristol Park at Riverchase	24,075,000	66.0%	58.3%	1.45x	1.74x	3,108,614	1,402,855	1,705,759	1,636,759	6/30/2009	3,157,632
20	N	1	Brookdale Lakes	20,400,000	76.0%	67.3%	1.30x	1.54x	2,621,104	1,115,505	1,505,599	1,450,399	3/31/2009	2,643,236
21	N	1	Stonebrook Apartments	18,500,000	75.6%	63.7%	1.33x	N/A	3,227,461	1,828,360	1,399,101	1,293,369	2/28/2009	3,452,408
22	N	1	Verde Woodson Park Apartments	18,820,000	73.6%	62.0%	1.31x	N/A	2,797,619	1,485,422	1,312,197	1,262,597	6/30/2009	2,259,704
23	N	1	Turnberry Isle Apartments	18,200,000	73.4%	62.3%	1.30x	N/A	2,362,440	1,072,920	1,289,520	1,242,770	5/31/2009	2,440,221
24	N	1	La Ventana Apartments	19,800,000	66.7%	56.1%	1.39x	N/A	2,207,275	870,413	1,336,862	1,270,510	6/30/2009	2,313,115
25	N	1	Madison at Melrose Apartments	15,310,000	79.7%	67.8%	1.26x	N/A	2,206,627	1,050,841	1,155,785	1,105,785	3/31/2009	2,254,931
26	N	1	The Vinings	17,960,000	67.9%	57.1%	1.39x	N/A	2,500,613	1,258,204	1,242,409	1,168,969	6/30/2009	2,598,957
27	N	1	Haven at Boiling Springs	17,100,000	70.6%	59.4%	1.36x	N/A	2,292,435	1,087,621	1,204,813	1,138,021	6/30/2009	2,225,683
28	N	1	Compton Place at Tampa Palms	18,900,000	63.3%	53.0%	1.60x	N/A	3,546,885	2,127,276	1,419,610	1,301,722	6/30/2009	3,558,557
29	N	1	Granite Place Apartments	21,000,000	55.8%	24.7%	1.24x	N/A	3,447,485	1,881,118	1,566,367	1,450,428	6/30/2009	3,799,686
30	N	1	Crosswood Park Apartments	14,490,000	74.8%	62.3%	1.31x	N/A	2,181,099	1,134,548	1,046,550	995,250	6/30/2009	2,279,569
31	N	1	Rancho Ladera Apartments	14,600,000	70.0%	60.3%	1.41x	1.70x	1,870,190	808,227	1,061,963	1,008,943	7/31/2009	1,860,133
32	N	1	Bellwether Apartments	18,350,000	55.7%	46.8%	1.52x	N/A	2,239,537	1,106,098	1,133,438	1,068,938	7/31/2009	2,334,445
33	N	1	The Clarion Apartments	12,700,000	79.1%	70.5%	1.42x	1.65x	2,124,291	1,006,430	1,117,861	1,054,280	5/31/2009	2,162,192
34	N	1	Southern Pines	13,500,000	73.3%	65.7%	1.27x	1.46x	2,153,575	1,141,462	1,012,113	949,913	4/30/2009	2,195,792
35	N	1	Mountain View Apartments	14,800,000	65.7%	56.5%	1.32x	N/A	1,577,816	578,327	999,489	961,329	5/30/2009	1,684,840
36	N	1	Haven at Berry Shoals	13,800,000	68.2%	57.4%	1.38x	N/A	1,939,742	977,122	962,621	900,621	6/30/2009	1,949,029
37	N	1	Tanglewood Village	13,200,000	70.5%	62.7%	1.46x	1.70x	2,079,895	1,030,905	1,048,991	997,247	4/30/2009	2,117,328
38	N	1	Skyline Place	12,590,000	63.5%	56.3%	1.35x	1.59x	1,937,690	1,084,032	853,658	774,158	T-6 Ending 6/30/2009 (Annualized)	1,850,887
39	N	1	The Biarritz Apartments	12,480,000	63.8%	53.7%	1.35x	N/A	1,937,827	1,148,902	788,925	745,341	6/30/2009	2,043,328
40	N	1	Walina Apartments	11,000,000	69.1%	60.9%	1.25x	1.50x	1,125,531	435,496	690,035	664,907	7/31/2009	1,124,856
41	N	1	Evergreen Vale Townhomes	14,800,000	51.1%	42.7%	1.65x	N/A	1,703,023	796,039	906,984	841,116	6/30/2009	1,765,376
42	N	1	Collegiate Suites of Blacksburg II	9,650,000	73.2%	62.5%	1.36x	N/A	1,075,765	348,623	727,142	701,402	6/30/2009	1,130,370
43	N	1	Napili Tower	9,500,000	69.7%	61.4%	1.25x	1.50x	852,047	264,342	587,704	579,204	7/31/2009	781,382
44	N	1	Santa Rosa Apartments	8,700,000	63.8%	54.5%	1.43x	1.76x	1,185,887	609,200	576,688	537,824	5/31/2009	1,220,398
45	N	1	Arbor Woods Apartments	5,100,000	72.2%	60.6%	1.27x	N/A	613,205	276,515	336,690	320,247	T-7 Ending 7/31/2009 (Annualized)	602,611
46	N	1	Hale Kahakai Apartments	4,450,000	69.7%	61.4%	1.25x	1.50x	426,015	146,398	279,617	271,367	7/31/2009	418,941

No	Crossed Loans	Number of Properties	Property Name	Most Recent Expenses	Most Recent NOI	Most Recent NCF	2nd Most Recent	2nd Most Recent EGI	2nd Most Recent Expenses	2nd Most Recent NOI	2nd Most Recent NCF	3rd Most Recent	3rd Most Recent EGI	3rd Most Recent Expenses
							Financial End Date					Financial End Date		
1	N	1	Ritz Plaza	10,428,827	13,199,409	13,040,527	12/31/2008	23,447,548	9,608,875	13,838,673	13,724,191	12/31/2007	22,128,932	9,228,594
2	N	1	Church Park Apartments	7,359,299	11,619,565	11,575,291	12/31/2008	18,945,092	7,558,796	11,386,296	11,341,263	12/31/2007	18,408,194	7,282,564
3	N	1	Windsor at Shirlington Village	3,121,503	6,582,592	6,582,592	12/31/2008	9,600,551	2,976,235	6,624,316	6,624,316	12/31/2007	9,596,496	2,671,822
4	N	1	The Point at Fairfax	1,821,346	4,453,211	4,344,957	12/31/2008	6,219,920	1,813,054	4,406,866	4,302,804	12/31/2007	6,099,427	1,652,222
5	N	1	The Green at Chevy Chase	3,319,784	4,629,392	4,629,392	12/31/2008	8,158,302	3,335,962	4,822,340	4,822,340	12/31/2007	7,712,541	3,151,478
6	N	1	Baxter Crossings Apartments	2,703,919	3,925,558	3,752,059	12/31/2008	6,619,231	2,615,555	4,003,676	3,830,176	12/31/2007	6,577,552	2,695,649
7	N	1	One Thousand 8th Avenue Apartments	1,798,379	3,277,692	3,277,692	12/31/2008	5,210,369	1,697,972	3,512,397	3,512,397	12/31/2007	4,637,925	1,887,648
8	N	1	Yacht Club at Brickell	4,146,516	4,415,583	4,415,583	12/31/2008	8,734,202	4,632,893	4,101,309	4,101,309	12/31/2007	8,901,991	4,271,486
9	N	1	Windsor at Miramar	2,756,910	3,715,346	3,645,746	12/31/2008	6,505,877	2,807,649	3,698,228	3,628,628	12/31/2007	6,353,066	2,755,037
10	N	1	Nob Hill Apartments	3,340,305	3,987,837	3,987,837	12/31/2008	7,308,938	2,841,348	4,467,590	4,467,590	12/31/2007	7,146,284	2,733,417
11	N	1	Madison at Chase Oaks	1,986,551	2,700,946	2,700,946	12/31/2008	4,674,989	1,970,157	2,704,832	2,704,832	12/31/2007	4,450,360	1,916,816
12	N	1	Gables Augusta Apartments	1,973,386	2,856,560	2,856,560	12/31/2008	4,826,023	2,000,319	2,825,704	2,825,704	12/31/2007	4,612,393	2,002,243
13	N	1	Lido at Shandin Hills	1,405,850	2,101,188	1,932,498	12/31/2008	3,491,411	1,510,705	1,980,706	1,980,706	12/31/2007	3,472,745	1,633,160
14	N	1	Lexington Heights Apartments	1,361,278	1,976,638	1,913,638	12/31/2008	3,300,787	1,411,873	1,888,914	1,888,914	12/31/2007	2,965,563	1,351,416
15	N	1	Saddle Brook Apartments	1,701,404	1,868,664	1,868,664	12/31/2008	3,512,518	1,690,828	1,821,690	1,821,690	12/31/2007	3,482,782	1,626,267
16	N	1	Villas at Katy Trail Apartments	1,830,226	1,736,706	1,736,706	12/31/2008	3,604,395	1,751,712	1,852,683	1,852,683	12/31/2007	3,505,600	1,810,063
17	N	1	Greenbrook Gardens Apartments	3,240,463	2,024,395	2,024,395	12/31/2008	5,262,629	2,765,399	2,497,230	2,497,230	12/31/2007	5,171,639	2,838,492
18	N	1	Lovejoy Fountain Tower	1,164,934	1,499,884	1,499,884	12/31/2008	2,802,176	1,060,295	1,741,881	1,648,313	12/31/2007	2,612,047	1,046,032
19	N	1	Bristol Park at Riverchase	1,324,097	1,833,535	1,672,382	12/31/2008	3,258,632	1,312,473	1,946,159	1,769,711	12/31/2007	3,017,334	1,407,664
20	N	1	Brookdale Lakes	1,238,564	1,404,672	1,404,672	12/31/2008	2,653,570	1,236,857	1,416,713	1,416,713	12/31/2007	2,542,929	1,248,983
21	N	1	Stonebrook Apartments	2,081,522	1,370,886	1,370,886	12/31/2008	3,463,254	2,085,342	1,377,912	1,377,912	12/31/2007	3,682,255	2,135,945
22	N	1	Verde Woodson Park Apartments	1,463,112	796,592	796,592	12/31/2008	910,438	856,048	54,390	54,390	N/A	N/A	N/A
23	N	1	Turnberry Isle Apartments	1,039,191	1,401,030	1,401,030	12/31/2008	2,426,393	1,051,433	1,374,960	1,374,960	12/31/2007	2,329,313	1,072,454
24	N	1	La Ventana Apartments	874,679	1,438,436	1,375,215	9/30/2008	2,356,227	911,836	1,444,391	1,300,392	9/30/2007	2,308,213	829,339
25	N	1	Madison at Melrose Apartments	1,020,186	1,234,745	1,234,745	12/31/2008	2,247,714	1,019,099	1,228,615	1,228,615	12/31/2007	2,135,313	985,323
26	N	1	The Vinings	1,272,139	1,326,819	1,281,453	9/30/2008	2,471,081	1,207,100	1,263,981	1,203,981	9/30/2007	2,320,550	1,300,219
27	N	1	Haven at Boiling Springs	1,167,128	1,058,554	996,554	12/31/2008	2,295,402	1,189,255	1,106,147	1,040,147	12/31/2007	2,332,140	1,071,573
28	N	1	Compton Place at Tampa Palms	1,897,452	1,661,105	1,661,105	12/31/2008	3,554,849	1,945,632	1,609,217	1,609,217	12/31/2007	3,652,760	1,921,733
29	N	1	Granite Place Apartments	1,979,248	1,820,438	1,820,438	12/31/2008	3,550,481	1,906,757	1,643,723	1,643,723	12/31/2007	3,414,339	1,836,411
30	N	1	Crosswood Park Apartments	1,119,161	1,160,408	1,160,408	12/31/2008	2,292,169	1,091,845	1,200,324	1,200,324	12/31/2007	2,230,354	1,084,168
31	N	1	Rancho Ladera Apartments	718,839	1,141,294	1,141,294	12/31/2008	1,910,503	774,198	1,136,305	1,136,305	12/31/2007	1,844,327	834,625
32	N	1	Bellwether Apartments	1,084,916	1,249,529	1,249,529	12/31/2008	2,411,113	1,053,524	1,357,590	1,357,590	12/31/2007	2,352,770	1,042,488
33	N	1	The Clarion Apartments	1,004,947	1,157,245	1,084,799	12/31/2008	2,138,356	964,723	1,173,633	1,091,312	12/31/2007	2,064,252	934,269
34	N	1	Southern Pines	1,267,014	928,778	928,778	12/31/2008	2,218,916	1,297,881	921,035	921,035	12/31/2007	2,222,248	1,191,534
35	N	1	Mountain View Apartments	541,711	1,143,129	1,143,129	12/31/2008	1,705,322	529,847	1,175,476	1,175,476	12/31/2007	1,692,759	515,135
36	N	1	Haven at Berry Shoals	972,982	976,046	914,046	12/31/2008	1,995,413	1,056,976	938,437	876,437	12/31/2007	2,128,647	985,835
37	N	1	Tanglewood Village	1,031,631	1,085,697	1,085,697	12/31/2008	2,126,483	1,042,771	1,083,712	1,083,712	12/31/2007	2,079,574	936,961
38	N	1	Skyline Place	1,073,705	777,182	697,682	12/31/2008	1,899,793	1,286,994	612,798	612,798	12/31/2007	1,861,759	1,117,780
39	N	1	The Biarritz Apartments	1,136,190	907,138	907,107	9/30/2008	2,025,963	1,092,982	932,981	884,981	9/30/2007	1,918,306	1,179,882
40	N	1	Walina Apartments	418,810	706,047	706,047	12/31/2008	1,165,038	415,154	749,884	749,884	12/31/2007	1,069,427	403,149
41	N	1	Evergreen Vale Townhomes	751,595	1,013,781	973,321	12/31/2008	1,707,557	700,631	1,006,926	985,944	12/31/2007	1,613,388	692,038
42	N	1	Collegiate Suites of Blacksburg II	342,130	788,240	743,328	12/31/2008	1,106,600	338,727	767,873	723,743	12/31/2007	1,069,167	315,432
43	N	1	Napili Tower	252,182	529,201	529,201	12/31/2008	673,667	269,251	404,416	404,416	N/A	N/A	N/A
44	N	1	Santa Rosa Apartments	605,266	615,132	615,132	12/31/2008	1,219,194	610,814	608,380	608,380	12/31/2007	1,175,347	763,812
45	N	1	Arbor Woods Apartments	290,812	311,799	311,799	12/31/2008	602,077	268,830	333,247	333,247	12/31/2007	540,061	223,172
46	N	1	Hale Kahakai Apartments	143,191	275,750	275,750	12/31/2008	408,889	127,544	281,345	281,345	12/31/2007	352,857	107,152

No	Crossed Loans	Number of Properties	Property Name	3rd Most Recent NOI	3rd Most Recent NCF	Lien Position	Title Vesting (Fee Simple / Leasehold)	Ground Lease Maturity Date	Type of Lockbox	Engineering Escrow/Deferred Maintenance ⁽⁴⁾	Tax Escrow (Initial) ⁽⁴⁾	Tax Escrow (Monthly)
1	N	1	Ritz Plaza	12,900,338	12,900,338	First Mortgage	Fee Simple	N/A	In-Place Soft, Springing Hard	N/A	1,491,900	497,300
2	N	1	Church Park Apartments	11,125,630	11,070,456	First Mortgage	Fee Simple	N/A	In-Place Soft, Springing Hard	N/A	119,161	119,161
3	N	1	Windsor at Shirlington Village	6,924,674	6,924,674	First Mortgage	Fee Simple	N/A	N/A	N/A	521,679	86,946
4	N	1	The Point at Fairfax	4,447,205	4,325,837	First Mortgage	Fee Simple	N/A	N/A	N/A	142,008	47,336
5	N	1	The Green at Chevy Chase	4,561,063	4,561,063	First Mortgage	Fee Simple	N/A	N/A	N/A	564,282	94,047
6	N	1	Baxter Crossings Apartments	3,881,903	3,708,403	First Mortgage	Fee Simple	N/A	N/A	37,500	N/A	N/A
7	N	1	One Thousand 8th Avenue Apartments	2,750,277	2,750,277	First Mortgage	Fee Simple	N/A	N/A	N/A	165,805	33,161
8	N	1	Yacht Club at Brickell	4,630,505	4,630,505	First Mortgage	Fee Simple	N/A	N/A	N/A	1,282,082	142,454
9	N	1	Windsor at Miramar	3,598,029	3,528,429	First Mortgage	Fee Simple	N/A	N/A	N/A	749,160	56,110
10	N	1	Nob Hill Apartments	4,412,867	4,412,867	First Mortgage	Fee Simple	N/A	N/A	N/A	77,949	77,949
11	N	1	Madison at Chase Oaks	2,533,544	2,533,544	First Mortgage	Fee Simple	N/A	N/A	42,188	343,209	49,030
12	N	1	Gables Augusta Apartments	2,610,150	2,610,150	First Mortgage	Fee Simple	N/A	N/A	N/A	498,172	71,167
13	N	1	Lido at Shandin Hills	1,839,585	1,839,585	First Mortgage	Fee Simple	N/A	N/A	N/A	79,976	26,659
14	N	1	Lexington Heights Apartments	1,614,147	1,614,147	First Mortgage	Fee Simple	N/A	N/A	N/A	110,877	27,719
15	N	1	Saddle Brook Apartments	1,856,515	1,856,515	First Mortgage	Fee Simple	N/A	N/A	N/A	357,651	45,562
16	N	1	Villas at Katy Trail Apartments	1,695,537	1,695,537	First Mortgage	Fee Simple	N/A	N/A	N/A	410,967	51,371
17	N	1	Greenbrook Gardens Apartments	2,333,146	2,333,146	First Mortgage	Fee Simple	N/A	N/A	N/A	66,752	66,752
18	N	1	Lovejoy Fountain Tower	1,566,015	1,355,123	First Mortgage	Fee Simple	N/A	N/A	N/A	183,890	22,986
19	N	1	Bristol Park at Riverchase	1,609,670	1,374,140	First Mortgage	Fee Simple	N/A	N/A	N/A	198,845	33,141
20	N	1	Brookdale Lakes	1,293,946	1,293,946	First Mortgage	Fee Simple	N/A	N/A	N/A	N/A	28,269
21	N	1	Stonebrook Apartments	1,546,310	1,546,310	First Mortgage	Fee Simple	N/A	N/A	74,513	275,257	39,322
22	N	1	Verde Woodson Park Apartments	N/A	N/A	First Mortgage	Fee Simple	N/A	N/A	N/A	119,128	19,855
23	N	1	Turnberry Isle Apartments	1,256,859	1,256,859	First Mortgage	Fee Simple	N/A	N/A	N/A	228,799	32,686
24	N	1	La Ventana Apartments	1,478,874	1,443,289	First Mortgage	Fee Simple	N/A	N/A	N/A	28,644	9,548
25	N	1	Madison at Melrose Apartments	1,149,990	1,149,990	First Mortgage	Fee Simple	N/A	N/A	156,250	219,264	27,408
26	N	1	The Vinings	1,020,331	960,331	First Mortgage	Fee Simple	N/A	N/A	N/A	129,049	21,508
27	N	1	Haven at Boiling Springs	1,260,567	1,194,567	First Mortgage	Fee Simple	N/A	N/A	N/A	132,897	22,150
28	N	1	Compton Place at Tampa Palms	1,731,027	1,731,027	First Mortgage	Fee Simple	N/A	N/A	N/A	480,967	53,441
29	N	1	Granite Place Apartments	1,577,928	1,577,928	First Mortgage	Fee Simple	N/A	N/A	N/A	131,188	32,797
30	N	1	Crosswood Park Apartments	1,146,186	1,146,186	First Mortgage	Fee Simple	N/A	N/A	623,822	122,553	30,638
31	N	1	Rancho Ladera Apartments	1,009,702	1,009,702	First Mortgage	Fee Simple	N/A	N/A	N/A	27,851	9,284
32	N	1	Bellwether Apartments	1,310,282	1,310,282	First Mortgage	Fee Simple	N/A	N/A	N/A	70,945	14,189
33	N	1	The Clarion Apartments	1,129,983	922,610	First Mortgage	Fee Simple	N/A	N/A	161,125	97,405	19,481
34	N	1	Southern Pines	1,030,714	1,030,714	First Mortgage	Fee Simple	N/A	N/A	N/A	197,734	24,717
35	N	1	Mountain View Apartments	1,177,625	1,177,625	First Mortgage	Fee Simple	N/A	N/A	N/A	61,435	12,287
36	N	1	Haven at Berry Shoals	1,142,812	1,080,812	First Mortgage	Fee Simple	N/A	N/A	N/A	116,096	19,349
37	N	1	Tanglewood Village	1,142,613	1,142,613	First Mortgage	Fee Simple	N/A	N/A	N/A	20,044	20,044
38	N	1	Skyline Place	743,979	743,979	First Mortgage	Fee Simple	N/A	N/A	39,412	117,355	14,669
39	N	1	The Biarritz Apartments	738,424	690,424	First Mortgage	Fee Simple	N/A	N/A	18,979	152,812	25,468
40	N	1	Walina Apartments	666,278	666,278	First Mortgage	Fee Simple	N/A	N/A	N/A	2,007	2,007
41	N	1	Evergreen Vale Townhomes	921,350	883,780	First Mortgage	Fee Simple	N/A	N/A	66,000	27,338	13,669
42	N	1	Collegiate Suites of Blacksburg II	753,735	699,439	First Mortgage	Fee Simple	N/A	N/A	N/A	35,772	5,110
43	N	1	Napili Tower	N/A	N/A	First Mortgage	Fee Simple	N/A	N/A	N/A	1,576	1,576
44	N	1	Santa Rosa Apartments	411,535	411,535	First Mortgage	Fee Simple	N/A	N/A	N/A	31,849	7,962
45	N	1	Arbor Woods Apartments	316,889	316,889	First Mortgage	Fee Simple	N/A	N/A	N/A	7,758	3,879
46	N	1	Hale Kahakai Apartments	245,705	245,705	First Mortgage	Fee Simple	N/A	N/A	N/A	639	639

No	Crossed Loans	Number of Properties	Property Name	Insurance Escrow (Initial) ⁽⁴⁾	Insurance Escrow (Monthly)	Replacement Reserve (Initial) ⁽⁴⁾
1	N	1	Ritz Plaza	N/A	N/A	N/A
2	N	1	Church Park Apartments	185,181	15,432	1,065,000
3	N	1	Windsor at Shirlington Village	N/A	N/A	N/A
4	N	1	The Point at Fairfax	72,393	8,649	N/A
5	N	1	The Green at Chevy Chase	74,808	6,234	N/A
6	N	1	Baxter Crossings Apartments	N/A	N/A	N/A
7	N	1	One Thousand 8th Avenue Apartments	56,808	4,734	N/A
8	N	1	Yacht Club at Brickell	110,664	33,117	N/A
9	N	1	Windsor at Miramar	N/A	N/A	N/A
10	N	1	Nob Hill Apartments	N/A	N/A	N/A
11	N	1	Madison at Chase Oaks	70,464	7,046	N/A
12	N	1	Gables Augusta Apartments	17,238	8,619	N/A
13	N	1	Lido at Shandin Hills	89,445	6,880	N/A
14	N	1	Lexington Heights Apartments	32,962	4,709	N/A
15	N	1	Saddle Brook Apartments	50,993	4,249	N/A
16	N	1	Villas at Katy Trail Apartments	43,407	3,617	N/A
17	N	1	Greenbrook Gardens Apartments	N/A	N/A	N/A
18	N	1	Lovejoy Fountain Tower	1,623	1,623	111,904
19	N	1	Bristol Park at Riverchase	31,691	6,338	N/A
20	N	1	Brookdale Lakes	28,078	3,212	N/A
21	N	1	Stonebrook Apartments	48,000	7,235	48,000
22	N	1	Verde Woodson Park Apartments	45,369	3,490	N/A
23	N	1	Turnberry Isle Apartments	35,644	3,240	N/A
24	N	1	La Ventana Apartments	9,721	2,426	N/A
25	N	1	Madison at Melrose Apartments	22,353	3,633	N/A
26	N	1	The Vinings	13,625	3,406	N/A
27	N	1	Haven at Boiling Springs	32,143	3,571	N/A
28	N	1	Compton Place at Tampa Palms	36,960	9,240	N/A
29	N	1	Granite Place Apartments	24,687	8,112	N/A
30	N	1	Crosswood Park Apartments	10,312	5,799	N/A
31	N	1	Rancho Ladera Apartments	N/A	N/A	N/A
32	N	1	Bellwether Apartments	5,170	2,585	N/A
33	N	1	The Clarion Apartments	7,308	3,654	N/A
34	N	1	Southern Pines	27,438	9,146	N/A
35	N	1	Mountain View Apartments	8,097	2,699	N/A
36	N	1	Haven at Berry Shoals	27,092	3,010	N/A
37	N	1	Tanglewood Village	6,966	3,483	N/A
38	N	1	Skyline Place	23,198	6,001	N/A
39	N	1	The Biarritz Apartments	25,124	6,281	N/A
40	N	1	Walina Apartments	24,994	2,272	N/A
41	N	1	Evergreen Vale Townhomes	12,255	2,451	N/A
42	N	1	Collegiate Suites of Blacksburg II	4,685	2,343	N/A
43	N	1	Napili Tower	17,485	1,749	N/A
44	N	1	Santa Rosa Apartments	6,100	1,017	N/A
45	N	1	Arbor Woods Apartments	10,881	1,088	N/A
46	N	1	Hale Kahakai Apartments	9,845	820	N/A

No	Crossed Loans	Number of Properties	Property Name	Replacement Reserve (Monthly)
1	N	1	Ritz Plaza	8,901
2	N	1	Church Park Apartments	Springing - Monthly payment (\$6,350) commences in the event that the Replacement Reserve balance falls below \$1,065,000 or upon Default, Transfer or failure to maintain the property.
3	N	1	Windsor at Shirlington Village	Springing - Monthly Reserve (\$10,538) springs upon Default, Transfer or failure to maintain the property.
4	N	1	The Point at Fairfax	11,496
5	N	1	The Green at Chevy Chase	14,997
6	N	1	Baxter Crossings Apartments	Springing - Monthly Reserve (\$23,423) springs upon Default, Transfer or failure to maintain the property.
7	N	1	One Thousand 8th Avenue Apartments	7,079
8	N	1	Yacht Club at Brickell	12,971
9	N	1	Windsor at Miramar	Springing - Monthly Reserve (\$7,917) springs upon Default, Transfer or failure to maintain the property.
10	N	1	Nob Hill Apartments	Springing - Monthly Reserve (\$8,910) springs upon Default, Transfer or failure to maintain the property.
11	N	1	Madison at Chase Oaks	9,792
12	N	1	Gables Augusta Apartments	5,200 (Capped at 2years collection or \$124,800)
13	N	1	Lido at Shandin Hills	7,224
14	N	1	Lexington Heights Apartments	6,321
15	N	1	Saddle Brook Apartments	5,875
16	N	1	Villas at Katy Trail Apartments	5,250
17	N	1	Greenbrook Gardens Apartments	Springing - Monthly Reserve (\$10,100) springs upon Default, Transfer or failure to maintain the property.
18	N	1	Lovejoy Fountain Tower	Springing - Monthly payment (\$4,663) commences in the event that the Replacement Reserve balance falls below \$11,904 or upon Default, Transfer or failure to maintain the property.
19	N	1	Bristol Park at Riverchase	5,750
20	N	1	Brookdale Lakes	4,600
21	N	1	Stonebrook Apartments	8,811
22	N	1	Verde Woodson Park Apartments	4,133
23	N	1	Turnberry Isle Apartments	3,896
24	N	1	La Ventana Apartments	4,833
25	N	1	Madison at Melrose Apartments	4,167
26	N	1	The Vinings	6,120
27	N	1	Haven at Boiling Springs	5,566
28	N	1	Compton Place at Tampa Palms	9,824
29	N	1	Granite Place Apartments	9,662
30	N	1	Crosswood Park Apartments	4,275
31	N	1	Rancho Ladera Apartments	4,418
32	N	1	Bellwether Apartments	5,375
33	N	1	The Clarion Apartments	5,298
34	N	1	Southern Pines	5,183
35	N	1	Mountain View Apartments	3,180
36	N	1	Haven at Berry Shoals	5,167
37	N	1	Tanglewood Village	4,312
38	N	1	Skyline Place	6,625
39	N	1	The Biarritz Apartments	3,633
40	N	1	Walina Apartments	2,094
41	N	1	Evergreen Vale Townhomes	5,489
42	N	1	Collegiate Suites of Blacksburg II	2,145
43	N	1	Napili Tower	708
44	N	1	Santa Rosa Apartments	3,239
45	N	1	Arbor Woods Apartments	1,370
46	N	1	Hale Kahakai Apartments	688

No	Crossed Loans	Number of Properties	Property Name	T/LC Reserve (Initial) ⁽⁴⁾	T/LC Reserve (Monthly)	Environmental Escrow ⁽⁴⁾	Other Escrow (Initial) ⁽⁴⁾	Other Escrow (Monthly)	Other Escrow Reserve Description	Seismic Insurance		Monthly Rent Per Unit	Elevators (Y/N)	Secondary Financing In Place	
										if PML >= 20% (Y/N)	Reserve Description			(Existing) (Y/N)	(Existing) (Y/N)
1	N	1	Ritz Plaza	N/A	N/A	N/A	N/A	N/A	N/A	N	3,587	Y	N		
2	N	1	Church Park Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	2,213	Y	N		
3	N	1	Windsor at Shirlington Village	N/A	N/A	N/A	295,425	N/A	(5)	N	1,883	Y	N		
4	N	1	The Point at Fairfax	N/A	N/A	N/A	N/A	N/A	N/A	N	1,434	N	N		
5	N	1	The Green at Chevy Chase	N/A	N/A	N/A	N/A	N/A	N/A	N	1,112	N	N		
6	N	1	Baxter Crossings Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	817	N	N		
7	N	1	One Thousand 8th Avenue Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,127	Y	N		
8	N	1	Yacht Club at Brickell	N/A	N/A	N/A	N/A	N/A	N/A	N	1,955	Y	N		
9	N	1	Windsor at Miramar	N/A	N/A	N/A	N/A	N/A	N/A	N	1,512	N	N		
10	N	1	Nob Hill Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,745	N	N		
11	N	1	Madison at Chase Oaks	N/A	N/A	N/A	N/A	N/A	N/A	N	751	N	N		
12	N	1	Gables Augusta Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,288	Y	N		
13	N	1	Lido at Shandin Hills	N/A	N/A	N/A	N/A	N/A	N/A	N	1,056	N	N		
14	N	1	Lexington Heights Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,132	N	N		
15	N	1	Saddle Brook Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,232	N	N		
16	N	1	Villas at Katy Trail Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,286	Y	N		
17	N	1	Greenbrook Gardens Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,085	N	N		
18	N	1	Lovejoy Fountain Tower	N/A	N/A	N/A	N/A	N/A	N/A	N	1,018	Y	N		
19	N	1	Bristol Park at Riverchase	N/A	N/A	N/A	N/A	N/A	N/A	N	971	N	N		
20	N	1	Brookdale Lakes	N/A	N/A	N/A	N/A	N/A	N/A	N	1,097	N	N		
21	N	1	Stonebrook Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	796	N	N		
22	N	1	Verde Woodson Park Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,021	N	N		
23	N	1	Turnberry Isle Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,039	N	N		
24	N	1	La Ventana Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	879	N	N		
25	N	1	Madison at Melrose Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	892	N	N		
26	N	1	The Vinings	N/A	N/A	N/A	N/A	N/A	N/A	N	986	N	N		
27	N	1	Haven at Boiling Springs	N/A	N/A	N/A	N/A	N/A	N/A	N	771	N	N		
28	N	1	Compton Place at Tampa Palms	N/A	N/A	N/A	N/A	N/A	N/A	N	932	N	N		
29	N	1	Granite Place Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,133	Y	N		
30	N	1	Crosswood Park Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,049	N	N		
31	N	1	Rancho Ladera Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	665	N	N		
32	N	1	Bellwether Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	887	N	N		
33	N	1	The Clarion Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	811	N	N		
34	N	1	Southern Pines	N/A	N/A	N/A	N/A	N/A	N/A	N	1,018	N	N		
35	N	1	Mountain View Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,217	N	N		
36	N	1	Haven at Berry Shoals	N/A	N/A	N/A	N/A	N/A	N/A	N	729	N	N		
37	N	1	Tanglewood Village	N/A	N/A	N/A	N/A	N/A	N/A	N	1,024	N	N		
38	N	1	Skyline Place	N/A	N/A	N/A	N/A	N/A	N/A	N	509	N	N		
39	N	1	The Biarritz Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	932	N	N		
40	N	1	Walina Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,220	Y	N		
41	N	1	Evergreen Vale Townhomes	N/A	N/A	N/A	N/A	N/A	N/A	N	1,166	N	N		
42	N	1	Collegiate Suites of Blacksburg II	N/A	N/A	N/A	N/A	N/A	N/A	N	371	N	N		
43	N	1	Napili Tower	N/A	N/A	N/A	N/A	N/A	N/A	N	2,101	Y	N		
44	N	1	Santa Rosa Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	921	N	N		
45	N	1	Arbor Woods Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	814	N	N		
46	N	1	Hale Kahakai Apartments	N/A	N/A	N/A	N/A	N/A	N/A	N	1,007	N	N		

No	Crossed Loans	Number of Properties	Property Name	Secondary Financing Amount (Existing)	Secondary Financing Description (Existing)	Future Supplemental Financing (Y/N)
1	N	1	Ritz Plaza	N/A	N/A	Y
2	N	1	Church Park Apartments	N/A	N/A	Y
3	N	1	Windsor at Shirlington Village	N/A	N/A	Y
4	N	1	The Point at Fairfax	N/A	N/A	Y
5	N	1	The Green at Chevy Chase	N/A	N/A	Y
6	N	1	Baxter Crossings Apartments	N/A	N/A	Y
7	N	1	One Thousand 8th Avenue Apartments	N/A	N/A	Y
8	N	1	Yacht Club at Brickell	N/A	N/A	Y
9	N	1	Windsor at Miramar	N/A	N/A	Y
10	N	1	Nob Hill Apartments	N/A	N/A	Y
11	N	1	Madison at Chase Oaks	N/A	N/A	Y
12	N	1	Gables Augusta Apartments	N/A	N/A	Y
13	N	1	Lido at Shandin Hills	N/A	N/A	Y
14	N	1	Lexington Heights Apartments	N/A	N/A	Y
15	N	1	Saddle Brook Apartments	N/A	N/A	Y
16	N	1	Villas at Katy Trail Apartments	N/A	N/A	Y
17	N	1	Greenbrook Gardens Apartments	N/A	N/A	Y
18	N	1	Lovejoy Fountain Tower	N/A	N/A	Y
19	N	1	Bristol Park at Riverchase	N/A	N/A	Y
20	N	1	Brookdale Lakes	N/A	N/A	Y
21	N	1	Stonebrook Apartments	N/A	N/A	Y
22	N	1	Verde Woodson Park Apartments	N/A	N/A	Y
23	N	1	Turnberry Isle Apartments	N/A	N/A	Y
24	N	1	La Ventana Apartments	N/A	N/A	Y
25	N	1	Madison at Melrose Apartments	N/A	N/A	Y
26	N	1	The Vinings	N/A	N/A	Y
27	N	1	Haven at Boiling Springs	N/A	N/A	Y
28	N	1	Compton Place at Tampa Palms	N/A	N/A	Y
29	N	1	Granite Place Apartments	N/A	N/A	Y
30	N	1	Crosswood Park Apartments	N/A	N/A	Y
31	N	1	Rancho Ladera Apartments	N/A	N/A	Y
32	N	1	Bellwether Apartments	N/A	N/A	Y
33	N	1	The Clarion Apartments	N/A	N/A	Y
34	N	1	Southern Pines	N/A	N/A	Y
35	N	1	Mountain View Apartments	N/A	N/A	Y
36	N	1	Haven at Berry Shoals	N/A	N/A	Y
37	N	1	Tanglewood Village	N/A	N/A	Y
38	N	1	Skyline Place	N/A	N/A	Y
39	N	1	The Biarritz Apartments	N/A	N/A	Y
40	N	1	Walina Apartments	N/A	N/A	Y
41	N	1	Evergreen Vale Townhomes	N/A	N/A	Y
42	N	1	Collegiate Suites of Blacksburg II	N/A	N/A	Y
43	N	1	Napili Tower	N/A	N/A	Y
44	N	1	Santa Rosa Apartments	N/A	N/A	Y
45	N	1	Arbor Woods Apartments	N/A	N/A	Y
46	N	1	Hale Kahakai Apartments	N/A	N/A	Y

No	Crossed Loans	Number of Properties	Property Name	Future Supplemental Financing Description	Footnotes
1	N	1	Ritz Plaza	(i) combined LTV shall not exceed 66% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
2	N	1	Church Park Apartments	(i) combined LTV shall not exceed 67% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
3	N	1	Windsor at Shirlington Village	(i) combined LTV shall not exceed 75% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	7
4	N	1	The Point at Fairfax	(i) combined LTV shall not exceed 78% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
5	N	1	The Green at Chevy Chase	(i) combined LTV shall not exceed 74% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
6	N	1	Baxter Crossings Apartments	(i) combined LTV shall not exceed 75% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
7	N	1	One Thousand 8th Avenue Apartments	(i) combined LTV shall not exceed 75% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
8	N	1	Yacht Club at Brickell	(i) combined LTV shall not exceed 69% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	8
9	N	1	Windsor at Miramar	(i) combined LTV shall not exceed 70% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	6, 7
10	N	1	Nob Hill Apartments	(i) combined LTV shall not exceed 60% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	9
11	N	1	Madison at Chase Oaks	(i) combined LTV shall not exceed 79% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	10
12	N	1	Gables Augusta Apartments	(i) combined LTV shall not exceed 62% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	6
13	N	1	Lido at Shandin Hills	(i) combined LTV shall not exceed 75% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
14	N	1	Lexington Heights Apartments	(i) combined LTV shall not exceed 80% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	11
15	N	1	Saddle Brook Apartments	(i) combined LTV shall not exceed 80% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	10
16	N	1	Villas at Katy Trail Apartments	(i) combined LTV shall not exceed 77% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	10
17	N	1	Greenbrook Gardens Apartments	(i) combined LTV shall not exceed 49% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	9
18	N	1	Lovejoy Fountain Tower	(i) combined LTV shall not exceed 57% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
19	N	1	Bristol Park at Riverchase	(i) combined LTV shall not exceed 66% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
20	N	1	Brookdale Lakes	(i) combined LTV shall not exceed 76% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	6
21	N	1	Stonebrook Apartments	(i) combined LTV shall not exceed 78% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
22	N	1	Verde Woodson Park Apartments	(i) combined LTV shall not exceed 74% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
23	N	1	Turnberry Isle Apartments	(i) combined LTV shall not exceed 80% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	10
24	N	1	La Ventana Apartments	(i) combined LTV shall not exceed 67% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	12
25	N	1	Madison at Melrose Apartments	(i) combined LTV shall not exceed 80% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
26	N	1	The Vinings	(i) combined LTV shall not exceed 69% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	12
27	N	1	Haven at Boiling Springs	(i) combined LTV shall not exceed 75% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	13
28	N	1	Compton Place at Tampa Palms	(i) combined LTV shall not exceed 64% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
29	N	1	Granite Place Apartments	(i) combined LTV shall not exceed 57% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
30	N	1	Crosswood Park Apartments	(i) combined LTV shall not exceed 75% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	8
31	N	1	Rancho Ladera Apartments	(i) combined LTV shall not exceed 70% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	11
32	N	1	Bellwether Apartments	(i) combined LTV shall not exceed 56% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
33	N	1	The Clarion Apartments	(i) combined LTV shall not exceed 80% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
34	N	1	Southern Pines	(i) combined LTV shall not exceed 74% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
35	N	1	Mountain View Apartments	(i) combined LTV shall not exceed 69.6% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
36	N	1	Haven at Berry Shoals	(i) combined LTV shall not exceed 75% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	13
37	N	1	Tanglewood Village	(i) combined LTV shall not exceed 71% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	6
38	N	1	Skyline Place	(i) combined LTV shall not exceed 64% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
39	N	1	The Biarritz Apartments	(i) combined LTV shall not exceed 65% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	12
40	N	1	Walina Apartments	(i) combined LTV shall not exceed 70% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	14
41	N	1	Evergreen Vale Townhomes	(i) combined LTV shall not exceed 52% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
42	N	1	Collegiate Suites of Blacksburg II	(i) combined LTV shall not exceed 75% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
43	N	1	Napili Tower	(i) combined LTV shall not exceed 70% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	14
44	N	1	Santa Rosa Apartments	(i) combined LTV shall not exceed 64% as determined by Freddie Mac (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
45	N	1	Arbor Woods Apartments	(i) combined LTV shall not exceed 73% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	
46	N	1	Hale Kahakai Apartments	(i) combined LTV shall not exceed 70% as determined by Freddie Mac, (ii) combined DSCR >= 1.25:1, (iii) requires FRE approval, (iv) at least 12 months after first mortgage	14

Footnotes to Exhibit A-1

- (1) The Administrative Fees include the sub-servicing fee, master servicing fee and trustee fee applicable to each loan.
- (2) Monthly Debt Service Amount (Amortizing) for loans with partial interest-only periods are shown after the expiration of the interest-only period.
- (3) Prepayment lockout is shown from the respective loan origination date.
- (4) Reserve Balances are as of the related loan closing date, not as of the Cut-off Date.
- (5) Rollover escrow required in the amount of \$295,425 for units leased to Joint Air and Defense Operations of Homeland Security (JADOC). The escrow will be released when (a) the current lease contract is renewed at lease terms satisfactory with the lender, or (b) the re-leasing of the units currently leased to JADOC to other tenants at terms satisfactory to the lender.
- (6) Loan Nos. 9, 12, 20 and 37 (Windsor at Miramar, Gables Augusta Apartments, Brookdale Lakes and Tanglewood Village): The related borrowers, or, in the case of Brookdale Lakes, some of the entities making up the related borrower, own the related mortgaged property as tenants-in-common.

For a discussion of the risks related to the tenant-in-common structure, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (7) Loan Nos. 3 and 9 (Windsor at Shirlington Village and Windsor at Miramar): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (8) Loan Nos. 8 and 30 (Yacht Club at Brickell and Crosswood Park Apartments): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (9) Loan Nos. 10 and 17 (Nob Hill Apartments and Greenbrook Gardens Apartments): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (10) Loan Nos. 11, 15, 16 and 23 (Madison at Chase Oaks, Saddle Brook Apartments, Villas at Katy Trail Apartments and Turnberry Isle Apartments): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (11) Loan Nos. 14 and 31 (Lexington Heights Apartments and Rancho Ladera Apartments): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (12) Loan Nos. 24, 26 and 39 (La Ventana Apartments, The Vinings and The Biarritz Apartments): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (13) Loan Nos. 27 and 36 (Haven at Boiling Springs and Haven at Berry Shoals): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

- (14) Loan Nos. 40, 43 and 46 (Walina Apartments, Napili Tower and Hale Kahakai Apartments): This group of loans was made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors – Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

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EXHIBIT A-2

CERTAIN MORTGAGE POOL INFORMATION

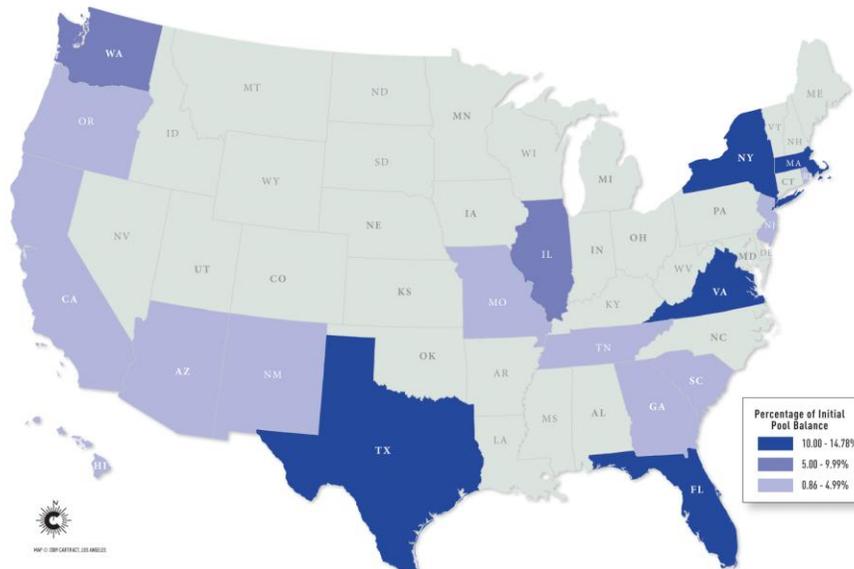
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Mortgage Pool Cut-off Date Balances

Range of Cut-off Date Balances	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
\$3,102,000 - \$4,999,999	2	\$6,783,317	0.63%	1.26x	71.1%	5.615%
\$5,000,000 - \$9,999,999	11	88,702,381	8.25	1.37x	66.8%	5.915%
\$10,000,000 - \$14,999,999	13	155,859,456	14.49	1.37x	69.9%	5.717%
\$15,000,000 - \$19,999,999	5	83,909,167	7.80	1.50x	65.7%	5.643%
\$20,000,000 - \$24,999,999	4	88,564,529	8.24	1.34x	71.2%	5.628%
\$25,000,000 - \$29,999,999	1	25,748,104	2.39	1.36x	78.7%	5.550%
\$30,000,000 - \$34,999,999	1	30,899,336	2.87	2.04x	48.9%	5.130%
\$35,000,000 - \$39,999,999	4	150,463,886	13.99	1.35x	72.0%	5.470%
\$40,000,000 - \$69,999,999	2	91,237,430	8.48	1.32x	75.3%	5.551%
\$70,000,000 - \$99,999,999	1	72,529,870	6.75	1.28x	74.9%	5.600%
\$100,000,000 - \$150,863,000	2	280,598,287	26.09	1.26x	66.3%	5.419%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Geographic Distribution

Property Location	Number of Mortgaged Properties	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Texas	10	\$158,928,710	14.78%	1.33x	72.8%	5.694%
New York	1	150,863,000	14.03	1.25x	66.0%	5.340%
Massachusetts	2	141,448,312	13.15	1.27x	65.6%	5.515%
Virginia	3	125,590,528	11.68	1.29x	75.7%	5.650%
Florida	5	109,658,510	10.20	1.37x	69.4%	5.643%
Washington	5	80,511,788	7.49	1.37x	68.8%	5.579%
Illinois	2	60,737,430	5.65	1.34x	74.0%	5.580%
New Jersey	2	47,345,757	4.40	2.06x	48.8%	5.130%
California	3	42,588,070	3.96	1.33x	72.7%	5.703%
Missouri	1	38,400,000	3.57	1.39x	75.3%	5.340%
South Carolina	2	21,488,775	2.00	1.37x	69.6%	5.620%
Hawaii	3	17,327,000	1.61	1.25x	69.4%	5.740%
Oregon	1	16,200,953	1.51	1.42x	59.7%	5.460%
Tennessee	1	15,900,000	1.48	1.45x	66.0%	5.850%
Arizona	2	15,770,000	1.47	1.42x	67.8%	5.631%
New Mexico	1	13,196,931	1.23	1.39x	66.7%	5.610%
Georgia	1	10,040,000	0.93	1.42x	79.1%	6.280%
Rhode Island	1	9,300,000	0.86	1.46x	70.5%	6.210%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%



Ten Largest Loans

Property Name	Number	Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Ritz Plaza	1	\$150,863,000	14.03%	1.25x	66.0%	5.340%
Church Park Apartments	2	129,735,287	12.07	1.27x	66.5%	5.510%
Windsor at Shirlington Village	3	72,529,870	6.75	1.28x	74.9%	5.600%
The Point at Fairfax	4	46,000,000	4.28	1.28x	77.3%	5.660%
The Green at Chevy Chase	5	45,237,430	4.21	1.36x	73.3%	5.440%
Baxter Crossings Apartments	6	38,400,000	3.57	1.39x	75.3%	5.340%
One Thousand 8th Avenue Apartments	7	38,250,000	3.56	1.31x	75.0%	5.420%
Yacht Club at Brickell	8	37,886,876	3.52	1.33x	68.1%	5.597%
Windsor at Miramar	9	35,927,011	3.34	1.39x	69.4%	5.530%
Nob Hill Apartments	10	30,899,336	2.87	2.04x	48.9%	5.130%
TOP 10 - Total/Wtd Avg	10	\$625,728,809	58.19%	1.33x	69.1%	5.457%

Mortgage Pool Underwritten Debt Service Coverage Ratios

Range of Underwritten DSCR(s)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
1.24x - 1.24x	1	\$11,713,025	1.09%	1.24x	55.8%	5.570%
1.25x - 1.29x	12	482,865,976	44.91	1.27x	70.2%	5.549%
1.30x - 1.34x	11	204,213,479	18.99	1.32x	72.2%	5.696%
1.35x - 1.39x	10	207,227,240	19.27	1.37x	72.2%	5.516%
1.40x - 1.44x	5	66,985,953	6.23	1.42x	65.5%	5.604%
1.45x - 1.49x	2	25,200,000	2.34	1.46x	67.7%	5.983%
1.50x - 1.54x	1	10,219,958	0.95	1.52x	55.7%	5.590%
1.55x - 2.11x	4	66,870,132	6.22	1.93x	51.7%	5.219%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Cut-off Date Loan-to-Value Ratios

Range of Cut-off Date LTV Ratio(s)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
48.7% - 53.9%	3	\$54,906,270	5.11%	2.00x	49.1%	5.164%
54.0% - 59.9%	3	38,133,936	3.55	1.39x	57.4%	5.529%
60.0% - 63.9%	5	58,456,682	5.44	1.43x	63.1%	5.529%
64.0% - 67.9%	6	331,621,886	30.84	1.28x	66.3%	5.480%
68.0% - 71.9%	10	152,949,662	14.22	1.35x	69.3%	5.696%
72.0% - 75.9%	13	304,609,721	28.33	1.32x	74.5%	5.588%
76.0% - 79.7%	6	134,617,607	12.52	1.30x	78.1%	5.758%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Maturity Date Loan-to-Value Ratios

Range of Maturity Date LTV Ratio(s)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Maturity-Date LTV Ratio	Weighted Average Mortgage Rate
24.7% - 24.9%	1	\$11,713,025	1.09%	1.24x	24.7%	5.570%
25.0% - 54.9%	9	131,783,863	12.26	1.68x	47.4%	5.345%
55.0% - 59.9%	11	434,924,547	40.45	1.30x	57.0%	5.511%
60.0% - 64.9%	16	280,068,514	26.05	1.32x	62.3%	5.668%
65.0% - 69.9%	8	206,765,814	19.23	1.31x	66.6%	5.642%
70.0% - 70.5%	1	10,040,000	0.93	1.42x	70.5%	6.280%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	58.8%	5.564%

Mortgage Pool Mortgage Rates

Range of Mortgage Rates	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
5.130% - 5.249%	2	\$47,345,757	4.40%	2.06x	48.8%	5.130%
5.250% - 5.499%	10	361,029,872	33.57	1.33x	68.4%	5.381%
5.500% - 5.749%	20	483,667,416	44.98	1.31x	70.1%	5.583%
5.750% - 5.999%	8	129,225,904	12.02	1.31x	74.4%	5.879%
6.000% - 6.249%	3	24,360,658	2.27	1.39x	69.0%	6.109%
6.250% - 6.470%	3	29,666,157	2.76	1.34x	72.8%	6.370%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Remaining Terms to Maturity ⁽¹⁾

Remaining Term to Maturity (months)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
105 - 111	1	\$8,000,000	0.74%	1.35x	63.5%	6.000%
112 - 118	45	1,067,295,763	99.26	1.35x	69.2%	5.561%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

(1) All of the mortgage loans were originated with an original term to maturity of 120 months.

Mortgage Pool Original Amortization Terms

Original Amortization Term (months)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
180	1	\$11,713,025	1.09%	1.24x	55.8%	5.570%
360	45	1,063,582,738	98.91	1.36x	69.3%	5.564%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Remaining Amortization Terms

Remaining Amortization Term (months)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
176 - 324	1	\$11,713,025	1.09%	1.24x	55.8%	5.570%
325 - 356	12	148,758,675	13.83	1.37x	71.4%	5.581%
357 - 360	33	914,824,063	85.08	1.35x	69.0%	5.562%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Seasoning

Seasoning (months)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
2 - 4	41	\$1,035,012,514	96.25%	1.35x	69.2%	5.558%
5 - 8	4	32,283,249	3.00	1.41x	68.9%	5.656%
9 - 15	1	8,000,000	0.74	1.35x	63.5%	6.000%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Amortization Type

Amortization Type	Number of Mortgaged Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Amortizing Balloon	29	\$654,270,763	60.85%	1.38x	68.6%	5.562%
Partial IO Balloon	17	421,025,000	39.15	1.31x	70.0%	5.568%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Year Built / Renovated

Most Recent Date Built / Renovated	Number of Mortgaged Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
1964 - 1973	2	\$25,746,421	2.39%	1.87x	56.5%	5.520%
1974 - 1983	2	21,439,182	1.99	1.28x	60.3%	5.928%
1984 - 1993	9	207,081,918	19.26	1.35x	74.0%	5.627%
1994 - 2003	9	181,724,528	16.90	1.36x	70.2%	5.687%
2004 - 2009	24	639,303,714	59.45	1.33x	68.1%	5.499%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

Mortgage Pool Current Occupancy

Current Occupancy	Number of Mortgaged Loans	Aggregate Cut-off Date Balance	% of Initial Pool Balance	Weighted Average Underwriting DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
86.0% - 88.9%	3	\$35,469,536	3.30%	1.35x	71.9%	5.620%
89.0% - 90.9%	8	122,160,326	11.36	1.41x	65.9%	5.701%
91.0% - 92.9%	7	129,026,875	12.00	1.37x	72.7%	5.533%
93.0% - 94.9%	11	351,039,453	32.65	1.29x	71.3%	5.518%
95.0% - 96.9%	9	164,828,959	15.33	1.31x	72.6%	5.716%
97.0% - 100.0%	8	272,770,613	25.37	1.43x	63.8%	5.479%
Total/Wtd Avg	46	\$1,075,295,763	100.00%	1.35x	69.2%	5.564%

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EXHIBIT A-3

DESCRIPTION OF THE TOP TEN MORTGAGE LOANS

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Descriptions of Ten Largest Loans

1. Ritz Plaza



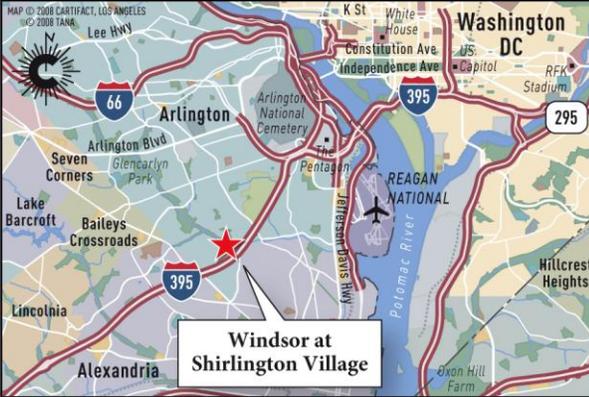
Original Balance:	\$150,863,000
Cut-off Balance:	\$150,863,000
Balloon Balance:	\$131,652,674
Loan Purpose:	Refinance
Interest Rate:	5.340%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	IO (24), then amortizing 30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	In-Place Soft, Springing Hard
Cut-off Balance / Unit:	\$314,954
Balloon Balance / Unit:	\$274,849
Cut-off Date LTV:	66.0%
Balloon LTV:	57.6%
Underwritten DSCR:	1.25x
# of Units:	479
Collateral:	Fee Simple
Location:	New York, NY
Year Built/Renovated:	1989 / 2008
Occupancy:	95.0% (7/1/2009)
UW NCF:	\$12,629,259

2. Church Park Apartments



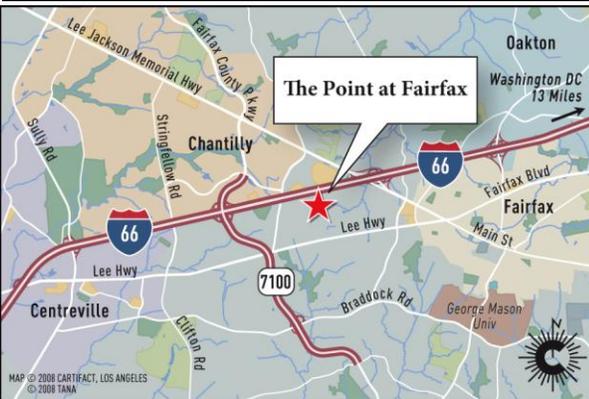
Original Balance:	\$130,000,000
Cut-off Balance:	\$129,735,287
Balloon Balance:	\$108,621,654
Loan Purpose:	Refinance
Interest Rate:	5.510%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	In-Place Soft, Springing Hard
Cut-off Balance / Unit:	\$255,384
Balloon Balance / Unit:	\$213,822
Cut-off Date LTV:	66.5%
Balloon LTV:	55.7%
Underwritten DSCR:	1.27x
# of Units:	508
Collateral:	Fee Simple
Location:	Boston, MA
Year Built/Renovated:	1973 / 2008
Occupancy:	98.8% (7/24/2009)
UW NCF:	\$11,277,409

3. Windsor at Shirlington Village



Original Balance:	\$72,675,000
Cut-off Balance:	\$72,529,870
Balloon Balance:	\$60,892,461
Loan Purpose:	Refinance
Interest Rate:	5.600%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$179,529
Balloon Balance / Unit:	\$150,724
Cut-off Date LTV:	74.9%
Balloon LTV:	62.8%
Underwritten DSCR:	1.28x
# of Units:	404
Collateral:	Fee Simple
Location:	Arlington, VA
Year Built/Renovated:	1989 / 2008
Occupancy:	96.0% (7/31/2009)
UW NCF:	\$6,407,000

4. The Point at Fairfax



Original Balance:	\$46,000,000
Cut-off Balance:	\$46,000,000
Balloon Balance:	\$40,451,687
Loan Purpose:	Acquisition
Interest Rate:	5.660%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	IO (24), then amortizing 30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$126,374
Balloon Balance / Unit:	\$111,131
Cut-off Date LTV:	77.3%
Balloon LTV:	68.0%
Underwritten DSCR:	1.28x
# of Units:	364
Collateral:	Fee Simple
Location:	Fairfax, VA
Year Built/Renovated:	1989 / N/A
Occupancy:	94.5% (6/17/2009)
UW NCF:	\$4,098,361

5. The Green at Chevy Chase



Original Balance:	\$45,375,000
Cut-off Balance:	\$45,237,430
Balloon Balance:	\$37,834,172
Loan Purpose:	Acquisition
Interest Rate:	5.440%
First Payment Date:	August 1, 2009
Maturity Date:	July 1, 2019
Amortization:	30-year schedule
Call Protection:	L(27) D(89) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$76,415
Balloon Balance / Unit:	\$63,909
Cut-off Date LTV:	73.3%
Balloon LTV:	61.3%
Underwritten DSCR:	1.36x
# of Units:	592
Collateral:	Fee Simple
Location:	Buffalo Grove, IL
Year Built/Renovated:	1988 / N/A
Occupancy:	92.9% (5/17/2009)
UW NCF:	\$4,164,888

6. Baxter Crossings Apartments



Original Balance:	\$38,400,000
Cut-off Balance:	\$38,400,000
Balloon Balance:	\$33,510,289
Loan Purpose:	Acquisition
Interest Rate:	5.340%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	IO (24), then amortizing 30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$55,331
Balloon Balance / Unit:	\$48,286
Cut-off Date LTV:	75.3%
Balloon LTV:	65.7%
Underwritten DSCR:	1.39x
# of Units:	694
Collateral:	Fee Simple
Location:	Chesterfield, MO
Year Built/Renovated:	1989 / N/A
Occupancy:	91.2% (6/12/2009)
UW NCF:	\$3,584,510

7. One Thousand 8th Avenue Apartments



Original Balance:	\$38,250,000
Cut-off Balance:	\$38,250,000
Balloon Balance:	\$33,444,339
Loan Purpose:	Refinance
Interest Rate:	5.420%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	IO (24), then amortizing 30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$108,974
Balloon Balance / Unit:	\$95,283
Cut-off Date LTV:	75.0%
Balloon LTV:	65.6%
Underwritten DSCR:	1.31x
# of Units:	351
Collateral:	Fee Simple
Location:	Seattle, WA
Year Built/Renovated:	1949 / 2008
Occupancy:	93.5% (8/31/2009)
UW NCF:	\$3,372,536

8. Yacht Club at Brickell



Original Balance:	\$38,010,000
Cut-off Balance:	\$37,886,876
Balloon Balance:	\$31,459,857
Loan Purpose:	Refinance
Interest Rate:	5.597%
First Payment Date:	August 1, 2009
Maturity Date:	July 1, 2019
Amortization:	30-year schedule
Call Protection:	L(27) D(89) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$106,126
Balloon Balance / Unit:	\$88,123
Cut-off Date LTV:	68.1%
Balloon LTV:	56.6%
Underwritten DSCR:	1.33x
# of Units:	357
Collateral:	Fee Simple
Location:	Miami, FL
Year Built/Renovated:	1998 / N/A
Occupancy:	97.5% (6/28/2009)
UW NCF:	\$3,485,699

9. Windsor at Miramar



Original Balance:	\$36,000,000
Cut-off Balance:	\$35,927,011
Balloon Balance:	\$30,098,469
Loan Purpose:	Refinance
Interest Rate:	5.530%
First Payment Date:	September 1, 2009
Maturity Date:	August 1, 2019
Amortization:	30-year schedule
Call Protection:	L(26) D(90) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$103,239
Balloon Balance / Unit:	\$86,490
Cut-off Date LTV:	69.4%
Balloon LTV:	58.1%
Underwritten DSCR:	1.39x
# of Units:	348
Collateral:	Fee Simple
Location:	Miramar, FL
Year Built/Renovated:	2001 / N/A
Occupancy:	98.0% (5/26/2009)
UW NCF:	\$3,410,021

10. Nob Hill Apartments



Original Balance:	\$31,000,000
Cut-off Balance:	\$30,899,336
Balloon Balance:	\$25,595,013
Loan Purpose:	Refinance
Interest Rate:	5.130%
First Payment Date:	August 1, 2009
Maturity Date:	July 1, 2019
Amortization:	30-year schedule
Call Protection:	L(27) D(89) O(4)
Lockbox:	N/A
Cut-off Balance / Unit:	\$85,831
Balloon Balance / Unit:	\$71,097
Cut-off Date LTV:	48.9%
Balloon LTV:	40.5%
Underwritten DSCR:	2.04x
# of Units:	360
Collateral:	Fee Simple
Location:	Roseland, NJ
Year Built/Renovated:	1978 / 2008
Occupancy:	97.2% (6/30/2009)
UW NCF:	\$4,127,342

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EXHIBIT B

FORM OF TRUSTEE REPORT

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**Freddie Mac Mortgage Trust
Multifamily Mortgage Pass-Through Certificates
Series 2009-K4**

For Additional Information please contact

Reports Available on the World Wide Web

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**DISTRIBUTION DATE STATEMENT
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Depositor

Deutsche Mortgage & Asset Receiving Corp.
One International Place
Room 520
Boston, MA 02110

Contact: R. Douglas Donaldson
Phone Number: (617) 951-7690

Master Servicer

Midland Loan Services, L.P.
10851 Mastin
Overland Park, KS 66210

Contact: Brad Hauger
Phone Number: (913) 253-9399

Special Servicer

DB Mortgage Services, LLC
One Beacon Street
Boston, MA 02108

Contact: Alan Reese
Phone Number: (617) 722-5077

This report has been compiled from information provided to Wells Fargo Bank, N.A. by various third parties, which may include the Master Servicer, Special Servicer and others. Wells Fargo Bank, N.A. has not independently confirmed the accuracy of information received from these third parties and assumes no duty to do so. Wells Fargo Bank, N.A. expressly disclaims any responsibility for the accuracy or completeness of information furnished by third parties.



**Freddie Mac Mortgage Trust
Multifamily Mortgage Pass-Through Certificates
Series 2009-K4**

For Additional Information please contact

Reports Available on the World Wide Web

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Certificate Distribution Detail

Class	CUSIP	Pass-Through Rate	Original Balance	Beginning Balance	Principal Distribution	Interest Distribution	Prepayment Premium	Realized Loss/ Additional Trust Fund Expenses	Total Distribution	Ending Balance	Current Subordination Level (1)
A-1		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-2		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-3		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Class	CUSIP	Pass-Through Rate	Original Notional Amount	Beginning Notional Amount	Interest Distribution	Prepayment Premium	Total Distribution	Ending Notional Amount
A-X1		0.000000	0.00	0.00	0.00	0.00	0.00	0.00
A-X2		0.000000	0.00	0.00	0.00	0.00	0.00	0.00

(1) Calculated by taking (A) the sum of the ending certificate balance of all classes less (B) the sum of (i) the ending balance of the designated class and (ii) the ending certificate balance of all classes which are not subordinate to the designated class and dividing the result by (A).



Freddie Mac Mortgage Trust
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Certificate Factor Detail

Class	CUSIP	Beginning Balance	Principal Distribution	Interest Distribution	Prepayment Premium	Realized Loss/ Additional Trust Fund Expenses	Ending Balance
A-1		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
A-2		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
A-3		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
B		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000

Class	CUSIP	Beginning Notional Amount	Interest Distribution	Prepayment Premium	Ending Notional Amount
A-X1		0.00000000	0.00000000	0.00000000	0.00000000
A-X2		0.00000000	0.00000000	0.00000000	0.00000000

**Freddie Mac Mortgage Trust
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Reconciliation Detail

Advance Summary

P & I Advances Outstanding	0.00
Servicing Advances Outstanding	0.00
Reimbursements for Interest on P&I	0.00
Advances paid from general collections	
Reimbursements for Interest on Servicing	0.00
Advances paid from general collections	

Master Servicing Fee Summary

Current Period Accrued Master Servicing Fees	0.00
Less Master Servicing Fees on Delinquent Payments	0.00
Less Reductions to Master Servicing Fees	0.00
Plus Master Servicing Fees on Delinquent Payments Received	0.00
Plus Adjustments for Prior Master Servicing Calculation	0.00
Total Master Servicing Fees Collected	0.00

Certificate Interest Reconciliation

Class	Accrued Certificate Interest	Net Aggregate Prepayment Interest Shortfall	Distributable Certificate Interest	Distributable Certificate Interest Adjustment	Additional Trust Fund Expenses	Interest Distribution	Remaining Unpaid Distributable Certificate Interest
A-1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-X1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-X2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Deficiency Amount

Class	Assumed Final Distribution Date	Accrued Certificate Interest Exceeds Interest Paid	Assumed Additional Principal Distribution Amount	Realized Loss and Additional Trust Fund Expense	Assumed Final Distribution Date Class Principal Balance prior to Guarantor Payment	Total
A-1	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00
A-2	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00
A-3	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00
A-X1	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00
Total		0.00	0.00	0.00	0.00	0.00



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Other Required Information

Available Distribution Amount (1)		0.00
Principal Distribution Amount		0.00
(a) Principal portion of Monthly Payments and any Assumed Monthly Payments	0.00	
(b) Principal Prepayments	0.00	
(c) Collection of Principal on a Balloon Loan after its stated Maturity Date	0.00	
(d) Liquidation Proceeds and Insurance Proceeds received on a Mortgage Loan	0.00	
(e) Liquidation Proceeds, Insurance Proceeds, or REO Revenues received on an REO	0.00	
Plus the excess of the prior Principal Distribution Amount over the principal paid to the Sequential Pay Certificates	0.00	
Aggregate Number of Outstanding Loans		0.00
Aggregate Stated Principal Balance of the Mortgage Pool before distribution		0.00
Aggregate Stated Principal Balance of the Mortgage Pool after distribution		0.00
Total Master Servicing and Special Servicing Fee paid		0.00
Master Servicing Fee paid	0.00	
Special Servicing Fee paid	0.00	
Trustee Fee paid		0.00
Interest Reserve Deposit		0.00
Interest Reserve Withdrawal		0.00

Additional Trust Fund Expenses		0.00
(i) Fees paid to Special Servicer	0.00	
(ii) Interest on Advances	0.00	
(iii) Other Expenses of the Trust	0.00	

Appraisal Reduction Amount

Loan Number	Appraisal Reduction Effected	Cumulative ASER Amount	Most Recent App. Red. Date
Total			

(1) The Available Distribution Amount includes any Prepayment Premiums.



Freddie Mac Mortgage Trust
Multifamily Mortgage Pass-Through Certificates
Series 2009-K4

For Additional Information please contact

Reports Available on the World Wide Web

Payment Date: 11/25/2009

Record Date: 10/30/2009

Cash Reconciliation Detail

Total Funds Collected

Interest:

Interest paid or advanced	0.00
Interest reductions due to Non-Recoverability Determinations	0.00
Interest Adjustments	0.00
Deferred Interest	0.00
Net Prepayment Interest Shortfall	0.00
Net Prepayment Interest Excess	0.00
Extension Interest	0.00
Interest Reserve Withdrawal	0.00
Total Interest Collected	<u>0.00</u>

Principal:

Scheduled Principal	0.00
Unscheduled Principal	0.00
Principal Prepayments	0.00
Collection of Principal after Maturity Date	0.00
Recoveries from Liquidation and Insurance Proceeds	0.00
Excess of Prior Principal Amounts paid	0.00
Curtailments	0.00
Negative Amortization	0.00
Principal Adjustments	0.00
Total Principal Collected	<u>0.00</u>

Other:

Prepayment Penalties/Yield Maintenance	0.00
Repayment Fees	0.00
Borrower Option Extension Fees	0.00
Equity Payments Received	0.00
Net Swap Counterparty Payments Received	0.00
Total Other Collected	<u>0.00</u>

Total Funds Collected 0.00

Total Funds Distributed

Fees:

Master Servicing Fee	0.00
Trustee Fee - Wells Fargo Bank N.A.	0.00
Guarantee Fee - Freddie Mac	0.00
Insurer Fee	0.00
Miscellaneous Fee	0.00
Total Fees	<u>0.0</u>

Additional Trust Fund Expenses:

Reimbursement for Interest on Advances	0.00
ASER Amount	0.00
Special Servicing Fee	0.00
Rating Agency Expenses	0.00
Attorney Fees & Expenses	0.00
Bankruptcy Expenses	0.00
Taxes Imposed on Trust Fund	0.00
Non-Recoverable Advances	0.00
Indemnification Expenses	0.00
Other Expenses	0.00
Total Additional Trust Fund Expenses	<u>0.0</u>

Interest Reserve Deposit

0.0

Payments to Certificateholders & Others:

Interest Distribution	0.00
Principal Distribution	0.00
Prepayment Penalties/Yield Maintenance	0.00
Borrower Option Extension Fees	0.00
Equity Payments Paid	0.00
Net Swap Counterparty Payments Paid	0.00
Total Payments to Certificateholders & Others	<u>0.0</u>

Total Funds Distributed 0.0



**Freddie Mac Mortgage Trust
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For Additional Information please contact

Reports Available on the World Wide Web

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Current Mortgage Loan and Property Stratification Tables

Debt Service Coverage Ratio

Debt Service Coverage Ratio	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Property Type (3)

Property Type	# of Props.	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Note Rate

Note Rate	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Seasoning

Seasoning	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

See footnotes on last page of this section.



**Freddie Mac Mortgage Trust
Multifamily Mortgage Pass-Through Certificates
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Reports Available on the World Wide Web

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Current Mortgage Loan and Property Stratification Tables

Anticipated Remaining Term (ARD and Balloon Loans)

Anticipated Remaining Term (2)	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Remaining Stated Term (Fully Amortizing Loans)

Remaining Stated Term	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Remaining Amortization Term (ARD and Balloon Loans)

Remaining Amortization Term	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Age of Most Financial Information

Age of Most Recent Financial Information	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

(1) Debt Service Coverage Ratios are updated periodically as new financial information become available from borrowers on an asset level. In all cases the most recent DSCR provided by the Master Servicer is used. To the extent that no DSCR is provided by the Master Servicer, information from the offering document is used. The Trustee makes no representations as to the accuracy of the data provided by the borrower for this calculation.

(2) Anticipated Remaining Term and WAM are each calculated based upon the term from the current month to the earlier of the Anticipated Repayment Date, if applicable, and the maturity date.

(3) Data in this table was calculated by allocating pro-rata the current loan information to the properties based upon the Cut-off Date balance of each property as disclosed in the offering document.



**Freddie Mac Mortgage Trust
Multifamily Mortgage Pass-Through Certificates
Series 2009-K4**

For Additional Information please contact

Reports Available on the World Wide Web

**Payment Date: 11/25/2009
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Historical Detail

Distribution Date	Delinquencies						Prepayments		Rate and Maturities		WAM	
	#	Balance	#	Balance	#	Balance	#	Balance	#	Balance		Next Weighted Avg. Coupon

Note: Foreclosure and REO Totals are excluded from the delinquencies aging categories.



Freddie Mac Mortgage Trust
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Specially Serviced Loan Detail - Part 1

Distribution Date	Loan Number	Offering Document Cross-Reference	Servicing Transfer Date	Resolution Strategy Code (1)	Scheduled Balance	Property Type (2)	State	Interest Rate	Actual Balance	Net Operating Income	NOI Date	DSCR	Note Date	Maturity Date	Remaining Amortization Term

(1) Resolution Strategy Code

- 1 - Modification
- 2 - Foreclosure
- 3 - Bankruptcy
- 4 - Extension
- 5 - Note Sale
- 6 - DPO
- 7 - REO
- 8 - Resolved
- 9 - Pending Return to Master Servicer

(2) Property Type Code

- 10 - Deed In Lieu Of Foreclosure
- 11 - Full Payoff
- 12 - Reqs and Warranties
- 13 - Other or TBD
- MF - Multi-Family
- RT - Retail
- HC - Health Care
- IN - Industrial
- WH - Warehouse
- MH - Mobile Home Park
- OF - Office
- MU - Mixed use
- LO - Lodging
- SS - Self Storage
- OT - Other



**Freddie Mac Mortgage Trust
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Specially Serviced Loan Detail - Part 2

Distribution Date	Loan Number	Offering Document Cross-Reference	Resolution Strategy Code (1)	Site Inspection Date	Phase 1 Date	Appraisal Date	Appraisal Value	Other REO Property Revenue	Comment

(1) Resolution Strategy Code

- | | | |
|------------------|---------------------------------------|----------------------------------|
| 1 - Modification | 6 - DPO | 10 - Deed In Lieu Of Foreclosure |
| 2 - Foreclosure | 7 - REO | 11 - Full Payoff |
| 3 - Bankruptcy | 8 - Resolved | 12 - Reps and Warranties |
| 4 - Extension | 9 - Pending Return to Master Servicer | 13 - Other or TBD |
| 5 - Note Sale | | |



Freddie Mac Mortgage Trust
Multifamily Mortgage Pass-Through Certificates
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For Additional Information please contact

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Advance Summary

	Current P&I Advances	Outstanding P&I Advances	Outstanding Servicing Advances	Current Period Interest on P&I and Servicing Advances Paid
	0.00	0.00	0.00	0.00
Totals	0.00	0.00	0.00	0.00

Unreimbursed Indemnification Expenses

Party	Accrued Current Period Indemnification Expenses	Paid Current Period Indemnification Expenses	Outstanding Unreimbursed Indemnification Expenses
Master Servicer	0.00	0.00	0.00
Special Servicer	0.00	0.00	0.00
Trustee / Custodian	0.00	0.00	0.00
Depositor	0.00	0.00	0.00
Totals	0.00	0.00	0.00



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Bond/Collateral Realized Loss Reconciliation

Distribution Date	Prospectus Id	Beginning Balance of the Loan at Liquidation	Aggregate Realized Loss on Loans	Prior Realized Loss Applied to Certificates	Amounts Covered by Over-collateralization and other Credit Support	Interest (Shortage)/ Excesses applied to other Credit Support	Modification Adjustments / Appraisal Reduction Adjustment	Additional (Recoveries)/ Expenses applied to Realized Losses	Current Realized Loss Applied to Certificates	Recoveries of Realized Losses Paid as Cash	(Recoveries)/Realized Loss Applied to Certificate Interest
No Realized Losses this Period											
Current Total											
Cumulative Total											



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Defeased Loan Detail

Loan Number	Offering Document Cross-Reference	Ending Scheduled Balance	Maturity Date	Note Rate	Defeasance Status
Totals					



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Supplemental Reporting

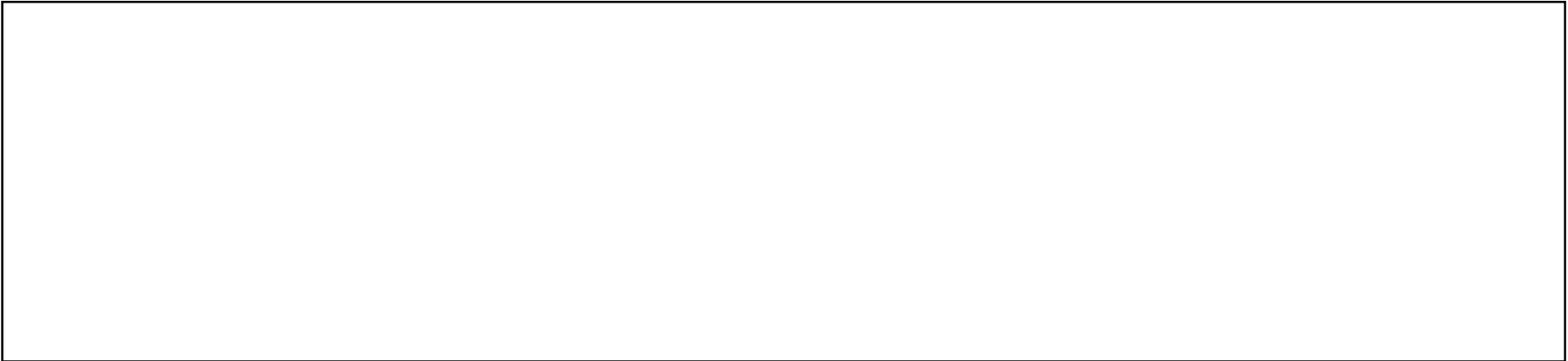


EXHIBIT C

DECREMENT TABLES FOR THE OFFERED CERTIFICATES

Percentage of Initial Total Principal Balance Outstanding For:

Class A-1 Certificates

Prepayments

<u>Following the Distribution Date in—</u>	<u>0% CPR</u>	<u>25% CPR</u>	<u>50% CPR</u>	<u>75% CPR</u>	<u>100% CPR</u>
Closing Date	100%	100%	100%	100%	100%
October 2010	95%	95%	95%	95%	95%
October 2011	89%	89%	89%	89%	89%
October 2012	80%	80%	80%	80%	80%
October 2013	70%	70%	70%	70%	70%
October 2014	60%	60%	60%	60%	60%
October 2015	49%	49%	49%	49%	49%
October 2016	38%	38%	38%	38%	38%
October 2017	26%	26%	26%	26%	26%
October 2018	9%	9%	9%	9%	9%
October 2019 and thereafter	0%	0%	0%	0%	0%
Weighted average life (in years)	5.70	5.70	5.70	5.69	5.68

Class A-2 Certificates

Prepayments

<u>Following the Distribution Date in—</u>	<u>0% CPR</u>	<u>25% CPR</u>	<u>50% CPR</u>	<u>75% CPR</u>	<u>100% CPR</u>
Closing Date	100%	100%	100%	100%	100%
October 2010	100%	100%	100%	100%	100%
October 2011	100%	100%	100%	100%	100%
October 2012	100%	100%	100%	100%	100%
October 2013	100%	100%	100%	100%	100%
October 2014	100%	100%	100%	100%	100%
October 2015	100%	100%	100%	100%	100%
October 2016	100%	100%	100%	100%	100%
October 2017	100%	100%	100%	100%	100%
October 2018	100%	100%	100%	100%	100%
October 2019 and thereafter	0%	0%	0%	0%	0%
Weighted average life (in years)	9.78	9.76	9.74	9.72	9.53

Class A-3 Certificates

Prepayments

Following the Distribution Date in—	0% CPR	25% CPR	50% CPR	75% CPR	100% CPR
Closing Date	100%	100%	100%	100%	100%
October 2010	100%	100%	100%	100%	100%
October 2011	100%	100%	100%	100%	100%
October 2012	100%	100%	100%	100%	100%
October 2013	100%	100%	100%	100%	100%
October 2014	100%	100%	100%	100%	100%
October 2015	100%	100%	100%	100%	100%
October 2016	100%	100%	100%	100%	100%
October 2017	100%	100%	100%	100%	100%
October 2018	100%	100%	100%	100%	100%
October 2019	0%	0%	0%	0%	0%
Weighted average life (in years)	9.84	9.84	9.84	9.84	9.59

EXHIBIT D

PRICE/YIELD TABLE FOR CLASS A-X1 CERTIFICATES

**Corporate Bond Equivalent (CBE) Yield of the Class A-X1 Certificates at Various CPRs*
1.484% Per Annum Initial Pass-Through Rate
\$1,075,295,763 Total Initial Notional Amount**

Price (%)**	0% CPR CBE Yield (%)	25% CPR CBE Yield (%)	50% CPR CBE Yield (%)	75% CPR CBE Yield (%)	100% CPR CBE Yield (%)
8.306192	9.19558	9.18271	9.16639	9.14145	8.81784
8.368692	9.00580	8.99285	8.97643	8.95134	8.62574
8.431192	8.81821	8.80518	8.78866	8.76343	8.43585
8.493692	8.63276	8.61966	8.60304	8.57766	8.24812
8.556192	8.44941	8.43623	8.41952	8.39399	8.06250
8.618692	8.26812	8.25487	8.23806	8.21239	7.87896
8.681192	8.08885	8.07552	8.05862	8.03280	7.69746
8.743692	7.91155	7.89815	7.88116	7.85519	7.51795
8.806192	7.73620	7.72272	7.70563	7.67953	7.34040
Weighted Average Life (in years)	9.15	9.14	9.13	9.11	8.94

* Assumes the exercise of the right to purchase the mortgage loans in the event the total Stated Principal Balance of the mortgage pool is less than 1.0% of the initial pool balance, as described under “The Series 2009-K4 Pooling and Servicing Agreement—Termination” in this information circular.

** Exclusive of accrued interest.

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The attached CD-ROM contains a spreadsheet file that can be put on a user-specified hard drive or network drive. This spreadsheet file is "Exhibit A-1 FREMF 2009-K4.xls." The spreadsheet file is a Microsoft Excel⁽¹⁾, Version 5.0 spreadsheet. The spreadsheet file provides, in electronic format, statistical information that is used to present the information presented in and on Exhibit A-1 to this information circular. Defined terms used, but not otherwise defined, in the spreadsheet file will have the respective meanings assigned to them in the glossary to this information circular. All the information contained in the spreadsheet file is subject to the same limitations and qualifications contained in this information circular. Prospective investors are strongly urged to read this information circular in its entirety prior to accessing the spreadsheet file.

(1) Microsoft Excel is a registered trademark of Microsoft Corporation.

If you intend to purchase SPCs, you should rely only on the information in this Supplement, the Offering Circular and the Information Circular, including the information in the Incorporated Documents. We have not authorized anyone to provide you with different information.

This Supplement, the Offering Circular, the Information Circular and the Incorporated Documents may not be correct after their dates.

We are not offering the SPCs in any jurisdiction that prohibits their offer.

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\$994,648,000
(Approximate)

Freddie Mac

Structured Pass-Through Certificates (SPCs), Series K-004



Co-Lead Managers and Joint Bookrunners

**Deutsche Bank Securities
Goldman, Sachs & Co.**

Co-Managers

**Banc of America Securities LLC
JPMorgan**

October 7, 2009