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PPR and Algo COMPASS^{CRE} Rates Construction Loans

Boston, MA (September 20, 2005) — Property & Portfolio Research, Inc. (PPR) and Algorithmics, Inc. have released an enhanced version of their co-branded, industry-leading mortgage risk management model, COMPASS^{CRE}, which allows users to directly address key risk factors for construction and non-stabilized loans.

“Banks and insurance companies now use COMPASS^{CRE} to manage over \$250 billion in commercial real estate mortgages,” said George Pappadopoulos, PPR’s Director of Risk Management and Debt Research. “We also have clients that use COMPASS^{CRE} to rate loans and others who use the model to regulate lending institutions. Each of these groups has a different perspective, and the feedback we’ve received from them has been invaluable in developing the enhancements.”

COMPASS^{CRE} is calibrated using an extensive, proprietary database sample of defaulted and non-defaulted loans, and measures probability of default, loss given default, and expected loss for a loan, portfolio, or securitized pool. It provides real estate lenders and risk managers a Basel-compliant, empirically validated commercial real estate risk management solution.

About PPR

With offices in Boston and a presence in London, PPR is the leading provider of independent real estate research and portfolio strategy service to the institutional real estate community in the United States. The firm provides clients with expertise in real estate market analysis, real estate portfolio analysis, mortgage risk analysis, and the design of productive real estate investment strategies. These clients include commercial banks, insurance companies, Wall Street firms, rating agencies, pension funds, investment advisors, real estate investment trusts, and private investors. PPR is wholly owned by DMG Information, Inc., the business information division of Daily Mail and General Trust, plc (DMGT). Additional information is available at www.ppr.info.

About Algorithmics

Founded in 1989, Algorithmics is a recognized leader in enterprise risk management. Following its acquisition by the Fitch Group in January 2005, Algorithmics is the world’s leading provider of enterprise risk management solutions and services that enable financial institutions to effectively understand and manage their financial risk. Algorithmics has over 200 clients, including more than 60 of the 100 largest financial institutions in the world.

Algorithmics now represents one of the largest dedicated enterprise risk management teams in the world, with more than 550 risk professionals, located in 15 offices in key international markets. Algorithmics was recently recognized as the dominant enterprise risk solution provider in market, credit, and operational risk in *Risk Magazine*’s 2004 Technology Rankings.

To learn more about Algorithmics, visit: www.algorithmics.com

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