

July 19, 2010

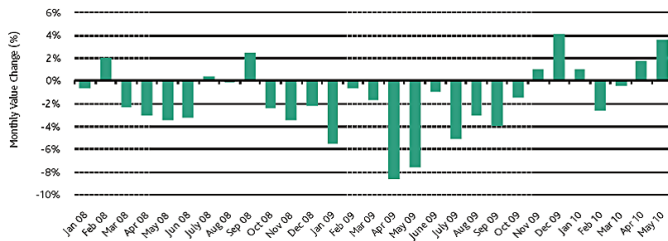


Sagar Parikh
Vice President
U.S. Fixed Income

Fixed Income Commentary Commercial Property Trends Higher

In its latest transaction-based commercial property index report released today, Moody's reported its second consecutive price increase, up 3.6% vs. April, and its fifth increase over the last seven reporting periods. The index is now up 8.6% from the bottom recorded in October 2009, and down 38.9% from the peak recorded in October 2007. However, we remain hesitant about the index's direction as volumes remain very low, and quite a few issues in the commercial real estate space still exist. The following are two graphs reporting month-to-month changes, and transaction volume for the index.

**Moody's/REAL CPPI:
Monthly Value Changes**

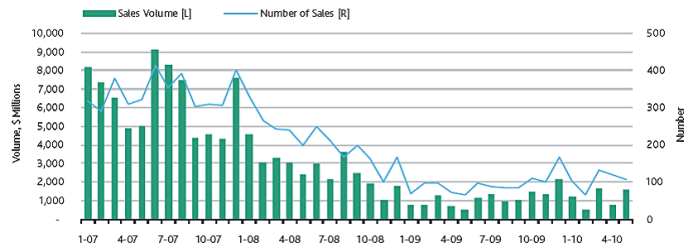


Source: Moody's

There were 107 repeat sales in May, down slightly from the 114 repeat sales that were recorded in April. By dollar volume, however, the amount of repeat sales almost doubled, going up to over \$1.5 billion in May, compared to less than \$800 million in April. The average repeat sale transaction increased to over \$14 million, from under \$7 million in the prior month.

This publication is for information purposes only. While the information and statistical data contained herein are based on sources believed to be reliable, we do not represent that it is accurate and should not be relied on as such or be the basis for an investment decision. Any opinions expressed are current only as of the time made and are subject to change without notice. TCW assumes no duty to update any such statements. Copyright TCW 2010

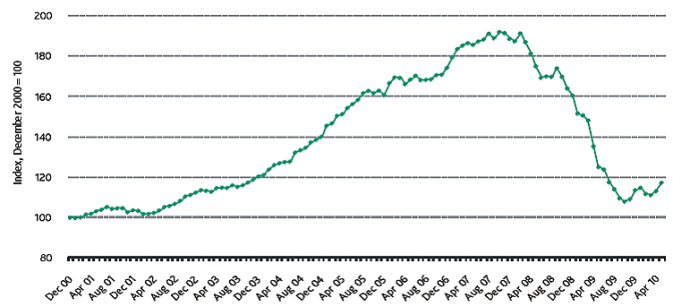
**Moody's/REAL CPPI:
Volume and Number of Repeat-Sales Transactions**



Source: Moody's

Index values since origination.

**Moody's/REAL Commercial Property Price Index (CPPI)
National – All Property Type Aggregate**



Based on data through the end of May 2010.

Source: Moody's