PNC Consumer Services, A Division of PNC Bank N.A.

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RATINGS	
Primary Servicer of Home Equity Residential Mortgage Loans	**SQ2+**
RELATED RATINGS	
PNC Bank N.A.	**A1**
PNC Financial Services Group, Inc.	**A2**

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SUMMARY OPINION

Moody's Investors Service has assigned PNC Bank N.A. ("PNC Bank"), which provides consumer lending services through its PNC Consumer Services business unit ("PNCCS"), a rating of **SQ2+** as a primary servicer of home equity residential mortgages. Moody's rating is based on strong collection abilities, above average loss mitigation results and strong servicing stability.

PNCCS services primarily first and second lien home equity lines of credit ("HELOCs") and first and second lien home equity installment loans ("HEILs"). Moody's rating applies only to these two types of home equity loans. The remaining non-mortgage portion of the portfolio was not included in Moody's review. As of September 30, 2005, PNCCS's servicing portfolio totaled approximately 414,000 loans for an unpaid balance of approximately $18.2 billion. Subordinate liens comprised approximately 74% of total accounts and 48% of the outstanding balance. PNCCS's third-party servicing represents approximately 25% of the company's total servicing portfolio. PNCCS offers both origination and servicing to its clients. Servicing operations for PNC Consumer Services are located in Pittsburgh, Pennsylvania.

PNCCS's collection processes and performance are viewed by Moody's to be strong. The collections group operates in a blended call environment in which both inbound and outbound calls are handled by the same group of collectors. Collection strategy is determined through STRATA, a decision engine utilizing behavioral scoring of an account, and collection efforts begin as early as the first day of delinquency for high-risk loans.

Moody's views PNCCS's loss mitigation results to be above average. PNCCS determines the optimal default resolution based on an analysis of the borrower's financial situation, intentions, and history of loss mitigation options, as well as loan characteristics such as lien position, collateral value, and outstanding balance. PNCCS proactively reaches out to troubled borrowers. Toward that end, the company has a philosophy of offering modifications earlier rather than later in order to cure delinquency. The loss mitigation unit utilizes a combination of call and letter campaigns in contacting seriously delinquent borrowers.

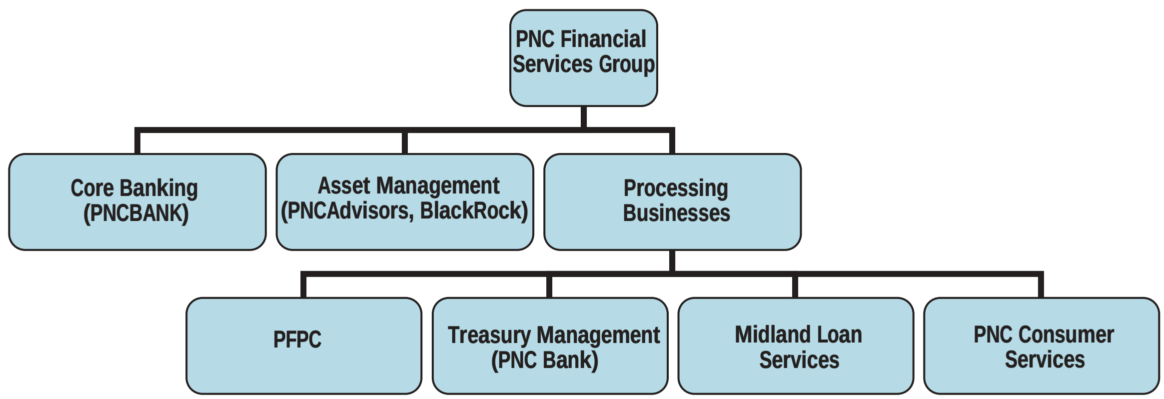
Moody's views PNCCS as strong in servicing stability. PNC Consumer Services is a wholly-owned subsidiary of PNC Financial Services Group, a publicly-traded company that holds PNC Bank, among other assets. PNC Bank has an **A1** long-term deposit rating, while PNC Financial Services Group has an **A2** senior debt rating. PNCCS's relatively low employee turnover, comprehensive internal audit and corporate compliance functions, and solid vendor management also contribute to PNCCS's servicing stability.

COMPANY BACKGROUND

The servicing operation was established in November 1992 as part of the company's Regional Community Bank division. In 1997, PNCCS began to offer third-party servicing. Currently, PNCCS offers both origination and servicing to its clients. PNCCS provides third-party loan origination and/or servicing to clients including American Express, Credit Suisse, E*Trade, EC Home Improvement, Home Savings and Loan Company, Wachovia Securities and Washington Federal Savings Bank. Third-party servicing presently accounts for approximately 25% of the company's servicing portfolio. PNCCS utilizes Advanced Consumer Lending System ("ACLS") as its main servicing platform.

Figure 1

Corporate Structure

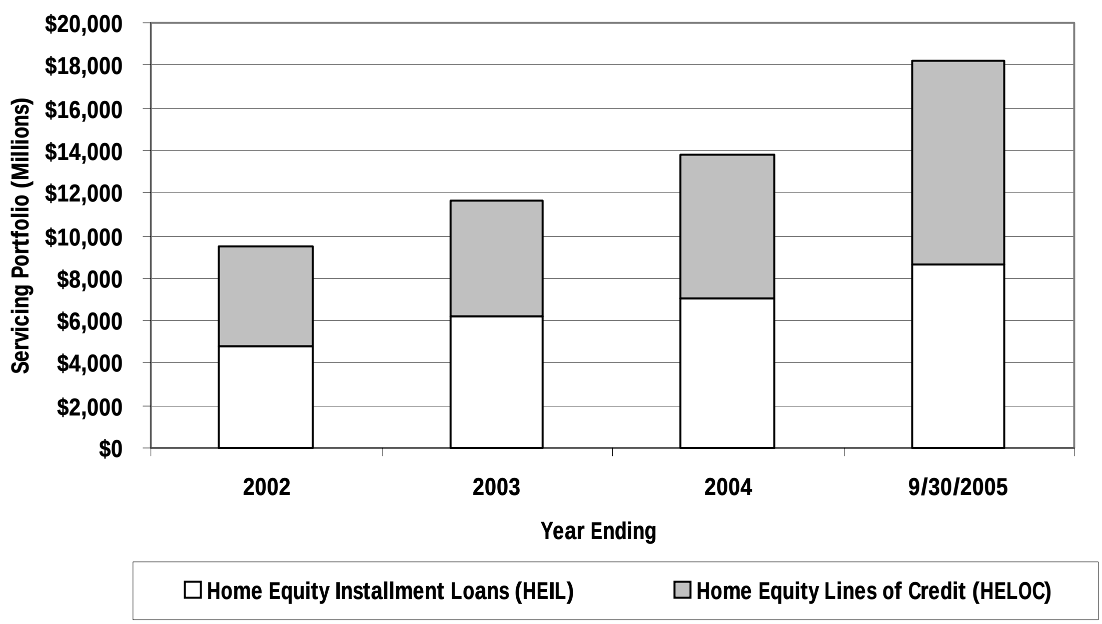


SERVICING PORTFOLIO

PNCCS services a variety of secured consumer loans, including HELOCs, HEILs and a variety of auto and boat loans. The company also services both secured and unsecured business loans of up to $500,000. As of September 30, 2005, PNCCS serviced a combined total of approximately 414,000 HELOCs and HEILs with a total outstanding balance of approximately $18.2 billion. Subordinate liens comprised approximately 74% of total accounts and 48% of outstanding balance. Moody's rating applies only to the home equity loans serviced by PNCCS.

Figure 2

PNC Servicing Portfolio



SERVICING ABILITY

Collections Management

- Behavioral scoring and optimizer software determine calling campaigns
- Blended inbound and outbound calling environment
- 100% call recording and screen capture for collection calls

PNCCS has achieved strong collection results. The collection group is divided into two units: early and late-stage collections. PNCCS blends its inbound and outbound collection calls, allowing for more efficient use of the collection staff. Complex inbound calls are handled by more experienced collectors, while newly-hired collectors handle the more complex calls only after two-to-four months of tenure with the company.

PNCCS utilizes a series of collection behavioral scorecards developed by an external vendor. The company has recently narrowed the number of scorecards utilized from ten to five to better reflect the attributes of its HEIL and HELOC borrowers. These scorecards are run through a decision engine (STRATA) within PNCCS's servicing application. When an account becomes past due, STRATA rescores the account and determines the appropriate collection strategy. Calls may be initiated as early as the first day of delinquency, depending on the score derived by STRATA.

PNCCS employs a predictive auto-dialer in calling campaigns for early-stage delinquent accounts (1-59 days past due), which are pooled across all asset types (home equity, auto etc.). A predictive dialer facilitates more voice-connects between collectors and borrowers by eliminating busy signals, answering machines and other barriers to live communication, from the calling queue. STRATA generates a behavioral score to determine if contact should be made with the borrower and optimizer software is then utilized to determine the best time to call.

The company's late-stage collection unit handles accounts that are 60+ days delinquent and continues collection efforts until charge-off. The late-stage staff, which is typically sourced from the early-stage collections group, focuses on specific asset classes, with accounts segregated by asset type, as opposed to the pooling of assets used by the early-stage collection staff. Late-stage collectors can negotiate and approve repayment plans of up to three months and up to six months with a manager's approval.

All collectors are subject to call monitoring by their supervisor. Monitoring frequency varies according to the collector's experience. Typically, 20 calls per month (10 every two weeks) are monitored for a new collector, 10 per month for a credit counselor, 10 per senior associate every other month and 10 or more quarterly for specialists and team leaders. The rate of call monitoring is comparable to other servicers Moody's rates.

PNCCS records 100% of both its inbound and outbound collection calls. The call recording system captures the conversation and can be matched to comment reports pulled from the collections management system for review. Recordings are stored for 90 days unless there is a complaint, in which case the recording is stored until the complaint has been resolved.

Among the metrics that Moody's uses to evaluate a servicer's collection abilities are various roll rate analyses over different time horizons. *Figure 3* shows one such analysis over a 12-month period for loans that were two to five years seasoned at the beginning of the period. The loans were classified at the outset of a 12-month static pool period in three delinquency categories, current to 29 days delinquent, 30 days delinquent and 60 days delinquent. The delinquency state of these loans was then measured again at the end of the static pool period. Compared to other servicers that Moody's rates, PNCCS exhibited strong performance in preventing the deterioration of home equity loans to a worse delinquency status, as well as in improving loans into a better delinquency status.

Figure 3

Collection Management Static Pool Performance*

Static Pool Period: October 1, 2004 - September 30, 2005

Status on Start Date	Current to 29 Days Delinquent	30 Days Delinquent		60 Days Delinquent	
Status on End Date	**Worse**	**Better**	**Worse**	**Better**	**Worse**
Home Equity Loans	2.6%	52.8%	37.5%	45.9%	49.5%

*These metrics are adjusted to reflect PNCCS's loan re-aging/extension policy.

Loss Mitigation

- Optimal default resolution is determined based on analysis of the borrower's financial situation, intentions, history of loss mitigation options and loan characteristics
- Proactive approach to working with troubled borrowers
- Dual track loss mitigation and foreclosure strategy

Moody's views PNCCS's loss mitigation performance as above average. PNCCS proactively reaches out to troubled borrowers through calling and letter campaigns. The company has a philosophy of offering modifications earlier rather than later in order to cure delinquency, and most modifications are arranged before accounts become 90 days past due. PNCCS sends out loss mitigation letters to delinquent borrowers at approximately 75 days past due.

PNCCS pursues a dual-track loss mitigation and foreclosure strategy when a loan becomes 90 days delinquent. One month after a property is referred to foreclosure and two months prior to a scheduled foreclosure sale, PNCCS sends additional letters to the borrower describing loss mitigation options. The company also makes several follow-up calls to confirm that the letter was received and loss mitigation services were offered. If PNCCS is unable to contact a borrower, the company utilizes a field-chase service to attempt contact.

PNCCS typically modifies loans before a loan becomes 90 days past due. The loan type and nature of a borrower's financial problem determine which type of modification will be offered. PNCCS offers re-amortization to borrowers that experience a permanent impairment in their income, while extensions (for HEILs) and re-aging (for HELOCs) are offered to borrowers with temporary financial problems. HEIL borrowers are eligible for two extensions per year. HELOC borrowers are allowed to re-age their loans twice over a five-year period. PNCCS does not require a down payment for repayment plans or for modifications. PNCCS offers a number of additional loss mitigation alternatives such as external refinance referral, short sale, short pay-off, deed-in-lieu, third-party sale, and note sale.

PNCCS determines the optimal default resolution based on analysis of the borrower's financial situation, intentions, and history of loss mitigation options, as well as loan characteristics such as lien position, collateral value, and outstanding balance.

Among the metrics that Moody's uses to evaluate a servicer's loss mitigation abilities is the servicer's performance in resolving loans that are seriously delinquent. Moody's also reviews the servicer's loss mitigation efforts including third-party sales, short sales and deeds-in-lieu. *Figure 4* shows a static pool of loans that were seriously delinquent as of October 1, 2004, and their status a year later.

Figure 4

Loss Mitigation Static Pool Performance of Home Equity Loans

Status as of 9/30/05 of Loans that were 90+ Days Delinquent, in bankruptcy, or foreclosure as of 10/01/04

Total Cure[a]	Cash Flowing[b]	In Limbo[c]	Loans that Experienced a Loss
28.6%	20.6%	19.9%	30.9%

a. Loans that were “Current” or “Paid in Full” as of 9/30/05.
b. Loans that were 30 or 60 days delinquent as of 9/30/05. Performing forebearances and performing bankruptcies as of 9/30/05 are included in “Cash Flowing”.
c. Loans that were 90+ days delinquent or in foreclosure as of 9/30/05. Non-performing forebearances and non-performing bankruptcies as of 9/30/05 are included in “In Limbo”.

A foreclosure specialist typically refers loans for foreclosure between 90 and 120 days of delinquency, and the foreclosure manager approves each referral. A property report and a broker price opinion (“BPO”) are ordered pre-foreclosure and a subsequent equity analysis is performed. After a loan is referred to foreclosure, PNCCS monitors the attorney to ensure all steps in the foreclosure process are performed in a timely and cost-effective manner. PNCCS does not outsource the foreclosure process to external vendors, as do many other servicers. This provides PNCCS with more control over the foreclosure process.

Once the foreclosure sale is completed, properties are transferred to the realty services department and a full appraisal is obtained. Properties are analyzed individually to determine the best repair and listing strategy. The REO inventory is monitored for timely disposal at the optimal price.

BORROWER INTERACTION

- 24/7 customer service though single, firm-wide customer service group
- Two percent (2%) of customer service calls recorded
- File imaging facilitates document retrieval, data verification and dispute resolution

Customer Service

PNCCS exhibits a high level of customer service in its loan servicing operations. Customer service is performed through PNC Bank's firm-wide customer service group, the National Financial Services Center ("NFSC"). The NFSC provides 24/7 live customer service, which compares favorably to other servicers' more limited customer services hours. PNCCS's call center metrics were solid, with an average abandonment rate of 1.4% and average speed of answer of 23 seconds for a recent 12-month period.

The customer service agents who provide support for home equity, auto, and personal loans are a highly-trained and tenured group of specialists. A centralized customer assistance team supports the customer service agents in resolving the more complex issues that arise. PNCCS also has a team of Spanish-speaking loan specialists to assist borrowers.

Customer service agents are formally monitored at a rate of four calls per month by a centralized monitoring team to ensure a non-biased assessment. A scorecard is utilized to assess the quality of monitored calls and is factored into an incentive program for customer service agents.

PNCCS utilizes call recording software to randomly record approximately 2% of customer service calls, which are then used to monitor agents and provide them feedback on their performance. PNCCS does not currently record 100% of its customer service calls as it does its collection calls. Moody's believes the practice of 100% call recording may assist servicers in training new employees and resolving potential borrower disputes.

Payment Processing

PNCCS offers borrowers three billing options: coupon book, monthly statement, and electronic billing. Payments are made through PNC branches (18.8%), lockbox (29.2%), ACH (35.8%), US mail (4.6%), or electronic means such as Western Union, Intel-A-Check and CheckFree (11.6%).

Checks received at the lockbox are imaged, and can be accessed by customer service agents from their desktops as needed. Electronically-transmitted payments are posted on the day of receipt. Checks that are received before 3:00 p.m. are posted on the same day while those received after 3:00 p.m. are posted the next day but effective-dated to the receipt date.

PNCCS does not have a limited access environment to handle its manual check processing. The industry standard for a more prudent approach to check handling is to process checks in a secured, limited-access environment.

Document Management

PNCCS exhibits solid document management capabilities in its loan servicing operations. The company safeguards legal documents on-site in a secure area accessible only by document control personnel. All files are imaged using the FileNet imaging system. Customer service representatives have direct access to imaged files, while other departments can request retrieval from the document control area. The use of bar-coding to index imaged documents facilitates document retrieval.

SERVICING STABILITY

- Division of **A1**-rated commercial bank
- Solid internal audit and corporate compliance
- Relatively low employee turnover rate

Financial Stability

PNCCS's servicing stability is strong. PNCCS is a division of PNC Bank, which is rated **A1** for long-term deposits. The firm's ultimate parent, PNC Financial Services Group, Inc., is a pubicly-traded company (NYSE: PNC) with a senior debt rating of **A2**. As of December 31, 2005, PNC Financial Services Group, Inc. had total assets of approximately $92 billion and shareholders' equity of $8.7 billion, compared to approximately $79.8 billion in assets and $7.5 billion in shareholders' equity on December 31, 2004. Net income increased to approximately $1.3 billion for the full year 2005 from $1.2 billion in 2004.

Legal, Compliance and Oversight

PNCCS has solid internal audit and corporate compliance processes. The corporate internal audit department of PNC Bank, which is independent of PNCCS, is responsible for auditing the servicing function. The audit function is designed to evaluate compliance with policies and procedures, and address the soundness and adequacy of the company's accounting and operating controls. Internal audit results are reported to management and to PNC Bank's board of directors.

PNC Bank also has a corporate compliance department, independent of PNCCS, that assists management in establishing policies and procedures designed to ensure compliance with applicable internal rules and external regulations. The compliance unit is also responsible for monitoring legal and regulatory changes and working with PNCCS to implement these changes.

PNCCS also has a quality oversight team. This team performs on-going quality review tests and reports their results on a monthly basis. In addition, the head of the quality oversight team is also a member of the company's operational risk management committee, which meets monthly. The committee's responsibilities include discussing key and emerging risk issues, tracking key business initiatives, identifying and monitoring key risk metrics, and reviewing and monitoring findings from self-testing, internal and external audits, and regulatory exams.

PNCCS has solid vendor management policies and procedures. PNCCS manages its vendors by conducting periodic site visits and by maintaining and reviewing vendor files. PNCCS assigns rankings to its vendors according to their relevance to PNCCS's business. The ranking system determines the frequency of on-site visits and the comprehensiveness of vendor file maintenance. PNCCS uses scorecards to evaluate the BPO vendors and attorneys use in the foreclosure process.

Management and Staffing

PNCCS's management team has an average of 22 years of industry experience and 13 years of tenure with the company.

At the time of this review, PNC Bank N.A. was transitioning from a decentralized to a centralized training organization, driven by the desire for efficiency and consistency. These training efforts are also intended to help employees to transition more easily to other positions and departments within the bank.

New hires are required to attend a new employee orientation program that covers PNCCS's code of conduct, compliance guidelines, bank policies and procedures, and an overview of the consumer lending business. Upon completion of the program, new hires also take additional job-specific training classes.

For existing employees, PNCCS provides refresher and remedial courses. Classes are also offered in conjunction with system enhancements and client acquisitions as needed. Additionally, leadership and supervisory/management development courses are offered through PNC University, a corporate-wide training platform. Corporate compliance maintains a schedule of mandatory regulatory training curricula that includes sessions on Regulation B, fair lending, HMDA and privacy issues.

PNCCS's overall employee turnover rate for its servicing staff is 11.45%, which is lower than it is for most servicers rated by Moody's. Moody's believes a low turnover rate helps to ensure smooth operations for a servicer.

Technology and Disaster Recovery

PNCCS utilizes several systems from CGI-AMS. The Advanced Consumer Lending System ("ACLS") is PNCCS's main servicing system. For delinquent accounts, PNCCS employs the Collections Management System and the Recovery Management System for REO and charged-off accounts. PNCCS also utilizes CGI-AMS's STRATA Advanced Decisioning System.

The STRATA decision engine interfaces quarterly with ACLS to update behavioral scores on the entire portfolio. FICO scores are also updated quarterly, and STRATA rescores delinquent accounts to determine the appropriate collection strategy.

PNCCS utilizes the Mosaix auto-dialer for its outbound calls. PNCCS is able to fully blend inbound and outbound calls. "Whisper tone" technology is used for inbound calls to provide information to agents regarding the portfolio to which an account belongs. The representatives can therefore greet borrowers accordingly, achieving a level of "private label" servicing.

PNCCS has two servicing centers in Pittsburgh that serve as alternative back-up sites. As both centers are in Pittsburgh, PNCCS is still subject to the risk of a disaster affecting both centers. PNCCS also uses PENCRO Associates, Inc., a third-party vendor, as a back-up for making collection calls in the event of a disaster.

SunGard Recovery Services provides hot back-up services for PNCCS. Critical applications are backed up daily and sent to a secure offsite storage facility. Tapes can be retrieved from the facility within three working hours. PNCCS has a risk-weighted rating system to ensure that the most critical applications and services are recovered first. PNCCS takes part in an annual enterprise systems test, and each operating unit conducts a business resiliency test at least once per year.

APPENDIX

MOODY'S SERVICER QUALITY RATING DEFINITIONS AND RATING SCALE

Moody's Servicer Quality (SQ) ratings are opinions of the ability of a servicer to prevent or mitigate losses in a securitization. SQ ratings are provided for servicers who act as the Primary Servicer (servicing the assets from beginning to end), Special Servicer (servicing only the more delinquent assets), or Master Servicer (overseeing the performance and reporting from underlying servicers). For Primary Servicers, each SQ rating is assigned to a specific asset type.

SQ ratings represent Moody's assessment of a servicer's ability to affect losses based on factors under the servicer's control. The SQ approach works by separating a servicer's performance from the credit quality of the assets being serviced. In doing this, Moody's evaluates how effective a servicer is at preventing defaults and maximizing recoveries to a transaction when defaults occur.

SQ ratings consider the operational and financial stability of a servicer as well as its ability to respond to changing market conditions. This assessment is based on the company's organizational structure, management characteristics, financial profile, operational controls and procedures as well as its strategic goals.

Moody's SQ ratings are different from traditional debt ratings, which are opinions as to the credit quality of a specific instrument. SQ ratings do not apply to a company's ability to repay a fixed financial obligation or satisfy contractual financial obligations other than, in limited circumstances, the obligation to advance on delinquent assets it services, when such amounts are believed to be recoverable.

SERVICER QUALITY RATINGS DEFINED

Rating Definitions

SQ1	Strong combined servicing ability and servicing stability
SQ2	Above average combined servicing ability and servicing stability
SQ3	Average combined servicing ability and servicing stability
SQ4	Below average combined servicing ability and servicing stability
SQ5	Weak combined servicing ability and servicing stability

Where appropriate, a "+" or "-" modifier will be appended to the SQ2, SQ3, and SQ4 rating category and a "-" modifier will be appended to the SQ1 rating category. A "+" modifier indicates the servicer ranks in the higher end of the designated rating category. A "-" modifier indicates the servicer ranks in the lower end of the designated rating category.

Please note that the SQ rating scale described above with modifiers pertains to ratings issued after May 10, 2005.

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