

**Press release date 15th January 2007**

**FITCH UPGRADES COMMERCIAL FIRST'S BONDS ISSUED VIA THE BUSINESS MORTGAGE FINANCE (BMF) SECURITISATION PROGRAMME**

Ratings agency, Fitch, has upgraded two of Commercial First's bonds, issued as part of its ongoing series of securitisations conducted through Business Mortgage Finance (BMF). The BMF1 Class M has been upgraded to 'AA' from 'A'; and the BMF1 Class B has been upgraded to 'A-' (A minus) from 'BBB'. The BMF2 Class M has been upgraded to 'A+' from 'A'. The credit ratings on all other classes of notes in the first four instalments of the BMF programme have been affirmed. This positive action from Fitch follows the rating upgrade to BMF1 Class M notes by Moody's earlier in the year.

The rating actions came after a performance review of the transactions and Mario Schmidt, Associate Director in Fitch's European Structured Finance Department, said that the "upgrades reflect the seasoning and the higher than originally modelled excess spread levels".

Philip George, managing director of Commercial First said "This is really good news for our securitisation programme, and reflects the excellent work of both our finance and servicing teams. It is good news for the bond holders who can now enjoy an even stronger covenant whilst retaining the premium margin.

"Considering some of the issues other securitising lenders have faced in 2006 this is a very positive result, and following on from the investment made by Lloyds Development Capital in the autumn of last year, is a really strong message about the strength of our business model."

Commercial First has successfully completed five securitisations, totalling £1.1bn of commercial mortgage assets, since it started trading in 2003. It remains the first and only lender to successfully build a securitisation programme with this type or asset class and borrower profile.

Ends

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