EMEA CMBS Guidance Assumption Model

Model Summary Document (MSD)

1. Model Purpose and Description

The EMEA CMBS Guidance Assumption model is a criteria model used to calculate Rental Value Decline (RVD), Capitalisation Rates (Cap Rates) and Base Structural Vacancy (Base SV) from market segment data for the EMEA CMBS and CRE Loan Rating Criteria and for use in the EMEA CMBS Asset model.

2. Model Assumptions

The assumptions in the model are based on Fitch's EMEA CMBS and CRE Loan Rating Criteria.

3. Model Inputs

The model inputs are associated with each market segment and include:

- Rental Data
- Yield Data
- Market Structural Vacancy
- Market Specific Input Overrides (Anchor Date, Trough Date, Market Stress, etc)

4. Model Development Data

Fitch uses investment property data from Cushman & Wakefield, classified by market segment, as a source for rental and yield data.

5. Model Limitations

The model is intended only to produce the RVD, Cap Rates and Base SV assumptions for the EMEA CMBS and CRE Loan Rating Criteria.

6. Material Changes

The current model version is 2.0.0. Any future material changes will be disclosed in this section.

Contact Information

model_disclosure@fitchratings.com