

## **Material Changes in Methodology for Rating Commercial Mortgage-Backed Securities (CMBS) (Non-NRSRO)**

The material changes to the methodology are as follows:

1. Modify the rating approach and rating process and assign the rating based on the estimated loss estimation.

A summary of material model changes is below:

1. A new model is developed to estimate the portfolio losses and the credit enhancement needed for each rating category and generate the model implied rating based on the estimated loss.