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DBRS Confirms CMLS' Primary Servicer Evaluation of Superior and Master and Special Servicer Evaluations of Adequate

Bloomberg: DBRS Confirms CMLS PS, MS & SS Evaluations

Industry Group: Structured Finance

Sub-Industry: CMBS

Region: Canada

DBRS Inc. confirmed its evaluation of CMLS Financial Ltd.'s ("CMLS" or "The Company") Commercial Mortgage Primary Servicing capabilities of Superior. Additionally, DBRS confirmed the evaluations of Adequate for The Company's Commercial Mortgage Master and Commercial Mortgage Special Servicing capabilities.

CMLS continues to grow and remains among the largest independent commercial mortgage servicing companies in Canada. The employee-owned company also maintains a significant commercial mortgage origination business, a CMBS issuance platform, and a mortgage valuation business. CMLS is headquartered in Vancouver, with a major office in Toronto, and has operated continuously since 1974. CMLS acts as master and special servicer for the CMBS trusts it issues and services for a wide variety of investors, including banks, insurance companies, investment managers and private lenders.

Among CMLS' greatest strengths are its highly experienced and tenured senior management team and The Company's long history of third-party servicing, including legacy and recently issued CMBS. CMLS also continues to maintain a strong control environment and thorough internal and external audit program. Finally, The Company maintains a keen focus on technology, as evidenced by the ongoing development and enhancement of its impressive proprietary origination and asset management systems.

CMLS has been consistently profitable, while effectively managing portfolio growth over the past several years. The Company continues to adapt to the changing needs of its servicing portfolio by providing career pathing for its employees, hiring new employees as necessary and implementing technology-based servicing efficiencies.

As of Dec. 31, 2018, the CMLS commercial servicing portfolio consisted of 1894 loans totaling \$14.34 billion, of which 125 loans totaling \$1.45 billion were CMBS. CMLS continues to add new investors to its diverse roster of servicing clients and its portfolio continues to be well-diversified by property type and geography throughout Canada.

The servicer evaluation reflects a comprehensive review of the CMLS organizational structure, the management team, asset administration, loss management, technology, staffing and training, procedures and controls, and financial strength.

Notes:



All figures are in Canadian unless otherwise noted.

The principal methodology is North American Commercial Mortgage Servicer Evaluations, which can be found on www.dbrs.com under Methodologies & Criteria. For a list of the structured-finance-related methodologies that may be used during the rating process, please see the DBRS Global Structured Finance Related Methodologies document, which can be found on www.dbrs.com in the Commentary tab under Regulatory Affairs. Please note that not every related methodology listed under a principal structured finance asset class methodology may be used to rate or monitor an individual structured finance or debt obligation.

DBRS will publish a full report shortly that will provide additional analytical detail on these evaluations. For more information on this credit or on this industry, visit www.dbrs.com or contact us at info@dbrs.com.

<u>Issuer</u>	<u>Rated</u>	<u>Rating Action</u>	<u>Rating</u>	<u>Trend</u>
CMLS Financial Ltd.	Primary Commercial Mortgage Servicing	Confirm	Superior	--
CMLS Financial Ltd.	Master Commercial Mortgage Servicing	Confirm	Adequate	--
CMLS Financial Ltd.	Special Commercial Mortgage Servicing	Confirm	Adequate	--

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