

NEW YORK--( [BUSINESS WIRE](#) )--Fitch Ratings maintains the Rating Watch Negative on four classes of Credit Suisse First Boston Mortgage Securities Corp., series 2006-TFL2 (CSFB 2006-TFL2), and affirms the remaining classes. A detailed list of rating actions follows at the end of this press release.

### KEY RATING DRIVERS

The transaction has become increasingly concentrated, with two pooled loans remaining in the trust and one non-pooled loan. The Atlantis (formerly referred to as Kerzner International) loan now represents approximately 80% of the pooled proceeds and is primarily secured on property located in the Bahamas. At issuance the Atlantis (Kerzner) loan represented 21.6% of the transaction. Given the increased concentration in the Bahamas, the transaction's rating linkage to this sovereign (the Bahamas) has increased.

Fitch's Criteria for Rating Securitizations in Emerging Markets limits securitization ratings to a maximum of three to four notches above a country's IDR and country ceiling dependent upon the mitigants available to address potential transfer and convertibility risk arising from capital controls being imposed. The transactions have certain mechanisms available, including servicer advancing, which would allow for continuation of transaction cash flows in the event of an interruption of revenues from the Bahamas collateral owing to the imposition of capital controls. In addition, given the large draw of American tourists that vacation at the Atlantis resort, a considerable portion of revenues for the collateral is collected outside of the Bahamas in U.S. dollars through credit card sales. These factors support a rating level of up to four notches above an investment grade country ceiling; however, this would fall short of a level of 'AAsf' or 'AAAsf'. The Rating Watch Negative status on the most senior classes is maintained as the loan is expected to be refinanced in the near term.

The Atlantis property is a diverse portfolio of real estate. The main collateral consists of: the 3,023-key Atlantis Resort and casino, Paradise Island; 600-room all-suite hotel tower, 495-unit condominium hotel; 40 acres of water attractions; 106-key One & Only Ocean Club and 18-hole Ocean Club Golf Course; water treatment and desalinization facility; 63-slip Marina at Atlantis and associated retail at Marina Village. As of year-end 2013 the portfolio reported a NCF DSCR of 5.76x, compared with 6.02x in 2012. A recent value estimate indicates the collective value of the collateral would result in full repayment

of the rated debt. The loan, after an earlier modification, was extended and the final maturity is in September 2014.

The other remaining pooled asset, The JW Marriott Starr Pass (20% of pooled collateral), consists of a 575-room full-service hotel and a 27-hole Arnold Palmer-designed championship golf course, located in Tucson, AZ. The loan has remained in special servicing since its initial transfer for imminent default in April 2010. The loan has underperformed expectations from issuance, as the Tucson hotel market has not recovered to its pre-recessionary performance. The special servicer continues its efforts to stabilize the property and is actively pursuing all avenues to maximize recoveries to the trust.

The CSFB 2006-TFL2 trust also includes the non-pooled Sava/Fundamental Portfolio. The loan was previously secured by two portfolios of health care facilities; the Sava Portfolio (86% of allocated loan amount) and the Fundamental Portfolio (14%). Recently, the Sava Portfolio was refinanced; classes SV-A1 through SV-H paid in full. The remaining two SV classes with an outstanding balance, SV-J and SV-K, are associated with the Fundamental Portfolio, which is primarily secured by 20 skilled nursing facilities located across nine states. The Fundamental Portfolio did not refinance at loan maturity and transferred to special servicing in early June. Property performance remains stable, and the special servicer is discussing workout options with the sponsor.

### RATING SENSITIVITIES

Recent press indicates the Atlantis loan has been circled by a consortium of issuers for the purpose of refinancing the existing debt. Fitch anticipates the refinance will be executed prior to its maturity in September 2014; however, should the loan not make significant progress towards take out financing over the next few months, downgrades of one to two rating categories are expected to classes A2 through D.

In addition, the Rating Outlooks of classes SV-J and SV-K remain at Negative due to the Fundamental Portfolio's inability to pay off at loan maturity. Should the prospects of a near-term refinance of the existing debt weaken, the classes may be downgraded.

Fitch maintains the following classes on Rating Watch Negative:

--\$134.9 million class A2 'AAAsf';

--\$41 million class B 'AAAsf';

--\$41 million class C 'AAAsf';

--\$33 million class D 'AAsf'.

Fitch affirms the following classes and Rating Outlooks:

--\$25 million class E at 'Asf'; Outlook Stable;

--\$19 million class F at 'BBB-sf'; Outlook Stable;

--\$19 million class G at 'BBsf'; Outlook Stable;

--\$19 million class H at 'CCCsf'; RE100;

--\$20 million class J at 'CCCsf'; RE 100%;

--\$22 million class K at 'CCCsf'; RE 100%;

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--\$16.1 million class L at 'Dsf'; RE 40%;

--\$50 million class KER-A at 'A-sf'; Outlook Stable;

--\$35.6 million class KER-B at 'BBBsf'; Outlook Stable;

--\$31.2 million class KER-C at 'BBBsf'; Outlook Stable;

--\$38.4 million class KER-D at 'BBB-sf'; Outlook Stable;

--\$38.8 million class KER-E at 'BBsf'; Outlook Stable;

--\$51.6 million class KER-F at 'CCCsf'; RE 100%;

--\$25.3 million class SV-J at 'BBBsf'; Outlook Negative;

--\$39 million class SV-K at 'BBsf'; Outlook Negative.

Additional information is available at '[www.fitchratings.com](http://www.fitchratings.com)'.

Applicable Criteria and Related Research:

--'Global Structured Finance Rating Criteria' (May 20, 2014);

--'Criteria for Analyzing Large Loans in U.S. Commercial Mortgage Transactions' (Sept. 20, 2013);

--'Criteria for Ratings Caps and Limitations in Global Structured Finance Transactions' (May 28, 2014);

--'Criteria for Rating Securitizations in Emerging Markets' (June 27, 2013);

--'Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds' (April 11, 2014).

Applicable Criteria and Related Research:

Global Structured Finance Rating Criteria

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=748821](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=748821)

Criteria for Analyzing Large Loans in U.S. Commercial Mortgage Transactions

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=718468](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=718468)

Criteria for Rating Caps and Limitations in Global Structured Finance Transactions

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=748781](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=748781)

Criteria for Rating Securitizations in Emerging Markets

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=749927](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=749927)

Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=741479](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=741479)

Additional Disclosure

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