

Eat Here

* Delectable
dining
abounds
in O-Town

At the mention of the word "Orlando," what is the first thing that comes to mind? Walt Disney? SeaWorld? Cape Canaveral? In a city best known for its tourist attractions and theme parks, it's not surprising that people's thoughts jump first to "Mickey Mouse" and not necessarily to "fabulous dining." Be careful, however, not to underestimate the Orlando dining scene. As a magnet city for theme-park-hungry families, die-hard golfers, and tons of convention and conference attendees, Orlando keeps its visitors fed and fed well. Several of the area's restaurants are operated by some of the most talked about chefs in the country, including Emeril Lagasse, Todd English and Roy Yamaguchi. And the many extravagant and impressive resorts of Orlando have continuously topped the charts when it comes to offering their guests exquisite dining venues.

Conference host **Grande Lakes Orlando** dishes up a mass of culinary experiences as varied and vast as the property itself. At **Norman's** (407-393-4333), richly hued rose and tan walls, set off by sleek marble floors, make for an inspired eating experience. Chef Norman Van Aken's exceptional cuisine is a fusion of Latin and Caribbean recipes with traditional European technique best experienced through the signature four-course tasting menu with wine pairings. **Primo** (407-393-4444) is contemporary Italian fare at its finest. Chef Melissa Kelly places emphasis on the freshest of local ingredients to create dazzling and imaginative recipes. The menu is alive with handmade pastas, fresh seafood options, and organic produce. For a perfectly grilled steak complemented by a glass of fine American wine, look no further than **The Vineyard Grill** (407-393-4154). Or pay a visit to American brasserie, **Citron** (407-393-4622) to nosh on

colorful and fashionable food fare including a new twist on egg salad complete with egg brioche and applewood smoked bacon, chicken pot pie, or steak frites. Find a light bite and inspirational sunset or take afternoon tea

at the **Lobby Lounge**. With live evening entertainment Tuesday through Saturday, the Lounge is also the perfect spot to meet for a cocktail and take in the breath-taking garden, lake, and golf course views.

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At the beginning of 2007, AOL CityGuide Orlando ranked the city's top resort dining, and **Emeril's Tchoup Chop** (Universal Orlando's Royal Pacific Resort, 6300 Hollywood Way; 407-503-2467) garnered the top spot. Its tiki bar décor, complete with bamboo, waterfalls and sculpted gardens serves as the perfect backdrop for the bold Polynesian and Asian-inspired cuisine. Excite your palate with menu options including mussels in a thai chili lemongrass broth, Peking style duck with cashew rice, and a curry clay fish pot. Then soothe it with a creamy coconut crème brûlée for dessert. Coming in second, the **Yachtsman's Steakhouse**



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any attempt to foreclose on a failed bank's property or to affect its rights under contract.

To date, two U.S. issuers, Washington Mutual and Bank of America, have established covered bond programs. Both use a similar structure (see graph, page 4).

The U.S. structure is two-tiered-with a special purpose entity that is not a bank serving as the covered bond issuer. The covered bond issuer offers euro-denominated fixed-rate covered bonds to investors. The covered bond issuer uses those offering proceeds, which are converted into U.S. dollars, to purchase floating rate mortgage bonds from the affiliated bank, which is the mortgage bond issuer. The bank-issued mortgage bonds, which are direct and unconditional obligations of the bank, serve as collateral for the covered bonds. A specified mortgage

pool on the bank's balance sheet secures the bank-issued mortgage bonds and these assets ultimately back the covered bonds. The mortgage bonds remain on the bank's balance sheet and are pledged by a perfected security interest to pay the mortgage bonds. The pool is a dynamic pool of revolving mortgage loans.

Instead of using the residential mortgage loans in the cover pool as direct collateral for the covered bonds, the bank issues and sells the mortgage bonds to the special purpose entity that is the covered bond issuer. The pledged assets are segregated and a first priority preferred security interest in the cover pool is pledged to the mortgage bond indenture trustee.

In this structure, an important issue is preventing the potential acceleration of mortgage bonds from affecting holders of the covered bonds. Covered bond holders do not expect an acceleration of their covered bonds unless both the issuer defaults and

the collateral itself can't cover the cash flows. This result was achieved by providing that upon a mortgage-bond default, proceeds from the cover pool are invested in guaranteed investment contracts by the covered bond indenture trustee, and proceeds from these guaranteed investment contracts are paid to a swap provider in exchange for interest and principal due on each series of covered bonds. An asset coverage test is conducted monthly to ensure that the ratio of covered-bond to cover-pool assets is no more than the threshold set by the rating agencies.

Conclusion

Covered bonds are hardly a substitute for off-balance-sheet financing. Yet, during this time of uncertainty and market unrest, covered bonds are likely to get a close look from a fair number of potential U.S. issuers. ●