Presale Report

MF1 2023-FL12 LLC

DBRS Morningstar

September 27, 2023

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Capital Structure

Description	Rating Action	Balance ($)	Subordination (%)	DBRS Morningstar Rating	Trend
Class A	New Rating - Provisional	407,323,000	54.500	AAA (sf)	Stable
Class A-S	New Rating - Provisional	198,066,000	32.375	AAA (sf)	Stable
Class B	New Rating - Provisional	61,546,000	25.500	AA (low) (sf)	Stable
Class C	New Rating - Provisional	50,356,000	19.875	A (low) (sf)	Stable
Class D	New Rating - Provisional	54,832,000	13.750	BBB (sf)	Stable
Class E	New Rating - Provisional	12,309,000	12.375	BBB (low) (sf)	Stable
Class F	New Rating - Provisional	25,738,000	9.500	BB (high) (sf)	Stable
Class F-E	New Rating - Provisional	0	N/A	BB (high) (sf)	Stable
Class F-X	New Rating - Provisional	0	N/A	BB (high) (sf)	Stable
Class G	New Rating - Provisional	12,309,000	8.125	BB (low) (sf)	Stable
Class G-E	New Rating - Provisional	0	N/A	BB (low) (sf)	Stable
Class G-X	New Rating - Provisional	0	N/A	BB (low) (sf)	Stable
Class H	New Rating - Provisional	23,499,000	5.500	B (low) (sf)	Stable
Class H-E	New Rating - Provisional	0	N/A	B (low) (sf)	Stable
Class H-X	New Rating - Provisional	0	N/A	B (low) (sf)	Stable
Income Notes	NR	49,237,832		NR	n/a

1. NR = Not Rated.
2. The Class F Notes, Class G Notes, Class H Notes and Income Notes are not offered hereby. The Income Notes will not be secured.
3. The Class F Notes, the Class G Notes and the Class H Notes are exchangeable notes and are exchangeable for proportionate interests in MASCOT Notes. Class F Notes may be exchanged for proportionate interest in the Class F-E Notes and the Class F-X Notes, the Class G Notes may be exchanged for proportionate interests in the Class G-E Notes and the Class G-X Notes, and the Class H Notes may be exchanged for proportionate interest in the Class H-E Notes and the Class H-X Notes.
4. DBRS Morningstar's credit ratings on the Certificates address the credit risk associated with the identified financial obligations in accordance with the relevant transaction documents. DBRS Morningstar's credit ratings do not address non-payment risk associated with contractual payment obligations contemplated in the applicable transaction document(s) that are not financial obligations. DBRS Morningstar's long-term credit ratings provide opinions on risk of default. DBRS Morningstar considers risk of default to be the risk that an issuer will fail to satisfy the financial obligations in accordance with the terms under which a long-term obligation has been issued.

n/a = not applicable.
NR = not rated.
Estimated Closing Date: October 18, 2023

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Pool Characteristics			
Trust Amount ($)	895,215,832	**Whole Loan Amount ($)**	1,392,496,000
Number of Loans	21	**Average Loan Size ($)**	42,629,325
Number of Properties	21	**Top Ten Loan Concentration (%)**	64.9
Managed / Static	Managed	**Unfunded Companion Participation Amount ($)**	123,698,755
Preidentified Ramp Loans	N/A	**Replenishment Allowed**	Y
Par Value Ratio Test (%)	112.12	**Reinvestment Period[5]**	Y - 18 Months
Par Value Cushion (%)	2.00	**IC Ratio: Trigger (X)**	120.00
Wtd. Avg. Current Funded As-Is Appraised Issuance LTV (%)	65.0	**Wtd. Avg. DBRS Morningstar As-Is Issuance LTV (%)**	71.2
Wtd. Avg. Current Funded Stabilized Appraised LTV (%)	63.5	**Wtd. Avg. DBRS Morningstar Stabilized Balloon LTV (%)**	63.6
Wtd. Avg. Interest Rate Margin (%)	4.05831	**DBRS Morningstar Wtd. Avg. Interest Rate[4] (%)**	8.872
Wtd. Avg. Remaining Term[1]	24	**Wtd. Avg. Remaining Term - Fully Extended**	56
Wtd. Avg. DBRS Morningstar As-Is DSCR[2]	0.37	**Wtd. Avg. Issuer As-Is DSCR (x)**	1.01
Wtd. Avg. DBRS Morningstar Stabilized DSCR[3]	0.77	**Wtd. Avg. Issuer Stabilized DSCR (x)**	1.57
		Avg. DBRS Morningstar Stabilized NCF Variance[3] (%)	-27.2

Note: All DBRS Morningstar DSCR and LTV calculations in this table and throughout the report are based on the DBRS Morningstar Stressed Interest Rate and the fully funded and extended mortgage loan commitment. The Wtd. Avg metrics presented in the table and the report exclude DBRS Morningstar Ramp loan assumptions, if applicable.

1. Assumes that the initial term to maturity of each loan is not extended.
2. Based on DBRS Morningstar As-Is NCF.
3. Based on DBRS Morningstar Stabilized NCF.
4. Stressed interest rate that considers loan specific features (interest rate floors, interest rate caps, etc). All DBRS Morningstar DSCR figures are based on this stressed rate.
5. Reinvestment Period begins on the transaction closing date assuming no EOD has occurred, terminates at the end of the Due Period related to the Payment Date in April 2025.

Participants	
Issuer	MF1 2023-FL12 LLC, a Delaware limited liability company
Sponsor	MF1 REIT III LLC
Mortgage Loan Seller	MF1 REIT III LLC
Servicer	KeyBank National Association
Sub-Servicer	CBRE Loan Services, Inc.
Special Servicer	CBRE Loan Services, Inc.
Note Administrator and Custodian	Computershare Trust Company, National Association
Trustee	Wilmington Trust, National Association
Placement Agents	J.P. Morgan Securities LLC; ATLAS SP Securities, a division of Apollo Global Securities, LLC; Morgan Stanley & Co. LLC; Goldman Sachs & Co. LLC; Santander US Capital Markets LLC
Advancing Agent	MF1 REIT III LLC

Transaction Overview

Managed Transaction

The managed transaction includes an 18-month reinvestment period. Reinvestment of principal proceeds during this period is subject to eligibility criteria, which, among other criteria, includes a no-downgrade Rating Agency Confirmation (RAC) by DBRS Morningstar for all new collateral interests and funded companion participations. The eligibility criteria indicate that future collateral interests can be secured only by multifamily, manufactured housing, and student housing property types during the stated reinvestment period. Additionally, the eligibility criteria establish minimum DSCR, LTV, and Herfindahl scores. Furthermore, certain events within the transaction require the Issuer to obtain RAC. DBRS Morningstar will confirm that a proposed action or failure to act or other specified event will not, in and of itself, result in the downgrade or withdrawal of the current rating. The Issuer is required to obtain RAC for acquisitions of all collateral interests.

Collateral

The initial collateral consists of 21 floating-rate mortgage loans secured by 21 transitional multifamily properties, totaling $895.2 million (64.2% of the total fully funded balance), excluding $119.7 million (8.6% of the total fully funded balance) of future funding commitments and $380.6 million (27.3% of the total fully funded balance) of pari passu debt.

Delayed Collateral Interests

Seven loans, representing 31.1% of the total trust balance, are categorized as Delayed Collateral Interests, which are identified in the data tape and included in the DBRS Morningstar analysis. Five of the Delayed Collateral Interests, i.e., Woodside Central, Metro Edgewater, Broadstone Axis, Ilion Apartments, and Mossdale Landing, are identified as Delayed Close Collateral Interests, representing approximately 25.3% of the initial pool, and having not yet closed. The remaining two of the Delayed Collateral Interests, i.e., Elements Apartments and 1110 S Hobart, have been categorized as Delayed CO Collateral Interests, which have closed, but the borrowers have not yet obtained a certificate of occupancy for at least 51% of the units at the related Mortgaged Property.

The Issuer has 45 days post-closing to acquire the Delayed Collateral Interests into the pool (Delayed Purchase Termination Date). Delayed CO Collateral Interests will need to have obtained a temporary or final certificate of occupancy for at least 51% of the units at the respective property, in order to be brought into the pool. If a delayed-close collateral interest is not expected to close or fund prior to the Delayed Purchase Termination Date, the Issuer may acquire any Delayed Collateral Interests during the reinvestment period, subject to the Eligibility Criteria, Acquisition Criteria and the Acquisition and Disposition Requirements.

Eligibility Criteria Concentration Parameters		
Issuer Property Type	**Issuance (%)**	**Limit (%)**
Office	0.0	0.0
Industrial	0.0	0.0
Retail	0.0	0.0
Mixed-Use	0.0	0.0
Hospitality	0.0	0.0
Self Storage	0.0	0.0
Student Housing	0.0	5.0
Manufactured Housing	0.0	10.0
Furnished Apartments	3.4	10.0

State Concentration	Issuance (%)	Limit (%)
New York	23.9	40.0
California	22.4	40.0
Texas	13.5	40.0
Pennsylvania	12.8	25.0
Florida	11.2	30.0
South Carolina	11.1	25.0
Georgia	5.1	30.0
Washington D.C.	0.0	40.0
Arizona	0.0	30.0
New Jersey	0.0	30.0
Illinois	0.0	30.0
All Other States	0.0	25.0

The loans are generally secured by cash-generating assets, many of which are in a period of transition with plans to stabilize and increase the asset value. In total, 14 loans, representing 74.4% of the pool, have remaining future funding participations totaling $123.7 million, which the Issuer may acquire in the future. Please see the chart below for the participations that the Issuer will be allowed to acquire.

Loan Name	Cut-Off Date Whole Loan Amount ($)	Future Funding Amount[1,2] ($)	Total Future Funding Commitments Allowed (%)	Loan Closed (Y/N)
1909 Rittenhouse	80,000,000	22,208,487	100.0	Y
Wyvernwood	77,500,000	1,881,220	100.0	Y
Woodside Central	75,000,000	7,000,000	100.0	N
Reserve	62,020,000	6,480,000	100.0	Y
Metro Edgewater	50,000,000	5,500,000	100.0	N
Oaklyn	50,000,000	11,559,880	100.0	Y
Swells Cottages	49,000,000	9,000,000	100.0	Y
The Arc at Westchester Place	47,287,648	11,212,352	100.0	Y
Avilla Springs	39,838,216	2,201,784	100.0	Y
Elements Apartments	34,847,968	7,852,032	100.0	Y
Poth Brewery	34,750,000	1,000,000	100.0	Y
Brooke Mill Apartments	30,000,000	3,340,000	100.0	Y
Granby Oaks	20,375,000	1,425,000	100.0	Y
Creekside	15,462,000	33,038,000	100.0	Y

1. Cut-Off date unfunded future funding amount.

2. Future funding is used for capital improvements, leasing costs, earnouts etc

Rating Considerations

Strengths

- **Experienced Sponsor:** MF1 is a multifamily lending platform that has strong origination practices and substantial experience in the multifamily industry. The company has issued 12 securitizations (including the subject transaction) in a series of programmatic issuances of transitional floating-rate multifamily mortgage loans. The loans are originated and underwritten to qualify for refinance based on Freddie Mac and Fannie Mae's underwriting standards. MF1 REIT III Investor XII LLC (the Retention Holder), a Delaware limited liability company, which is a wholly owned subsidiary of MF1 and an affiliate of the Collateral Manager, will purchase on the Closing Date 100% of the Class F Notes, the Class G Notes, the Class H Notes, and the Income Notes (collectively with any related MASCOT Notes for which the Class F Notes, the Class G Notes, or the Class H Notes are exchanged), which represent the most subordinate classes or 12.375 of the transaction by principal balance. By purchasing the most subordinate notes, the Issuer exposes itself to the first-loss position and aligns its interests with those of investors.
- **High Quality and Recently Built Properties:** The loans are predominately secured by recently constructed properties, with 15 of the 21 properties built in 2021 or later. DBRS Morningstar took a favorable view on the property quality and assigned a rating of Excellent to one loan, 1909 Rittenhouse, representing 8.9% of the initial pool balance, and Above Average quality to seven loans, representing 40.2% of the initial pool balance. Additionally, nine loans, representing 32.6% of the initial pool balance, are secured by properties with Average+ quality. Furthermore, only one loan in the pool, Wyvernwood, representing 8.7% of the initial pool balance, is backed by a property that DBRS Morningstar considered to be of Below Average quality.
- **Market Rank Strength**: Seven loans, representing 40.6% of the pool, are in areas identified as DBRS Morningstar Market Ranks of 6, 7, or 8, which are generally characterized as highly dense urbanized areas that benefit from increased liquidity driven by consistently strong investor demand, even during times of economic stress. Markets ranked 6, 7, and 8 benefit more from lower default frequencies than do less dense suburban, tertiary, and rural markets. Urban markets represented in the deal include New York City, Los Angeles, San Francisco, Miami, and Philadelphia. This transaction has a WA DBRS Morningstar Market Rank of 4.5, which is generally in line with the recent deals securitized by the Issuer.
- **MSA Strength**: Seven loans, representing 39.6% of the pool balance, have collateral in MSA Group 3, which is the best-performing group in terms of historical CMBS default rates among the top 25 MSAs. MSA Group 3 has a historical default rate of 17.2%, which is considerably lower than the overall CMBS historical default rate of 28.0%. MSA Group 3 concentration for the subject is generally in line with the recent deals securitized by the Issuer.
- **Multifamily Concentration**: The pool entirely comprises multifamily properties. Compared with other property types, multifamily assets generally benefit from rent growth, staggered lease rollover, and lower expense ratios. While revenue is quick to decline in a downturn because of the short-term nature of the leases, it is also quick to rebound when the market improves. All 21 loans, representing 100.0% of the aggregate collateral interest cut-off date balance, are secured by properties which DBRS Morningstar characterizes as multifamily.
- **Lower Leverage Loans:** The pool's WA DBRS Morningstar As-Is LTV and Stabilized LTV of 71.2% and 63.6%, respectively, are lower than most comparable MF1 transactions rated by DBRS Morningstar. The

lower leverage is especially pronounced on the As-Is basis, where the lowest As-Is LTV of comparable transactions was 74.1%. Lower leverage loans have historically had lower probabilities of default.

- **100% Coverage of Loans:** DBRS Morningstar sampled 100% of the loans in the pool, which included site inspections on 83.2% of the pool balance.

Challenges and Considerations

- **Transitional Properties**: The loans are generally secured by properties in some form of transition, with cash flow volatility during the short-term and an expectation that cash flows will stabilize higher once the borrower executes their business plan. It is possible that the borrower will be unsuccessful in executing their business plan and the cash flows will not meet expectations. The commercial real estate industry as a whole is also facing considerable headwinds from higher inflation and interest rates, and signs of weakening property fundamentals. Should a borrower fail to achieve their business plan and cash flows decrease, funds available to service Noteholders could be diminished.
    - *Mitigant: DBRS Morningstar made relatively conservative stabilization assumptions and, in each instance, considered the business plan to be rational and the future funding amounts to be sufficient to execute such plans. In addition, DBRS Morningstar analyzes LGD based on the As-Is LTV, assuming the loan is fully funded and there is no upside to cash flows or value.*
    - *Mitigant: DBRS Morningstar increased its Business Plan Scores for loans with elevated future funding amounts, large projected value increases, and/or minimal sponsor experience to adjust for the added risk, which effects the loan-level POD.*
- **Low DSC Ratio:** The pool's WA DBRS Morningstar As-Is DSCR of 0.37x and Stabilized DSCR of 0.77x are low and indicate property-level cash flows may not be sufficient to cover the mortgage loan debt service payments, which could ultimately impact the available proceeds available to be distributed to Noteholders.
    - *Mitigant: The DBRS Morningstar DSCR figures are calculated using the DBRS Morningstar As-Is and Stabilized NCFs, which generally excludes include rent growth but include expense inflation. In addition, the DBRS Morningstar DSCR incorporates a stressed interest rate, which may have an interest rate above the loan's current interest rate and does not assume a decrease in rates.*
    - *Mitigant: Loans generally include substantial upfront interest reserves, some of which are expected to cover one year or more of interest shortfalls.*
    - *Mitigant: The DBRS Morningstar model penalizes loans with low DSCRs, resulting in higher E/Ls.*
- **Floating Rate, IO Loans**: All loans have floating interest rates and are IO during the initial term, which ranges from 24 months to 36 months.
    - *Mitigant: The borrowers of all closed loans, have purchased Secured Overnight Financing Rate (SOFR) rate caps ranging between 3.5% and 6.0%, to protect against rising interest rates over the term of the loan. Additionally, at closing, MF1 as the lender will require all delayed-close loans to purchase interest rate caps.*
    - *Mitigant: All loans are short-term and, even with extension options, have a fully extended maximum loan term of five years.*

- *Mitigant: All loans have at least two extension options, all of which are exercisable subject to the loan's achievement of certain DSCR and/or debt yield requirements.*
- *Mitigant: 18 loans, representing 89.2% of the initial trust balance, amortize on a 30-year schedule during all or a portion of their extension options.*

Legal and Structural Considerations

Criteria-Based Modifications: Consistent with the ongoing evolution of criteria-based modifications, the transaction permits the collateral manager to cause the special servicer to effectuate criteria-based modifications subject to certain conditions. During the reinvestment period, the number is not limited, and, thereafter, a maximum of eight modifications may be made. Additionally, all criteria-based modifications occurring after the end of the reinvestment period must not include an increase in principal balance of the loan, have no event of default, have no note protection test failure, and the subject collateral interest, post-modification, must comply with the eligibility criteria (for this purpose, assuming the subject collateral interest was treated as a reinvestment collateral). This is an expansion of the Issuer accommodative rights, which previously have not been unconstrained during the reinvestment period. While the servicing standard does not apply to such changes, the collateral manager standard does apply. In any event, the significant percentage of sponsor retained securities acts as a buffer to the negative implications of the expansive rights.

Replacement of Special Servicer: CBRE will act as the special servicer to any of the specially serviced loans. After the closing date, it is anticipated that CBRE will be terminated as Special Servicer, and an MF1 Related Party will be appointed as a successor special servicer. The successor's appointment, however, will be subject to the successor meeting the requirements for a Qualified Servicer, as detailed in the offering docs, and in the case of an MF1 Related Party, procuring a minimum DBRS Morningstar ranking of MOR3 as well as satisfying DBRS Morningstar RAC.

Comparable Transactions							
	Subject Deal	**Comp 1**	**Comp 2**	**Comp 3**	**Comp 4**	**Comp 5**	**Comp 6**
Deal Name	MF1 2023-FL12	MF1 2022-B1	MF1 2022-FL10	MF1 2022-FL9	MF1 2022-FL8	MF1 2021-FL7	MF1 2021-FL6
Pool Balance	$895,215,832	$1,614,680,642	$1,025,000,000	$1,800,000,000	$1,819,665,392	$1,889,614,322	$993,185,648
# of Loans	21	33	26	47	32	49	37
Average Loan Size	$42,629,325	$48,929,716	$39,423,077	$38,297,872	$56,864,544	$38,563,558	$26,842,855
Largest Loan Concentration	8.9%	10.3%	7.3%	12.5%	12.4%	12.1%	7.9%
Top Ten Concentration	64.9%	48.9%	57.1%	44.7%	53.2%	47.9%	47.0%
Herf	17.7	24.6	21.1	26.6	20.9	25.6	27.4
DBRS Morningstar WA E/L	**5.5%**	**6.1%**	**5.2%**	**6.1%**	**5.5%**	**5.0%**	**4.5%**
EL 0 <= 0.80%	0.0%	0.0%	32.5%	3.3%	20.7%	22.1%	23.3%
EL 1 >0.80%, <=2.0%	5.2%	10.3%	12.0%	30.5%	17.0%	25.4%	21.2%
EL 2 >2.0%, <=4.0%	29.4%	16.2%	6.4%	11.7%	17.3%	13.5%	26.1%
EL 3 >4.0%, <=7.5%	28.0%	42.1%	25.2%	21.1%	22.0%	20.6%	15.6%
EL 4 >7.5%, <=15.0%	37.4%	31.4%	13.6%	25.2%	15.6%	13.5%	9.3%
EL 6 >15.0	0.0%	0.0%	10.4%	8.3%	7.4%	4.8%	4.6%
DBRSM AS-IS WA LTV	**71.2%**	**74.1%**	**84.4%**	**79.5%**	**79.2%**	**75.0%**	**77.1%**
DBRSM STABILIZED WA LTV	**63.6%**	**62.2%**	**67.9%**	**66.2%**	**70.1%**	**75.2%**	**73.7%**
LTV >= 85.03%	0.0%	0.0%	0.0%	0.0%	3.0%	13.1%	22.0%
LTV >=75.16%, <85.03%	0.0%	0.0%	9.7%	0.0%	12.4%	36.3%	24.3%
LTV >=67.1%, <75.16%	16.7%	11.3%	36.4%	33.9%	52.2%	39.2%	41.5%
LTV <67.1%	83.3%	88.7%	53.8%	66.1%	32.4%	11.4%	12.3%
DBRSM Stabilized NCF Variance	**-27.2%**	**-30.1%**	**-20.7%**	**-15.4%**	**-20.4%**	**-13.6%**	**-15.1%**
HC >-10.0%	**0.0%**	0.0%	5.4%	12.2%	23.5%	0.0%	0.0%
HC <-10.01%, >-20.0%	**17.9%**	8.1%	34.1%	61.5%	48.7%	0.0%	0.0%
HC <-20.01%, >-30.0%	**61.2%**	36.8%	56.2%	26.3%	18.2%	0.0%	0.0%
HC <-30.01%	**20.9%**	55.2%	4.3%	0.0%	9.7%	0.0%	0.0%
Issuer Stressed As-Is WA DSCR	**0.37**	**0.34**	**0.40**	**0.53**	**0.74**	**0.95**	**0.69**
Issuer Stressed Stabilized WA DSCR	**0.77**	**0.81**	**0.81**	**0.92**	**1.09**	**1.31**	**1.23**
DSCR < 0.90x	84.4%	78.0%	80.6%	58.1%	11.4%	1.2%	3.6%
DSCR 0.90x - 1.00x	8.9%	9.7%	16.5%	22.9%	4.1%	0.0%	1.3%
DSCR 1.00x - 1.25x	3.4%	12.3%	2.9%	13.4%	70.3%	45.8%	20.5%
DSCR 1.25x - 1.50x	3.4%	0.0%	0.0%	3.6%	11.2%	43.7%	29.0%
DSCR > 1.50x	0.0%	0.0%	0.0%	2.0%	3.0%	16.7%	8.0%
DBRSM WA Business Score	**1.87**	**2.06**	**2.19**	**2.19**	**2.09**	**1.87**	**1.97**
% Bus Rank 1-2	71.8%	41.7%	29.0%	18.4%	57.2%	76.3%	52.2%
% Bus Rank 2.01-3	26.5%	54.8%	64.2%	76.8%	35.1%	23.7%	45.1%
% Bus Rank 3.01-4	1.7%	3.4%	6.7%	4.7%	7.7%	0.0%	2.7%
% Bus Rank 4.01-5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	Subject Deal	**Comp 1**	**Comp 2**	**Comp 4**	**Comp 5**	**Comp 6**	**Comp 7**
Deal Name	MF1 2023-FL12	MF1 2022-B1	MF1 2022-FL10	MF1 2022-FL9	MF1 2022-FL8	MF1 2021-FL7	MF1 2021-FL6
Total Hotel %	0.0%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Office %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Retail %[1]	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total MF %	96.6%	79.6%	97.8%	91.0%	97.7%	94.7%	97.3%
Total Industrial %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Self Storage %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total MHC %	0.0%	2.9%	2.2%	9.0%	2.3%	0.0%	0.0%
Total Mixed Use %	0.0%	14.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Other %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DBRS Morningstar WA Market Rank	**4.54**	**4.93**	**5.17**	**4.78**	**5.30**	**4.80**	**5.20**
% Mkt Rank 8	3.4%	11.7%	13.7%	1.5%	5.6%	16.1%	11.9%
% Mkt Rank 7	15.9%	25.1%	23.2%	17.8%	32.8%	3.2%	11.1%
% Mkt Rank 5-6	35.4%	22.7%	16.9%	34.2%	23.5%	26.7%	38.2%
% Mkt Rank 3-4	28.1%	27.7%	41.3%	42.4%	31.2%	50.8%	31.1%
% Mkt Rank 1-2	17.3%	12.8%	4.9%	4.0%	6.9%	3.2%	7.8%
% Mkt Rank 0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DBRS Morningstar MSA Group							
% MSA Group 3	39.6%	50.2%	46.6%	32.4%	36.7%	47.6%	47.3%
% MSA Group 2	24.0%	15.6%	13.9%	12.5%	24.4%	13.5%	11.3%
% MSA Group 1	16.8%	10.7%	15.9%	18.8%	22.2%	21.2%	10.0%
% MSA Group 0	19.6%	23.5%	23.6%	36.3%	16.7%	17.8%	31.5%
DBRS Morningstar Property Quality							
Excellent	8.9%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Above Average	40.2%	23.6%	15.0%	6.7%	12.4%	21.4%	33.2%
Average +	32.6%	21.0%	22.8%	20.1%	32.2%	21.3%	12.6%
Average	9.5%	45.0%	53.1%	65.2%	41.0%	55.4%	54.2%
Average -	0.0%	3.5%	4.3%	5.2%	2.5%	1.9%	0.0%
Below Average	8.7%	3.7%	0.0%	2.8%	11.9%	0.0%	0.0%
Poor	0.0%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%
DBRS Morningstar Sponsor Strength							
Strong	0.0%	4.7%	0.0%	0.0%	12.4%	0.0%	5.5%
Average	91.6%	80.6%	81.1%	67.3%	70.0%	55.4%	54.2%
Weak	8.4%	14.7%	18.9%	31.9%	9.9%	3.2%	4.3%
Bad (Litigious)	0.0%	0.0%	0.0%	0.7%	7.7%	0.0%	0.0%

For managed transactions, deal stats exclude ramp loans.

Note: The DBRS Morningstar Market Rank and MSA Group results for portfolio loans reflects an approximation of the weighted average figure based on the corresponding model coefficients.

1. AKA Sutton Place was modeled as a retail property type in order to neutralize the multifamily treatment, given the short-term nature of the leases, which are generally 1-month to multiple months and the operationally more intensive nature of the property when compared to a traditional multifamily property.

DBRS Morningstar Credit Characteristics

DBRS Morningstar As-Is DSCR (x)

DSCR (x)	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	57.3
0.50x-0.75x	27.3
0.75x-1.00x	12.0
1.00x-1.25x	0.0
1.25x-1.50x	3.4
1.50x-1.75x	0.0
>1.75x	0.0
Wtd. Avg. (x)	0.37

DBRS Morningstar Stabillized DSCR (x)

DSCR (x)	% of the Pool (Senior Note Balance[1])
0.90-1.00	93.3
1.00-1.15	3.4
1.15-1.30	3.4
1.30-1.45	0.0
1.45-1.60	0.0
1.60-1.75	0.0
>1.75	0.0
WA (x)	0.77

DBRS Morningstar As-Is Issuance LTV

LTV (%)	% of the Pool (Senior Note Balance[1])
0.0%-50.0%	0.0
50.0%-60.0%	3.4
60.0%-70.0%	30.6
70.0%-80.0%	57.1
80.0%-90.0%	3.4
90.0%-100.0%	5.6
100.0%-110.0%	0.0
110.0%-125.0%	0.0
>125.0%	0.0
Wtd. Avg. (%)	71.2

DBRS Morningstar Stabilized Balloon LTV (%)

LTV (%)	% of the Pool (Senior Note Balance[1,2])
0.0%-50.0%	3.4
50.0%-60.0%	11.9
60.0%-70.0%	77.6
70.0%-80.0%	7.2
80.0%-90.0%	0.0
90.0%-100.0%	0.0
100.0%-110.0%	0.0
110.0%-125.0%	0.0
>125.0%	0.0
Wtd. Avg. (%)	63.6

1. Includes pari passu debt, but excludes subordinate debt.
2. The senior note balloon balance assumes the DBRS Morningstar Stressed Interest Rate and the fully-extended loan term.

Largest Loan Summary

Loan Detail

Loan Name	Trust Balance ($)	% of Pool	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized LTV (%)
1909 Rittenhouse	80,000,000	8.9	0.74	0.91	71.1	65.2
Wyvernwood	77,500,000	8.7	0.79	0.82	70.7	62.5
Woodside Central	75,000,000	8.4	0.18	0.63	67.1	63.7
Reserve	62,020,000	6.9	0.00	0.71	72.1	65.2
Metro Edgewater	50,000,000	5.6	0.00	0.68	79.7	67.3
Oaklyn	50,000,000	5.6	0.00	0.77	72.2	65.1
Swells Cottages	49,000,000	5.5	0.61	0.73	71.9	71.2
The Arc at Westchester Place	47,287,648	5.3	0.00	0.68	72.7	65.7
Broadstone Axis	46,000,000	5.1	0.23	0.48	61.5	57.9
Avilla Traditions	43,751,000	4.9	0.61	0.86	60.8	57.0

Property Detail

Loan Name	DBRS Morningstar Property Type	City	State	DBRSM Year Built[1]	SF/Units	Fully Funded Mortgage Loan per SF/Units ($)	Fully Funded Mortgage Maturity Balance per SF/Units ($)
1909 Rittenhouse	Multifamily	Philadelphia	PA	2023	216	601,852	601,852
Wyvernwood	Multifamily	Los Angeles	CA	1964	1,175	140,280	140,280
Woodside Central	Multifamily	Queens	NY	2023	478	393,305	393,305
Reserve	Multifamily	New York	NY	2023	113	606,195	606,195
Metro Edgewater	Multifamily	Miami	FL	2023	279	412,186	412,186
Oaklyn	Multifamily	Oakland Park	FL	2023	275	298,182	298,182
Swells Cottages	Multifamily	Murrells Inlet	SC	2022	221	262,443	262,443
The Arc at Westchester Place	Multifamily	New Rochelle	NY	2023	144	406,250	406,250
Broadstone Axis	Multifamily	Oakland	CA	2021	171	269,006	269,006
Avilla Traditions	Multifamily	Grand Prairie	TX	2022	218	200,693	200,693

1. DBRSM Year Built for Wyvernwood was adjusted to account for most recent year built for the subject.

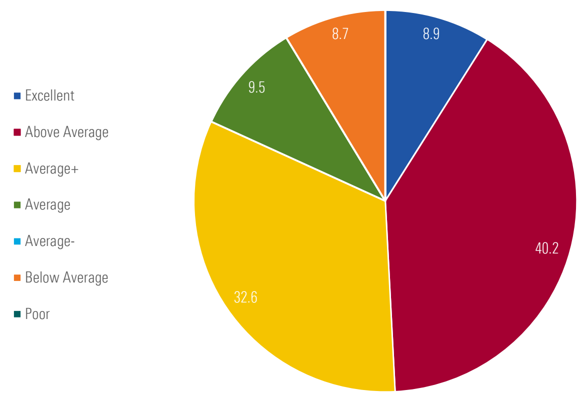
DBRS Morningstar Sample Results

Prospectus ID	Loan Name	% of Pool	DBRS Morningstar Stabilized NCF ($)	DBRS Morningstar Stabilized NCF Variance (%)	DBRS Morningstar Major Variance Drivers	DBRS Morningstar Property Quality
1	1909 Rittenhouse	8.9	9,732,741	-10.7%	TIs; Real Estate Taxes; Stabilized GPR	Excellent
2	Wyvernwood	8.7	11,091,126	-27.5%	Stabilized GPR; Vacancy; Operating Expenses	Below Average
3	Woodside Central	8.4	11,307,946	-23.7%	Stabilized GPR; Concessions; Expenses	Above Average
4	Reserve	6.9	4,915,877	-23.3%	Stabilized GPR; Co-living and Operating Expenses; Parking income	Above Average
5	Metro Edgewater	5.6	7,076,621	-26.7%	Stabilized GPR	Above Average
6	Oaklyn	5.6	6,202,392	-17.5%	Economic Vacancy; Concessions; Expenses; Real Estate Taxes	Above Average
7	Swells Cottages	5.5	3,508,568	-23.8%	Stabilized GPR	Average+
8	The Arc at Westchester Place	5.3	3,701,027	-24.9%	Stabilized GPR	Above Average
9	Broadstone Axis	5.1	2,025,359	-48.6%	Stabilized GPR; Concessions; Other Income	Above Average
10	Avilla Traditions	4.9	2,797,671	-32.3%	Stabilized GPR	Average+
11	Avilla Springs	4.5	2,443,505	-44.9%	Stabilized GPR	Average+
12	Avilla Lakeridge	4.2	2,320,450	-32.1%	Stabilized GPR; Economic Vacancy	Average+
13	Elements Apartments	3.9	3,128,859	-24.1%	Stabilized GPR; Real estate Tax	Average
14	Poth Brewery	3.9	2,481,974	-23.2%	Stabilized GPR; Utility Reimbursements	Average+
15	Brooke Mill Apartments	3.4	3,864,646	-21.8%	Stabilized GPR	Average
16	AKA Sutton Place	3.4	4,771,675	-12.7%	Stabilized GPR	Above Average
17	Ilion Apartments	3.4	3,794,433	-25.2%	Stabilized GPR; Expenses	Average+
18	Mossdale Landing	2.8	3,804,779	-28.2%	Stabilized GPR; Utility reimbursements	Average+
19	Granby Oaks	2.3	1,239,945	-43.4%	Stabilized GPR	Average
20	1110 S Hobart Blvd	1.9	1,121,963	-28.6%	Stabilized GPR; Real Estate Tax	Average+
21	Creekside	1.7	2,717,994	-27.9%	Stabilized GPR	Average+

DBRS Morningstar Site Inspections

DBRS Morningstar sampled all 21 loans, representing 100.0% of the initial pool by allocated cut-off date loan balance. DBRS Morningstar toured the interior and exterior of 16 assets representing 83.2% of the initial pool balance. DBRS Morningstar used these property tours to help assess property quality and analyze the loan more accurately. For the remaining loans, DBRS Morningstar made an assessment of the property quality based on a review of third-party reports, documents provided by the Issuer, and online information. The resulting DBRS Morningstar property quality scores are highlighted in the chart below.

DBRS Morningstar Sampled Property Quality



Source: DBRS Morningstar.

DBRS Morningstar Cash Flow Analysis

DBRS Morningstar completed a cash flow review and a cash flow stability and structural review for all 21 loans, representing 100.0% of the initial pool by allocated cut-off date loan balance.

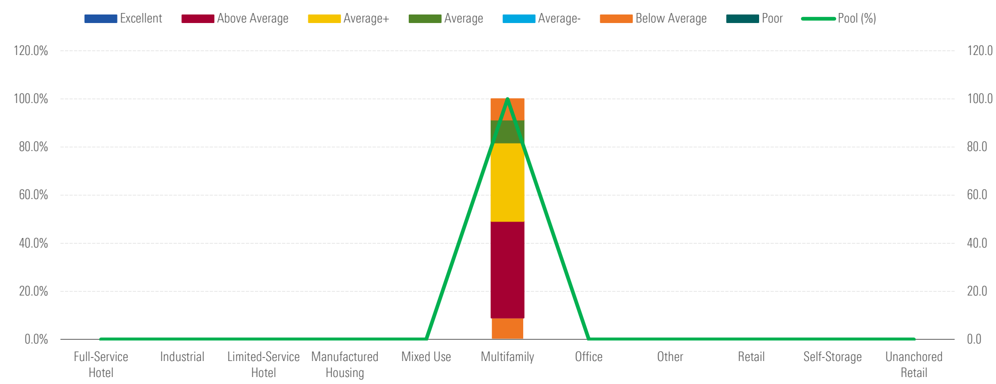
As-Is NCF

The DBRS Morningstar As-Is NCF was based on the current performance of the properties, without giving any credit to the future upside that may be realized upon the sponsors' completion of their business plans. The DBRS Morningstar As-Is sample had an average in-place NCF variance of -9.4% from the Issuer's NCF and ranged from -75.7% to 50.5%.

Stabilized NCF

The DBRS Morningstar Stabilized NCF assumed the properties stabilized at market rent and/or recently executed leases and market expenses that DBRS Morningstar believed were reasonably achievable based on the sponsor's business plan and structural features of the respective loan. This often involved assuming higher-than-in-place rental rates for multifamily properties based on the significant ongoing renovations, with rents already achieved on renovated units providing the best guidance of market rent upon renovation. The DBRS Morningstar sample had an average DBRS Morningstar Stabilized NCF variance of -27.3% from the Issuer's stabilized NCF and ranged from -50.1% to -10.7%. DBRS Morningstar notes that the issuer's stabilized NCF's generally assume a five-year period and include market rent and expense growth.

DBRS Morningstar Sampled Property Type



Source: DBRS Morningstar.
1. AKA Sutton Place was modeled as a retail property type in order to neutralize multifamily treatment given the furnished apartment nature of the subject.

Model Adjustments

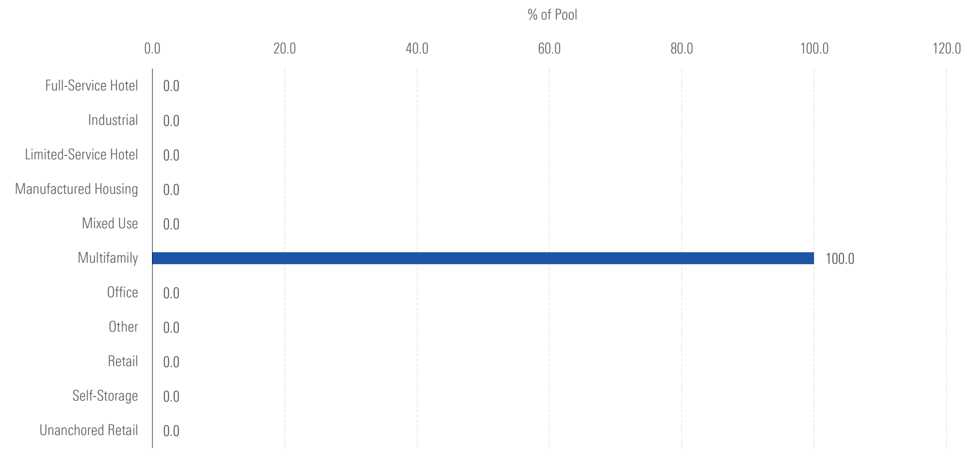
DBRS Morningstar applied capitalization (cap) rate adjustments to two loans representing 5.1% of the initial pool balance. DBRS Morningstar adjusted the cap rates for these two loans to reflect its view of the respective markets and the inherent risk associated with the sponsor's business plan. See the table below for additional details.

Loan	Prospectus ID	Issuer's Stabilized Implied Cap Rate (%)	DBRS Morningstar Adjusted Stabilized Cap Rate (%)	Appraised As-Is LTV (%)[1]	Appraised Stabilized Balloon LTV (%)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized LTV (%)
AKA Sutton Place	15	5.1	5.5	51.1	44.9	55.0	48.3
Creekside	21	5.8	5.8	145.9	75.1	95.8	75.1

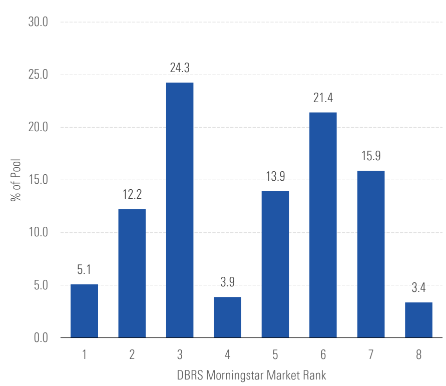
1. Based on Appraised As-Is value when compared against the fully funded loan balance.

Transaction Concentrations

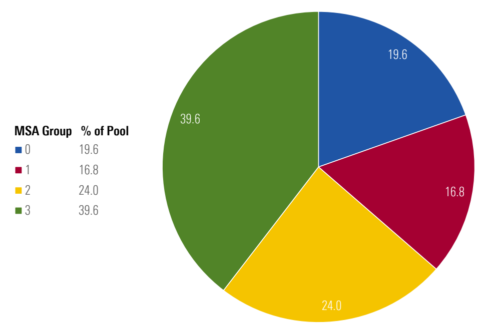
DBRS Morningstar Property Type



DBRS Morningstar Market Rank

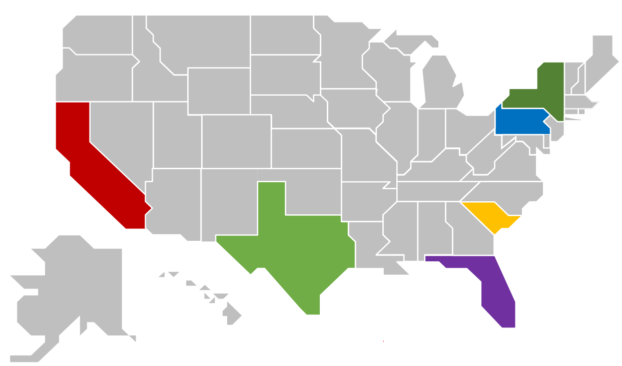


DBRS Morningstar MSA Group



Largest Property Location

Property Name	City	State
1909 Rittenhouse	Philadelphia	PA
Wyvernwood	Los Angeles	CA
Woodside Central	Queens	NY
Reserve	New York	NY
Metro Edgewater	Miami	FL
Oaklyn	Oakland Park	FL
Swells Cottages	Murrells Inlet	SC
The Arc at Westchester Place	New Rochelle	NY
Broadstone Axis	Oakland	CA
Avilla Traditions	Grand Prairie	TX



Source: DBRS Morningstar.

Loan Structural Features

Loan Terms: All 21 loans are IO during the initial loan term, ranging from 24 months to 36 months with two to three 12-month extension options, with the exception of Woodside Central (8.4% of the initial pool balance), which has a one 9-month extension option and two 12-month extension options. Eighteen loans, representing 89.2% of the initial pool balance, amortize on 30-year schedules during all or a portion of their extension options.

Interest Rate: The interest rate is generally the greater of (1) the floating rate referencing one-month Term SOFR as the index plus the margin and (2) the interest rate floor. Currently, all loans use Term SOFR.

Reserve Requirement		
Type	# of Loans	% of Pool
Tax Ongoing[2]	16	74.7
Insurance Ongoing[3]	13	53.8
Capex Ongoing[3]	14	68.8
Leasing Costs Ongoing[1]	0	0.0

1. Percent of office, retail, industrial, and mixed-use assets based on DBRS Morningstar property types.
2. Ongoing Tax Escrow information for Woodside Central, Metro Edgewater, Broadstone Axis, Ilion Apartments and Mossdale Landing were not made available.
3. Ongoing Insurance Escrow and Ongoing Replacement Reserve information for Ilion Apartments and Mossdale Landing were not made available.

Borrower Structure		
Type	# of Loans	% of Pool
SPE with Independent Director and Nonconsolidation Opinion	20	97.7
SPE with Independent Director Only	0	0.0
SPE with Nonconsolidation Opinion Only	0	0.0
SPE Only	1	2.3

Interest Rate Protection: All closed floating-rate loans in the initial pool have purchased interest rate caps to protect against rising interest rates over the term of the loan. If the DBRS Morningstar stressed interest rate is less than the interest rate cap purchased by the borrower, DBRS Morningstar would default to the lower of the DBRS Morningstar stressed rate.

Pari Passu Debt: Ten loans, representing 55.2% of the initial pool balance, have pari passu participation interest totaling $380.6 million.

Subordinate Debt							
Loan Name	Trust Balance ($)	Future Funding	Pari Passu Balance ($)	B-Note Balance ($)	Mezz/Unsecured Debt Balance ($)	Future Mezz/Unsecured Debt (Y/N)	Total Debt Balance ($)
1909 Rittenhouse	80,000,000	22,208,487	27,791,513	0.0	0.0	N	130,000,000
Wyvernwood	77,500,000	1,881,220	85,447,780	0.0	0.0	N	164,829,000
Woodside Central	75,000,000	7,000,000	106,000,000	0.0	0.0	N	188,000,000
Reserve	62,020,000	6,480,000	0	0.0	0.0	N	68,500,000
Metro Edgewater	50,000,000	5,500,000	59,500,000	0.0	0.0	N	115,000,000
Oaklyn	50,000,000	11,559,880	20,440,120	0.0	0.0	N	82,000,000
Swells Cottages	49,000,000	9,000,000	0	0.0	0.0	N	58,000,000
The Arc at Westchester Place	47,287,648	11,212,352	0	0.0	0.0	N	58,500,000
Broadstone Axis	46,000,000	0	0	0.0	0.0	N	46,000,000
Avilla Traditions	43,751,000	0	0	0.0	0.0	N	43,751,000
Avilla Springs	39,838,216	2,201,784	0	0.0	0.0	N	42,040,000
Avilla Lakeridge	37,184,000	0	0	0.0	0.0	N	37,184,000
Elements Apartments	34,847,968	7,852,032	0	0.0	0.0	N	42,700,000
Poth Brewery1	34,750,000	1,000,000	0	0.0	715,107	N	36,465,107
Brooke Mill Apartments	30,000,000	3,340,000	14,825,000	0.0	0.0	N	48,165,000
AKA Sutton Place	30,000,000	0	18,000,000	0.0	0.0	N	48,000,000
Ilion Apartments	30,000,000	0	16,077,000	0.0	0.0	N	46,077,000
Mossdale Landing	25,500,000	0	25,500,000	0.0	0.0	N	51,000,000
Granby Oaks	20,375,000	1,425,000	0	0.0	0.0	N	21,800,000
1110 S Hobart Blvd	16,700,000	0	0	0.0	0.0	N	16,700,000
Creekside	15,462,000	33,038,000	0	0.0	0.0	N	48,500,000

1. Poth Brewery Mezz/Unsecured Debt Balance represents a subordinate Pennsylvania Industrial Development Corporation (PIDC) loan.

Future Funding: There are 14 loans, representing 74.4%, that have a future funding component. The aggregate of future funding is $119.7 million, with future funding amounts per loan ranging from $1 million to $33.0 million. The proceeds necessary to fulfill the future funding obligations will primarily come from a committed warehouse line and will initially be held outside the trust but will be pari passu with the trust participations. The future funding is generally for property renovations. Each property has a business plan to execute that the sponsor expects to increase the NCF. DBRS Morningstar believes the business plans are generally achievable, given the market conditions, recent property performance, and adequate available future funding (or upfront reserves) for planned renovations.

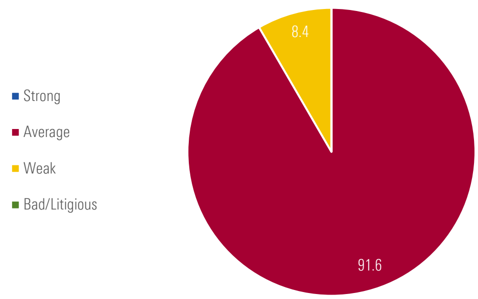
Leasehold: There are no leasehold interests in this pool.

Property Release: Five loans, i.e., 1909 Rittenhouse, Woodside Central, Swells Cottages, Broadstone Axis, and Creekside, representing 29.7% of the initial pool balance, allow for the release of one or more properties or a portion of the mortgaged property, subject to release prices above the ALAs of the respective properties and/or certain leverage tests prescribed in the individual loan agreements. This information could not be verified for Mossdale Landing and Granby Oaks, comprising 4.6% of the pool balance.

Property Substitution: No loans in the pool allow for the substitution of properties.

Terrorism Insurance: As of the cut-off date, all loans currently carry or, in the case of the delayed-close loans, are expected to carry terrorism insurance.

DBRS Morningstar Sponsor Strength



Source: DBRS Morningstar.

1909 Rittenhouse

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	80.0
Loan PSF/Unit ($)	601,852
Percentage of the Pool	8.9
Fully Extended Loan Maturity/ARD	September 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.74
DBRS Morningstar Stabilized DSCR (x)	0.91
DBRS Morningstar As-Is Issuance LTV (%)	71.1
DBRS Morningstar Stabilized Balloon LTV (%)	65.2
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Excellent

Debt Stack ($ millions)

Trust Balance	80.0
Pari Passu	27.8
Remaining Future Funding	22.2
Mortgage Loan Including Future Funding	130.0
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	(5.1)

Collateral Summary

DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Philadelphia, PA	**Physical Occupancy (%)**	87.0
Units/SF	216	**Physical Occupancy Date**	August 2023

The loan is secured by the borrower's fee-simple interest in 1909 Rittenhouse Apartments, a 184-unit newly constructed luxury high-rise that also features 40,884 sf of retail space, and Ronan Flats, a redeveloped 32-unit affordable apartment building, in Philadelphia, Pennsylvania. The initial loan proceeds of $107.8 million ($499,035 per unit) and a $22.2 million future funding component will refinance $95.8 million of existing debt, fund a $10.2 million TI/LC reserve, fund an interest reserve of $8.0 million, return $5.1 million of equity to the sponsor, cover closing costs of $4.6 million, and fund a $4.0 million cash earnout if the property achieves certain performance thresholds. The loan is IO during the initial two-year term and the first extension option and amortizes on a 25-year schedule during the second and third extension options, if exercised.

The collateral consists of 216 multifamily units across 1909 Rittenhouse and Ronan Flats. 1909 Rittenhouse was built in 2023, while Ronan Flats was redeveloped in 2022. The collateral features 40 units that are affordable per an affordable housing resolution with the City of Philadelphia; eight affordable units are at 1909 Rittenhouse and 32 units are at Ronan Flats. Amenities at 1909 Rittenhouse include an upscale lobby with a 24-hour doorman, an outdoor saltwater pool with summer cabana seating, a fitness center featuring Peloton equipment and a yoga studio, a golf simulator, a pet spa, a business center, a club room, and on-site valet parking. As of the August 2023 rent roll, the multifamily portion of the collateral was 87.0% occupied and was achieving WA monthly rents of $4,177 per unit. Additional information on the residential unit mix and unit rental rates can be found in the table below.

Unit Mix and Rents - 1909 Rittenhouse			
Unit Type	Units	Avg. Unit Size (sf)	Rent/Month (USD)
Studio/1 Bath - Ronan Flats	32	422	1,107
Studio/1 Bath	6	543	2,442
Studio/1 Bath - Affordable Housing	3	598	1,443
1 Bedroom/1 Bath - Affordable Housing	5	707	1,532
1 Bedroom/1 Bath	81	773	3,644
1 Bedroom/1.5 Bath	47	953	4,677
2 Bedroom/2 Bath	21	1,314	6,852
2 Bedrooom/2.5 Bath	21	1,477	8,631
Total/WA	**216**	**871**	**4,177**

Source: Rent roll dated August 2023.

The retail portion of the property is 100.0% leased to two tenants: Equinox, a luxury fitness center, and Schulson Collective, a restaurant led by accomplished chef Michael Schulson. The tenants are currently in the process of building out their spaces, which are anticipated to be delivered in Fall 2024. For more information on the property's retail tenants, please see the table below.

Tenant Summary							
	SF	% of Total NRA	DBRS Morningstar Base Rent PSF (USD)	DBRS Morningstar Annual Rent (USD)	% of Total DBRS Morningstar Base Rent	Lease Expiry	Investment Grade? (Y/N)
Equinox	36,819	90.1	60.76	2,237,000	78.9	2039	N
Equinox Pool Rent	n/a	n/a	n/a	193,552	9.3	2035	N
Schulson	4,065	9.9	60.0	243,900	11.8	2035	N
Subtotal/WA	**40,884**	**100.0**	**60.68**	**2,674,452**	**100.0**	**Various**	**Various**
Vacancy Space	0.0	0.0	n/a	n/a	n/a	n/a	n/a
Total/WA	**40,884**	**100.0**	**60.68**	**2,674,452**	**100.0**	**Various**	**Various**

Source: ASR.

The appraiser identified six apartment buildings within 1.4 miles of the subject that compete with it for prospective residential tenants. The comparable properties have an average year built of 2015, which is older than the subject's vintage of 2023. As the subject was delivered in 2023 and is still in lease-up, all of the properties are achieving a higher occupancy than the subject's occupancy of 87.0%. Even though all comparable properties are in a similar location, they are mostly inferior to the collateral in terms of vintage and interior and exterior condition, resulting in the competitive set's lower WA monthly rate of $4,141 per unit versus the collateral's projected WA monthly rent of $4,177 per unit. Please see the table below for additional information on the competitive properties identified by the appraiser.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit (USD)
The Harper Apartments	Philadelphia, PA	0.1	167	2019	100.0	5,238
3737 Chestnut Street	Philadelphia, PA	1.4	276	2015	92.0	2,907
The Chestnut	Philadelphia, PA	1.3	405	2020	95.0	3,288
AKA University City	Philadelphia, PA	0.6	135	2017	98.0	4,133
The Atlantic	Philadelphia, PA	0.5	268	1922/2019	91.0	5,444
The St. James	Philadelphia, PA	1.1	305	2004	96.0	4,652
Total/WA Comp. Set	**Philadelphia, PA**	**Various**	**1,556**	**Various**	**94.8**	**4,141**
1909 Rittenhouse - Subject	**Philadelphia, PA**	**n/a**	**216**	**2023**	**87.0**	**4,177**

Source: Appraisal, except the subject figures, which are based on the rent roll dated August 2023.

Sponsorship

The sponsors for this transaction are Southern Land Company (13.3% ownership) and Mandrake Capital Partners, LLC (Mandrake Capital Partners; 86.7% ownership). Founded in 1986, Southern Land Company is a real estate investment firm focused on luxury towers, multifamily homes, and mixed-use developments. Southern Land Company has developed 7,800 multifamily units and approximately 395,000 sf of commercial space, with $1 billion of real estate currently in development. Southern Land Company has strong experience in Philadelphia, with two assets currently under development in the market. Mandrake Capital Partners is a real estate-focused investment firm based in New York City. MF1 closed three transactions with Mandrake Capital Partners in 2022 and 2023. The borrower and guarantor disclosed that they are subject to litigation filed in 2021, alleging damage to an adjacent condominium as a result of the construction of the subject property. The plaintiffs are claiming approximately $2.5 million in damages and the related borrower’s general contractor is required to indemnify the related borrower and guarantor for any award under the lawsuit.

Southern Land Company will use its in-house management team to manage the property for a contractual rate of 3.0%.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the property on August 16, 2023. Based on the site inspection and management tour, DBRS Morningstar found the property quality to be Excellent.

The property's main entrance is on Walnut Street, which is in the Rittenhouse neighborhood in the heart of Center City Philadelphia. The collateral overlooks Rittenhouse Square, a beautiful park covered by tall trees featuring public art pieces, fountains, and seating for visitors. The majority of the surrounding area is commercial, featuring dozens of restaurants, stores, and other luxury high-rise apartments and condominiums. Rittenhouse Square is one of the highest-income urban neighborhoods in the United States. The collateral is in a prime area of the Philadelphia CBD. According to the property manager, the combination of the collateral's luxury and location make 1909 Rittenhouse the most sought-after apartment building in Philadelphia.

The property has excellent curb appeal, with a modern design and large glass windows. At the time of inspection, the ground-level retail spaces were visibly under construction; the property manager noted that both tenants are currently building out their spaces and intend to open by fall 2024. The sponsor mentioned that Equinox will offer special discounted rates to residents at the collateral. The entrance of the building is secured by Latch, a smart-lock system. The lobby of 1909 Rittenhouse includes a 24/7 concierge, a rotating art gallery featuring local Philadelphia artists, lounge seating with modern furniture and finishes, as well as a complimentary coffee bar for residents. The entrance of the parking garage is also on the first floor of the collateral, which offers complimentary valet parking and an indoor heated garage for residents.

DBRS Morningstar toured all of the amenities, which are on the fourth floor of the building. The amenities were all in excellent condition and included a business center, multiple conference rooms, a clubroom with a billiards table and bar, a state-of-the-art fitness center with Peloton equipment, a golf simulator, a pet spa, and indoor storage lockers. The collateral also features an outdoor saltwater pool with summer cabana seating and barbecue grills.

At the time of inspection, the only amenity still under construction is an additional seating area adjacent to the outdoor saltwater pool. The outdoor seating areas present impressive views overlooking the Philadelphia skyline and Rittenhouse Square. All of the amenities were spacious, luxurious, and well designed with modern finishes and furniture.

DBRS Morningstar toured one one-bedroom unit and one two-bedroom unit. In each unit, the kitchen featured modern white quartz and granite countertops with stainless steel appliances, under-cabinet kitchen lighting, and a wine refrigerator. The kitchens included a large center island presenting an open-floor concept into the dining and living areas. The units had laminate wood flooring across the entire layout. Each bathroom had a modern aesthetic featuring white tiles, quartz countertops, Kohler bathroom fixtures, and lighted bathroom mirrors. The bedrooms were very spacious and had walk-in closets. Both units also featured oversize windows offering natural light and amazing views of downtown Philadelphia. Additionally, all units had washers and dryers. The two-bedroom unit featured a patio space with lounge seating overlooking Rittenhouse Square. At the time of inspection, the management team noted that the collateral was 85.6% leased and anticipated it to be more than 90.0% occupied by the end of September. The sponsor noted that since preleasing, the team has raised rents more than $1,000 per unit, highlighting the demand for this asset. Overall, DBRS Morningstar found the property to be well positioned in the market because of its high-quality units, excellent amenities, and prime location in the heart of downtown Philadelphia.

DBRS Morningstar NCF Summary

NCF Analysis

	T-7 June 2023 Annualized	T-3 Annualized	Sponsor Budget Year 1	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	10,869,531	10,829,078	10,778,859	11,135,969	12,314,992	10,957,392	-11.02
Other Income ($)	164,390	216,869	733,852	4,188,946	4,044,591	4,378,401	8.25
Vacancy & Concessions ($)	-8,579,486	-7,486,283	-5,048,642	-556,798	-615,750	-591,278	-3.97
EGI ($)	**2,454,435**	**3,559,663**	**6,464,069**	**14,768,117**	**15,743,834**	**14,744,516**	**-6.35**
Expenses ($)	2,695,934	3,087,055	3,743,441	4,979,737	4,750,739	4,854,435	2.18
NOI ($)	**-241,498**	**472,608**	**2,720,628**	**9,788,380**	**10,993,095**	**9,890,080**	**-10.03**
Capex ($)	0	0	0	44,280	95,497	219,508	129.86
NCF ($)	**-241,498**	**472,608**	**2,720,628**	**9,744,100**	**10,897,598**	**9,670,572**	**-11.26**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF is $9,670,572, representing a variance of -11.3% from the Issuer's stabilized NCF. The primary drivers of the variance were GPR and TI/LCs. DBRS Morningstar based the stabilized GPR on the average in-place rents from the August 2023 rent roll. Meanwhile, the Issuer based the stabilized GPR on recent leasing activity and factored in projected rent growth over the next few years. DBRS Morningstar generally based the stabilized TI/LCs on the appraiser's assumptions while the Issuer assumed stabilized TI/LCs of $1.00 psf on the commercial space.

DBRS Morningstar Viewpoint

The loan is secured by a multifamily property in Philadelphia with 216 multifamily units and featuring approximately 41,000 sf of retail space. The property is on Rittenhouse Square in Center City Philadelphia, which has the third-largest downtown population in the United States. The Rittenhouse neighborhood is one of the most affluent neighborhoods in Philadelphia, as well as the country. Rittenhouse Square is known for its beautiful park, trendy restaurants and bars, and luxurious shopping. Residents enjoy the collateral's proximity to the neighborhood's amenities, as well as its proximity to major business districts and public transit options. 1909 Rittenhouse is one of the tallest multifamily properties in the surrounding area, providing superior views of the city. The property is in a DBRS Morningstar Market Rank 7 and MSA Group 2, which reflect a strong, densely populated market, resulting in a decreased POD.

As the collateral was just built in 2023, the sponsor's business plan is to increase the residential occupancy and complete the construction of the commercial spaces in order to reach stabilization. As of the August 2023 rent roll, the residential portion of the property is 87.0% occupied, illustrating the strong leasing momentum and demand for the collateral. The commercial spaces, leased to Equinox and Schulson Collective, are anticipated to open for business in Fall 2024. Both commercial tenants will benefit from the high foot traffic because of the collateral's prime location on Rittenhouse Square. DBRS Morningstar contends that the sponsor and management company will be able to successfully lease-up the property to a stabilized occupancy because of the property's excellent condition and prime location in Center City Philadelphia.

According to Reis, the multifamily conditions appear to be favorable for the collateral's future performance. The Center City submarket's average asking rent will increase to $3,441 in 2028 from $2,793 in 2023, per Reis. The subject's current average in-place rent of $4,177 is materially higher than the Center City submarket's average monthly rent of $2,491 per unit, which highlights the collateral's recent vintage and excellent property quality. Properties of the same vintage as the subject, built after 2019, demonstrate lower rental rates with an average asking rent of $2,557 and a similar vacancy rate of 13.9%. DBRS Morningstar believes that the collateral will maintain a competitive position within the luxury multifamily market in Philadelphia.

The property exhibits strong market characteristics as it is in MSA Group 2 and DBRS Morningstar Market Rank 7, which reflect a densely populated market with a history of loans with low defaults and losses. Furthermore, DBRS Morningstar assigned a property quality of Excellent because of the exceptional unit finishes, common area amenities, and the recent build of the collateral. As a result of the market characteristics, leverage, and property quality, the subject loan displays a lower-than-average expected loss within the collateral pool.

Wyvernwood Apartments

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	77.5
Loan PSF/Unit ($)	140,280
Percentage of the Pool	8.7
Fully Extended Loan Maturity/ARD	July 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.79
DBRS Morningstar Stabilized DSCR (x)	0.82
DBRS Morningstar As-Is Issuance LTV (%)	70.7
DBRS Morningstar Stabilized Balloon LTV (%)	62.5
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Below Average

Debt Stack ($ millions)

Trust Balance	77.5
Pari Passu	85.4
Remaining Future Funding	1.9
Mortgage Loan Including Future Funding	164.8
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	2.2

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1939
City, State	Los Angeles, CA	**Physical Occupancy (%)**	96.9
Units/SF	1,175	**Physical Occupancy Date**	August 2023

The loan is secured by the borrower's fee-simple interest in Wyvernwood Garden, a 1,175-unit multifamily complex in Los Angeles. Whole-loan proceeds of $164.8 million, split between a $77.5 million trust balance, $85.4 million of pari passu, and $2.0 million of future funding, plus $2.2 million of sponsor equity, were used to pay off existing debt of $154.5 million, fund a $3.0 million interest reserve, fund a $2.0 million reserve for capital improvements, and cover remaining closing costs. The five-year fully extended loan has a two-year initial term with three one-year extension options. Based on the appraiser's as-is and stabilized values of $233.0 million and $263.8 million, the resulting whole loan DBRS Morningstar As-Is and DBRS Morningstar Stabilized LTVs are 70.7% and 62.5%, respectively.

The property has been financed with fixed-rate CMBS debt in the past. The Sponsor plans to exit through another CMBS loan when market conditions improve. The Sponsor will provide $2.2 million in equity at closing.

Built in phases in 1939, 1963, and 1964, the subject was one of the first garden-style multifamily complexes in the country. As of August 2023, the subject was 96.9% occupied. The property features the four unit types listed in the table below. Unit interiors are dated, offering black and white appliance packages and vintage cabinetry. Common area amenities include three laundry rooms, a computer center, and three playgrounds.

Unit Mix and Rents			
Unit Type	No. of Units	Avg. Unit Size (sf)	In-place Rent/Mo. ($)
Studio	22	300	1,171
1 Bedroom	443	613	1,182
2 Bedroom	634	830	1,411
3 Bedroom	76	1,122	1,714
Total/WA	**1175**	**757**	**1,341**

Source: Rent roll dated August 2023.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Woodbridge Village Apartments	Los Angeles, CA	5.4	208	1966	98.0	1,595	541
Mediterranean Apartments	Whittier, CA	16.4	257	1970	92.0	1,900	725
Gloria Homes Apartments	Los Angeles, CA	9.0	423	1951	98.0	2,118	650
1724 Workman Street	Los Angeles, CA	3.1	63	1966	100.0	1,932	550
Monterey Gardens	Monterey Park, CA	5.6	152	1948	100.0	1,031	700
Total/WA Comp. Set	**Various**	**Various**	**1,103**	**Various**	**97.0**	**1,715**	**633**
Wyvernwood	**Los Angeles, CA**	**n/a**	**1,175**	**1939**	**96.9**	**1,182**	**613**

Source: Appraisal, except the subject figures, which are based on the rent roll dated August 2023.Avg. Rental Rate Per Unit and Avg. Unit Size based on 1 Bedroom/1 Bath units.

Sponsorship

The sponsor for this transaction is Fifteen Group Capital LLC, a commercial real estate development group started by Ian and Mark Sanders in 1992. Since its inception, the group has deployed nearly $1.0 billion into real estate investments centered in southern Florida and southern California. Fifteen Group's transactions range from standard property acquisitions to acquisitions of distressed debt, complex land entitlements, land development, and vertical development. Currently, the organization's portfolio includes roughly 2,750 units of residential real estate, more than 500,000 sf of commercial real estate, 1 acre of developable land in the heart of Downtown Miami, and more than 225 finished lots across Florida, California, Texas, and Colorado. This will be the sponsor's second transaction with the Issuer.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property in September 2023. Based on the inspection and management tour, DBRS Morningstar found the property quality to be Below Average. At the time of the inspection, the property was approximately 98% occupied and in relatively bad condition.

Wyvernwood Garden is a massive multifamily compound located just a few minutes south by car from Downtown Los Angeles, the Arts District, and Skid Row. The 1,175-unit apartment complex appears to have a colloquial name in the area and online, which is "The Eighth Street Projects." The subject includes 151 buildings all connected by weaving sidewalks, roads, and dirt/gravel paths. The overall quality of the grounds was very poor at the time of the inspection. Concrete sidewalks and parking lots are severely cracked and in desperate need of repair. Many paths throughout the property are simply carved dirt or sand patches where the grass used to grow. On the lawns and in the spaces between the buildings, tenants have placed countless personal items including grills, couches, chairs, tents, and many other items, all of which appear to be damaged or completely broken.

While the quality of the grounds is unappealing, the property's frontage and main office were well maintained. The office was clean, and the surrounding area and parking lot were well manicured. However, the upkeep of the property's exterior image generally stopped after the office. The overall quality of the property's exterior was in need of serious updates.

The unit interiors were an improvement from the exterior. Despite a handful of units having boarded up windows with large pieces of plywood, most of the units had hardwood flooring, full appliances packages in the kitchen, and everything appeared to be in relatively good condition. The bathrooms were clean, and the fixtures were well maintained. The majority of the units at the property featured a townhouse-style setup, with a large living room and kitchen area on the first floor, and the bedrooms upstairs. Management indicated that the demand for these units is so high that the staff is often in hurry to turn unit interiors quickly after tenants move out. The demand for these units is likely driven by low rental rates rather than the actual quality of the property.

The largest issue the subject had been struggling with was collections over last few years because of COVID-19 regulations. Rental increases were not allowed up until April 2023, and tenants were not required to pay rent. If the tenants declined to pay rent, the payments were still owed at a later date and these payments have not been forgiven. Many tenants did not pay rent and now the large payments are due and eviction notices have been issued. Management noted roughly 30 eviction notices have been issued so far, and a handful of tenants have since come to pay their overdue rent in full, but there are still many tenants with pending evictions that are being stalled in the backed-up court system. Many tenants at the property have been living there for 30 to 40 years because of the low rental rates and California rent restriction laws. Since April 2023, releasing spreads at the property have gone up roughly 15% to 20% as noted by the leasing agent at the property.

Overall, the property quality is Below Average because of lack of maintenance, quality control, and the general vintage of the interiors and exterior. The subject still receives impressive demand given the low rental rates, but there are no capital improvement plans for the near future other than repairing some noted deferred maintenance.

DBRS Morningstar NCF Summary

NCF Analysis

	TTM- May 2023	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	18,998,604	21,436,045	26,396,177	24,327,354	24,296,075	20,477,945	-15.72
Other Income ($)	1,520,103	1,916,311	2,026,524	2,270,587	2,082,867	1,708,275	-17.98
Vacancy & Concessions ($)	-1,478,161	-292,380	-295,272	-1,216,368	-1,214,804	-1,228,677	1.14
EGI ($)	**19,040,545**	**23,059,976**	**28,127,429**	**25,381,573**	**25,164,138**	**20,957,542**	**-16.72**
Expenses ($)	7,473,735	8,102,147	8,780,649	11,239,524	9,447,280	9,572,666	1.33
NOI ($)	**11,566,810**	**14,957,829**	**19,346,780**	**14,142,049**	**15,716,859**	**11,384,876**	**-27.56**
Capex ($)	0	0	0	293,750	411,250	293,750	-28.57
NCF ($)	**11,566,810**	**14,957,829**	**19,346,780**	**13,848,299**	**15,305,609**	**11,091,126**	**-27.54**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $11,091,126, representing a variance of -27.5% from the Issuer's stabilized NCF.

The primary drivers of this variance are GPR and Operating Expenses. DBRS Morningstar concluded to average turnover rate of 4.3% over the loan term, based on recent annual rollover percentages observed at the property. This equates to rolling 150 units to market over the term of the loan. For Operating Expenses, DBRS Morningstar generally concluded to the appraiser's stabilized figures.

DBRS Morningstar Viewpoint

The property is located near Downtown Los Angeles, part of the Los Angeles-Long Beach-Santa Ana Metro Statistical Area (MSA). The MSA is considered to be generally affluent, but many of the areas located closer to downtown have lower rental rates and more low-income housing. As noted in the Asset Summary Report (ASR), the 2022 median household income in a 1-mile radius of the property is approximately $52,000. The East LA/Alhambra/Montebello/Pico Rivera submarket, as noted by Reis, has seen some softening in the last year. Rental rates have still increased, but not at the same rate as prior years. The submarket vacancy is up to 2.5% in Q1 2023 as opposed to 2.2% in Q1 2022. The average rental rate in the submarket for Q1 2023 was $1,953, which is right in line with the property's current performance.

As noted by the appraiser's competitive set, the subject achieves a lower rental rate for one-bedroom units but a higher overall occupancy compared with similar vintage properties in the area. The comparable set's average rental rate for one-bedroom units of $1,715 is well above the subject's average rental rate for one-bedroom units of $1,182. However, the comparable set's average overall occupancy of 97.0% is slightly below the subject's average occupancy of 96.9%. It is important to note that the properties in the appraiser's competitive set range in size from 63 units to 423 units, compared with the subject, which boasts 1,175 units.

The quality of the property is a primary concern. While the subject has an impressive track record of high occupancy and rental rates, the site inspection revealed the external condition of the property was in need of repair and better management. The sidewalks and parking lots are damaged, the fixtures are also in need of repair, and the accumulation of trash and tenants' belongings throughout the property should be addressed. While there are no major capital plans in the near future to address these issues, the sponsor has reserved $141,000 for immediate repairs noted in the property condition report. The sponsor has also owned the property for more than 20 years.

The loan benefits from consistent sponsorship and a solid track record of performance. The property has averaged 98.0% occupancy since 2018. All prior loans have been paid in full and had no noted delinquencies throughout the loan terms.

There is no significant business plan incorporated with this transaction. There is a $3.0 million upfront interest reserve and an additional $2.0 million of future funding. The future funding will be used to cover the $141,000 of deferred maintenance, and the remainder will be a deferred maintenance reserve periodically over the life of the loan. For this reason, DBRS Morningstar has modeled with a low business plan score of 1.53.

Based on the whole-loan balance of $164.8 million and the as-is and as-stabilized appraised values of $233.0 million and $263.8 million, respectively, the loan was analyzed with DBRS Morningstar As-Is and Stabilized LTVs of 70.7% and 62.5%, respectively. These metrics are below the pool average. Additionally, the property benefits from its location within DBRS Morningstar Market Rank and MSA Group 5 and 3, respectively, two beneficial geographic metrics. As a result, the loan's expected loss (EL) is slightly below the pool WA EL.

Woodside Central

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	75.0
Loan PSF/Unit ($)	393,305
Percentage of the Pool	8.4
Fully Extended Loan Maturity/ARD	October 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.18
DBRS Morningstar Stabilized DSCR (x)	0.63
DBRS Morningstar As-Is Issuance LTV (%)	67.1
DBRS Morningstar Stabilized Balloon LTV (%)	63.7
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	75.0
Pari Passu	106.0
Remaining Future Funding	7.0
Mortgage Loan Including Future Funding	188.0
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	0.5

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Woodside, NY	**Physical Occupancy (%)**	42.5
Units/SF	478	**Physical Occupancy Date**	September 2023

This loan is secured by the borrower's fee-simple interest in Woodside Central, a 478-unit multifamily property in Queens, New York. Initial loan proceeds of $181.0 million, along with $7.0 million of future funding and $467,000 of borrower equity, will refinance $167.5 million of existing debt, fund a $7.0 million debt service reserve, repay a partner loan, cover closing costs, and fund upfront reserves. As of the presale publishing date, the loan remains unclosed and the aforementioned reserve amounts may change. The 27-month floating-rate loan has one nine-month and two one-year extension options that are exercisable subject to the collateral's achievement of certain criteria set forth in the loan agreement. The loan is IO throughout the initial term and first two extension options, and it amortizes on a 30-year schedule in the third extension option.

The collateral was delivered in 2023, and is comprised of 334 market-rate units, 144 affordable units, and 10,440 sf of commercial space. The property was constructed by the sponsor, Madison Realty Capital, as part of a public-private partnership with the New York City School Construction authority. The sponsor delivered an 80,000-sf white box space to be used as an elementary school that will occupy the first four floors of the 12-story East Tower. The school will not be part of the collateral but was integral in the development. Additionally, the property benefits from a tax abatement via 421(a), which incentivized investment in the new construction of market-rate and affordable housing in New York.

Unit Mix and Rents			
Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio	129	474	2,635
One Bedroom	254	643	3,246
Two Bedroom	95	917	4,213
Total/WA	**478**	**652**	**3,224**

Source: September 2023 rent roll.

As of the rent roll dated September 7, 2023, the residential collateral was 42.5% occupied. The market-rate units are 60.7% occupied and are achieving a WA rental rate of $3,224 per unit. The sponsor estimates affordable units to range from $1,511 per unit for studios and $1,824 for two-bedroom units. While the affordable units are 100% vacant, they are subject to the NYC Housing Preservation and Development (HPD) tenant approval process, which often lengthens the initial lease-up process, although demand for affordable units significantly outweighs new supply. All units include in-unit washer/dryers, and there is also a shared laundry facility for larger items. Amenities at the property include a fitness center with a separate yoga room, media lounge, a storage room, bike storage, and additional tenant lounges. Both towers feature outdoor amenity space; the western tower has an outdoor terrace and the eastern tower has a rooftop deck.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
69-65 Yellowstone Boulevard	Queens, NY	2.7	166	2023	98.0	4,269	792
The Elm West	Queens, NY	0.9	142	2017	98.0	2,891	736
90-02 Queens Boulevard	Queens, NY	1.3	144	1964/2017	99.0	2,696	665
91-09 Roosevelt Avenue	Queens, NY	1.2	150	2023	98.0	2,942	558
50-11 Queens Boulevard	Queens, NY	1.0	75	2019	98.0	3,587	722
46-02 70th Street	Queens, NY	0.1	74	2021	97.0	2,645	560
The Alexander	Queens, NY	1.6	314	2008	97.0	3,701	865
Total/WA Comp. Set	Queens, NY	Various	1,065	Various	97.8	3,357	735
Woodside Central	Queens, NY	n/a	478	2023	42.5	3,224	652

Source: Appraisal, except the Subject figures are based on the rent roll dated September 2023.

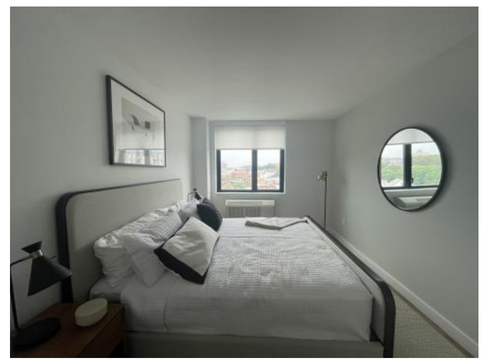
Sponsorship

The sponsor for this transaction is Madison Realty Capital, a vertically integrated real estate private equity firm. The group was founded in 2004 and is headquartered in New York City. Since inception, Madison Realty Capital has completed $23 billion in real estate transactions. The firm has a concentration of assets in New York and Florida and is primarily invested in multifamily properties. Two of the related borrower sponsors disclosed that they are guarantors for three unrelated loans for one unrelated property and the property is subject to foreclosure proceedings. The lender is seeking damages in the amount of the loan, or approximately $20.0 million. In addition, the sponsor is one of the named defendants in a lawsuit filed in 2019, alleging the sponsor breached a lease agreement and damages sought are approximately $100,000. DBRS Morningstar modeled the sponsor as Weak.

The property will be managed by FirstService Residential, a third-party company that manages over 8,500 properties across the United States and Canada.

DBRS Morningstar Analysis

Site Inspection Summary



DBRS Morningstar toured the interior and exterior of the property on Friday, September 8, 2023, at 9:00 am. Based on the site inspection, DBRS Morningstar determined the property quality to be Above Average.

The subject is located on Queens Boulevard, a prominent east/west thoroughfare in the borough. The surrounding area is densely developed with commercial and residential properties – offering both single and multifamily options. The subject is visibly larger and more modern than the nearby residential properties. The collateral comprises two towers, an east and a west, that stand 12 stories and 15 stories, respectively. In addition to being conveniently located off of Queens Boulevard, the subject is served by the Woodside Train Station, approximately seven blocks away, and services the 7 train and nine branches of the Long Island Rail Road. The 7 train provides connectivity to Manhattan and the greater YC subway system. The property is also in close proximity to the E, F, and R trains.

The collateral offers approximately 200 feet of frontage along Queens Boulevard that is available to lease by a commercial tenant. The space stands to benefit from its position on the boulevard as it is heavily trafficked by cars and pedestrians. Queens Boulevard is predominately filled with commercial developments, with a gas station across the street, several auto-repair shops nearby, and a retail strip a couple of blocks east of the subject. The commercial space is in shell condition and can serve one or a few tenants, depending on the tenant's needs. Management noted that the commercial space is handled by a local broker, but a deli and boutique gym have expressed interest in the space.

The main entrance to the residential offering is on 69th Street, and the lobby is secured by full-time door-staff. The lobby features high ceilings with sleek and modern finishes. As you walk through the lobby, you will find a tenant lounge to the left and the residents' mailboxes further down the hall on your right. The basement of the property offers a large fitness center with high-end equipment, a separate yoga studio, a storage room, an additional tenant lounge, shared laundry, and access to the 226-car parking garage. The collateral features two outdoor spaces, one terrace that is attached to the western tower, and a rooftop on the eastern tower that offers an outdoor grilling area, turf on a large portion of the roof, and sweeping views of Manhattan to the west and Queens/Long Island to the east. The various amenity spaces differentiate the property as a true luxury offering that is new to the micro-market.

DBRS Morningstar toured three units, including a studio; a one-bedroom unit; and a two-bedroom, two-bathroom unit. The units featured light-wood flooring throughout with tile in the bathroom. The main living space in all units were well-lit with large windows. The kitchens were modern with sleek cabinetry, stone countertops, and stainless-steel appliances. The bathrooms toured had a similar aesthetic with neutral tones and black matte finishes. The bedrooms were average in size, often accompanied by a large window, and the closets vary in size depending on the layout. Overall, the unit finishes and amenity offerings reflect a DBRS Morningstar property quality of Above Average.

DBRS Morningstar NCF Summary

NCF Analysis	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	16,242,876	17,175,037	17,134,057	18,454,991	15,834,541	-14.20
Other Income ($)	1,443,480	1,531,389	1,513,894	1,561,668	1,206,251	-22.76
Vacancy & Concessions ($)	-527,807	-343,501	-896,080	-922,750	-1,013,013	9.78
EGI ($)	**17,158,549**	**18,362,925**	**17,751,871**	**19,093,909**	**16,027,779**	**-16.06**
Expenses ($)	3,703,015	3,977,159	6,821,933	4,157,978	4,547,598	9.37
NOI ($)	**13,455,534**	**14,385,766**	**10,929,938**	**14,935,931**	**11,480,181**	**-23.14**
Capex ($)	0	0	126,778	119,500	172,235	44.13
NCF ($)	**13,455,534**	**14,385,766**	**10,803,160**	**14,816,431**	**11,307,946**	**-23.68**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $11,307,946 representing a -23.7% variance from the Issuer's stabilized NCF of $14,816,431. The primary drivers of the variance were GPR, expenses, and concessions. DBRS Morningstar concluded to a GPR based on the in-place rent roll with vacant market-rate units grossed up to in-place rents and vacant affordable units grossed up to the borrower's projected rents. DBRS Morningstar's expenses are based on the sponsor's budget inflated by 10.0%, while the Issuer utilized the appraiser's stabilized expenses. DBRS Morningstar concluded to concessions of 2.0%, and the Issuer did not assume any concessions in their stabilized cash flow.

DBRS Morningstar Viewpoint

The collateral is located within the Reis-identified submarket of Queens County, and more specifically, Woodside. Per Reis, the Queens County submarket is the second largest in the NYC market and has experienced an annualized inventory growth rate of 2.5% since Q3 2013, compared with the metro growth rate of 1.7% over the same period. As of Q2 2023, the submarket reported a 2.8% vacancy rate and an average rental rate of $3,807 per unit. While the collateral is one of the most recent deliveries to the micro-Woodside market, the greater Queens County submarket is expected to see a steady stream of new deliveries throughout 2024 and 2025 with 5,826 units anticipated, which amounts to 24.4% of the new construction in the New York City metro area. While Reis anticipates vacancy to drift upwards from the Q2 level of 2.8%, it is not expected to exceed 5.0%. Additionally, the collateral benefits from a DBRS Morningstar MSA 3 and Market Rank 6, two positive indicators of a lower expected loss profile when compared with properties in less densely developed areas that have experienced higher losses.

As of the rent roll dated September 7, 2023, the residential market-rate units were 60.8% leased while none of the affordable units are leased. The affordable units are subject to NYC HPD tenant approval requirements, which can be a lengthy process; however, once approved the tenants generally stay longer and occupancy for affordable units is generally higher than market units. The leasing velocity represents an average of 58 leases per month, which would put the market-rate units on track to be fully occupied in the next two to three months. In addition to increasing occupancy across the residential units, the sponsor plans to reduce concessions. As of the July 2023 T-3, concessions were at 7.2%, or nearly one month free. DBRS Morningstar concluded to stabilized concessions of 2.0%, which is relatively in line with the Queens County submarket.

The collateral also features 10,440 sf of commercial space that is 100% vacant. The space offers 200 feet of frontage along Queens Boulevard and is in shell condition. The loan is structured with an upfront TI/LC reserve of $475k which should support the property’s ability to lease up.

The loan has a relatively low As-Is LTV at 67.1%, compared with the other loans in the pool and benefits from its location within a DBRS Morningstar MSA Group 3 and Above Average property quality. As a result, the loan has an expected loss below the deal average.

The Reserve

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	62.0
Loan PSF/Unit ($)	606,195
Percentage of the Pool	6.9
Fully Extended Loan Maturity/ARD	September 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.00
DBRS Morningstar Stabilized DSCR (x)	0.71
DBRS Morningstar As-Is Issuance LTV (%)	72.1
DBRS Morningstar Stabilized Balloon LTV (%)	65.2
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Above Average

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	New York, NY	**Physical Occupancy (%)**	7.1
Units/SF	113	**Physical Occupancy Date**	August 2023

This loan is secured by the borrower's fee-simple interest in The Reserve, a 113-unit multifamily property in New York. Initial loan proceeds of $62.0 million and $1.4 million of borrower equity were used to refinance $57.0 million of existing debt, fund an initial $1.0 million shortfall reserve, fund a $201,681 TI/LC reserve, fund a $2.7 million completion escrow to cover the remaining construction costs at the property, fund a $300,000 FF&E reserve, and cover closing costs. The loan also allows for $6.5 million of future funding, which will be used to fund an additional $3.5 million into the shortfall reserve, a $1.08 million real estate tax reserve, and a $1.9 million co-living transition reserve. The loan is structured with an initial 24-month loan term and three 12-month extension options. The loan is IO for the initial loan term and the first extension period, and then amortizes on a 30-year schedule for the second and third extension periods.

Construction of the property is almost finished, with 97%–100% of hard costs complete. The TCO for one of the building's two towers was received in August 2023, and the TCO for the other is anticipated by October 2023. The property benefits from an Affordable Housing New York designation and is eligible for a 35-year real estate tax abatement. For Years 1–25, the property will receive a 100% abatement of all real estate taxes on improvements and will owe taxes only on the assessed value of the site prior to construction. In exchange, the property is required to set aside 30% of units as affordable at a maximum of 130% of Area Median Income (AMI). The lender will provide up to $1.08 million in future funding to cover real estate taxes for the July 2024 tax bill in the event that the property has not yet received the tax abatement.

Debt Stack ($ millions)

Trust Balance	62.0
Pari Passu	0.0
Remaining Future Funding	6.5
Mortgage Loan Including Future Funding	68.5
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	1.4

Of the 113 units at the property, 68 are traditional multifamily units, 28 of which are at 80% AMI and six of which are at 130% AMI. The remaining 45 units are four-bedroom co-living units, in which tenants lease an individual room and share a kitchen, living room, and two bathrooms. The 25 of the 45 co-living units are furnished, with $300,000 of loan proceeds reserved to furnish the remaining 20 co-living units. Additional amenities and services included in their gross rent include Wi-Fi, utilities, regular cleanings, and household supplies. In the event that the sponsor decides to lease the 45 co-living units as traditional units, the loan is structured with $1.9 million in reserves to cover debt service shortfalls.

The property consists of eight studios, 14 one-bedrooms, 41 two-bedrooms, five three-bedrooms, and 45 four-bedrooms. The collateral also has 4,560 sf of retail space, including 3,000 sf on the ground floor, 945 sf of exterior space, and 615 sf on the cellar level. The retail space is currently 100% vacant and the sponsor is aiming to lease it to two tenants. Propertywide amenities include a courtyard, a fitness center, a wellness room, a recreation room, a golf simulator, a co-working space, a recording studio, rooftop lounges, and onsite parking with 34 spaces. Leasing began in July 2023, and the property was 7.1% occupied as of the August 2023 rent roll. Additional information on the subject's unit mix and rental rates can be found in the table below.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio - 130% AMI	2	477	0
Studio - 80% AMI	6	462	0
1 Bedroom	5	653	0
1 Bedroom - 130% AMI	1	467	0
1 Bedroom - 80% AMI	8	664	0
2 Bedroom	24	763	0
2 Bedroom - 130% AMI	3	672	0
2 Bedroom - 80% AMI	14	857	0
3 Bedroom	5	942	0
4 Bedroom - Co-living	45	1,112	5,910
Total/WA	**113**	**884**	**2,354**

Source: August 2023 rent roll.

The appraiser identified seven apartment buildings within 0.9 miles of the subject that compete with it for prospective tenants for the traditional, market-rate units. The comparable properties have a WA year built of 2022, in line with the subject property's 2023 vintage. The majority of the comparable properties were built in 2022 or 2023 and are therefore still in lease up; the three properties where occupancy was disclosed have a WA occupancy of 92.3%. The sponsor is anticipating that the market-rate units at the subject property will achieve average rents of $3,820 per unit for the one-bedroom units, $4,922 per unit for the two-bedroom units, and $5,750 per unit for the three-bedroom units, rents that are toward the middle of the range of the competitive set.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Unit Type	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
One East Harlem	New York, NY	0.1	404	2022	In Lease-Up	1 Bedroom	3,350	657
						2 Bedroom	4,817	1,091
						3 Bedroom	5,423	1,343
The Smile	New York, NY	0.1	233	2020	97.1	1 Bedroom	3,795	745
						2 Bedroom	5,100	1,011
Harlem 125	New York, NY	0.3	75	2017	100.0	1 Bedroom	3,250	673
						2 Bedroom	4,100	864
Victoria Tower	New York, NY	0.9	191	2021	83.5	1 Bedroom	3,532	648
						2 Bedroom	4,428	831
224W124	New York, NY	0.9	330	2022	In Lease-Up	1 Bedroom	5,172	-
						2 Bedroom	5,682	-
						3 Bedroom	7,807	-
Lincoln at Bankside	The Bronx, NY	0.6	921	2023	In Lease-Up	1 Bedroom	3,607	625
						2 Bedroom	4,776	858
						3 Bedroom	6,185	1,106
Third at Bankside	The Bronx, NY	0.6	458	2022	In Lease-Up	1 Bedroom	3,258	666
						2 Bedroom	4,219	997
The Reserve - Subject	**New York, NY**	**n/a**	**113**	**2023**	**7.1**	**1 Bedroom**	**0**	**653**
						2 Bedroom	**0**	**763**
						3 Bedroom	**0**	**942**

Source: Appraisal, except the Subject figures are based on the rent roll dated August 2023.
Note: Avg. Rental Rate Per Unit ($) and Avg. Unit Size (SF) do not include the affordable units.

Sponsorship

The sponsors for this transaction are the Hakimian Organization and Certes Partners. The Hakimian Organization was founded in 1970 and specializes in the development, ownership, and management of luxury apartments. The company's current portfolio includes 12 multifamily properties, six commercial properties, and a hotel in the New York City metro. Certes Partners is a real estate development and investment firm that focuses on the New York City market. The company's current development portfolio has a value of over $300 million and includes three ground-up multifamily developments and five value-add projects. The sponsors are 50%/50% co-General Partners, with the Hakimian Organization handling the construction and Certes Partners handling legal, financing, and leasing matters. The sponsor disclosed litigation in which the borrower is one of the named defendants in a lawsuit, filed by a subcontractor in the amount of $3.5 million alleging breach of contract. A lien foreclosure was placed against the property's general contractor and the related borrower. It is expected that any losses related to the litigation will be recourse to the related borrower and guarantor.

Common Living, a management company that specializes in co-living properties, will manage the co-living units at the property for a contractual rate of 4% of EGI and the traditional units for a contractual rate of 2% of EGI. The company manages over 11,000 units nationally, including 21 assets with 1,474 units in the greater New York Area. Sixty percent of units managed by Common Living are co-living units. The commercial space at the property will be self-managed by the sponsor.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property on Wednesday, August 16, 2023, at 11:00 am. Based on the site inspection and management tour, DBRS Morningstar found the property quality to be Above Average.

The property is located in the East Harlem neighborhood of Manhattan, approximately four miles north of the New York City CBD. The immediate surrounding area has a mix of residential and commercial uses, predominantly featuring walk-up and midrise apartment complexes with ground-floor retail spaces. The property is located one block east of the 125th Street subway station, which provides access to Midtown Manhattan and the Financial District via the Lexington Ave. subway line, and two blocks east of the Harlem-125th Street Metro-North station, which provides train access to Grand Central Station (4.5 miles). The property is also located near several colleges and universities, including the New York College of Podiatric Medicine (0.3 miles) and CUNY Graduate School of Public Health & Health Policy (0.6 miles).

The property has good curb appeal, with a modern concrete and stone façade and well-maintained pavement. While there are several other newly built apartment buildings near the subject property, the majority of the properties in the area are of an older vintage and have visible deferred maintenance, making the subject property stand out among its competitors. The property consists of two midrise towers, each with its own entrance, that are connected by a corridor and a central courtyard. The main entrance to the property is located on E 124th Street, a quieter street with a more residential feel. The entrances to the second tower and the ground floor retail space are on E 125th Street, a main east-west thoroughfare with more traffic and commercial developments. The two entrances and the shared corridor feature modern, appealing design and fixtures. The retail space was still under construction at the time of inspection, but the property manager stated that a portion of the courtyard will eventually be sectioned off for use by the future retail tenant. Move-ins for one of the towers began on July 3, 2023, and the other tower will be opening in September.

DBRS Morningstar toured the amenities at the property, including the fitness center, wellness room with sauna, recording studio, bike storage, coworking office, golf simulator, multiple lounges, and two rooftop terraces. All of the amenities showed well, with spacious design and high-quality furniture. The coworking space was still being configured at the time of inspection but appeared that it would be able to accommodate a significant number of residents. The property manager mentioned that residents must pay an additional fee to use the coworking space. The rooftop terraces featured nice views of Manhattan and several places for residents to gather. The property manager noted that the amenities are a main draw for residents and that they distinguish the property from competitors.

The property features two different unit styles: traditional units and co-living units. In the co-living units, residents rent a room and share a kitchen and bathrooms with other residents. The co-living residents receive perks, including bi-weekly unit cleanings and household supplies. The property manager noted that the co-living units are currently more popular than the traditional units.

DBRS Morningstar toured one model four-bedroom, two-bathroom co-living unit. The unit was in great condition and presented well, featuring stainless steel appliances, quartz countertops, modern white cabinets, vinyl plank flooring, and an in-unit washer and dryer. The unit was decently sized and featured stylish furniture for the residents to use. At the time of the inspection, the property was offering concessions of two months free rent on a 12-month lease. Overall, DBRS Morningstar believes that the property's high-quality units, numerous amenities, and unique co-living experience will help attract residents to the property.

DBRS Morningstar NCF Summary

NCF Analysis						
	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Hypothetical Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,807,824	7,211,736	6,931,333	7,961,303	6,686,712	-16.01
Other Income ($)	429,268	843,694	552,116	690,224	606,255	-12.17
Vacancy & Concessions ($)	-673,095	-216,352	-402,340	-326,202	-494,808	51.69
EGI ($)	**4,563,996**	**7,839,078**	**7,081,109**	**8,325,325**	**6,798,159**	**-18.34**
Expenses ($)	1,507,741	1,614,478	3,535,924	1,890,358	1,823,867	-3.52
NOI ($)	**3,056,255**	**6,224,600**	**3,545,185**	**6,434,968**	**4,974,292**	**-22.70**
Capex ($)	0	0	0	28,250	58,415	106.78
NCF ($)	**3,056,255**	**6,224,600**	**3,545,185**	**6,406,718**	**4,915,877**	**-23.27**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $4,915,877, representing a -23.3% variance from the Issuer's Stabilized NCF of $6,406,718. The main drivers of the variance were GPR, Vacancy, and Bad Debt.

DBRS Morningstar based the stabilized GPR on the appraiser's rents for the co-living units and the appraiser's rents discounted by 10% for the traditional units. Meanwhile, the Issuer based the stabilized GPR on the appraiser's rents inflated by approximately 15%. DBRS Morningstar assumed a residential vacancy of 6.4%, while the Issuer assumed a vacancy of 4.1%. DBRS Morningstar assumed Bad Debt of 1.0% based on the appraiser's stabilized estimated credit loss, while the Issuer assumed no Bad Debt.

DBRS Morningstar Viewpoint

This loan is secured by a 113-unit, Class A multifamily property in the East Harlem neighborhood of New York. East Harlem is one of the more affordable neighborhoods in Manhattan while still providing convenient access to Midtown and the Financial District via public transportation. The property benefits from its proximity to the 125th Street subway station (0.1 miles) and the Harlem-125th Street Metro-North station (0.2 miles), as well as the entrance to FDR Drive (0.6 miles), a key Manhattan thoroughfare. One of the property's entrances is located on 125th Street, Harlem's main commercial corridor, which has a seen a wave of new residential and commercial developments over the past several years. Major projects currently in progress include the redevelopment of the Victoria Theater (0.9 miles) into a mixed use complex and the construction of the East Harlem Media, Entertainment, and Cultural Center, which will be located less than a block from the subject property and will include residential, retail, office, and cultural space.

The sponsor's business plan is to receive TCO on the second tower, lease up the residential units to a stabilized occupancy, and lease the commercial space to two tenants. Leasing velocity has been relatively fast so far, with the property 7.1% occupied as of the August 2023 rent roll and currently over 24.8% leased. According to Reis, the property is located in the Morningside Heights/Washington Heights submarket, which had a low vacancy rate of 3.0% as of Q2 2023. The submarket vacancy is projected to increase over the next several years but still remains relatively low, reaching 4.1% in 2024 and 4.3% in 2025, before beginning to decrease again in 2026. The submarket has high demand for affordable units; the affordable lottery for the property concluded in July 2023, and the sponsor is anticipating that the first move-ins for affordable units will begin in September 2023. The subject property is facing competition from several new developments nearby, including a 2022-vintage property directly across the street, but the property's high-quality units and amenities should help it stand out among its competitors. DBRS Morningstar believes that these factors will enable the traditional units at the property to lease up quickly and reach a stabilized occupancy by the end of the initial loan term.

Thus far, the co-living units at the property have been more popular than the traditional units, with co-living units comprising 27 of the 28 currently leased units. DBRS Morningstar believes that the co-living units will be appealing to individuals who want a high-end apartment at a more affordable price and the convenience of a fully furnished apartment, such as students and young professionals. However, DBRS Morningstar also believes that the co-living units pose a larger risk to the business plan than the traditional units, due to being a less established unit type and requiring more maintenance. To account for this risk, DBRS Morningstar assumed a more conservative stabilized vacancy of 7.5% and higher replacement reserves per unit for the co-living units.

The property is in a DBRS Morningstar Market Rank of 7 and an MSA Group of 3, which are indicative of a dense, urban market. Loans secured by collateral with these market characteristics have historically exhibited lower levels of default and loss. The loan has a low Issuer stressed stabilized DSCR of 0.93x, which is below the pool average, and a stabilized LTV of 65.2%, which is in line with the pool average. The loan also benefits from the assignment of Above Average property quality. Together, these factors result in the loan having an expected loss that is below the pool average.

Oaklyn

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	50.0
Loan PSF/Unit ($)	298,182
Percentage of the Pool	5.6
Fully Extended Loan Maturity/ARD	July 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.00
DBRS Morningstar Stabilized DSCR (x)	0.77
DBRS Morningstar As-Is Issuance LTV (%)	72.2
DBRS Morningstar Stabilized Balloon LTV (%)	65.1
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	50.0
Pari Passu	20.4
Remaining Future Funding	11.6
Mortgage Loan Including Future Funding	82.0
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	0.2

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Oakland Park, FL	**Physical Occupancy (%)**	0.0
Units/SF	275	**Physical Occupancy Date**	September 2023

This loan is secured by the borrower's fee-simple interest in Oaklyn, a newly built, Class A, high-rise property consisting of 275 luxury rental apartments and 19,328 sf of retail spaces in Oakland Park, Florida. The property was recently delivered and expected to receive a Temporary Certificate of Occupancy (TCO) by the end of August 2023 and to have tenants moving in on September 1, 2023; however, the receipt of TCO was not confirmed by the Issuer until September 15, 2023. The initial loan funding of $66.3 million was used to refinance $62.8 million of existing debt, to cover $1.7 million of closing costs, and to fund an interest reserve of $2.0 million. The loan includes future funding of $15.7 million, which involves $6.7 million of soft and hard costs of retainage and contingency, a TI/LC reserve of $1.5 million, an interest reserve of $5.25 million, and an earnout of $2.0 million. The earnout will be released to the borrower after the property achieves physical and economic occupancy of 90% on multifamily units at rents and concessions in line with the sponsor's pro forma expectations and the retail space is in gray shell or more improved condition. The loan is structured with an initial two-year term with three 12-month extension options and is fully IO during the initial term and first extension while amortizing on a 30-year schedule during the second and third extension.

Completed and delivered in 2023, Oaklyn is heavily amenitized with a vast common rooftop consisting of a state-of-the-art fitness center, spacious tenant lounge, resort-style pool, hot tub, cabanas, grilling areas, a sunbathing lawn, and unobstructed views of the ocean and skyline of Fort Lauderdale. Additional amenities consist of a lobby, clubroom, dog wash and park, test kitchen, and covered parking garage with electric vehicle charging stations. The in-unit amenities feature high-end stainless-steel GE appliances, in-unit GE washers/dryers, quartz countertops, walk-in closets, lofted ceilings, and oversized windows. As of August 2023, the multifamily portion of the subject was approximately 30% preleased without concessions, and leasing foot-traffic was reported to be strong.

Unit Type	No. of Units	Unit Size (SF)	Market Rent / Month ($)
Studio	42	454	1,985
1BD/1BA	36	541	2,175
1BD/1.5BA	94	583	2,535
1BD/2BA + Den/Loft	54	858	3,000
2BD/2BA	49	1,103	3,500
Total/WA	275	739	2,667

Source: September 2023 rent roll, except market rent based on the Appraisal.

The retail portion was distributed across two major commercial components on the ground floor. There are 77 surface parking spaces dedicated to the retail use with a driveway and walking path running through the center of the subject, allowing convenient access to all retail suites. The marketing efforts began in May 2022 and was reported to have an elevated level of interest and inquiries. As of June 2023, there was one executed lease, Pure Barre, a group fitness company, consisting of 10% of the total retail space.

The appraiser identified six apartment buildings within 3.2 miles of the subject that compete with it for prospective residential tenants. Detailed information on rent comparables is shown below.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Rent/Month ($)
BLYS	Oakland Park, FL	1.2	300	2023	32.7	2,670
Metropolitan	Wilton Manors, FL	1.1	179	2016	94.9	2,997
The Six13	Fort Lauderdale, FL	3.2	142	2020	97.2	2,384
Emera Port Royal	Fort Lauderdale, FL	3.1	555	2017	95.1	3,263
1333 South Ocean	Pompano Beach, FL	4.0	211	2019	94.3	3,482
Quantum Flagler Village	Fort Lauderdale, FL	2.8	337	2022	79.2	3,464
Total/WA Comp. Set	**n/a**	**n/a**	**1,724**	**Various**	**81.2**	**3,126**
Oaklyn - Subject	**Oakland Park, FL**	**n/a**	**275**	**2023**	**0.0**	**2,667**

Source: Appraisal., except subject figures based on the September 2023 rent roll.

Sponsorship

The sponsor for this transaction is Newrock Partners (Newrock), a commercial real estate investment and development company founded by Dan Deitchman (the Guarantor) and Koby Assaraf and based in South Florida. Deitchman lives just one mile from the property in Lauderdale Beach. The headquarters of Newrock is located within the property's campus, and Newrock continues to focus on ownership and development in this pocket of Oakland Park. Newrock owns 10 office, retail, and industrial buildings totaling 279,000 sf in Wynwood, Fort Lauderdale, Oakland Park, and Pompano Beach. DBRS Morningstar has assessed sponsor strength as Average.

The property will be managed by Bozzuto, a third party that manages more than 91,000 units and has units other than the subject under management in South Florida. The contractual management fee will be 3.0% of income.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property on Wednesday, August 16, 2023, at 10:30 a.m. Based on the site inspection and management tour, DBRS Morningstar found the property quality to be Above Average.

The property is situated at the intersection of North Federal Highway and East Oakland Park Boulevard, both of which are well traversed thoroughfares within Oakland Park, connecting the area to surrounding communities. The property is approximately 7.5 miles from Pompano Beach and about 5.5 miles from Fort Lauderdale. Miami International Airport is approximately 35 miles south and the Fort Lauderdale-Hollywood International Airport is approximately 8.5 miles south of the subject. The immediate area is predominantly characterized by commercial development, with some small residential development farther out. Coral Ridge Mall, which houses numerous national and local retailers, is conveniently situated across the street from the subject. Some of the nationally recognized businesses within the immediate area include Publix Grocery, Target, Old Navy, Marshalls, T.J. Maxx, AMC Theatres, and Wells Fargo Bank, as well as other local and national retailers and restaurants.

The subject property is situated within a larger, sponsor-owned mixed-use development (not collateral), which, in addition to the subject, includes an office building (not collateral) anchored by Citibank and F45 gym, a second office building (not collateral) anchored by a JP Morgan Chase Bank retail branch, as well as another freestanding retail building (not collateral). The subject buildings have good visibility from the main thoroughfares and feature a modern facade and show well within the immediate area. The collateral building exteriors are made up of painted concrete blocks and stucco and feature murals painted by local artists. The subject is easily accessible, with frontage along North Federal Highway and Oakland Park Boulevard. The residential building has leasing banners displayed, directing potential tenants to the property website, to help assist with the management’s ongoing leasing efforts.

At the time of the DBRS Morningstar site inspection, the buildings were still under construction, with busy construction workers observed throughout. According to management, most major construction items were complete with predominantly cosmetic items outstanding. Management noted that the property was on pace to receive its final TCO by the end of August, with move-ins scheduled to start as early as September 1. The actual receipt of TCO for the residential units was confirmed as of September 15, 2023.

The lobby and common areas feature a sleek, modern design with several colorful art pieces and murals painted by local artists. The subject is heavily amenitized, featuring a robust and state-of-the-art amenity package, most of which was still under construction during the DBRS Morningstar site inspection. DBRS Morningstar toured two units, a model one-bedroom, 1.5-bathroom unit and a studio apartment. The units were in excellent condition and showed well. All of the units featured high-end stainless-steel appliances, quartz countertops, large windows, and in-unit washers/dryers. The model unit featured a balcony/porch amenity that is also available in other select units. Management noted that unit interior finishes are consistent among all floorplans.

Management noted that preleasing has begun at the property and that the studios and the one-bedroom, 1.5-bathroom model unit types have been the most popular thus far. It reported that the subject was approximately 30% preleased at the time of the site inspection. Management reported BLYS and Emera at Port Royal as their main competitors. BLYS is another new construction property, which opened in January 2023, and is about 1.5 miles west of the subject. Emera at Port Royal was built in 2017 and is about 3.5 miles south of the subject. Management reported the subject's robust amenity package as the biggest differentiator from its competitors.

DBRS Morningstar NCF Summary

NCF Analysis

	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Untrended Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	8,545,260	9,060,486	8,801,520	9,782,064	8,795,760	-10.08
Other Income ($)	1,066,861	1,967,012	2,065,258	2,292,657	1,868,851	-18.49
Vacancy & Concessions ($)	-3,610,849	-339,768	-440,076	-489,103	-483,767	-1.09
EGI ($)	**6,001,272**	**10,687,730**	**10,426,702**	**11,585,619**	**10,180,845**	**-12.13**
Expenses ($)	1,779,783	3,444,125	4,605,632	3,998,990	3,804,423	-4.87
NOI ($)	**4,221,489**	**7,243,605**	**5,821,070**	**7,586,629**	**6,376,421**	**-15.95**
Capex ($)	65,000	69,976	48,125	68,750	174,030	153.13
NCF ($)	**4,156,489**	**7,173,629**	**5,772,945**	**7,517,879**	**6,202,392**	**-17.50**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $6,202,392, a variance of -17.5% from the Issuer's NCF of $7,517,879.

The primary driver of the variance is GPR. DBRS Morningstar estimated stabilized GPR based on an in-place rent roll with vacancy grossed up at the appraisal's market rent estimate, whereas the Issuer estimated stabilized GPR with an approximate premium of $300 per unit above the appraisal's market rent estimate as of July 2023 and considers rent growth.

DBRS Morningstar Viewpoint

The loan is collateralized by a Class A multifamily property in Oakland Park, Florida, situated on a high-traffic corridor between Fort Lauderdale and Pompano Beach. Its desired location and rich amenities have attracted tenants as evidenced by the 30% preleased rate. Its direct access to U.S. Route 1 allows tenants to travel locally or farther with ease. The subject property is in a densely developed area and carries a DBRS Morningstar Market Rank of 6, which is historically correlated with lower rates of default.

Oaklyn started preleasing apartments in August 2023 and there has been strong interest. Even though it is still early in the process of stabilization, Oaklyn benefited from a strong demand for multifamily in the submarket, driven by population influx and increased business activities. As a result, the preleasing velocity has been welcoming and the property management was able to prelease units at market rent without offering concessions.

Although the submarket has seen astonishing asking rent growth (over 30%) in the past five years, and overall occupancy has averaged 96% over the same period, DBRS Morningstar anticipates that the rent growth will moderate in the near future. According to the appraisal report, the submarket multifamily absorption turned sharply negative in 2022, driven by excessive new supply being introduced to the market. While multifamily absorption has been improving since 2022 and turned positive again in early 2023, DBRS Morningstar doubts the sustainability of rapid rent growth seen in the past few years.
The loan has a moderate Stabilized LTV of 65.1%, is located in the favorable DBRS Morningstar Market Rank 6 and MSA Group 2, and has Above Average property quality. As a result, the loan has an expected loss below the deal average.

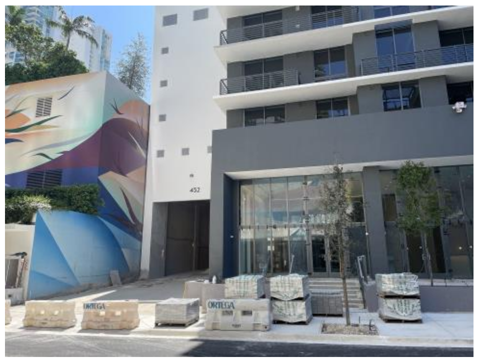
Metro at Edgewater

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	50.0
Loan PSF/Unit ($)	412,186
Percentage of the Pool	5.6
Fully Extended Loan Maturity/ARD	November 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.00
DBRS Morningstar Stabilized DSCR (x)	0.68
DBRS Morningstar As-Is Issuance LTV (%)	79.7
DBRS Morningstar Stabilized Balloon LTV (%)	67.3
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	50.0
Pari Passu	59.5
Remaining Future Funding	5.5
Mortgage Loan Including Future Funding	115.0
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	(49.4)



Collateral Summary

DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Miami, FL	**Physical Occupancy (%)**	0.0
Units/SF	279	**Physical Occupancy Date**	June 2023

This loan is secured by the borrower's fee-simple interest in Metro at Edgewater, a Class A, 279-unit high-rise multifamily building in Miami, approximately 4.2 miles north of the Miami CBD in the Edgewater neighborhood. The loan collateral is a sponsor-developed new-build luxury high-rise with expectations of receiving its temporary certificate of occupancy (TCO) by early October 2023. Initial loan proceeds of $109.5 million ($392,473 per unit) were used to refinance construction debt encumbering the property in the amount of $50.0 million ($179,211 per unit), return $49.4 million of cash equity to the transaction sponsor, fund $5.5 million in an initial interest and carry reserve, and cover $4.6 million in closing costs. The loan features $5.5 million in future funding proceeds to be used to fund an additional interest and carry reserve, resulting in total interest shortfall reserves of $11.0 million ($39,427 per unit). The total debt service shortfall reserve amounts to approximately 14 months of debt service coverage assuming no income from the property. As a result of the refinancing, the borrower will have approximately $8.0 million in cash equity remaining in the collateral. The two-year floating-rate loan is structured with three 12-month extension options that are exercisable upon the collateral's satisfaction of, among other criteria, certain debt yield, LTV, and DSCR hurdles set forth in the initial loan agreement. The loan is IO for the initial loan term and the first extension option and amortizes on a 30-year schedule for the second and third extension terms. The loan features a DBRS Morningstar Issuance LTV of 74.3%.

Unit Mix - Metro at Edgewater			
Unit Type	Units	Avg. Unit Size (sf)	Issuer Average Market Rent ($)
A1	62	696	3,200
A2	48	718	3,300
A3	10	865	3,500
B1	55	1,106	4,300
B2	26	1,038	4,200
B3	52	1,153	4,450
C1	26	1,241	5,550
Total/WA	**279**	**955**	**3,990**
Source: June 2023 rent roll.			

Metro at Edgewater is a recently built property that is currently in the final phase of construction and entering its initial lease-up phase. As of September 12, 2023, the property has begun premarketing and preleasing and has been able to sign six leases. Property-wide amenities include a state-of-the-art fitness center, a resort-style pool with a furnished pool deck, a live-work clubroom, a sky lounge at the top of the building on the 32nd floor, and electric vehicle charging stations. Interior unit amenities include stainless-steel appliances, quartz countertops, hardwood or vinyl plank flooring, and in-unit washers/dryers. Additionally, units have up to ten-foot ceilings coupled with floor-to-ceiling windows and private balconies in each unit. The asset summary report in conjunction with the appraisal noted four competitive properties within the area. Please see the table below for more information.

Competitive Set						
Property	Distance from Subject (Miles)	Units	Year Built	Avg. Unit Size (sf)	Avg. Rental Rate ($/unit)	Occupancy (%)
Gio Midtown	0.8	447	2020	890	3,920	93.8
AMLI Midtown Miami	0.4	719	2020	1,032	3,897	90.8
Watermarc At Biscayne Bay	0.9	296	2021	1,042	3,663	96.5
The Dorsey	1.0	306	2022	757	3,338	51.3
Total/WA Comp. Set	**Various**	**1,768**	**Various**	**950**	**3,767**	**85.7**
Metro at Edgewater	**n/a**	**279**	**2023**	**279**	**3,990**	**0.0**
Source: Asset summary report.						

Sponsorship

The sponsors for this transaction are Camino Capital Management and Korner SAS. Camino Capital Management is an alternative investment manager with operations in Miami that specializes in real estate across the United States; its principals have developed, acquired, or managed more than 25,000 residential units across the United States, Europe, and Latin America. Korner SAS is a family-owned development firm in Bogotá, Colombia, whose principals possess more than 45 years of real estate-related experience, having built more than 2,000 residential units in Bogotá and its surrounding municipality. Camino Capital Management is a repeat MF1 borrower, having financed another multifamily loan that closed in early 2020 that has since been paid off and refinanced with a permanent loan provided by Freddie Mac.

The property manager for the subject collateral is institutional property management firm Greystar, the largest property manager in the United States, managing more than 726,000 units. Greystar's current Miami portfolio is 14 properties, inclusive of the subject property. The property manager accepts a contract management fee of 3.0% of EGI for operations at the collateral.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar conducted an interior and exterior site inspection of the subject collateral on September 7, 2023. Based on the site inspection and management meeting, DBRS Morningstar found the property quality to be Above Average.

The subject collateral is on 31st Street off of Biscayne Boulevard in Miami's Edgewater neighborhood. The property is at the end of the street, providing a feeling of seclusion upon arrival, and the exterior of the property exhibits strong curb appeal. The immediate area surrounding the property consists primarily of undeveloped sites or other multifamily properties in varying degrees of construction. DBRS Morningstar noted the property's proximity to Biscayne Boulevard, the major north/south thoroughfare that grants direct access to the Miami CBD and other prominent neighborhoods in the area. Although the collateral was still under construction at the time of inspection, the sponsor-developer noted that the remaining construction items were primarily punch-list items and clean-up resulting from the construction and stated the property was on pace to receive its final TCO by the end of September 2023 or early October 2023.

DBRS Morningstar inspected one of each floorplan available to lease throughout the property, all of which were in various stages of construction but were largely complete, with only punch-list items remaining in each unit. All units presented well and featured an abundance of natural light throughout. Unit interior finishes were the same among all floorplans, including stainless-steel kitchen appliances, hardwood flooring, in-unit washers/dryers, and private balconies. Additionally, all observed units featured floor-to-ceiling windows with impressive views of the surrounding neighborhood and Miami

Bay, a distinctive feature of the property being one of the few high-rises in the area. DBRS Morningstar toured several of the property's amenities, including a robust common area gym that looks out onto a large resort-style pool featuring ample space for patio deck furniture and a small corner where grills were anticipated to be installed. All things considered, the subject offers a comprehensive amenity package that tenants would expect of a luxury Class A apartment building. The tour concluded with a brief tour of the collateral's parking garage; DBRS Morningstar confirmed more than 300 parking spaces at the property, more than the 279 units available for lease. Overall, despite the ongoing construction, the property presented extremely well, leading to the DBRS Morningstar property quality score of Above Average.

DBRS Morningstar NCF Summary

NCF Analysis

	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Hypothetical Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	13,358,400	14,171,927	13,169,928	14,546,899	13,169,928	-9.47
Other Income ($)	1,020,534	1,082,685	1,104,994	1,117,044	1,085,652	-2.81
Vacancy & Concessions ($)	-6,611,810	-744,026	-786,574	-872,814	-1,236,862	41.71
EGI ($)	**7,767,124**	**14,510,585**	**13,488,348**	**14,791,129**	**13,018,718**	**-11.98**
Expenses ($)	4,303,434	4,565,513	5,785,273	5,063,441	5,872,347	15.98
NOI ($)	**3,463,690**	**9,945,072**	**7,703,075**	**9,727,688**	**7,146,371**	**-26.54**
Capex ($)	41,850	41,850	55,800	69,750	69,750	0.00
NCF ($)	**3,421,840**	**9,903,222**	**7,647,275**	**9,657,938**	**7,076,621**	**-26.73**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $7,076,621, representing a variance of –26.7% from the Issuer's stabilized NCF of $9,657,938. The primary drivers for the variance include GPR, economic vacancy, real estate taxes, and insurance. DBRS Morningstar assumed GPR in line with the appraiser's untrended market rents for the property's respective unit types, concluding to an average unit GPR per month of $3,934. The GPR per month conclusion is directly in line with the primary properties within the subject's competitive set. DBRS Morningstar concluded to an economic vacancy of [9.4]%, which consists of a 6.4% physical vacancy, 2.5% concessions ratio, and 0.50% bad debt assumption. The physical vacancy conclusion is directly in line with the 2025 estimate for the Reis-defined South Beach/Miami Bayshore submarket while the 2.5% concessions ratio amounts to an approximate two-week rent discount on a 12.5-month lease to account for the projected increase in new supply within the property's immediate area. The DBRS Morningstar concessions estimate assumes a 50.0% lease renewal probability. DBRS Morningstar's real estate taxes and insurance are directly in line with the appraiser's hypothetical stabilized figures, accounting for 20.7% and 7.9% of the DBRS Morningstar EGI, respectively.

DBRS Morningstar Viewpoint

The collateral is within Downtown Miami's Edgewater neighborhood, more specifically the Reis-defined South Beach/Miami Bayshore submarket. Downtown Miami remains a target investor and developer market with more than 50% of the units under construction within the Miami MSA taking place within

Downtown Miami. The submarket's proximity to Miami Beach, the state-of-the-art commerce area in the Miami Design District, and Miami International Airport places the property in a high-demand-driver area that should see prolonged prospective renter interest throughout the loan's term. Furthermore, the property is near the Biscayne Boulevard thoroughfare, which runs north/south and provides direct access to the Miami CBD and Brickell neighborhoods, which are key employment centers for the entire MSA. According to Reis, approximately 850 units are projected to become available within the subject collateral's submarket by the end of 2024. DBRS Morningstar spoke with the property developer over the course of the tour and observed two properties in various stages of construction within the immediate area of the collateral. The developer noted that these properties were approximately 15 to 18 months away from delivery, which would provide the subject collateral ample time to complete its initial lease-up and begin burning off concessions prior to the other properties opening. The property is in an area with a DBRS Morningstar Market Rank of 6, which represents an urban market with a below-average expected loss profile when compared with properties in more suburban or rural areas.

The sponsor's business plan is to lease up the collateral in a market that is experiencing a high amount of new supply while keeping the rate of concessions low and maintaining the property's marketability and curb appeal in the face of several new apartment offerings in the area. The collateral's exterior and interior finishes are Above Average and of high quality, which should help the subject avoid obsolescence as newer competing properties are delivered in the submarket. In addition to the Above Average property quality, the collateral is one of the few high-rises in the area and offers panoramic views of both the Miami Beach and Biscayne areas of Miami. More importantly, with the delay in introduction of new supply for at least 15 months according to the developer, the property is in a position to reach a stabilized occupancy with fewer competitive headwinds before it can shift its focus to burning off first-generation lease concessions and generating a long-term sustainable cash flow.

The loan exhibits high leverage at issuance as evidenced by a DBRS Morningstar As-Is LTV of 79.7% derived from the appraiser's as-is valuation of $144.4 million ($517,473 per unit). The loan's closing is contingent on the collateral receiving its TCO by the end of September 2023 and achieving at least 5.0% occupancy from preleasing. Short-term operational cash flow shortfalls are mitigated by the loan's $5.5 million upfront interest and carry reserve, with an additional $5.5 million in future funding available to further supplement said reserve in the event that the initial lease-up tracts longer than the sponsor's anticipated 22-unit-per-month leasing velocity once TCO is granted. As mentioned above, the property is currently in the marketing and preleasing phase and has signed five leases consistent with the sponsor's pro forma stabilized asking rents as of September 12, 2023. Despite the high DBRS Morningstar Issuance LTV, DBRS Morningstar views the property's proposed business plan as realistic and achievable in terms of feasibility, resulting in a below-average business plan score. The property's quality, combined with its favorable location within the Miami Downtown market, has resulted in an expected loss lower than the deal average.

Swells Cottage Apartment Homes

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	49.0
Loan PSF/Unit ($)	262,443
Percentage of the Pool	5.5
Fully Extended Loan Maturity/ARD	May 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.61
DBRS Morningstar Stabilized DSCR (x)	0.73
DBRS Morningstar As-Is Issuance LTV (%)	71.9
DBRS Morningstar Stabilized Balloon LTV (%)	71.2
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average+

Debt Stack ($ millions)

Trust Balance	49.0
Pari Passu	0.0
Remaining Future Funding	9.0
Mortgage Loan Including Future Funding	58.0
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	(17.2)

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2022
City, State	Murrells Inlet, SC	**Physical Occupancy (%)**	88.7
Units/SF	221	**Physical Occupancy Date**	July 2023

This loan is secured by the borrower's fee-simple interest in Swells Cottage Apartment Homes, a 221-unit built-to-rent (BTR) community in Murrells Inlet, South Carolina. The community was completed in phases as homes received certificates of occupancy on a rolling basis from February 2022 to February 2023. The initial loan funding of $45.5 million was used to refinance $24.8 million of existing debt, cover $2.0 million of closing costs, return $17.2 million in cash equity to the borrower, and fund upfront reserves of $1.50 million. The loan includes future funding of $12.5 million, which involves an interest reserve of $3.5 million and earnouts of $9.0 million. The first $4.0 million earnout will be funded when the property achieves 7.0% debt yield, and the remaining $5.0 million earnout will be funded once the property maintains 7.5% debt yield, 1.0x DSCR, and 65% LTV for three consecutive calendar months. The loan is structured with an initial two-year term with three 12-month extension options and is fully IO during the initial term and the first and second extension, while amortizing on a 30-year schedule during the third extension.

Completed in 2023, the one and two-story BTR community was 88.7% occupied as of July 2023. It features three main unit types listed in the table below. Unit interiors feature modern, white cabinetry, granite countertops, kitchen pantries and kitchen islands in selected units, washers/dryers, walk-in showers, private, covered front porches, walk-in closets, and ceiling fans. Some units also include dedicated garages. The subject also benefits from outstanding amenities that include a barbecue site, a tenant lounge, a fitness center, a business center, a game room, three in-community ponds, a cozy outdoor fire pit, a pool with sundeck, and cabanas adjacent to the pool. Detailed information on the unit mix and unit rental rates can be found in the table below.

Unit Mix and Rents

Unit Type	No. Units	Percent of Total	Unit Size (SF)	NRA (SF)	Rent/Month (USD)
1BR/1BA - Ameilia	14	6.30%	672	9,408	$1,618
1BR/1BA- Amelia G	7	3.20%	672	4,704	$1,716
1BR/2BA - Tybee	26	11.80%	757	19,682	$1,626
1BR/2BA- Tybee G	19	8.60%	757	14,383	$1,693
2BR/2BA - Simons	16	7.20%	918	14,688	$1,887
2BR/2BA - Simons G	6	2.70%	918	5,508	$2,056
2BR/2BA - Hatteras	5	2.30%	924	4,620	$1,895
2BR/2BA - Sapelo	36	16.30%	978	35,208	$1,881
2BR/2BA - Masonboro	31	14.00%	982	30,442	$1,797
2BR/2BA - Masonboro G	20	9.00%	982	19,640	$2,083
2BR/2BA- Sanibel	10	4.50%	1,103	11,030	$2,082
2BR/2BA - Edisto	2	0.90%	1,293	2,586	$2,421
2BR/2BA - Edisto G	4	1.80%	1,293	5,172	$2,242
3BR/2BA - Pamplico	6	2.70%	1,288	7,728	$2,213
3BR/2BA - Pamplico G	19	8.60%	1,288	24,472	$2,455
Total/Average	**221**	**100.00%**	**947**	**209,271**	**$1,902**

Source: Appraisal and August 2023 Rent Roll.

In addition, the appraiser identified seven apartment buildings and BTR communities within 20 miles of the subject that compete with it for prospective tenants. Detailed information on rent comparables is shown below.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)
Luxe at Market Commons	Myrtle Beach, SC	5.5	299	2020	99
The Lively Grande Dunes	Myrtle Beach, SC	15.0	322	2022	55
Isle Cottages	Myrtle Beach, SC	13.0	99	2020	91
Ailsa Village	Myrtle Beach, SC	17.0	130	2021	80
Seaglass Cottage Apartment Homes	North Myrtle Beach, SC	20.0	253	2020	92
Waterleaf at Murrells Inlet	Murrells Inlet, SC	4.7	240	2018	94
The Palmer at Carolina Forest	Myrtle Beach, SC	13.0	48	2020	83
Total/ WA Comp. Set	**N/A**	**N/A**	**1,556**	**Various**	**94.8**
Swells Cottage Apartment Home - Subject	**Murrells Inlet, SC**	**N/A**	**221**	**2022**	**88.7**

Source: Appraisal, except the Subject figures which are based on the rent roll dated July 2023.

Sponsorship

The Guarantors of this transaction are David Stradinger, David Wilkes, and John Morrison, and the sponsor is Sands Companies (Sands), a Myrtle Beach-based developer and merchant homebuilder that was founded by two of the three Guarantors, John Morrison and David Wilkes. Since its inception in 2014, Sands has put an emphasis on the development of multifamily, single-family home communities, and BTR communities, managing 10,000 homes with over 21 million sf. In particular, Sands has had 12 BTR projects in addition to Swells Cottage since 2019.

The borrowing entity, the Cottages at Garden City Beach, LP, is owned by a joint venture between Sands as GP with 10% ownership and Mandrake Capital Partners as LP with 90% ownership. The sponsor has partnered with Mandrake on four additional BTR projects, and three of the four are in Myrtle Beach.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property in August 2023. Based on the inspection and management-guided tour, DBRS Morningstar found the property quality to be Average +. At the time of the site inspection, the property manager expected the subject to reach stabilization of 95% occupancy in the next 60 days. The BTR community consists of 221 units and the wooden exterior was new and in good condition. DBRS Morningstar did not notice any salient deferred maintenance throughout the visit.

Swells Cottage Apartment Homes is approximately eight miles southwest of the Myrtle Beach International Airport and about one mile away from the coastline. Its desired location and low cost of living attracts families and retirees alike. The property manager highlighted the surge in demand from young families from northern states. Tenants benefit from having big-brand retail stores such as Walmart and a host of freestanding restaurants and quick service restaurants all within two miles of the community. In addition, the community has direct access to US-17 Bus N highway, which provides convenient access to Myrtle Beach International Airport and to downtown Murrells Inlet.

DBRS Morningstar toured a sample of one-, two-, and three-bedroom units. The unit floor plans were efficient and spacious, featuring white cabinetry, granite countertops, tile floors in kitchens and bathrooms, carpeted bedrooms, stainless-steel appliances, walk-in closets, and ceiling fans. The two- and three-bedroom units featured ground floor garages, with living room and kitchen areas on the first floor and bedrooms on the second floor. The units were well-maintained and had beautiful pond or tree-lined views.

As of August 2023, the rent was around $1,500 per month for one-bedroom units; $1,500 to $2,500 per month for two-bedrooms units, depending on the square footage; and approximately $2,300 for available three-bedroom units. The management mentioned that three-bedroom units were the most popular; there were two three-bedroom units that were vacant because they are in a relatively undesirable location and therefore commanded lower asking rents. The management is currently offering minor concessions of a half-month free rent. The property manager emphasized that asking rents for all unit types were subject to change on a daily basis, and leasing traffic has been voluminous.

The subject offers a range of amenities, featuring a swimming pool with sundeck, cabanas adjacent to the pool, a barbecue site, an outdoor fireside pit, a game room with poker tables and shuffleboard, a tenant lounge, and three ponds. A unique perk that the subject offers is free bike rental.

Overall, DBRS Morningstar found the property well-positioned in the market because of its physical quality and maintenance, desirable proximity to Myrtle Beach, convenience to groceries and restaurants, and rich array of amenities.

DBRS Morningstar NCF Summary

NCF Analysis

	TTM March 2023	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Hypothetical Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,178,310	5,438,510	6,033,080	5,840,093	6,483,044	5,324,178	-17.88
Other Income ($)	219,497	448,440	475,750	459,185	504,723	450,718	-10.70
Vacancy & Concessions ($)	-3,739,453	-325,092	-302,408	-335,805	-356,568	-307,430	-13.78
EGI ($)	**1,658,354**	**5,561,859**	**6,206,422**	**5,963,473**	**6,631,199**	**5,467,466**	**-17.55**
Expenses ($)	1,019,997	1,757,809	1,876,152	1,834,536	1,970,306	1,848,398	-6.19
NOI ($)	**638,357**	**3,804,050**	**4,330,271**	**4,128,937**	**4,660,893**	**3,619,068**	**-22.35**
Capex ($)	0	51,360	52,481	55,935	55,250	110,500	100.00
NCF ($)	**638,357**	**3,752,689**	**4,277,790**	**4,073,002**	**4,605,643**	**3,508,568**	**-23.82**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,508,568, a variance of -23.8% from the Issuer's NCF of $4,605,643.

The primary driver of the variance is GPR. DBRS Morningstar estimated stabilized GPR based on the in-place rent roll, whereas the Issuer estimated stabilized GPR based on the appraiser's market rent assumption with an approximate premium of $300 per unit above in-place rents as of the April 2023 rent roll.

DBRS Morningstar Viewpoint

The loan is collateralized by a 221-unit BTR community in Murrells Inlet, South Carolina, only one mile away from the coastline of Myrtle Beach and eight miles away from the Myrtle Beach International Airport. Its desired location and rich amenities attract young families and retirees alike. Its direct access to US-17 Bus N highway allows tenants to travel locally or interstate with ease. The community is not in a densely developed area and carries a DBRS Morningstar Market Rank of 2, which is historically correlated with higher rates of default.

The BTR community was delivered in phases between February 2022 and February 2023. The leasing velocity was slow in 2022 but has been trending upward in 2023. As of July 2023, the community was 88.7% leased and 82.8% occupied. The property manager anticipates the subject to reach stabilization (95% occupancy) by October 2023 as the management seeing strong leasing traffic in the summer. In general terms, the property management was able to lease out units at market rent with minimal concessions.

Despite having strong property-level parameters, the subject property is in a submarket with plenty vacant land to develop. There are roughly 4,800 multifamily units under construction in the Myrtle Beach MSA market. Of these 4,800 units, 1,055 (22%) are BTR. Of the 12 BTR properties in Myrtle Beach, two are in lease-up, seven are under construction, and three are stabilized. The incoming supply may put downward pressure on the rental rate, and thus have a negative impact on the cash flow. In addition, the tailwind of remote working in the past few years since the pandemic seems to have slowed drastically. The corporate return-to-office policy puts pressure on demand for rental properties in vacation destination markets. The property manager mentioned that some tenants were vacating because they have landed job opportunities elsewhere, and vacancy was back-filled by families from northern states. Such trends add further uncertainty to the performance of the subject property.

Overall, the loan represents a higher credit risk with a fully funded LTV of 71.2% and an Issuer stabilized stressed DSCR of 0.96x. However, the loan is structured with two earnouts, subject to minimum debt yield, LTV, and DSCR hurdles, therefore, the property has to qualify for the earnouts to get to a fully funded 71.2% LTV. The loan has an expected loss above the deal average, primarily driven by high issuance LTV, low Issuer stabilized DSCR, and DBRS Morningstar Market Rank 2.

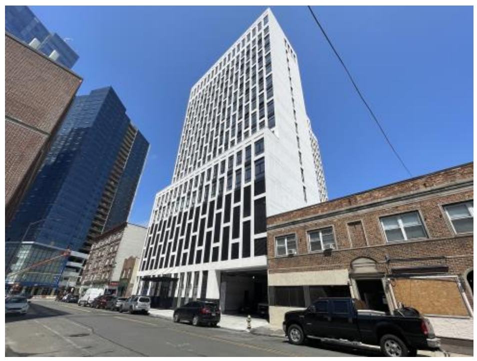
The Arc at Westchester Place

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	47.3
Loan PSF/Unit ($)	406,250
Percentage of the Pool	5.3
Fully Extended Loan Maturity/ARD	October 2027
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.00
DBRS Morningstar Stabilized DSCR (x)	0.68
DBRS Morningstar As-Is Issuance LTV (%)	72.7
DBRS Morningstar Stabilized Balloon LTV (%)	65.7
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	47.3
Pari Passu	0.0
Remaining Future Funding	11.2
Mortgage Loan Including Future Funding	58.5
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	0.5



Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	New Rochelle, NY	**Physical Occupancy (%)**	0.0
Units/SF	144	**Physical Occupancy Date**	September 2023

This loan is secured by the borrower's fee-simple interest in The Arc at Westchester Place, a 144-unit multifamily property in New Rochelle, New York. Initial loan proceeds of $47.3 million ($328,386 per unit) and $456,131 of borrower equity were used to refinance $42.2 million of existing construction debt, fund an initial $2.25 million shortfall reserve, fund an $830,000 affordable housing escrow, fund $371,000 of upfront reserves for taxes, insurance, and a rate cap, and cover closing costs. The loan also allows for $11.2 million ($77,864 per unit) of future funding to fund an additional $2.25 million into the shortfall reserve, fund a $7.0 million completion escrow that will cover the remaining costs and expenses to complete construction, and fund an earnout of $1.2 million. The earnout is subject to the property achieving a 7.50% debt yield for three consecutive months, a maximum As-Is LTV of 67.0%, and the property achieving a minimum As-Is DSCR of 1.00x for two consecutive months. The loan is structured with an initial 28-month loan term and two 12-month extension options. The loan is IO for the initial loan term and then amortizes on a 30-year schedule for the extension periods.

The collateral is Phase I of a three-phase multifamily development in New Rochelle. The property benefits from a 20-year tax abatement through New Rochelle's payment-in-lieu-of-taxes program, which in exchange requires the property to have 14 affordable units. However, the sponsor was able to negotiate with the City of New Rochelle to put all of the affordable units at Phase II of the development, which is currently in the final stages of construction, allowing the collateral to maintain 100% market rate units. An $830,000 affordable housing escrow was reserved at closing as the sponsor was required to provide a cash deposit or a letter of credit to the City of New Rochelle in order for the subject property to receive TCO prior to the completion of Phase II. As of September 2023, construction at the subject property is more than 96% complete, 132 of the 144 units have received TCO, and 25% of the units are available for leasing. TCO has not yet been received for the amenities or the commercial space.

The collateral consists of 144 multifamily units, including 48 studios, 72 one-bedrooms, and 24 two-bedrooms. The property also has 1,550 sf of ground-floor retail space that is currently vacant. Occupancy as of the September 2023 rent roll was 0.0%. Propertywide amenities include a fitness center, a gaming room, a basketball court, a rooftop terrace, a dog run, a dog spa, a golf simulator, a lounge, a sauna, a screening room, a coworking space, and a valet parking garage with 191 spaces. Additional information on the subject's unit mix can be found in the table below.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)	Appraisal Market Rent/Month ($)
Studio	48	447	0	2,250
One Bedroom	72	601	0	2,700
Two Bedroom	24	1,093	0	4,150
Total/WA	**144**	**632**	**0**	**2,792**

Source: September 2023 rent roll, except the Appraisal Market Rent/Month ($) is based on the appraisal.

The appraiser identified six properties within 0.5 miles of the subject that compete with it for prospective tenants. The comparable properties have a WA year built of 2017, older than the subject's 2023 vintage. The properties have a relatively high WA vacancy of 11.5%, but this is primarily driven by the high vacancy rates at 3Thirty3 and Modera, both of which opened in 2022 and are therefore likely still in lease-up. The sponsor is anticipating that the subject property will be able to achieve a WA rent of $3,004 per unit, which is lower than the competitive set's WA monthly rent of $3,124 per unit. More information on the appraiser's competitive set can be found in the table below.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
360 Huguenot	New Rochelle, NY	0.1	280	2019	89.0	2,740	849
Shearwood Station	New Rochelle, NY	0.3	408	2001	97.0	3,204	902
The Stella	New Rochelle, NY	0.4	379	2022	95.0	3,272	725
3Thirty3	New Rochelle, NY	0.1	285	2022	70.0	3,269	894
Modera	New Rochelle, NY	0.1	334	2022	83.0	3,299	889
The Standard	New Rochelle, NY	0.5	112	2020	97.0	2,395	565
Total/WA Comp. Set	**New Rochelle, NY**	**Various**	**1,798**	**Various**	**88.5**	**3,124**	**832**
The Arc at Westchester Place - Subject	**New Rochelle, NY**	**n/a**	**144**	**2023**	**0.0**	**0**	**632**

Source: Appraisal, except the Subject figures are based on the rent roll dated September 2023.

Sponsorship

The sponsor for this transaction is Allstate Ventures LLC, a New York-based real estate firm founded in 2016. The company specializes in the development, repositioning, and management of residential and commercial properties in the New York City metro area. In addition to the three multifamily developments in New Rochelle, the sponsor's current portfolio includes three residential sites and a multifamily property in Orange County, New York.

AMI Management will manage the property for a contractual fee of 2.5% of EGI. The company was founded nine years ago and currently manages a portfolio of more than 900 multifamily units and 8 million sf of commercial space.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property on Wednesday, August 16, 2023, at 1:30 pm. Based on the site inspection and management tour, DBRS Morningstar found the property quality to be Above Average.

The property is located in the central business district of New Rochelle, a suburb to the northeast of New York City. It is located near several major thoroughfares that provide access to Manhattan and The Bronx, including I-95 (1.1 miles) and the Hutchinson River Parkway (3.1 miles). The property also benefits from its proximity to the New Rochelle train station (0.3 miles), which provides train access to Manhattan via Grand Central Station. The surrounding area features a mix of residential and commercial developments, including dozens of restaurants and stores that are within walking distance of the property. The property is one of several new apartment complexes in downtown New Rochelle, with a new high rise currently under construction down the street and Phase II (not collateral) of the sponsor's project, which is nearing completion and will contain affordable units, located next door to the subject.

The property's main entrance and its ground floor retail space are located on a relatively quiet block of Centre Avenue, with the two small retail buildings adjacent to the property appearing to be unoccupied. The retail space at the property was still under construction at the time of the site inspection and could not be toured by DBRS Morningstar, but management shared that the space has already received some interest from prospective tenants. The property has good curb appeal, with a modern black and white façade that stands out among the older vintage brick buildings nearby. The lobby features a sleek, modern design with natural elements and several colorful art pieces.

DBRS Morningstar toured the amenities at the property, including the fitness center, sauna, yoga studio, coworking space, lounges, basketball court, indoor dog run, golf simulator, rooftop terrace, and parking garage. The majority of the amenities were still under construction and were not yet furnished, but were spacious and featured an appealing design. The rooftop terrace was large and offered great views of the Long Island Sound. The parking garage will feature valet parking and has a multilevel stacked system to accommodate more cars in the space. The site manager shared that the rooftop terrace was expected to be completed in five weeks and that the other amenities should be ready in one to two weeks. He stated that another new property nearby has a pool, but that otherwise the subject property's amenities are comparable to or better than those at nearby competitors in terms of their size and the number of amenities available.

DBRS Morningstar toured three model units: a studio, a one-bedroom/one-bathroom, and a two-bedroom/two-bathroom. The units were in excellent condition and showed well. All of the units featured stainless steel appliances, high-end quartz countertops with a marbled design, light wood floors, large windows, and in-unit washer/dryers. The two-bedroom unit was particularly spacious, featuring a double vanity unit in one of the bathrooms, a kitchen island, and enough space in the living room to fit a large dining table. The site manager shared that preleasing has begun at the property and that the studios have been the most popular unit type thus far. Overall, DBRS Morningstar found the property to be well-positioned in the market because of its many amenities and high-quality units.

DBRS Morningstar NCF Summary

NCF Analysis						
	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,191,500	5,507,662	4,824,000	5,538,175	4,341,600	-21.61
Other Income ($)	963,375	1,022,045	933,720	1,084,287	925,485	-14.65
Vacancy & Concessions ($)	-1,218,420	-258,524	-262,773	-304,600	-251,813	-17.33
EGI ($)	**4,936,455**	**6,271,183**	**5,494,947**	**6,317,863**	**5,015,272**	**-20.62**
Expenses ($)	1,158,715	1,248,126	1,582,529	1,353,779	1,274,404	-5.86
NOI ($)	**3,777,740**	**5,023,056**	**3,912,418**	**4,964,084**	**3,740,868**	**-24.64**
Capex ($)	33,600	33,600	41,040	36,000	39,841	10.67
NCF ($)	**3,744,140**	**4,989,456**	**3,871,378**	**4,928,084**	**3,701,027**	**-24.90**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,701,027, representing a -24.9% variance from the Issuer's Stabilized NCF of $4,928,084. The main drivers of the variance were GPR and Other Income.

DBRS Morningstar based the stabilized GPR on the appraiser's market rents discounted by 10%, in order to bring the rent per sf more in line with the WA rent per sf of the appraiser's competitive set. Meanwhile, the Issuer based the stabilized GPR on the appraiser's market rents trended upward by approximately 15%. DBRS Morningstar generally based Other Income on the appraiser's stabilized estimate, while the Issuer based Other Income on the sponsor's Year 3 Budget trended upward by 6%.

DBRS Morningstar Viewpoint

This loan is secured by a 144-unit, Class A multifamily property in New Rochelle. A suburb of New York City located two miles north of The Bronx, New Rochelle is a popular place to live for individuals who work in the city but want a lower cost of living. The subject property benefits from its proximity to the New Rochelle train station (0.3 miles), which provides train access to Midtown Manhattan, as well as several major thoroughfares such as I-95 (1.1 miles) and the Hutchinson River Parkway (3.1 miles) that provide access to New York City. The collateral is located in downtown New Rochelle, which is home to a mix of residential and commercial developments. Since December 2014, downtown New Rochelle has been undergoing a revitalization initiative that has brought many new developments to the area, with further projects in progress that will improve its parks and cultural centers. The population within a five-mile radius of the subject property has declined by -1.7% over the last three years but is expected to remain constant over the next five years.

With construction at the property essentially complete, the sponsor's business plan is to receive TCO on the remaining 12 units as well as the amenities and commercial space and then lease-up the residential units and the commercial space to a stabilized occupancy. According to Reis, the property is located in the Southern Westchester submarket. The submarket has seen elevated multifamily vacancy since the end of 2020, with a vacancy rate of 8.1% as of Q2 2023. The subject property is also facing a significant amount of competition from nearby properties, with approximately 2,600 new multifamily units delivered in New Rochelle since 2017 and a new high-end multifamily property currently under construction less than a block away from the subject. These factors might provide headwinds to the property and cause the multifamily units to lease-up at a slower pace. However, the submarket vacancy is projected to decrease substantially over the course of the loan term, reaching 7.1% in 2024 and 6.7% in 2025. DBRS Morningstar also believes that the property's high quality unit finishes and amenities will allow it to compete well with the other new properties nearby, enabling the property to reach a stabilized occupancy by the end of the initial loan term.

The property is in a DBRS Morningstar Market Rank of 5 and an MSA Group of 3. Areas with a DBRS Morningstar Market Rank of 5, which is indicative of a moderately dense location, have historically experienced lower rates of default than more suburban and rural markets but higher rates of default than densely populated markets with higher market ranks. Meanwhile, MSAs with a DBRS Morningstar MSA Group of 3 have historically shown the lowest rates of default and loss. The loan also benefits from the assignment of Above Average property quality. However, the loan is negatively affected by its low Issuer stressed stabilized DSCR of 0.91x, which is below the pool average, and its moderately high DBRS Morningstar As-Is LTV of 72.7%, which is above the pool average. Combined, these factors result in the loan having an expected loss that is slightly lower than the pool average.

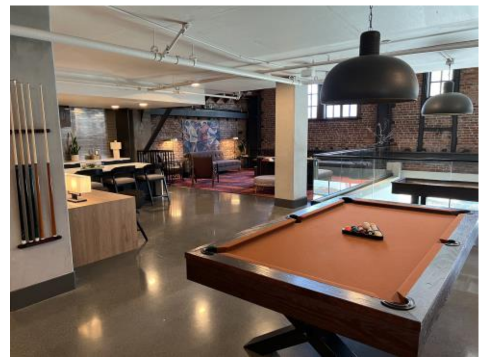
Broadstone Axis

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	46.0
Loan PSF/Unit ($)	269,006
Percentage of the Pool	5.1
Fully Extended Loan Maturity/ARD	October 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.23
DBRS Morningstar Stabilized DSCR (x)	0.48
DBRS Morningstar As-Is Issuance LTV (%)	61.5
DBRS Morningstar Stabilized Balloon LTV (%)	57.9
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	46.0
Pari Passu	0.0
Remaining Future Funding	0.0
Mortgage Loan Including Future Funding	46.0
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	8.5



Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2021
City, State	Oakland, CA	**Physical Occupancy (%)**	88.3
Units/SF	171	**Physical Occupancy Date**	August 2023

This loan is secured by the borrower's fee-simple interest in Broadstone Axis, a 171-unit mid-rise apartment complex in Oakland, California. The property is composed of two buildings; both buildings are equipped with two-level parking garage structures to accommodate a total of 185 vehicles. Loan proceeds will be used to refinance existing debt of $49.0 million, cover closing costs of $1.5 million, and fund an interest reserve of $4.0 million. The sponsor is also contributing $8.5 million of cash equity to effectuate the refinance. The $4.0 million interest reserve is based on the Issuer's assumption that concessions at the property will continue at three months of free rent for the first year of the loan term, two months of free rent for the second year of the loan term, and one month of free rent for the third year of the loan term. The three-year floating-rate loan has two one-year extension options that are exercisable subject to the collateral's achievement of certain criteria set forth in the loan agreement. The loan is IO throughout the initial term and extension options.

Completed in 2021, the two apartment buildings were 88.3% occupied as of August 2023. The property features three main unit types listed in the table below. Unit interiors feature stainless steel appliances, quartz countertops, plank flooring, in-unit washers/dryers, wine fridges, and balconies in select units. The collateral consists of 171 multifamily units, including 10 studios, 99 one-bedrooms, and 62 two-bedrooms with an average unit size of 828 sf. Additionally, there is 10,176 sf of ground floor retail that is currently vacant. The property's amenities include a fitness studio, business centers, game rooms, a meditation garden, and multiple rooftops featuring barbecue areas, firepits, and views of the Bay, the Oakland Hills, and the city of Oakland. Detailed information on the unit mix and unit rental rates can be found in the table below.

Unit Mix and Rents			
Unit Type	Units	Avg. Unit Size (sf)	Rent/Month ($)
Studio	10	535	2,425
One Bedroom	99	714	2,809
Two Bedroom	62	1,057	3,632
Total/WA	**171**	**828**	**3,045**

Source: August 2023 rent roll.

The appraiser identified six properties within a 0.8-mile radius of the subject that compete with it for prospective tenants. The comparable properties have a WA year built of 2021, in line with the subject's vintage of 2021. The properties have a WA vacancy of 12.6%, slightly higher than the subject property's in-place vacancy of 11.7% per the August 2023 rent roll. Many of the properties with higher vacancies than the subject tend to be newer constructions and are in a similar lease-up period. The sponsor anticipated that the subject property will be able to perform at a WA rent of $3,146/unit, slightly lower than the competitive set's WA rent of $3,206/unit. More information can be found in the table of the competitive set below.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
The Broadway	Oakland, CA	0.3	423	2019	95.3	3,060	856
Forma	Oakland, CA	0.6	223	2022	88.8	2,233	682
Vespr	Oakland, CA	0.2	419	2022	73.0	3,900	855
17th & Broadway	Oakland, CA	0.8	254	2019	90.9	2,878	930
Assembly	Oakland, CA	0.2	127	2021	84.3	3,500	861
Hanover Broadway	Oakland, CA	0.1	254	2019	92.1	3,340	794
Total/WA Comp. Set	**Oakland, CA**	**Various**	**1,398**	**Various**	**87.4**	**3,206**	**835**
Broadstone Axis – Subject	**Oakland, CA**	**n/a**	**171**	**2021**	**88.3**	**3,045**	**828**

Source: Appraisal, except the subject figures are based on the rent roll dated August 2023.

Sponsorship

The sponsor for this loan is Corebridge Financial, Inc., formerly known as AIG, an established provider of retirement solutions and insurance products. Corebridge manages 50 million sf of real estate, and its real estate funds have been active since 1987. The guarantor of the loan is AIGGRE U.S. RE FUND II, L.P. No unfavorable credit issues were noted for the sponsor, and DBRS Morningstar has modeled with a sponsor strength of Average.

Greystar, a third-party manager, provides property management services at a contractual fee of 3.0%. Greystar manages more than 726,000 units across the United States, and 24 other properties within the San Francisco MSA.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property on Thursday, September 14, 2023, at 1:00 p.m. Based on the site inspection and management meeting, DBRS Morningstar found the property quality to be Above Average.

The subject property is in the Pill Hill neighborhood of Oakland. It is easily accessible considering its close proximity to major transit systems, such as several BART (Bay Area Rapid Transit) stations, bus stations, and the I-580 on-ramp. These routes conveniently connect the property to San Francisco, San Jose, and the surrounding counties. The Oakland CBD has become home to a variety of life sciences and medical employers, including Kaiser Permanente, UC Berkley, and Grifols, to name a few. Property management noted that, in recent months, several vacating tenants had been affected by layoffs because of the advancement in AI technologies within life sciences and medical roles.

The property's main entrance, leasing office, and the ground floor retail space are located on the relatively busy street of Broadway, neighbored by several occupied restaurants and retail spaces. The retail space at the property appeared well maintained and occupiable at the time of the tour, but management shared that there were no prospective tenants for the space at that time. The property has decent curb appeal, with a modern off-white exterior and black accents, which stand out amongst the adjacent brick buildings. The lobby is also modern in design, with sleek fixtures, seating, and artwork around the room leading to the leasing office.

DBRS Morningstar toured the amenities at the property, including the fitness studio, business centers, game rooms, meditation garden, rooftops, and parking garage. The majority of the amenities shared the same minimalist design that was present in the lobby and other common areas at the property. The gym was spacious, well equipped, and was not too busy at the time of the tour. The rooftops were large and offered great views of the surrounding area, the Bay, and the San Francisco skyline. The parking garage featured 185 parking spaces in total, which equates to about a 1.1 ratio of parking spaces to units. According to management, the single-stall garage spaces are available to rent for $220 per space per month and stacked garage spaces are available for $175 per space per month. Management further noted that these available amenities at the property were comparable to or better than those in the competitive set.

DBRS Morningstar toured a model two-bedroom/two-bathroom unit and three vacant units: a studio, a one-bedroom/one-bathroom unit, and a two-bedroom/two-bathroom unit. All units appeared to be in excellent condition and well-maintained. Each of the units featured stainless steel appliances, high-end quartz countertops with marble design, dark wood plank flooring, large windows, and in-unit washers/dryers. The two-bedroom units also included wine fridges for tenants, and according to management, each corner unit of the buildings includes its own private balcony. Overall, DBRS Morningstar found the property to be well-positioned in the market because of its physical quality and maintenance, proximity to major roads and transit systems, and amenity package that is above par relative to the competitive set.

DBRS Morningstar NCF Summary

NCF Analysis

	TTM July 2023	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	6,353,871	6,548,427	7,219,641	6,380,201	7,488,018	6,363,619	-15.02
Other Income ($)	511,090	517,206	705,553	704,486	735,073	513,895	-30.09
Vacancy & Concessions ($)	-2,547,738	-1,501,139	-430,492	-350,911	-524,161	-1,212,955	131.41
EGI ($)	**4,317,224**	**5,564,494**	**7,494,701**	**6,733,776**	**7,698,930**	**5,664,559**	**-26.42**
Expenses ($)	3,274,701	2,999,960	3,222,441	2,788,871	3,719,402	3,597,450	-3.28
NOI ($)	**1,042,523**	**2,564,534**	**4,272,260**	**3,944,905**	**3,979,527**	**2,067,109**	**-48.06**
Capex ($)	0	0	0	0	42,750	41,750	-2.34
NCF ($)	**1,042,523**	**2,564,534**	**4,272,260**	**3,944,905**	**3,936,777**	**2,025,359**	**-48.55**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,025,359, representing a variance of -48.6% from the Issuer's stabilized NCF.

The primary drivers responsible for this variance are GPR, vacancy, and concessions. DBRS Morningstar concluded to a stabilized GPR based on in-place rents at the property as of the rent roll dated August 24, 2023, with vacancy grossed up at average in-place rents. DBRS Morningstar concluded to a stabilized vacancy and concession amount of 10.5% and one month of free rent for new tenants, respectively.

DBRS Morningstar Viewpoint

The subject is a 171-unit mid-rise multifamily property in the Downtown Oakland submarket of the San Francisco-Oakland-Hayward, CA MSA, and was constructed in 2021. San Francisco is the center of the nine-county Bay Area and the fourth-largest metropolitan area in the Unites States. The sponsor's business plan consists of leasing up the property and burning off the existing concessions. According to CoStar, vacancies in the Downtown Oakland market reflect a change of -0.4% over the past year and are trending to 9.7%. Given the positive demand trend in recent months, it is expected that the property will continue to sign new leases at higher rents while gradually reducing concessions each year of the loan term until it reaches a stable level. DBRS Morningstar believes the business plan appears to be achievable and relatively straightforward. The property should also be competitive given the recent construction and high quality property finishes, which DBRS Morningstar found to represent Above Average quality.

Of concern, there has been a significant number of multifamily units coming online in recent years within the subject's submarket where vacancy has risen to elevated levels. In order to better compete with these new units, the property currently offers three months of free rent for new tenants, and two months of free rent on renewals. This is in line with the property's competitive set in the Downtown Oakland submarket. According to CoStar, there are only 1,149 units expected to come online within a one-mile radius of the property through Q4 2025. However, management noted that in order to retain current occupancy, the property will have to maintain the stable concessions through at least Q2 2024 and that there will likely be no rent increases on renewals. As mentioned previously and in the appraisal, this is a similar concessions offering to similar properties in the competitive set.

While the property is performing similar to its peers, the loan was analyzed in a DBRS Morningstar Market Rank 3, which indicates an increased POD and LGD because the market is categorized as a suburban area. However, this can be counteracted by the fact that the property is also in MSA Group 3, which is indicative of strong performance and liquidity in the San Francisco-Oakland-Fremont, CA MSA. Based on the whole loan balance of $49.0 million and the as-is and as-stabilized values of $74.8 million and $79.4 million, respectively, the loan was analyzed with DBRS Morningstar As-Is and Stabilized LTVs of 61.5% and 58.0%, respectively, which generally demonstrates lower leverage than traditional transitional CRE loans. As a result, the loan's expected loss (EL) is below the pool WA EL.

Avilla Traditions

Loan Snapshot

Seller
MF1
Ownership Interest
Refinance
Trust Balance ($ million)
43.8
Loan PSF/Unit ($)
200,693
Percentage of the Pool
4.9
Fully Extended Loan Maturity/ARD
June 2027
Amortization
Partial IO
DBRS Morningstar As-Is DSCR (x)
0.61
DBRS Morningstar Stabilized DSCR (x)
0.86
DBRS Morningstar As-Is Issuance LTV (%)
60.8
DBRS Morningstar Stabilized Balloon LTV (%)
57.0
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average+

Debt Stack ($ millions)

Trust Balance
43.8
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
43.8
Loan Purpose
MF
Equity Contribution/(Distribution) ($ million)
(2.6)

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2022
City, State	Grand Prarie, TX	**Physical Occupancy (%)**	90.8
Units/sf	218	**Physical Occupancy Date**	July 2023

The loan is secured by the borrower's fee-simple interest in Avilla Traditions, a Class A, 218-unit, build-to-rent, multifamily community in Grand Prairie, Texas, approximately 20 miles southwest of the Dallas CBD. Units were delivered on a rolling basis with lease ups beginning in July 2022, with the collateral fully completed in February 2023. The property is expected to complete lease-up by the end of 2023. Loan proceeds of $43.8 million were used to refinance $37.6 million of existing debt, return approximately $2.6 million to the borrower, cover remaining closing costs and reserves, and repay a partner loan. The four-year fully extended loan term consists of an initial two-year period and two 12-month extension options. The initial two-year period and first 12-month extension option are IO, while the second 12-month extension option amortizes on a 30-year schedule.

Lease-up on initial units began in June 2022, averaging 15 move-ins per month since April 2023. The property features 68 one-bedroom, 83 two-bedroom, and 67 three-bedroom units. The unit amenity package includes an in-unit washer/dryer, smart thermostat, granite countertops, stainless steel appliances, and outdoor space. Community amenities include a swimming pool and spa area equipped with lounge chairs, dog park, gaming area, and picnic area. As of the July 2023 rent roll, the property was 90.8% occupied.

Unit Mix and Rents

Unit Type	No. of Units	Avg. Unit Size (sf)	In-place Rent/Mo. ($)
One Bedroom	68	637	1,620
Two Bedroom	83	960	2,369
Three Bedroom	67	1,236	2,555
Total/WA	**218**	**944**	**2,186**

Source: July 2023 rent roll.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Avilla Heritage	Grand Prairie, TX	1.7 mi	140	2019	94.0	2,113	950
Axis Grand Crossing	Grand Prairie, TX	1.5 mi	322	2021	90.0	1,867	901
Bexley Central Park	Grand Prairie, TX	2.6 mi	249	2016	97.0	1,883	899
Quadrangles on Twenty	Grand Prairie, TX	1.6 mi	337	2018	97.0	1,616	944
Springs at Grand Prairie	Grand Prairie, TX	1.3 mi	276	2022	95.0	1,937	978
Watson	Grand Prairie, TX	1.5 mi	247	2017	91.0	1,667	894
Total/WA Comp. Set	**Various**	**Various**	**1,571**	**Various**	**94.0**	**1,818**	**927**
Avilla Traditions	**Grand Prairie, TX**	**n/a**	**218**	**2022**	**90.8**	**2,186**	**943**

Source: Appraisal, except the subject figures are based on the July 2023 rent roll
Note: Avilla Traditions average rental rates per unit, average unit size, and occupancy are based on the ASR.

Sponsorship

The sponsor for this transaction is NexMetro Communities, a national, multifamily property developer based in Phoenix, Arizona. The sponsor specializes in the development and ownership of build-to-rent properties in higher-density markets in the Southwestern and Sunbelt regions of the U.S. The sponsor currently owns more than 3,400 units and has reported 15 additional properties in its development pipeline. Avilla Lakeridge and Avilla Springs, additional single-family communities in the Dallas/Fort Worth metropolitan area also developed by the sponsor, are included in this securitization. The guarantor for the transaction is the sponsor's parent entity, a repeat sponsor and guarantor for all past transactions with MF1. Additionally, the sponsor has experience with obtaining financing from Fannie Mae.

The property is managed by Portico Property Management, a third-party management company that currently oversees operations across 40 properties, totaling 10,000 units, in six markets. The management company provides a comprehensive range of services for transitional and fully stabilized properties.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the subject on Wednesday, August 16th 2023. Based on the site visit and managed tour, DBRS Morningstar found the overall property quality to be Average+.

The built-to-rent multifamily property is located west of Great Southwest Parkway, a busy north-south arterial thoroughfare, within the suburban community of Grand Prairie. The property benefits from its close proximity to I-20, a major east-west interstate that provides access to Fort Worth to the west and Dallas to the east. The commute by automobile to downtown Dallas is approximately 25 minutes from the subject property, but Lockheed Martin's Missile and Fire Control facility and General Motors Arlington Assembly Plan supply significant employment opportunities nearer the subject. The surrounding area is predominantly residential and undeveloped, with plenty of vacant lots available for purchase nearby.

The stone wall encircling the property, well-maintained landscaping, modern signage, and building exteriors enhanced the collateral's curb appeal. The property's exterior appearance was generally in line with the residential properties in the local area.

Community amenities include a gated outdoor pool and jacuzzi tub with lounge seating, a dog park, picnic and grill area, and an outdoor games area with ping-pong tables, cornhole boards, and fire pits. The amenities appeared to be very well maintained and were comparable with the quality and offerings of a recently constructed suburban Class A apartment complex in the Dallas area. The property also offers 450 parking spaces, 124 detached garages, and 178 carports/covered spaces. The property manager noted that outdoor, uncovered parking spaces are provided on a first-come, first-serve basis, and garage parking can be rented.

DBRS Morningstar toured the interiors of three model units: a one-bedroom, a two-bedroom, and a three-bedroom unit. All unit interiors had brand-new finishes, with wood plank laminate flooring, stainless steel appliances, smart thermostats, kitchen islands with granite countertops, and in-unit washers/dryers. All units had some backyard space with grass and allowed for the placement of barbecue grills and other outside furniture.

According to the property manager, lease-up at the property is almost complete. The property has averaged 15 monthly move-ins since the management company began leasing at the property. Management stated that the current occupancy rate was 87.6% and anticipated that the property would be fully leased-up by the end of the year. The main challenge to the property comes from other multifamily properties in the area. The property manager noted that the collateral is not directly competing with traditional single-family residential homes because the property offers amenities similar to a suburban Class A garden style apartment complex. The average asking rental rates at the subject property were $1,635 for one-bedroom units, $2,459 for two-bedroom units, and $2,691 for three-bedroom units.

Overall, the property appeared in good condition, given the new finishes of the interiors, amenity package, strong curb appeal, and lack of visible deferred maintenance.

DBRS Morningstar NCF Summary

NCF Analysis

	T-1 June 2023 Annualized	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,651,712	5,689,175	6,259,066	6,672,179	6,908,477	5,735,879	-16.97
Other Income ($)	777,811	732,480	800,401	763,500	824,413	729,969	-11.46
Vacancy & Concessions ($)	-1,519,771	-321,083	-352,973	-366,970	-389,596	-481,814	23.67
EGI ($)	**4,909,751**	**6,100,573**	**6,706,493**	**7,068,709**	**7,343,294**	**5,984,034**	**-18.51**
Expenses ($)	2,212,060	2,895,053	3,079,229	3,323,707	3,155,894	3,077,362	-2.49
NOI ($)	**2,697,691**	**3,205,519**	**3,627,264**	**3,745,002**	**4,187,400**	**2,906,671**	**-30.59**
Capex ($)	0	43,600	43,600	43,600	54,500	109,000	100.00
NCF ($)	**2,697,691**	**3,161,919**	**3,583,664**	**3,701,402**	**4,132,900**	**2,797,671**	**-32.31**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,797,671, representing a variance of -32.3% from the Issuer's stabilized NCF of $4,132,900. The primary drivers of the variance were DBRS Morningstar's stabilized GPR figure and other income. The DBRS Morningstar stabilized GPR was based on average in-place rents per unit type according to the most recent July 2023 rent roll, while the Issuer's stabilized GPR was based on a growth rate of 2.5% in average rents per unit, year over year (YOY) applied to the July 2023 rent roll for 5 years. DBRS Morningstar assumed Other Income at the sponsor's year-one budgeted amount, while the Issuer assumed an average growth rate of 3.0% in Other Income YOY.

DBRS Morningstar Viewpoint

The collateral is a 218-unit, build-to-rent, multifamily community in Grand Prairie, a suburban community between Dallas and Fort Worth. The area immediately surrounding the property is primarily residential, with many open lots nearby available for sale and development. According to Reis, 485 multifamily units are scheduled to be constructed by YE2027, which represents approximately 2.1%% of current inventory within the submarket. As a result, the property may face competition from other local multifamily developments, as highlighted by the property manager on the site inspection. Despite the potential competition, the property is well positioned to attract new tenants who are looking for the benefits of private home living while avoiding the costs and maintenance associated with traditional single-family homes. The sponsor has also found a competitive advantage in developing its properties in areas where traditional multifamily zoning is not desired and is willing to go through the process of entitling the land for development. The property's brand-new unit interiors, built-in smart home technology, and adequate amenity package offer an attractive option to potential tenants.

The first units at the property were completed in June 2022, when lease-up began with the goal of reaching stabilized occupancy by December 2023, as stated by the property manager. As of the July 2023 rent roll, the property is 90.8% occupied, having averaged 15 move-ins each month since the first move-ins in July 2022. The business plan is essentially complete, with the sponsor now focusing on leasing-up and achieving stabilized occupancy. The subject's physical vacancy rate of 10.2% underperformed the Reis-defined submarket vacancy rate of 5.6% in Q2 2023. However, the subject's in-place average rent per unit of $2,186 outperformed both the submarket's average rent of $1,374 per unit and the average rent for properties of similar vintage of $1,512 per unit.

The loan exhibits an expected loss higher than the pool average. While the property benefits from an Average+ quality score and its newer construction age, its DBRS Morningstar Market Rank of 3 and location in MSA Group 1 generally indicate higher-than-average rates of defaults and losses. Based on its as-is appraised value of $72.0 million, the loan exhibits an average DBRS Morningstar Issuance LTV of 60.8%, which drops to stabilized LTV of 57.0% when looking at the stabilized appraised value of $76.8 million. The total loan leverage of $200,693 per unit is below the average home sale price of $321,813 in Grand Prairie, according to Zillow as of August 2023. The sponsor's prior experience with Fannie Mae should help with refinance options at either the initial or fully extended maturity dates.

Avilla Lakeridge

Loan Snapshot

Seller
MF1
Ownership Interest
Refinance
Trust Balance ($ million)
37.2
Loan PSF/Unit ($)
218,729
Percentage of the Pool
4.2
Fully Extended Loan Maturity/ARD
June 2027
Amortization
Partial IO
DBRS Morningstar As-Is DSCR (x)
0.70
DBRS Morningstar Stabilized DSCR (x)
0.84
DBRS Morningstar As-Is Issuance LTV (%)
63.7
DBRS Morningstar Stabilized Balloon LTV (%)
60.7
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average+

Debt Stack ($ millions)

Trust Balance
37.2
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
37.2
Loan Purpose
MF
Equity Contribution/(Distribution) ($ million)
(1.2)

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2022
City, State	Arlington, TX	**Physical Occupancy (%)**	90.6
Units/sf	170	**Physical Occupancy Date**	July 2023

This loan is secured by the borrower's fee-simple interest in Avilla Lakeridge, a Class A, 170-unit, build-to-rent, multifamily community in Arlington, Texas, approximately 11 miles southeast of the Fort Worth CBD. The collateral completed construction in September 2022, and final certificates of occupancy were received in February 2023. Loan proceeds of approximately $37.2 million refinanced $30.6 million of existing debt, returned $1.2 million to the borrower, repaid a partner loan, covered closing costs, and funded various reserves. The four-year, floating-rate loan is interest only for the initial two-year term, as well as the first 12-month extension option, then the second 12-month extension option amortizes based on a 30-year schedule.

The collateral comprises 167 buildings built on approximately 15.3 acres, consisting of 148 multifamily units, 170 detached garages, and 72 carports/covered parking spaces. The subject's unit mix consists of 44 duplex style one-bedroom units, 72 separate two-bedroom units, and 54 three-bedroom units, with an average unit size of 964 sf. Each unit features a private outdoor patio and backyard, stainless steel appliances, granite and quartz countertops, vinyl plank flooring, and an in-unit washer/dryer. Propertywide amenities include a swimming pool and spa, a dog park, and walking/biking trails. According to the July 2023 rent roll, the property was 93.5% leased and 90.6% occupied, and reported average occupied rents of $1,629 for one-bedroom units, $2,296 for two-bedroom units, and $2,661 for three-bedroom units.

Unit Mix and Rents			
Unit Type	No. of Units	Avg. Unit Size (sf)	In-place Rent/Mo. ($)
One Bedroom	44	635	1,629
Two Bedroom	72	960	2,296
Three Bedroom	54	1,236	2,661
Total/WA	**170**	**964**	**2,239**

Source: Asset Sumary Report.

Per the appraiser, six properties directly compete with the subject. The competitive set reported a WA occupancy rate of 94.0%, which is in line with the subject's lease rate of 93.5% but outperforms the subject's physical occupancy rate of 90.6%. The competitive set's average rents per unit of $1,713 underperform the subject, which has an average rent of $2,233. The subject's average size per unit of 964 sf is slightly larger than the competitive set's WA 936 sf per unit, which, along with the subject's relative newer build, could account for some of the average rental rate difference.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
3Sixty Flats	Grand Prairie, TX	0.8	352	2017	96.0	1,683	927
Bexley Mansfield	Grand Prairie, TX	1.3	304	2016	96.0	1,618	870
Reveal Lake Ridge	Grand Prairie, TX	3.0	406	2020	90.0	2,020	1,093
Villaggio	Grand Prairie, TX	1.5	272	2015	94.0	1,607	898
Villas di Lucca	Mansfield, TX	1.5	176	2015	96.0	1,697	955
Waters Edge Mansfield	Grand Prairie, TX	0.8	351	2019	94	1,655	838
Total/WA Comp. Set	**Various**	**Various**	**1,861**	**Various**	**94.0**	**1,731**	**936**
Avilla Lakeridge	**Arlington, TX**	**n/a**	**170**	**2022**	**90.6**	**2,239**	**964**

Source: Appraisal.
Note: Avilla Lakeridge average rental rates per unit, average unit size, and occupancy are based on the ASR.

Sponsorship

The sponsor for this transaction is NexMetro Communities, a national, multifamily property developer, based in Phoenix. The sponsor specializes in the development and ownership of built-to-rent developments in higher density markets in the southwestern United States and Sunbelt regions. The sponsor owns more than 3,400 units and has reported 15 additional properties in its development pipeline. Additional single-family developments under the sponsor that are included in this securitization are Avilla Traditions and Avilla Springs, both in the Dallas/Fort Worth metropolitan area. The guarantor for the transaction is the sponsor's parent entity, a repeat sponsor and guarantor for all past transactions with MF1. Additionally, the sponsor has experience with obtaining financing from Fannie Mae.

The property is managed by Portico Property Management, a third-party management company founded in 2011, and currently oversees operations across 40 properties, totaling 10,000 units in six markets. The management company provides a comprehensive range of services for transitional and fully stabilized properties.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property on August 16, 2023, at 10:00 a.m. CST. Based on the site inspection and managed tour, DBRS Morningstar found the overall property quality to be Average +.

The build-to-rent multifamily property is in Arlington, Texas, conveniently situated directly west of TX-360, which provides various connections to both the Fort Worth and Dallas CBDs. The property also benefits from its proximity to I-20, a major east-west interstate that provides access to the Fort Worth area to the west and Dallas to the east. The commute by automobile to downtown Dallas and Fort Worth is approximately 30 minutes from the subject, but General Motors' Arlington Assembly Plan, Methodist Mansfield Medical Center, and the Great Southwest Industrial District supply significant employment opportunities near the subject. The surrounding area is predominantly residential and undeveloped, with plenty of vacant lots available for purchase nearby, including the plot directly facing the subject.

The property's entrance is along Debbie Lane, directly west of TX-360. The exterior featured individual buildings with a variety of grey, beige, and white painted plank siding, and composition shingles pitched roofs. The property's curb appeal is in line with nearby residential neighborhoods and/or apartment complexes.

Community amenities include an outdoor gated swimming pool and spa area with lounge seating, a dog park, a picnic and grill area, and an outdoor game area that included ping-pong tables, cornhole boards, and fire pits, which is a typical amenity package for Avilla rental homes. The amenities appeared to be very well maintained and were comparable to the quality and offerings of a recently constructed suburban Class A apartment complex in the Dallas area. The property also offers 345 parking spaces, 170 of which are in detached garages, and 72 in carports. The property manager noted that outside, uncovered parking spaces are provided on a first-come, first-serve basis, and garage parking can be rented.

DBRS Morningstar toured the interior of three model units in total: one one-bedroom unit, one two-bedroom unit, and one three-bedroom unit. All had brand new finishes, with wood plank laminate flooring, stainless-steel appliances, smart thermostats, kitchen islands with granite countertops, and in-unit washers/dryers. All units had some backyard space with grass and allowed for the placement of BBQ grills and outdoor furniture.

According to the property manager, the property is almost complete with lease up. It averaged 11 monthly move-ins since management began leasing, and property management anticipates the property will be fully leased up by the end of the year, with current occupancy reaching 93.5%. The main threat to the property's performance is competitive Class A multifamily properties in the area. The property manager noted that they are not directly competing with traditional single-family residential homes because the property offers amenities similar to a suburban Class A garden-style apartment complex.

Overall, the property appeared in good condition, given the new finishes of the interiors, amenity package, strong curb appeal, and lack of visible deferred maintenance.

DBRS Morningstar NCF Summary

NCF Analysis							
	T-3 June 2023 Annualized	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,630,016	4,602,951	5,127,388	5,361,267	5,533,288	4,598,848	-16.89
Other Income ($)	627,689	571,200	624,166	666,500	706,470	695,292	-1.58
Vacancy & Concessions ($)	-937,117	-258,708	-287,578	-294,870	-276,664	-409,883	48.15
EGI ($)	**4,320,588**	**4,915,444**	**5,463,976**	**5,732,897**	**5,963,093**	**4,884,257**	**-18.09**
Expenses ($)	1,783,492	2,295,090	2,442,998	2,698,596	2,503,553	2,478,807	-0.99
NOI ($)	**2,537,097**	**2,620,354**	**3,020,978**	**3,034,301**	**3,459,540**	**2,405,450**	**-30.47**
Capex ($)	9,792	34,000	34,000	34,000	42,500	85,000	100.00
NCF ($)	**2,527,305**	**2,586,354**	**2,986,978**	**3,000,301**	**3,417,040**	**2,320,450**	**-32.09**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,320,450, representing a variance of 32.1% from the Issuer's Stabilized NCF of $3,417,040.

The primary drivers of the variance were DBRS Morningstar's stabilized GPR figure and economic vacancy assumption. DBRS Morningstar's stabilized GPR was based on average in-place rents per unit type according to the July 2023 rent roll, while the issuer's stabilized GPR was based on a growth rate of 2.5% in average rents per unit year over year applied to the May 2023 rent roll for five years. DBRS Morningstar concluded to an economic vacancy rate of 8.9%, consisting of a 5.4% physical vacancy rate based on the Reis Q2 2023 submarket vacancy rate, a bad debt rate of 1.7% based on the T-3 ended July 2023, and a conservative concessions rate of 1.8%. The issuer, in comparison, assumed a physical and economic vacancy rate of 5.0%.

DBRS Morningstar Viewpoint

The collateral is a new 170-unit, build-to-rent multifamily community located in Arlington, a suburban community just south of Dallas and Fort Worth. Construction of the property was completed in September 2022, but it began to lease-up in July 2022 with the goal of reaching stabilized occupancy by December 2023, as stated by the property manager. As of July 2023, the property was 93.5% leased and 90.6% physically occupied, having averaged 11 move-ins each month since the first move-ins in July 2022. The business plan is essentially complete, with the sponsor now focusing on leasing up and achieving stabilized occupancy.

The area immediately surrounding the property is primarily residential, with many open lots nearby available for sale and development. According to Reis, 485 multifamily units are scheduled to be constructed by YE 2027, which represents approximately 2.1% of current inventory within the submarket. As a result, the property may face competition from other local multifamily developments, as highlighted by the property manager on the site inspection. Despite the potential competition, the property is well positioned to attract new tenants who are looking for the benefits of private home living while avoiding the costs and maintenance associated with traditional single-family homes. The sponsor has also found a competitive advantage in developing in areas where traditional multifamily zoning is not desired and is willing to go through the process of entitling the land for development. The property's brand new unit interiors, built-in smart home technology, and adequate amenity package offer an attractive option to potential tenants.

The subject's physical vacancy rate of 9.4% underperformed the Reis defined submarket vacancy rate of 5.6% in Q2 2023. However, the subject's in-place average occupied rent per unit of $2,233 outperformed the submarket average rent of $1,374 per unit, as well as properties of similar vintage with an average rental rate of $1,714 per unit.

The loan exhibits an expected loss higher than the pool average. While the property benefits from an Average+ quality score and its newer construction age, its location in a DBRS Morningstar Market Rank of 3 and MSA Group 1 generally indicate higher-than-average rates of default and losses. Based on the loan's as-is appraised value of $58.4 million, the loan exhibits an average DBRS Morningstar Issuance LTV of 63.7%, which drops to a 60.7% stabilized LTV when looking at the stabilized appraised value of $61.3 million. The total loan leverage on a per unit basis of $218,729 is below the average home sale price of $316,890 in Arlington, according to Zillow as of August 2023. Prior experience with Fannie Mae should help the sponsor with refinance options at the initial or fully extended maturity date.

Poth Brewery

Loan Snapshot

Seller	MF1
Ownership Interest	Refinance
Trust Balance ($ million)	34.8
Loan PSF/Unit ($)	272,901
Percentage of the Pool	3.9
Fully Extended Loan Maturity/ARD	September 2028
Amortization	Partial IO
DBRS Morningstar As-Is DSCR (x)	0.57
DBRS Morningstar Stabilized DSCR (x)	0.72
DBRS Morningstar As-Is Issuance LTV (%)	70.4
DBRS Morningstar Stabilized Balloon LTV (%)	68.8
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average+

Debt Stack ($ millions)

Trust Balance	34.8
Pari Passu	0.0
Remaining Future Funding	1.0
Mortgage Loan Including Future Funding	35.8
Loan Purpose	MF
Equity Contribution/(Distribution) ($ million)	0.0

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2022
City, State	Philadelphia, PA	**Physical Occupancy (%)**	87.2
Units/SF	131	**Physical Occupancy Date**	May 2023

The loan is secured by the borrower's fee-simple interest in Poth Brewery, a 131-unit redeveloped mid-rise multifamily building that also features 27,646 square feet of retail space located in Philadelphia, Pennsylvania. The initial loan proceeds of $34.7 million ($265,267 per unit), and a $1.0 million future funding component will refinance $31.8 million of existing debt, cover closing costs of $1.4 million, fund an interest reserve of $1.3 million, fund a future earnout of $1.0 million, and fund a $350,00 TI/LC reserve. The five-year fully extended loan term consists of an initial two-year IO period with three one-year IO extension options.

The collateral was originally constructed in 1880 for the Fredrick Poth Brewing Complex, which was one of the most popular breweries in Philadelphia during the late 19th century and early 20th century. Redeveloped in 2022, the property was 87.2% occupied and was achieving WA monthly rents of $1,755 per unit as of May 2023. The subject also comprises 27,646 of commercial space, which was 52.0% occupied as of May 2023. Common amenities include a fitness center, a tenant lounge, a rooftop deck, and a bike storage room. Unit interiors feature premium finishes such as an open-air loft concept, stainless steel appliances, white quartz countertops, modern white cabinetry, and in-unit laundry. Additional information on the residential unit mix and rental rates can be found in the table below.

Unit Mix and Rents- Poth Brewery			
Unit Type	Units	Avg Unit Size (sf)	Rent/Month (USD)
Studio	55	548	1,448
1 Bedroom/1 Bath	70	788	1,871
2 Bedroom/2 Bath	3	1,183	2,668
3 Bedroom/3 Bath	3	1,020	3,763
Total/WA	**131**	**702**	**1,755**

Source: Rent roll dated May 2023.

The retail portion of the property is currently 52.0% leased to a variety of retailers from food & beverage outlets, a pet grooming salon, and small corporate firms. A total of 13,234 square feet of retail space remains unoccupied; however, the sponsor feels confident the vacant space will be leased out in the near future due to frequent space showings and interest. For more information on the property's retail tenants, please see the table below.

Tenant Summary						
	SF	% of Total NRA	DBRS Morningstar Base Rent PSF (USD)	% of Total DBRS Morningstar Base Rent	Lease Expiry	Investment Grade? (Y/N)
Stones Retail	4,680	17.0	17.0	11.6	2024	N
Stones Office	1,520	6.0	17.0	3.8	2024	N
Best In Show	1,347	5.0	25.0	4.9	2030	N
LearnEd	1,248	5.0	26.0	4.7	2030	N
Rivals Brothers	1,217	4.0	38.0	6.8	2033	N
Kabila Event Space	2,300	8.0	23.0	7.7	n/a	N
BBCo	2,000	7.0	25.0	7.3	2027	N
Subtotal/WA	**14,312**	**52.0**	**22.4**	**100.0**	**Various**	**Various**
Vacancy Space	13,234	48.0	n/a	n/a	n/a	n/a
Total/WA	**27,546**	**100.0**	**60.68**	**100.0**	**Various**	**Various**

Source: ASR.

The appraiser identified five apartment buildings within 0.2 miles of the subject that compete with it for prospective residential tenants. As the subject was delivered in 2022 and is still in lease-up, all of the properties are achieving a higher occupancy than the subject's occupancy of 87.2%. Even though all comparable properties are in a similar location, they are mostly inferior to the collateral in terms of vintage, interior and exterior condition, resulting in the competitive set's lower WA monthly rate of $1,611 per unit versus the collateral's WA monthly rent of $1,755 per unit. Please see the table below for additional information on the competitive properties identified by the appraiser.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit (USD)
Pyramid Lofts	Philadelphia, PA	0.1	50	1922/2017	99.0	2,011
Pointe at 31 Brewerytown	Philadelphia, PA	0.1	50	2017	92.0	1,664
The Manor HUB	Philadelphia, PA	0.1	251	2019	92.0	1,561
Storehouse Lofts	Philadelphia, PA	0.2	161	1920/2016	92.0	1,552
The Glenwood	Philadelphia, PA	0.2	49	2022	96.0	1,602
Total/ WA Comp. Set	**Philadelphia, PA**	**Various**	**561**	**Various**	**93.0**	**1,611**
Poth Brewery- Subject	**Philadelphia, PA**	**n/a**	**131**	**2022**	**87.2**	**1,755**

Source: Appraisal, except the Subject figures which is based on the rent roll dated May 2023.

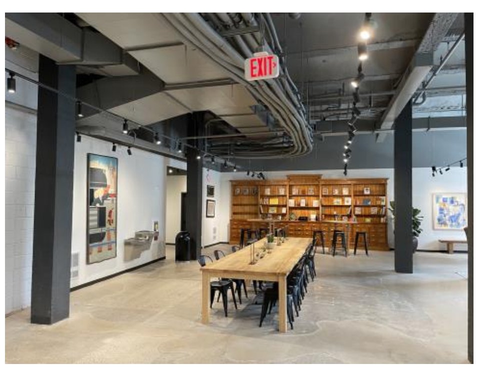
Sponsorship

The sponsor for this transaction is MM Partners LLC. Based in Philadelphia, MM Partners is a real estate investment firm that specializes in urban projects that include the renovation of historic assets into modern multifamily, mixed use, and commercial assets. MM Partner's ambition is to reinvigorate and create positive change within Philadelphia's most diverse neighborhoods. Founded in 2001, the firm has illustrated its commitment to Philadelphia by investing over $350 million of real estate assets into the city to date.

PSCo Philadelphia, an affiliate of the sponsor, will manage the property for a contractual rate of 3.0%. The firm is a full-service management company that was founded in 2016 as an expansion of the sponsor's in-house services specializing in the leasing, management, concierge services, and repair and maintenance. To date, PSCo manages 18 buildings in Philadelphia comprising 542 apartments and lofts and 24 commercial spaces.

DBRS Morningstar Analysis

Site Inspection Summary



DBRS Morningstar toured the property on Wednesday, August 15, 2023, at 11:00 am. Based on the site inspection and management tour, DBRS Morningstar found the property quality to be Average (+).

The property's main entrance is located just off of Jefferson Street, which is in the Brewerytown neighborhood of Philadelphia. Brewerytown is northwest of Center City, Philadelphia, approximately a 15-minute drive from downtown. The neighborhood got its name from the large number of breweries present in the area from the late 19th century and early 20th century; however, the area suffered during prohibition and both World Wars, leaving it undeveloped and neglected for decades. At the time of inspection, the majority of the surrounding area was residential and commercial, featuring other multifamily apartments, single-family residences, and retail spaces varying from stores to food and beverage outlets.

The property has good curb appeal, with visible signage and modern industrial architecture. At the time of inspection, many of the ground-level retail spaces all located along Jefferson Street were closed and/or under construction. DBRS Morningstar toured one retail space, Stone's, which is a liquor store. The interior of the space was in good condition, with high ceilings and brick floors. The sponsor noted that the retail collateral was 52.0% leased; there have been multiple conversations with prospective tenants regarding vacant space at the collateral. The entrance of the multifamily building leads to the spacious, open-air lobby. The lobby offers a 24/7 concierge, lounge seating with mid-century modern furniture and finishes, as well as access to the mail room. The lobby highlights the building's history of the Fredrick Poth Brewing Complex by displaying vintage signs and memorabilia from the brewery. The lobby also offers access to a large event space that can be rented by residents or nonresidents, and the fitness center. At the time of inspection, the only remaining amenity under construction was the rooftop deck. The rooftop deck will include lounge seating for residents overlooking Brewerytown and downtown Philadelphia. Management noted that it anticipates the rooftop deck will be ready for residents by September to October 2023.

DBRS Morningstar toured three one-bedroom units. Each unit presented an open-air loft concept and felt very spacious. In each unit, the kitchen featured modern white quartz and granite countertops with stainless steel appliances, and white cabinetry with a large center island presenting an open-floor concept into the living area. The units have concrete flooring across the layout. During the renovation process, the sponsor wanted to maintain the structure of the original build as much as possible; thus, all units feature original concrete or exposed brick walls from the historical asset. Two of the units featured original graffiti from when the collateral was an abandoned space. Each bathroom has a modern aesthetic featuring white tiles, quartz countertops, and modern bathroom fixtures. All of the units have washers and dryers. At the time of inspection, the management team noted that the collateral was 88.0% leased and anticipates positive leasing trends will continue. DBRS Morningstar found the property to be well positioned in the area due its recent renovation and sponsor's commitment and experience in Philadelphia.

DBRS Morningstar NCF Summary

NCF Analysis

	T-3 April 2023 Annualized	Sponsor Budget Year 1	Sponsor Budget Year 3	Appraisal Stabilized NCF	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	2,178,386	2,756,003	2,952,299	2,732,352	3,380,907	2,712,911	-19.76
Other Income ($)	224,887	752,479	1,338,227	1,138,322	1,342,004	1,059,527	-21.05
Vacancy & Concessions ($)	0	-222,548	-147,615	-136,618	-236,663	-217,033	-8.29
EGI ($)	**2,403,273**	**3,285,934**	**4,142,911**	**3,734,056**	**4,486,247**	**3,555,406**	**-20.75**
Expenses ($)	434,718	811,668	880,703	1,076,909	1,220,583	980,650	-19.66
NOI ($)	**1,968,554**	**2,474,266**	**3,262,208**	**2,657,147**	**3,265,665**	**2,574,756**	**-21.16**
Capex ($)	0	18,000	19,096	32,750	32,750	92,782	183.30
NCF ($)	**1,968,554**	**2,456,266**	**3,243,112**	**2,624,397**	**3,232,915**	**2,481,974**	**-23.23**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF is $2,481,974, representing a -23.2% variance from the Issuer's stabilized NCF. The primary driver of the variance was GPR and TI/LCs. DBRS Morningstar based the stabilized GPR on the average in-place rents from the May 2023 rent roll. Meanwhile, the Issuer based the stabilized GPR on recent leasing activity and factored in projected rent growth over the next few years. DBRS Morningstar applied stabilized TI/LCs for retail spaces of $20.00/$10.00 for TIs and 5.00%/2.50% for LCs, while the Issuer did not include TI/LC costs in their analysis.

DBRS Morningstar Viewpoint

The loan is secured by a multifamily property in Philadelphia with 131 multifamily units and features approximately 27,546 sf of retail space. Located in the Brewerytown neighborhood of Philadelphia, the surrounding area is mainly residential and commercial. The collateral is well located, northeast of US-30, which provides direct access to Center City, Philadelphia. Additionally, there are many bus stops within walking distance of the property, providing residents easy access to downtown Philadelphia. The collateral is approximately 11 miles northeast from the Philadelphia International Airport.

As the collateral was just redeveloped in 2022, the sponsor's business plan is to lease up the residential occupancy and commercial occupancy to stabilization. As of the May 2023 rent roll, the residential portion of the property was 87.2% occupied illustrating the strong leasing momentum for the collateral. The sponsor anticipates that residential occupancy will reach stabilization by Fall 2023. The commercial component is 52.0% leased as of the May 2023 rent roll. The sponsor and management noted that there have been frequent space showings and active interest in the vacant space. DBRS Morningstar contends that sponsor and management company will be able to successfully lease-up the property to a stabilized occupancy due to the recent renovation of the collateral, as well as the sponsor's experience with similar projects in Brewerytown and Philadelphia.

According to Reis, the multifamily conditions appear to be favorable to the collateral's future performance. The Center City submarket's average asking rent will increase to $1,713 in 2028 from $1,374 in 2023, per Reis. The subject's current average in-place rent of $1,755 is materially higher than the submarket's average monthly rent of $1,315 per unit, which highlights the collateral's recent renovation and Average (+) property quality. Properties of the same vintage as the subject, built after 2019, demonstrate higher rental rates with an average asking rent of $2,011 and a similar vacancy rate of 8.1%.

The loan's expected loss is higher than the pool WA expected loss, driven primarily by the property's location in DBRS Morningstar Rank 4 and MSA Group 2, which is indicative of a moderately densely populated area. The loan is also negatively affected by its low stabilized DSCR of 0.71. Furthermore, the loan represents a slightly lower issuance LTV than the pool average with as-is LTV at 70.4% and stabilized LTV slightly higher at 68.8%.

Transaction Structural Features

Credit Risk Retention

Under U.S. credit risk retention rules, MF1 REIT III LLC will be responsible for compliance with the U.S. credit risk retention requirements, and it intends to satisfy such requirements through the purchase and retention, by a majority-owned affiliate, of an eligible horizontal residual interest. In addition, for purposes of EU Securitization Laws and UK Securitization Laws, it will retain a material net economic interest of not less than 5.0% in the securitization indirectly through its 100% membership interest in the Retention Holder, which will in turn acquire, on the Closing Date and directly retain on an ongoing basis, a material net economic interest in the form of the Income Notes of the Issuer. The EU/UK Retention Holder and the Retention Holder will give certain other covenants and representations with regard to the EU/UK Securitization Regulations, all in the manner, and on the terms, summarized in the PPM. As of the closing date, MF1 REIT III Investor XII LLC (the Retention Holder), a majority-owned affiliate of MF1 REIT III LLC, will acquire 100.0% of the Class F, Class G, Class H, and Income Notes, collectively representing 12.4% of the transaction by the initial pool balance.

Delayed Collateral Interests

Seven loans, representing 31.1% of the total trust balance, are categorized as Delayed Collateral Interests, which are identified in the data tape and included in the DBRS Morningstar analysis. Five of the Delayed Collateral Interests (Woodside Central, Metro Edgewater, Broadstone Axis, Ilion Apartments, and Mossdale Landing) are identified as Delayed Close Collateral Interests, representing approximately 25.3% of the initial pool, and having not yet closed. The remaining two of the Delayed Collateral Interests, Elements Apartments and 1110 S Hobart, have been categorized as Delayed CO Collateral Interests, which have closed, but the borrowers have not yet obtained a certificate of occupancy for at least 51% of the units at the related Mortgaged Property.

The Issuer has 45 days post-closing to acquire the Delayed Collateral Interests into the pool (Delayed Purchase Termination Date). Delayed CO Collateral Interests will need to have obtained a temporary or final certificate of occupancy for at least 51% of the units at the respective property (Delayed CO Acquisition Condition), in order to be brought into the pool. If a delayed-close collateral interest is not expected to close or fund prior to the Delayed Purchase Termination Date, the Issuer may acquire any Delayed Collateral Interests during the reinvestment period, subject to the Eligibility Criteria, Acquisition Criteria and the Acquisition and Disposition Requirements.

Reinvestment Period

On the first Payment Date after the Delayed Purchase Termination Date, any amounts remaining in the Unused Proceeds Account will be deposited into the Reinvestment and Replenishment Account. During the Reinvestment Period, the Collateral Manager may, but is not required to, direct the reinvestment of Principal Proceeds to the Issuer in Reinvestment Collateral Interests meeting the Eligibility Criteria, the Acquisition Criteria, and the Acquisition and Disposition Requirements. The Reinvestment Period assuming no EOD has occurred, terminates at the end of the Due Period related to the Payment Date in April 2025.

The Eligibility Criteria provide that a No Downgrade Confirmation concerning the acquisition of Collateral Interests must be received from DBRS Morningstar.

Replenishment Period

The Replenishment begins on the first day after the end of the Reinvestment Period and ends on the first to occur of (i) the date that the Issuer has acquired Funded Companion Participations in an amount equal to 10% of the Aggregate Outstanding Portfolio Balance, as of the Closing Date; and (ii) the sixth (6th) Payment Date after the Reinvestment Period. During the Replenishment Period, the Collateral Manager may, but is not required to, direct the reinvestment of any Principal Proceeds to acquire Funded Companion Participations that satisfy the Eligibility Criteria, subject to the satisfaction of the Acquisition Criteria and the Acquisition and Disposition Requirements.

If the Issuer fails to use any amount on deposit in the Reinvestment and Replenishment Account during the Replenishment Period to acquire Replenishment Collateral Interests, after the termination of the Replenishment Period, such Principal Proceeds ("Unused Principal Proceeds") will be deposited into the Payment Account and applied in accordance with the Priority of Payments.

Eligibility Criteria

Any Reinvestment Collateral Interest, Replenishment Collateral Interest, Exchange Collateral Interest, and Contribution Collateral Interest (collectively Subsequent Collateral Interest), as well as any Delayed Collateral Interest (post Delayed Purchase Termination Date), will be eligible for acquisition by the Issuer after the Closing Date if the Eligibility Criteria are satisfied immediately after giving effect to such acquisition. A select list of Eligibility Criteria is presented below; please see the offering memorandum for a complete list of Eligibility Criteria.

1. It is a Mortgage Loan, a Combined Loan, an A Note, or a Participation in a Mortgage Loan, or a Combined Loan or an A Note that is secured by a Multifamily Property.
2. The aggregate Principal Balance of the Collateral Interests secured by properties that are of the following types are subject to limitations as follows: (a) Manufactured Housing Properties does not exceed 10.0% of the Aggregate Outstanding Portfolio Balance and (b) Student Housing Properties does not exceed 5.0% of the Aggregate Outstanding Portfolio Balance , (c) Furnished Apartment Properties does not exceed 10.0% of the Aggregate Outstanding Portfolio Balance and (d) such Collateral Interest is not an Aparthotel Property (it being understood that, for all purposes hereof, no concentration limitation will apply with respect to any other Multifamily Properties)
3. It provides for monthly payments of interest at a floating rate (a) that is a SOFR-based rate, (b) that is materially consistent with the ARRC fallback language, or (c) with respect to which the Rating Agency Condition has been satisfied;
4. It has a maturity date, assuming the exercise of all extension options (if any) that are exercisable at the option of the related borrower under the terms of such Collateral Interest, that is not more than five years from its first full payment date;

5. It is not a ground-up construction loan and, in the case of a recently constructed or renovated Mortgaged Property, a temporary or final certificate of occupancy has been received for at least 51% of the units at such Mortgaged Property;
6. The Collateral Manager has determined that it has an As-Stabilized LTV that is not greater than (i) in the case of Collateral Interests secured by Multifamily Properties other than Student Housing Properties, 80.0% and (ii) in the case of Collateral Interests secured by Student Housing Properties, 75.0%
7. The Collateral Manager has determined that it has an U/W Stabilized NCF DSCR that is not less than (a) in the case of Collateral Interests secured by Multifamily Properties other than Student Housing Properties, 1.15x and (b) in the case of Collateral Interests secured by Student Housing Properties, 1.25x;
8. The Principal Balance of such Collateral Interest (plus any previously acquired participation interests or promissory notes in the same underlying Loan, including any participation interests or promissory notes that were included as part of the Closing Date Collateral Interests) is not greater than 10% of the Aggregate Outstanding Portfolio Balance as of the Closing Date;
9. (A) The Weighted-Average Life of the Collateral Interests, assuming the exercise of all contractual extension options (if any) that are exercisable by the borrower under each Collateral Interest, is less than or equal to the number of years (rounded to the nearest one hundredth thereof) during the period from such date of determination to 5.5 years from the Closing Date;
10. (B) The Weighted-Average Spread of the Collateral Interests is not less than 3.50%
11. (C) The aggregate Principal Balance of Collateral Interests secured by Mortgaged Properties located in (x) California, New York, Texas, or Washington, D.C. is (in each case) no more than 40.0% of the Aggregate Outstanding Portfolio Balance, (y) Arizona, New Jersey, Illinois, Florida, or Georgia is (in each case) no more than 30.0% of the Aggregate Outstanding Portfolio Balance, and (z) any other state (in each case) is no more than 25.0% of the Aggregate Outstanding Portfolio Balance; and
12. (D) The Herfindahl Score is greater than or equal to 16.0
13. A No Downgrade Confirmation has been received from DBRS Morningstar;
14. The sum of the principal balance of such Collateral Interest and the principal balance of all Collateral Interests that have the same guarantor or affiliated guarantor does not exceed 20.0% of the aggregate outstanding portfolio balance.

Future Funding Participations; Future Advancing

With respect to each Future Funding Participation, the Future Funding Holder thereof will have the sole obligation under the related Participation Agreement to make such future advances under such Future Funding Participation. Once funded, such Participation may be transferred as a Funded Companion Participation in accordance with the terms of the related Participation Agreement and the Issuer may, but is not obligated to, acquire such Funded Companion Participation as a Subsequent Collateral Interest. In addition, the related Future Funding Holder as the holder of the Future Funding Participation (or a permitted transferee pursuant to the terms of the related Participation Agreement), and for so long as MF1 REIT III LLC (or an affiliate) is the holder of the related Future Funding Participation, MF1 REIT III LLC will be required to indemnify each other holder of a related Participation, including the Issuer, against any losses, claims, damages, costs, expense and liabilities in connection with, arising out of, or as a result of, the failure of such Future Funding Holder to make future advances when required under the related Loan.

Non-Serviced Loans

As of the Closing Date, each of the Loans will be a Serviced Loan; however, the Issuer may acquire certain Subsequent Collateral Interests consisting of interests in Non-Serviced Loans. In such case, the Issuer must rely on the rights granted to it under the terms of the related Partition Agreement.

Note Protection Tests

Like most commercial real estate collateralized loan obligation (CRE/CLO) transactions, the subject transaction features senior note protection tests in the form of an interest coverage (IC) test and a par value or overcollateralization (OC) test. If the IC or OC tests are not satisfied on any measurement date, Interest Proceeds that would otherwise be used to pay interest on the Retained Notes and to make certain other payments on the following Payment Date must instead be used to pay the principal of the Offered Notes in accordance with the priority of payments until each of the Note Protection Tests is satisfied. If interest proceeds are not sufficient to rebalance the vehicle and satisfy both the IC and the OC tests or pay down the applicable classes, any principal proceeds will be diverted for the same purpose, and the Issuer will not be permitted to use principal proceeds for Reinvestment Collateral Interests. The Par Value Test will be satisfied if the Par Value Ratio is equal to or greater than 112.12%. The IC test will be satisfied if the IC Ratio is equal to or greater than 120.0%.

Collateral Manager

MF1 Collateral Manager, LLC, an affiliate of the sponsor, will serve as the Collateral Manager and provide certain advisory and administrative functions with respect to the collateral. The Collateral Manager is obligated to perform its duties according to the Collateral Manager Standard. The special servicer may be removed with or without cause or a successor special servicer may be appointed, in each case at any time and at the direction of the Collateral Manager.

Administrative Modifications and Criteria-Based Modifications

The Collateral Manager may direct and require the special servicer to process Administrative Modifications or Criteria-Based Modifications.

Administrative Modification means any modification, waiver, or amendment directed by the Collateral Manager that relates exclusively to (i) with respect to any Loan, (a) in the case of a mismatch between the Benchmark Replacement on the Notes and the benchmark replacement applicable to such Loans, (1) any alternative rate index and alternative rate spread that the Collateral Manager determines are reasonably necessary to reduce or eliminate such mismatch and (2) any corresponding changes to such Loan to match the applicable Benchmark Replacement Conforming Changes and/or to make any Loan-Level Benchmark Replacement Conforming Changes, (b) in the case of a mismatch between the index on such Loan and the Benchmark, the conversion of the index on such Loan to the Benchmark, including any spread adjustment that the Collateral Manager determines is reasonably necessary in connection there with or (c) in connection with the conversion of the index on such Loan to the Benchmark, the waiver of any obligor requirement to replace an interest rate cap based on such index with an interest rate cap based on the Benchmark, or (ii) with respect to any Loan other than a Credit Risk Loan, Specially Serviced Loan or Defaulted Loan, (a) exit fees, extension fees or default interest, (b) financial covenants (including cash management triggers and extension tests) relating (directly or indirectly) to debt yield, debt service coverage or loan-to-value, (c) prepayment fees (including in connection with defeasance and lockouts), yield or spread maintenance provisions or waiving any interest due in connection with a prepayment of the related Loan in full that relates to interest that accrues after the date of prepayment, (d) adding or modifying provisions related to partial releases of a Mortgaged Property, (e) reserve account minimum balance amounts and purposes, release conditions or other reserve requirements (other than for taxes or insurance), including requirements to fund reserves in connection with extensions, (f) waivers or reductions of a benchmark floor (which reductions may not be to floor rates below zero) or waivers, reductions or deferrals of interest rate step-ups, provided (in each case) that after giving effect to such waiver, reduction or deferral, the Note Protection Tests are satisfied, (g) (1) any requirement to renew, extend or replace an interest rate cap agreement, or any change to an interest rate cap agreement, (i) in connection with a loan extension of not more than ninety (90) days or (ii) that is in connection with any other loan extension and that, together with any required establishment by the borrower of fully funded cash reserves, provides protection that is substantially economically equivalent to the protection provided by such agreement, as determined by the Collateral Manager, or (2) otherwise amending an interest rate cap agreement to the extent that such amendment would not materially and adversely affect the Noteholders, as determined by the Collateral Manager, (h) the timing of, or conditions to, the funding of any Future Funding Participation, (i) sponsor or guarantor financial covenants relating to net worth, liquidity or other financial matters, (j) Mortgaged Property lease approvals or modifications or leasing parameters (including in connection with releasing reserves or future funding amounts relating to leasing) or (k) conditions precedent to extending the term of the Loan; in each case, notwithstanding that any such modification, waiver or amendment referred to in this definition may have the effect of delaying or deferring principal payments that would otherwise occur on the Loan prior to its fully extended maturity date.

Criteria-Based Modification means, with respect to any Loan other than a Credit Risk Loan, Specially Serviced Loan or Defaulted Loan, any modification, waiver or amendment directed by the Collateral Manager that, in the Collateral Manager's reasonable judgment, would result in (i) a change in interest rate (other than as a result of any Administrative Modification), (ii) a delay in the required timing of any payment of principal for any amortization or other principal reduction, (iii) an increase in the principal balance of such Loan that will be allocated solely to any related Companion Interest, (iv) indirect owners of the related borrower incurring additional indebtedness in the form of mezzanine loans or preferred equity or (v) a change of maturity date or extended maturity date, under such Loan.

The Criteria-Based Modification Conditions will be permissible only if, immediately after giving effect to such modification, (1) not more than eight Criteria-Based Modifications have been effectuated after the end of the Reinvestment Period; (2) with respect to any Criteria-Based Modification effectuated after the Reinvestment Period, such Criteria- Based Modification does not include an increase in the principal balance of such Loan; (3) the Acquisition Criteria were satisfied as of the most recent Measurement Date; (4) the related Collateral Interest complies with the Eligibility Criteria (for this purpose, assuming the related Collateral Interest was treated as a Reinvestment Collateral Interest acquired on the date of the modification), as adjusted by the EC Modification Adjustments; (5) with respect to any Criteria-Based Modification in accordance with paragraph (4) of the definition of "Criteria-Based Modification," either the proceeds of such additional indebtedness are used primarily to repay the related Loan such that the sum of such additional indebtedness and the outstanding principal balance of the modified Loan does not materially exceed the outstanding principal balance of the related Loan immediately prior to such modification, or the As-Stabilized LTV of the related Loan and any additional indebtedness after giving effect to such modification is not higher than the As-Stabilized LTV of such Loan immediately prior to such modification, as determined based on an Updated Appraisal, (6) the U/W Stabilized NCF DSCR of the related Loan and any additional indebtedness after giving effect to such modification is not lower than the U/W Stabilized NCF DSCR of such Loan immediately prior to such modification, and (7) an Updated Appraisal is obtained with respect to the Collateral Interest, provided that multiple simultaneous modifications to a single Collateral Interest will be treated as a single Criteria-Based Modification.

The Collateral Manager may only direct the Special Servicer to process Administrative Modifications and Criteria-Based Modifications with respect to Serviced Loans (regardless of whether the related Collateral Interest is a Controlled Collateral Interest or a Non-Controlled Collateral Interest).

The effectuation of any Administrative Modification or Criteria-Based Modification by the Special Servicer will not be subject to the Servicing Standard; however, the Collateral Manager's decision to direct any Administrative Modification or Criteria-Based Modification will be subject to the Collateral Management Standard. The Special Servicer will not be under any duty to make a determination with respect to the Collateral Manager's conformance to the Collateral Management Standard.

Advancing and Backup Advancing

The advancing agent, MF1 REIT III LLC, will be required to make interest advance certain to the extent that interest proceeds are insufficient to cover interest due on the Offered Notes (Class A, Class A-S, Class B, Class C, Class D, and Class E Notes) (Interest Shortfalls). The obligation to make an interest advance will be subject to an assessment to determine if the amount to be advanced, plus the interest expected to accrue thereon, will be recoverable. If the advancing agent fails to make a required interest advance, the backup advancing agent, Computershare Trust Company, National Association, will be required to make such interest advance, and if the backup advancing agent fails to make a required interest advance, the trustee will be required to make such advance, in each case only to the extent such party deems such advances to be recoverable. The advancing agent, backup advancing agent, and the trustee are not responsible for advancing future funding obligations or principal payments.

Deferrable Notes

Any interest due on the Class F Notes, the Class G Notes, and the Class H Notes that is not paid as a result of the priority of payments will be deferred, and failure to pay such interest will not be an EOD.

The deferred interest will be added to the principal amount of the respective deferrable note and bear interest at the same rate as the reference deferrable note and will be payable on the first payment date on which funds are available in the priority of payments. The ratings DBRS Morningstar assigned contemplate the timely payments of distributable interest and, in the case of the deferred interest, the ultimate recovery of deferred interest (including interest payable thereon at the applicable rate to the extent permitted by law). Thus, DBRS Morningstar will assign its Interest in Arrears designation to the deferred interest classes in months when classes are subject to deferred interest.

Controlling Class Rights

If an EOD under the Indenture has occurred and is continuing, the holders of the Controlling Class will be entitled to determine the remedies to be exercised under the Indenture and, in certain circumstances, without regard to whether there are sufficient proceeds to pay in full the amounts then due and unpaid on the Notes. The Controlling Class will be the most senior Class of Notes outstanding. Any remedies pursued by the holders of the Controlling Class upon an EOD could be adverse to the interests of the holders of more subordinated classes of Notes.

No Downgrade Confirmations

Certain events within the transaction require the Issuer to obtain No Downgrade Confirmation. DBRS Morningstar will review requests from the Issuer to determine whether it will confirm that a proposed action or failure to act or other specified event will not, in and of itself, result in the downgrade or withdrawal of the current ratings. The Issuer is required to obtain such confirmation for acquisitions of all companion participations.

Methodologies

The principal methodology DBRS Morningstar applied to assign ratings to this transaction is the *North American CMBS Multi-Borrower Rating Methodology*.

Surveillance

DBRS Morningstar will perform surveillance subject to *North American CMBS Surveillance Methodology*.

Notes:
All figures are in U.S. dollars unless otherwise noted.

This report is based on information as of September 27, 2023. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

Appendix A - Environmental, Social and Governance (ESG) Considerations

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis:	Y/N	Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		**Overall:**	**N**	**N**
	Emissions, Effluents, and Waste	Do the costs or risks result in a higher default risk or lower recoveries for the securitized assets?	N	N
	Carbon and GHG Costs	Do the costs or risks related to GHG emissions result in higher default risk or lower recoveries of the securitized assets?	N	N
		Are there potential benefits of GHG-efficient assets on affordability, financeability, or future values (recoveries)?	N	N
		Carbon and GHG Costs:	**N**	**N**
	Climate and Weather Risks	Are the securitized assets in regions exposed to climate change and adverse weather events affecting expected default rates, future valuations, and/or recoveries?	N	N
Social		**Overall:**	**N**	**N**
	Social Impact of Products and Services	Do the securitized assets have an extraordinarily positive or negative social impact on the borrowers and society, and do these characteristics of these assets result in different default rates and/or recovery expectations?	N	N
		Does the business model or the underlying borrower(s) have an extraordinarily positive or negative effect on their stakeholders and society, and does this result in different default rates and/or recovery expectations?	N	N
		Considering changes in consumer behavior or secular social trends: does this affect the default and/or loss expectations for the securitized assets?	N	N
		Social Impact of Products and Services:	**N**	**N**
	Human Capital and Human Rights	Are the originator, servicer, or underlying borrower(s) exposed to staffing risks and could this have a financial or operational effect on the structured finance issuer?	N	N
		Is there unmitigated compliance risk due to mis-selling, lending practices, or work-out procedures that could result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
		Human Capital and Human Rights:	**N**	**N**
	Product Governance	Does the originator's, servicer's, or underlying borrower(s)' failure to deliver quality products and services cause damage that may result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
	Data Privacy and Security	Does the originator's, servicer's, or underlying borrower(s)' misuse or negligence in maintaining private client or stakeholder data result in the risk of financial penalties or losses to the issuer?	N	N
Governance		**Overall:**	**N**	**N**
	Corporate / Transaction Governance	Does the transaction structure affect the assessment of the credit risk posed to investors due to a lack of appropriate independence of the issuer from the originator and/or other transaction parties?	N	N
		Considering the alignment of interest between the transaction parties and noteholders: does this affect the assessment of credit risk posed to investors because the alignment of interest is inferior or superior to comparable transactions in the sector?	N	N
		Does the lack of appropriately defined mechanisms in the structure on how to deal with future events affect the assessment of credit risk posed to investors?	N	N
		Considering how the transaction structure provides for timely and appropriate performance and asset reporting: does this affect the assessment of credit risk posed to investors because it is inferior or superior to comparable transactions in the sector?	N	N
		Consolidated ESG Criteria Output:	**N**	**N**

* A **Relevant Effect** means that the impact of the applicable ESG risk factor has not changed the rating or rating trend on the issuer.

A **Significant Effect** means that the impact of the applicable ESG risk factor has changed the rating or trend on the issuer. If any factor is proposed to have a Significant Effect, this should be reflected in the Press Release.

Glossary

ADR	average daily rate	**MTM**	month to month
ALA	allocated loan amount	**MSA**	metropolitan statistical area
ARA	appraisal-reduction amount	**n.a.**	not available
ASER	appraisal subordinate entitlement reduction	**n/a**	not applicable
BOV	broker's opinion of value	**NCF**	net cash flow
CAM	common area maintenance	**NNN**	triple net
capex	capital expenditures	**NOI**	net operating income
CBD	central business district	**NRA**	net rentable area
CBRE	CB Richard Ellis	**NRI**	net rental income
CMBS	commercial mortgage-backed securities	**NR – PIF**	not rated – paid in full
CRE	commercial real estate	**OSAR**	operating statement analysis report
CREFC	CRE Finance Council	**PCA**	property condition assessment
DPO	discounted payoff	**PCR**	property condition report
DSCR	debt service coverage ratio	**P&I**	principal and interest
DSR	debt service reserve	**POD**	probability of default
EGI	effective gross income	**PIP**	property improvement plan
EOD	event of default	**PILOT**	payment in lieu of taxes
F&B	food & beverage	**PSA**	pooling and servicing agreement
FF&E	furniture, fixtures, and equipment	**psf**	per square foot
FS Hotel	full-service hotel	**R&M**	repairs and maintenance
G&A	general and administrative	**REIT**	real estate investment trust
GLA	gross leasable area	**REO**	real estate owned
GPR	gross potential rent	**RevPAR**	revenue per available room
HVAC	heating, ventilation, and air conditioning	**sf**	square foot/square feet
IO	interest only	**SPE**	special-purpose entity
LC	leasing commission	**TI**	tenant improvement
LGD	loss severity given default	**TIC**	tenants in common
LOC	letter of credit	**T-12**	trailing 12 months
LOI	letter of intent	**UW**	underwriting
LS Hotel	limited-service hotel	**WA**	weighted average
LTC	loan-to-cost ratio	**WAC**	weighted-average coupon
LTCT	long-term credit tenant	**x**	times
LTV	loan-to-value ratio	**YE**	year end
MHC	manufactured housing community	**YTD**	year to date

Definitions

Capital Expenditure (capex)
Costs incurred in the improvement of a property that will have a life of more than one year.

DBRS Morningstar Market Rank (DBRSM MR)
The Market Rank is a number of one through eight that corresponds to the underlying property's zip code. For portfolio loans with multiple underlying properties, the Market Rank applied reflects an approximation of the weighted-average figure based on the corresponding model coefficients.

DBRS Morningstar MSA Group (DBRSM MSA)
The MSA Group is a number of one through three for the top 25 largest MSAs and is based on the MSA's historical performance. All MSAs outside of the top 25 reflect a MSA Group number of zero. For portfolio loans with multiple underlying properties, the MSA Group applied reflects an approximation of the weighted-average figure based on the corresponding model coefficients.

DBRS Morningstar Refi DSCR
A measure that divides the DBRS Morningstar Stabilized NCF by the product of the loan's maturity balance and a stressed refinance debt constant.

DBRS Morningstar Term DSCR
A measure that divides the DBRS Morningstar Stabilized NCF by the actual debt service payment.

Debt Service Coverage Ratio (DSCR)
A measure of a mortgaged property's ability to cover monthly debt service payments, defined as the ratio of net operating income or net cash flow to the debt service payments.

Effective Gross Income (EGI)
Rental revenue minus vacancies plus miscellaneous income.

Issuer UW
Issuer underwritten from Annex A or servicer reports.

Loan-to-Value Ratio (LTV)
The ratio between the principal amount of the mortgage balance, at origination or thereafter, and the most recent appraised value of the underlying real estate collateral, generally from origination.

Net Cash Flow (NCF)
The revenue earned by a property's ongoing operations less the expenses associated with such operations and the capital costs of tenant improvements, leasing commissions, and capex (or reserves). Moreover, NCF is net operating income less tenant improvements, leasing commissions, and capex.

NNN (Triple Net)
A lease that requires the tenant to pay operating expenses such as property taxes, insurance, and maintenance, in addition to the rent.

Net Operating Income (NOI)
The revenue earned by a property's ongoing operations less the expenses associated with such operations but before mortgage payments, tenant improvements, replacement reserves, and leasing commissions.

Net Rentable Area (NRA)
The area (sf) for which rent can be charged. NRA includes the tenant's premises plus an allocation of the common area directly benefiting the tenant, such as common corridors and restrooms.

Revenue Per Available Room (RevPAR)
A measure that divides revenue by the number of available rooms, not the number of occupied rooms. It is a measure of how well the hotel has been able to fill rooms in the off-season, when demand is low even if rates are also low, and how well it fills the rooms and maximizes the rate in the high season, when there is high demand for hotel rooms.

Tenant Improvements (TIs)
The expense to physically improve the property or space, such as new improvements or remodeling, paid by the borrower.

Weighted Average (WA)
Calculation is weighted by the size of each mortgage in the pool.

Weighted-Average Coupon (WAC)
The average coupon or interest payment on a set of mortgages, weighted by the size of each mortgage in the pool.

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