Rating Report
HGI CRE CLO 2021-FL1, Ltd.

DBRS Morningstar
May 19, 2021

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DBRS Morningstar Viewpoint
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DBRS Morningstar Viewpoint is an interactive, data-driven, loan and property level platform that provides users with access to DBRS Morningstar presale reports, surveillance updates, transaction information, and contextual comparable data in a user-friendly manner. Complimentary registration and access to the transaction is available.

Capital Structure

Description	Rating Action	Balance	Subordination (%)	DBRS Morningstar Rating	Trend
Class A	Provisional Rating - Finalized	$311,182,000	44.250	AAA (sf)	Stable
Class A-S	Provisional Rating - Finalized	$28,607,000	39.125	AAA (sf)	Stable
Class B	Provisional Rating - Finalized	$28,206,000	34.000	AA (low) (sf)	Stable
Class C	Provisional Rating - Finalized	$35,584,000	27.625	A (low) (sf)	Stable
Class D	Provisional Rating - Finalized	$40,468,000	20.375	BBB (sf)	Stable
Class E	Provisional Rating - Finalized	$11,162,000	18.375	BBB (low) (sf)	Stable
Class F	Provisional Rating - Finalized	$33,491,000	12.375	BB (low) (sf)	Stable
Class G	Provisional Rating - Finalized	$20,233,000	8.750	B (low) (sf)	Stable
Preferred Shares	NR	$48,841,225	0.000	NR	n/a

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Transaction Summary

Pool Characteristics			
Trust Amount ($)	498,175,225	**Participated Loan Commitment Amount ($)**	558,175,225
Number of Loans	23	**Average Loan Size ($)**	22,644,328
Number of Properties	26	**Top Ten Loan Concentration (%)**	66.9
Managed/Static	Managed	**Ramp-Up Amount ($)**	60,000,000
Delayed Close Collateral Interest	Y	**Replenishment Allowed**	Y
Par Value Ratio Test (%)	120.1	**Reinvestment Period[5]**	18 months
Interest Coverage Ratio Test (%)	120.0		
WA Current Funded As-Is Appraised Issuance LTV (%)	73.9	**WA DBRS Morningstar As-Is Issuance LTV (%)**	77.0
WA Current Funded Stabilized Appraised LTV (%)	62.7	**WA DBRS Morningstar Stabilized Balloon LTV (%)**	66.4
WA Interest Rate Margin (%)	4.042	**DBRS Morningstar WA Interest Rate[4] (%)**	5.753
WA Remaining Term[1]	32.3	**WA Remaining Term - Fully Extended**	54.7
WA DBRS Morningstar As-Is DSCR[2]	0.66	**WA Issuer As-Is DSCR (x)[4]**	1.23
WA DBRS Morningstar Stabilized DSCR[3]	1.00	**WA Issuer Stabilized DSCR (x)[4]**	1.58
Avg. DBRS Morningstar As-Is NCF Variance[2] (%)	-24.7	**Avg. DBRS Morningstar Stabilized NCF Variance[3] (%)**	-20.5

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 WA 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. All DBRS Morningstar DSCR figures are based on a stressed rate that assumes a stressed floor of the lower of 1.98% or the LIBOR strike rate of the interest rate cap.
5. Reinvestment Period begins on the closing date and ends following the payment date in November 2022.

Eligibility Criteria Concentration Parameters		
Issuer Property Type	Issuance (%)	Limit (%)
Multifamily	100.0	100.0
Student Housing	0.0	0.0
Senior Housing	0.0	0.0

State Concentration	Issuance (%)	Limit (%)
Texas	14.9	40.0
Florida	19.4	40.0
Maryland	6.9	40.0
Virginia	6.7	40.0

Participants	
Issuer	HGI CRE CLO 2021-FL1, Ltd.
Co-Issuer	HGI CRE CLO 2021-FL1, LLC
Mortgage Loan Seller	HGI Commercial Funding Mortgage Trust I Parent, LLC
Servicer	Berkadia Commercial Mortgage LLC
Special Servicer	KeyBank National Association
Collateral Manager	Harbor Group International, LLC
Note Administrator and Trustee	Wells Fargo Bank, National Association
Placement Agents	Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC
Structuring Agent	Goldman Sachs & Co. LLC
Advancing Agent	HGI CFI REIT

Future Funding

Loan Name	Cut-Off Date Whole Loan Amount ($)	Future Funding Amount[1] ($)	Whole Loan Amount[2] ($)	Future Funding Uses
Riverdale Portfolio 2	37,617,000	1,628,000	39,245,000	Capital Improvements
Laurelwoode Apartments	37,000,000	3,000,000	40,000,000	Capital Improvements
Tigertail Ave	24,835,100	2,664,900	27,500,000	Capital Improvements
Drumcastle Apartments	22,806,750	1,693,250	24,500,000	Capital Improvements
Ten35 Gateway	21,750,000	1,000,000	22,750,000	Capital Improvements
AYA Scottsdale	14,400,000	3,200,000	17,600,000	Capital Improvements
Holly Tree	15,140,000	1,966,250	17,106,250	Capital Improvements
Green Acres	15,950,000	700,000	16,650,000	Capital Improvements
Orlando on the Lake	15,075,000	1,425,000	16,500,000	Capital Improvements
Garden Park & King Ridge	11,782,000	1,218,000	13,000,000	Capital Improvements
Residences at White Rock	9,784,375	1,246,650	11,031,025	Capital Improvements
Oak Creek	9,680,000	800,000	10,480,000	Capital Improvements

1. Cut-Off date unfunded future funding amount.
2. Whole loan amount including unfunded future funding.

Future Funding Commitment

Loan Name	Total Future Funding ($)	Maximum Future Funding Allowed ($)	Total Future Funding Commitments Allowed (%)	Loan Closed (Y/N)
Riverdale Portfolio 2	1,628,000.00	1,628,000.00	100.0	Y
Laurelwoode Apartments	3,000,000.00	3,000,000.00	100.0	Y
Tigertail Ave	2,664,900.00	2,664,900.00	100.0	Y
Drumcastle Apartments	1,693,250.00	1,693,250.00	100.0	Y
Ten35 Gateway	1,000,000.00	1,000,000.00	100.0	Y
AYA Scottsdale	3,200,000.00	3,200,000.00	100.0	Y
Holly Tree	1,966,250.00	1,966,250.00	100.0	N
Green Acres	700,000.00	700,000.00	100.0	N
Orlando on the Lake	1,425,000.00	1,425,000.00	100.0	Y
Garden Park & King Ridge	1,218,000.00	1,218,000.00	100.0	Y
Residences at White Rock	1,246,650.00	1,246,650.00	100.0	Y
Oak Creek	800,000.00	800,000.00	100.0	Y

Coronavirus Overview

With regard to the Coronavirus Disease (COVID-19) pandemic, the magnitude and extent of performance stress posed to global structured finance transactions remain highly uncertain. This considers the fiscal and monetary policy measures and statutory law changes that have already been implemented or will be implemented to soften the impact of the crisis on global economies. Some regions, jurisdictions, and asset classes are, however, feeling more immediate effects. Accordingly, DBRS Morningstar may apply additional short-term stresses to its rating analysis. For example, DBRS Morningstar may front-load default expectations and/or assess the liquidity position of a structured finance transaction with more stressful operational risk and/or cash flow timing considerations.

For more information regarding rating methodologies and the coronavirus, please see the following DBRS Morningstar press releases: https://www.dbrsmorningstar.com/research/357883 and https://www.dbrsmorningstar.com/research/358308.

Rating Considerations

The initial collateral includes 23 mortgage loans or senior notes, consisting of 10 whole loans and 13 fully funded senior, senior pari passu, or pari passu participations secured by multifamily real estate properties with an initial cut-off date balance totaling $498.2 million. All 23 of the mortgages have floating interest rates tied to the Libor index. The transaction is a managed vehicle, which includes a ramp-up acquisition period and subsequent 18-month reinvestment period. The ramp-up acquisition period will be used to increase the trust balance by $60.0 million to an aggregate deal balance of $558.2 million. DBRS Morningstar assessed the $60.0 million ramp component using a conservative pool construct, and, as a result, the ramp loans have expected losses (E/Ls) above the WA pool E/L. During the reinvestment period, so long as the note protection tests are satisfied and no event of default has occurred and is continuing, the collateral manager may direct the reinvestment of principal proceeds to acquire reinvestment collateral interest, including funded companion participations that meet the eligibility criteria. The eligibility criteria, among other things, has minimum DSCR, LTV, and loan size limitations. Lastly, the eligibility criteria stipulates Rating Agency Confirmations on ramp loans, reinvestment loans, and a $1.0 million threshold on pari passu participation acquisitions if a portion of the underlying loan is already included in the pool, thereby allowing DBRS Morningstar to review the new collateral interest and any potential impacts to the overall ratings.

For the floating-rate loans, DBRS Morningstar used the one-month Libor index, which is based on the lower of a DBRS Morningstar stressed rate that corresponded to the remaining fully extended term of the loans or the strike price of the interest rate cap with the respective contractual loan spread added to determine a stressed interest rate over the loan term. When the cut-off balances were measured against the DBRS Morningstar As-Is NCF, 21 loans, representing 92.6% of the initial pool balance, had a DBRS Morningstar As-Is DSCR of 1.00x or below, a threshold indicative of default risk. Additionally, 15 loans, representing 66.1% of the initial pool balance, had a DBRS Morningstar Stabilized DSCR of 1.00x or below, which is indicative of elevated refinance risk. Most properties are transitioning with potential upside in cash flow; however, DBRS Morningstar does not give full credit to the stabilization if there are no holdbacks or if the other loan structural features are insufficient to support such treatment.

Furthermore, even with the structure provided, DBRS Morningstar generally does not assume the assets to stabilize above current market levels.

The transaction has a sequential-pay structure.

Strengths

- **Favorable Property Types**: All loans in the total pool are secured by multifamily properties across 11 states including California, Texas, Florida, and New Jersey. Multifamily properties have historically seen lower PODs and typically see lower E/Ls within the DBRS Morningstar model. Multifamily properties benefit from staggered lease rollover and generally low expense ratios compared with other property types. While revenue is quick to decline in a downturn because of the short-term nature of the leases, it is also quick to respond when the market improves. Additionally, most loans in the pool are secured by traditional multifamily properties, such as garden-style communities or mid-rise/high-rise buildings, with no independent living/assisted-living/memory care facilities included in this pool.
- **Majority Acquisition Financing**: Eighteen loans, composing of 73.4% of the initial trust balance, represent acquisition financing wherein sponsors contributed significant cash equity as a source of initial funding in conjunction with the mortgage loan, resulting in a moderately high sponsor cost basis in the underlying collateral.
- **Lower Business Plan Execution Risk**: The business plan score (BPS) for loans DBRS Morningstar analyzed was between 1.38 and 3.00, with an average of 2.26. On a scale of 1 to 5, a higher DBRS Morningstar BPS indicates more risk in the sponsor's business plan. DBRS Morningstar considers the anticipated lift at the property from current performance, planned property improvements, sponsor experience, projected time horizon, and overall complexity. Compared with similar transactions, this pool has a lower average BPS, which is indicative of lower risk.

Challenges and Considerations

- **Coronavirus Pandemic**: The ongoing coronavirus pandemic continues to pose challenges and risks to the commercial real estate (CRE) sector, and while DBRS Morningstar expects multifamily (100.0% of the pool) to fare better than most other property types, the long-term effects on the general economy and consumer sentiment are still unclear.
    - DBRS Morningstar received coronavirus and business plan updates for all loans in the pool, confirming that the sponsors have made all debt service payments in full through March 2021. Furthermore, no loans are in forbearance or other debt service relief, and no borrowers requested loan modifications.
    - All loans in the pool have been originated after March 2020, or the beginning of the pandemic in the U.S. Loans originated after the pandemic include timely property performance reports and recently completed third-party reports, including appraisals.
- **Sponsor**: The sponsor for the transaction, HGI CFI REIT, is a first time CRE collateralized loan obligation issuer and collateral manager.
    - HGI CFI REIT will purchase and retain 100.0% of the eligible horizontal residual interest in accordance with the U.S. Credit Risk Retention Rules.

  - DBRS Morningstar met with the sponsor to better understand its investment strategy, organization structure, and origination practices. Based on this meeting, DBRS Morningstar found that HGI CFI REIT met its issuer standards.
- **Managed Transaction**: The transaction is managed and includes three delayed-close loans, a ramp-up component, a reinvestment period, and a replenishment period, which could result in negative credit migration and/or an increased concentration profile over the life of the transaction.
  - Eligibility criteria for ramp and reinvestment assets partially offsets the risk of negative credit migration. The criteria outlines DSCR, LTV, Herfindahl, and property type limitations.
  - DBRS Morningstar can provide a no-downgrade confirmation for new ramp loans, companion participations above $1.0 million, and new reinvestment loans. Before the loans come into the pool, DBRS Morningstar will analyze them for any potential ratings impact.
  - DBRS Morningstar accounted for the uncertainty introduced by the ramp-up period by running a ramp scenario that simulates the potential negative credit migration in the transaction based on the eligibility criteria.
- **Transitional Properties**: DBRS Morningstar has analyzed the loans to a stabilized cash flow that is, in some instances, above the as-is cash flow. It is possible that the sponsors will not successfully execute their business plans and that the higher stabilized cash flow will not materialize during the loan term, particularly with the ongoing coronavirus pandemic and its impact on the overall economy. A sponsor's failure to execute the business plan could result in a term default or the inability to refinance the fully funded loan balance.
  - DBRS Morningstar made relatively conservative stabilization assumptions and, in each instance, considered the business plan to be rational and the loan structure to be sufficient to execute such plans. In addition, DBRS Morningstar analyzed LGD based on the as-is credit metrics, assuming the loan was fully funded with no NCF or value upside.
- **Limited Site Inspections**: Because of the ongoing coronavirus pandemic, DBRS Morningstar was only able to perform site inspections on two loan in the pool, Transit Village and Park Terrace. As a result, DBRS Morningstar relied more heavily on third-party reports, online data sources, and information from the Issuer to determine the overall DBRS Morningstar property quality score for each loan.
  - DBRS Morningstar made relatively conservative property quality adjustments with only three loans, Cobalt Apartments (2.9% of the pool), Avery Pompano Beach (5.9% of pool), and Harper Place (5.6% of pool), having Average + property quality. Furthermore, no loans received an Excellent or Above Average property quality distinction, and three loans, representing 14.1% of the pool, had Average - property quality.
- **Floating-Rate Interest Rates**: All 23 loans in the pool, have floating interest rates and are IO during the initial loan term, creating interest rate risk should interest rates increase.
  - For the floating-rate loans, DBRS Morningstar used the one-month Libor index, which is based on the lower of a DBRS Morningstar stressed rate that corresponded to the remaining fully extended term of the loans or the strike price of the interest rate cap with the respective contractual loan spread added to determine a stressed interest rate over the loan term. Additionally, all loans have extension options, and, to qualify for these options, the loans must meet minimum DSCR and LTV requirements.

    - All loans are short term and, even with extension options, have a fully extended loan term of five years maximum, which based on historical data DBRS Morningstar model treats more punitively.
    - The borrowers for eight loans, totaling 24.5% of the trust balance, have purchased Libor rate caps that range between 0.50% and 2.00% to protect against rising interest rates over the term of the loan.
- **Sponsor Strength**: Three loans, representing 22.1% of the initial cut-off pool balance, have a sponsor with negative credit history and/or limited financial wherewithal, including Transit Village (#2), Riverdale Portfolio 2 (#3), and Harper Place (#7). For more information about these loans, see the individual write-ups on pages 20, 25, and 31, respectively.
    - DBRS Morningstar deemed these loans to have Weak sponsorship strength, effectively increasing the POD for each loan.

Legal and Structural Considerations

The underlying mortgage loans for the transaction will pay the floating rate, which presents potential benchmark transition risk as the deadline approaches for the elimination of Libor. The transaction documents provide for the transition to an alternative benchmark rate, which is primarily contemplated to be either Term Secured Overnight Financing Rate (SOFR) plus the applicable Alternative Rate Spread Adjustment or Compounded SOFR plus the Alternative Rate Spread Adjustment. Term SOFR, which is likely to be a similar forward-looking term rate compared with Libor, is the first alternative benchmark replacement rate but is currently being developed. There is no assurance Term SOFR's development will be completed or that it will be widely endorsed and adopted. This could lead to volatility in the interest rate on the mortgage assets and floating-rate notes. The transaction could be exposed to a timing mismatch between the notes and the underlying mortgage assets as a result of the mortgage benchmark rates adjusting on different dates than the benchmark on the notes, or a mismatch between the benchmark and/or the benchmark replacement adjustment on the notes and the benchmark and/or the benchmark replacement adjustment (if any) applicable to the mortgage loans. To compensate for differences between the successor benchmark rate and then-current benchmark rate, a benchmark replacement adjustment has been contemplated in the indenture as a way to compensate for the rate change. Currently, Wells Fargo, National Association in its capacity as Designated Transaction Representative will generally be responsible for handling any benchmark rate change and will be held to a gross negligence standard only with regard to any liability for its actions.

DBRS Morningstar Credit Characteristics

DBRS Morningstar As-Is DSCR (x)

DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	21.8
0.50x-0.75x	33.0
0.75x-1.00x	37.8
1.00x-1.25x	0.0
1.25x-1.50x	7.4
1.50x-1.75x	0.0
>1.75x	0.0
WA (x)	0.66

DBRS Morningstar Stabilized DSCR (x)

DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	4.1
0.50x-0.75x	0.0
0.75x-1.00x	62.0
1.00x-1.25x	26.5
1.25x-1.50x	0.0
1.50x-1.75x	7.4
>1.75x	0.0
WA (x)	1.00

DBRS Morningstar As-Is Issuance LTV

LTV	% of the Pool (Senior Note Balance[1])
0.0%-50.0%	0.0
50.0%-60.0%	11.0
60.0%-70.0%	15.3
70.0%-80.0%	25.8
80.0%-90.0%	38.5
90.0%-100.0%	9.4
100.0%-110.0%	0.0
110.0%-125.0%	0.0
>125.0%	0.0
WA (%)	77.0

DBRS Morningstar Stabilized Balloon LTV

LTV	% of the Pool (Senior Note Balance[1,2])
0.0%-50.0%	0.0
50.0%-60.0%	17.1
60.0%-70.0%	50.7
70.0%-80.0%	32.2
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
WA (%)	66.4

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 Shadow Rating	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized Morningstar LTV (%)
Cobalt Apartments	55,000,000	11.0	n/a	0.78	0.99	57.4	54.2
Transit Village	44,600,000	9.0	n/a	0.00	1.12	75.2	71.7
Riverdale Portfolio 2	37,617,000	7.6	n/a	0.67	1.14	83.3	67.1
Laurelwoode Apartments	37,000,000	7.4	n/a	1.41	1.55	78.7	72.1
Park Terrace	32,500,000	6.5	n/a	0.52	0.95	90.0	69.4
Avery Pompano Beach	29,250,000	5.9	n/a	0.76	0.78	68.0	68.0
Harper Place	28,000,000	5.6	n/a	0.74	0.93	64.9	63.7
Tigertail Ave	24,835,100	5.0	n/a	0.00	0.90	82.8	71.4
Drumcastle Apartments	22,806,750	4.6	n/a	0.62	0.99	89.1	63.1
Ten35 Gateway	21,750,000	4.4	n/a	0.64	0.86	84.3	66.7

Loan Name	DBRS Morningstar Property Type	City	State	Year Built	SF/Units	Fully Funded Mortgage Loan per SF/Units ($)	Fully Funded Mortgage Maturity Balance per SF/Units ($)
Cobalt Apartments	Multifamily	Culver City	CA	2019	135	407,407	407,407
Transit Village	Multifamily	Dover	NJ	2020	214	208,411	208,411
Riverdale Portfolio 2	Multifamily	Hampton	VA	1970-1984	454	82,857	82,857
Laurelwoode Apartments	Multifamily	Magnolia	TX	2008	324	114,198	114,198
Park Terrace	Multifamily	Forest Park	IL	1979	240	135,417	135,417
Avery Pompano Beach	Multifamily	Pompano Beach	FL	2019	144	203,125	203,125
Harper Place	Multifamily	Charleston	SC	2020	195	143,590	143,590
Tigertail Ave	Multifamily	Miami	FL	1966	140	177,394	177,394
Drumcastle Apartments	Multifamily	Baltimore	MD	1949	256	89,089	89,089
Ten35 Gateway	Multifamily	Marietta	GA	1973	214	101,636	101,636

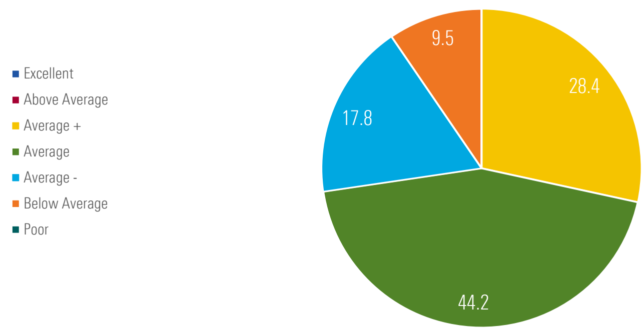
DBRS Morningstar Sample

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	Cobalt Apartments	11.0	3,217,240	-25.9	GPR, TI/LCs, Other Income	Average +
2	Transit Village	9.0	2,613,605	-21.2	Operating Expenses, Real Estate Taxes, GPR	Average
3	Riverdale Portfolio 2	7.6	2,362,486	-19.2	GPR, Other Income	Below Average
4	Laurelwoode Apartments	7.4	2,261,331	-14.2	GPR, Other Income, Vacancy	Average
5	Park Terrace	6.5	2,002,030	-9.2	GPR, Other Income	Average -
6	Avery Pompano Beach	5.9	1,375,266	-32.5	GPR, Other Income	Average +
7	Harper Place	5.6	1,473,900	-22.5	GPR, Vacancy, Other Income, Operating Expenses	Average +
8	Tigertail Ave	5.0	1,516,280	-21.3	GPR, Operating Expenses, Vacancy	Average
9	Drumcastle Apartments	4.6	1,419,391	-12.8	GPR, Other Income	Average -
10	Ten35 Gateway	4.4	1,298,626	-19.1	GPR, Operating Expenses, Vacancy	Average
11	Shamrock of Sunrise	4.1	584,641	-54.7	GPR, Vacancy	Average
13	AYA Scottsdale	2.9	1,222,906	2.5	Positive Variance	Average
16	Orlando on the Lake	3.0	1,072,452	-10.3	GPR, Other Income, Management Fee	Average -
18	Garden Park & King Ridge	2.4	774,193	-36.0	Real Estate Taxes, Other Income, Operating Expenses	Average

DBRS Morningstar Site Inspections

DBRS Morningstar sampled 14 of the 21 loans in the pool, representing 79.3% of the pool by allocated cut-off date loan balance. DBRS Morningstar conducted site inspections on Transit Village and Park Terrace because they were near DBRS Morningstar's offices. DBRS Morningstar did not conduct interior or exterior tours of the remaining properties because of health and safety constraints associated with traveling during the ongoing coronavirus pandemic. DBRS Morningstar assessed property quality based on third-party reports, documents from the Issuer, and online information.

DBRS Morningstar Sampled Property Quality

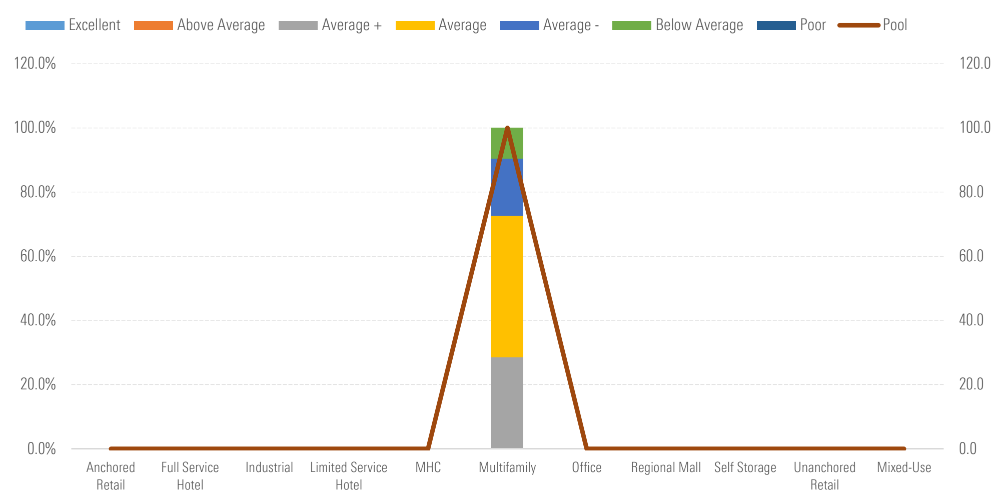


Source: DBRS Morningstar.

DBRS Morningstar Cash Flow Analysis

DBRS Morningstar completed a cash flow review and a cash flow stability and structural review for 14 of the 23 loans, representing 79.3% of the pool by loan balance. For the loans not subject to an NCF review, DBRS Morningstar applied NCF variances of -17.2% and -21.2% to the Issuer's as-is and stabilized NCFs, respectively, which reflect the average sampled NCF variances (excluding certain outliers from the DBRS Morningstar As-Is NCF analysis).

DBRS Morningstar Sampled Property Type



Source: DBRS Morningstar.

As-Is NCF

The DBRS Morningstar As-Is NCF was based on the current performance of the property, without giving any credit to future upside that may be realized upon the sponsor's completion of the business plans. The As-Is NCF scenario also assumes that the loan is fully funded, with any allowable future funds increasing the overall leverage. In some cases, property cash flows may be insufficient to cover the fully loaded debt service. In these cases, the PODs and LGDs in the model may be elevated. The DBRS Morningstar As-Is NCF sample had an average in-place NCF variance of -17.2% from the Issuer's NCF and ranged from -0.5% to -45.1%, excluding two loans with major outliers: Riverdale Portfolio 2 and Tigertail Ave.

Stabilized NCF

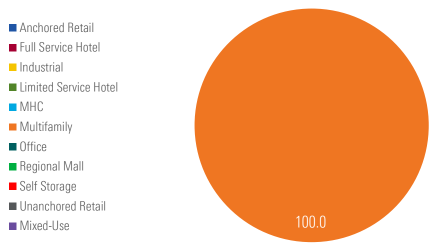
The DBRS Morningstar Stabilized NCF assumed the properties stabilized at market rents and/or recently executed leases and market expenses that DBRS Morningstar believed were reasonably achievable based on the sponsor's business plan and structural features of the respective loan. This often involved assuming higher-than-in-place rental rates for multifamily properties based on significant ongoing renovations, with rents already achieved on renovated units providing the best guidance on market rent upon renovation. The DBRS Morningstar sample had an average DBRS Morningstar Stabilized NCF variance of -21.2% from the Issuer's stabilized NCF and ranged from 2.5% to -54.7%.

Model Adjustments

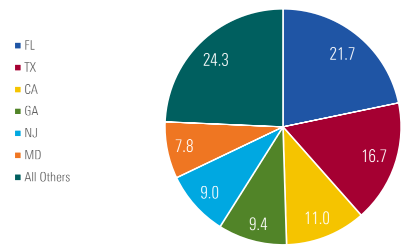
DBRS Morningstar applied upward capitalization rate adjustments to one loan, Riverdale Portfolio 2, 7.6% of the cut-off date pool balance. DBRS Morningstar adjusted the capitalization rate for this loan to reflect its view of the respective markets and the inherent risk associated with the sponsor's business plan.

Transaction Concentrations

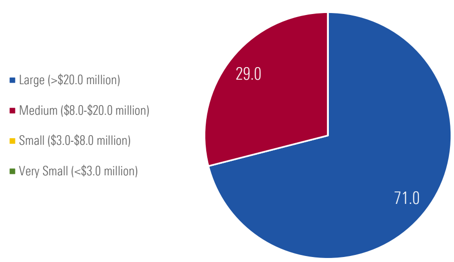
DBRS Morningstar Property Type



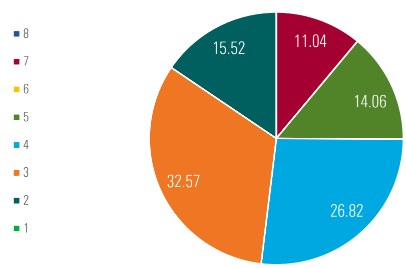
Geography



Loan Size

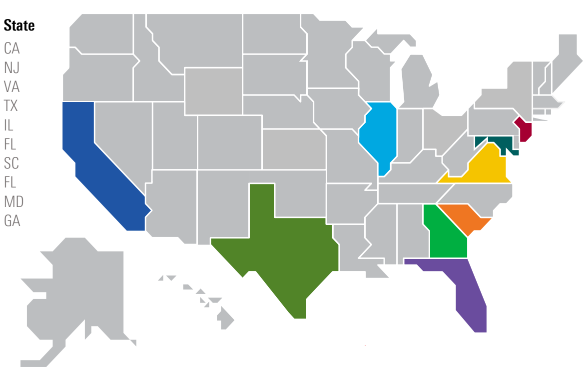


DBRS Morningstar Market Types



Largest Property Location

Property Name	City	State
Cobalt Apartments	Culver City	CA
Transit Village	Dover	NJ
Riverdale Portfolio 2	Hampton	VA
Laurelwoode Apartments	Magnolia	TX
Park Terrace	Forest Park	IL
Avery Pompano Beach	Pompano Beach	FL
Harper Place	Charleston	SC
Tigertail Ave	Miami	FL
Drumcastle Apartments	Baltimore	MD
Ten35	Gateway Marietta	GA



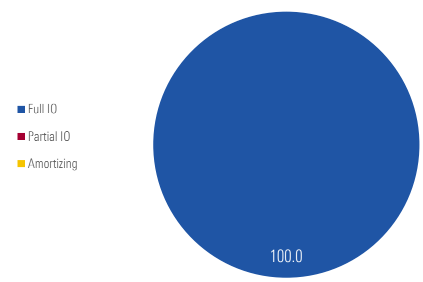
Source: DBRS Morningstar.

Loan Structural Features

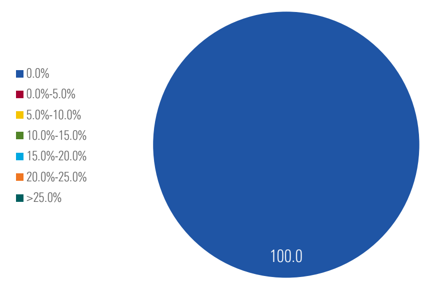
Loan Terms: All 23 loan in the pool are IO during the fully extended loan term. Original loan terms for all loans range from 24 months to 36 months. All loans have one to two extension options, with each option being 12 months in duration.

Interest Rate: The rate is based on the greater of the floating rate referencing one-month USD Libor as the index plus the margin or the interest rate floor for all of the loans. The interest rate floor is based on the lower of 1.98% or the Libor strike rate of the interest rate cap.

Interest Only



DBRS Morningstar Expected Amortization



Note: For certain ARD loans, expected amortization may include amortization expected to occur after the ARD but prior to single/major tenant expiry.

Reserve Requirement			**Borrower Structure**		
Type	# of Loans	% of Pool	Type	# of Loans	% of Pool
Tax Ongoing	18	87.0	SPE with Independent Director and Non-Consolidation Opinion	11	71.0
Insurance Ongoing	18	87.0	SPE with Independent Director Only	0	0.0
CapEx Ongoing	20	92.0	SPE with Non-Consolidation Opinion Only	0	0.0
Leasing Costs Ongoing[1]	0	0.0	SPE Only	11	29.0

1. Percent of office, retail, industrial and mixed use assets based on DBRS property types.

Interest Rate Protection: Seven of the 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 interest rate.

Future Funding: There are 13 loans, representing 47.3% of the initial pool balance, that have some form of holdback or future funding component. The aggregate amount of future funding remaining is $20.5 million, with future funding amounts per loan ranging from $700,000 to $3.2 million. The proceeds necessary to fulfill the future funding obligations will primarily be drawn from non-interest-accruing funds held inside the trust. The future funding is generally for property renovations and leasing costs. Each property has a business plan to execute that is likely to increase NCF. DBRS Morningstar believes that the business plans were generally achievable, given market conditions, recent property performance, and adequate available future funding (or upfront reserves) for planned renovations and leasing costs.

Delayed Close Mortgage Loans: As of the date of the DBRS Morningstar Analysis, there is one loan – Glenmary Pointe – which are not yet funded, but anticipated to be funded within 90 days of the closing date of the transaction. Proceeds will be distributed per the waterfall if the loans are not funded. The target credit enhancements below reflect both the strength of the loans and concentration of the remaining loan pool if not funded.

Target Enhancement Level

Class	Scenario I: Approximate Initial Credit Support[1]
Class A Notes	44.250%
Class A-S Notes	40.000%
Class B Notes	34.500%
Class C Notes	27.750%
Class D Notes	20.500%
Class E Notes	18.625%
Class F Notes	12.625%
Class G Notes	8.750%

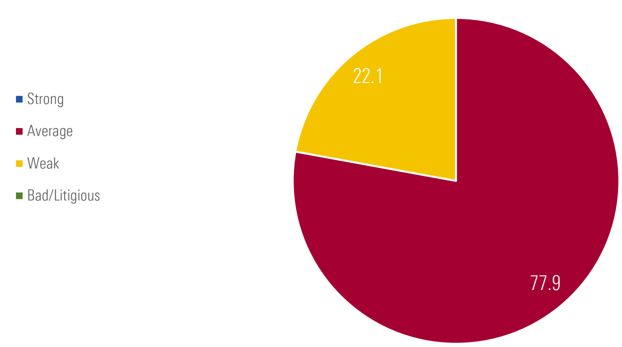
1. Represents the Targeted Credit Enhancement Level assuming the Glenmary Pointe Mortgage Asset does not close on or prior to the 90th day following the Closing Date

Leasehold: All loans in the initial pool are secured by the borrower's fee-simple interest.

Property Release: Two loans, representing 9.9% 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 at or exceeding the allocated loan amounts of the respective properties and/or certain leverage tests prescribed in the individual loan agreement.

Property Substitution: There are no loans in the pool that allow for the substitution of properties.

DBRS Morningstar Sponsor Strength



Source: DBRS Morningstar.

Cobalt Apartments

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
55.0
Loan PSF/Unit ($)
407,407
Percentage of the Pool (%)
11.0
Fully Extended Loan Maturity/ARD
January 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.8
DBRS Morningstar Stabilized DSCR (x)
1.0
DBRS Morningstar As-Is Issuance LTV (%)
57.4
DBRS Morningstar Stabilized Balloon LTV (%)
54.2
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average +

Debt Stack ($ millions)

Trust Balance
55.0
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
55.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(5.3)

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2019
City, State	Culver City, CA	**Physical Occupancy (%)**	93.3
Units/SF	135	**Physical Occupancy Date**	March 2021

This loan is secured by the borrower's fee-simple interest in Cobalt Apartments, a 135-unit apartment complex with 14,752 sf of ground-floor retail in Culver City, California. The loan is IO throughout the initial loan term and two one-year extension options. Loan proceeds of $55.0 million along with $36.3 million of borrower equity will be used to refinance existing debt of $48.4 million, fund upfront reserves of $216,408, and cover $690,592 of closing costs. The property was developed by the sponsor in 2019 for a total cost basis of $90.4 million.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/Unit ($)	Avg. Unit Size (SF)	Occupancy (%)
Harlow Culver City	Culver City, CA	0.5	131	2016	3,918	941	88.5
Accent	Los Angeles, CA	3.4	196	2014	2,905	977	92.9
Access Culver City	Culver City, CA	1.4	115	2016	4,529	1,037	92.9
Jefferson at Marina Del Rey	Marina Del Rey, CA	3.4	298	2008	3,361	1,206	95.0
Total/WA	**Various**	**Various**	**740**	**Various**	**3,520**	**1,072**	**93.0**
Cobalt Apartments	**Culver City, CA**	**n/a**	**135**	**2019**	**3,040**	**854**	**93.3**

*Per Appraisal with the exception of data for Cobalt Apartments, which is based on the January 2021 rent roll.


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis					
	T-12 February 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,465,726	5,166,851	6,117,398	5,130,540	-16.1
Other Income ($)	600,325	1,118,951	1,302,892	1,157,139	-11.2
Vacancy & Concessions ($)	-1,031,089	-258,343	-553,715	-512,780	-7.4
EGI ($)	**5,034,962**	**6,027,459**	**6,866,575**	**5,774,899**	**-15.9**
Expenses ($)	2,142,770	2,236,810	2,490,995	2,458,362	-1.3
NOI ($)	**2,892,192**	**3,790,649**	**4,375,580**	**3,316,536**	**-24.2**
Capex ($)	0	34,763	33,750	99,297	194.2
NCF ($)	**2,892,192**	**3,755,886**	**4,341,830**	**3,217,240**	**-25.9**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,217,240, representing a -25.9% variance from the Issuer's stabilized NCF of $4,341,830. The main drivers of the variance were GPR and TI/LCs. DBRS Morningstar calculated a stabilized GPR based on the in-place average rent of $3,167 per unit and did not inflate rents over a five year period as DBRS Morningstar believes the property is near stabilization. The Issuer's stabilized GPR is based on an average rental rate of $3,776 per unit, which is well above the appraisal's competitive set WA rent per unit of $3,520. For TI/LCs, DBRS Morningstar applied $4.19 psf, based on the appraisal's assumptions, with credit given to the $82,000 upfront TI/LC reserve. The Issuer did not include any TI/LC expenses.

Coronavirus Update

The loan originated in January 2021, so the pandemic was taken into account at origination. The property saw minimal operating deficiencies, with slight increases in delinquency but a slight decrease in the vacancy rate over the past few months with recently signed leases on two retail spaces. Overall, the property continues to perform well as it nears stabilization.

DBRS Morningstar Viewpoint

This property is well located in the Culver City submarket, being approximately one mile from both I-10 and I405, providing easy access West Los Angeles via major freeways, and across the street from Sony Pictures Studios and Headquarters. Major employers in the area include Amazon, HBO, Apple, Google, Facebook, Snapchat, and Microsoft. The recent influx of tech companies to Culver City has led to an increase in the development of multifamily properties as high-income workers seek housing in the area. With Los Angeles set to host the 2028 Summer Olympics, the city is expected to experience upgrades to infrastructure and public transportation that should benefit the property. The subject is located within a DBRS Morningstar market rank of 7 and MSA group 3, which are credit positive in the DBRS Morningstar Model.

Since developing it in 2019, the sponsor has continued to lease-up the property. As of the January 2021 rent roll, the property was 94.0% occupied, slightly below the overall submarket occupancy rate of 95.9% but better than the 93.9% occupancy rate of multifamily properties of similar vintage, according to Q4 2020 Reis data. The Culver City submarket has traditionally been rather tight and Reis forecast that the market will continue to improve, with vacancy forecast to fall to 2.5% from 3.0% at the end of 2021.

The sponsor's business plan is to stabilize occupancy, which has been achieved at this point, burn off concessions as the leases are renewed, and lease up the ground-floor retail space, which was 61.6% occupied as of the January 2021 rent roll. Although no leasing occurred during the 2020 coronavirus shutdowns, the property has leased two additional storefronts since the start of 2021. DBRS Morningstar believes that there is minimal business plan risk as exhibited by the low DBRS Morningstar Business Plan Score of 1.75. The loan exhibits a low DBRS Morningstar As-Is and Stabilized LTV of 57.4% and 54.2%, respectively, based on the loan balance of $55.0 million, as-is appraised value of $95.8 million, and stabilized appraised value of $101.5 million.

Cobalt Apartments consists of 34 studio units (640 sf) with average in-place rents of $2,712, 56 one-bedroom/one-bathroom units (788 sf) with average in-place rents of $3,204, and 45 two-bedroom/two-bathroom units (1,098 sf) with average in-place rents of $4,040. Unit finishes include stainless steel appliances, quartz countertops, tile backsplashes, modern plank flooring, in-unit washers/dryers, and private patios/balconies. Common area amenities include a clubroom with kitchen, gaming, and televisions; two open-air lounges; a fitness center; heated pool with cabanas; outdoor kitchens; an outdoor lounge with a fireplace; covered parking; personal concierge services; and ground floor retail that is currently leased to Teddy's Tacos, Lemonshark, Partovi, and Starbucks. DBRS Morningstar deemed the property quality to be Average (+).

Transit Village

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
44.6
Loan PSF/Unit ($)
208,411
Percentage of the Pool (%)
9.0
Fully Extended Loan Maturity/ARD
December 2023
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.0
DBRS Morningstar Stabilized DSCR (x)
1.1
DBRS Morningstar As-Is Issuance LTV (%)
75.2
DBRS Morningstar Stabilized Balloon LTV (%)
71.7
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

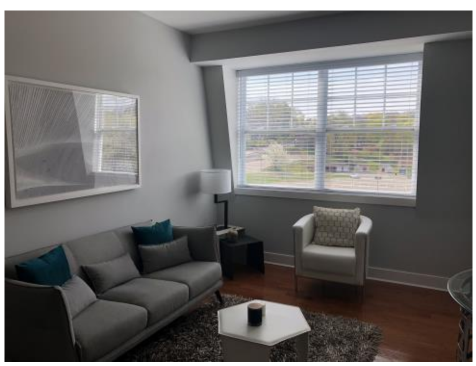
Debt Stack ($ millions)

Trust Balance
44.6
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
44.6
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
11.7

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2020
City, State	Dover, NJ	**Physical Occupancy (%)**	15.4
Units	214	**Physical Occupancy Date**	February 2021

DBRS Morningstar Analysis

Site Inspection Summary



DBRS Morningstar toured the interior and exterior of the Transit Village property on April 20, 2021, at 10:30 a.m. Based on the site inspection and management tour, DBRS Morningstar found the property quality to be Average +.

The property is about four miles south of I-80 on the northeast corner of South Warren Street and West Dickerson Street in Dover, New Jersey. The collateral consists of a single five-story building with parking and retail/amenity space at the street level and apartment units on the upper floors. Because of its relative mass, the building stands out from its neighboring properties and has good visibility. The building's visibility is also helped by the lack of adjacent buildings on its southern frontage because of an NJ Transit rail line. The property also has good signage along its southern facade. The immediate vicinity has retail and commercial developments, especially north of the property on East Blackwell Street, which has a number of restaurants, bank branches, and other main street retail outlets. The development profile beyond the adjacent blocks around the property are predominantly residential, comprising mostly single-family homes.

Given that the property is newly built, there weren't any apparent deferred maintenance issues, and there were no signs of wear and tear with the equipment in the fitness room or carpeting in the common areas. According to the property manager, the building was 22% occupied and 30% leased at the time of the inspection. DBRS Morningstar was able to visit a one-bedroom unit and two two-bedroom units, the community room, and the fitness center. Each apartment had the full complement of stainless-steel appliances and a full-size washer and dryer. Apartments had faux-wood laminate flooring throughout. There appeared to be ample storage space in all the apartments including walk-in closets in the two-bedroom units. There is a seating area on each floor in front of the elevator banks. The fitness center is accessible to the tenants 24/7 and appeared to be well equipped. The community room has a large screen TV, a billiards table, and a foosball table. According to the property manager, the community room is popular with the tenants, especially in the evenings. The property has four elevators, one of which is accessible from the street and can be used for deliveries, moves, etc. There is a parking garage on the first floor, half of which is reserved for the building tenants and the other half is public parking. According to the property manager, each apartment unit has a dedicated parking space for $80 per month. Two-bedroom units can get two adjoining spaces for $70 per month per space.

According to the property manager, the vacant first-floor space on the north side of the building was initially intended for retail, but it will likely be converted to amenity space and the fitness center will be relocated there along with the leasing office. Per the property manager, asking rents at the collateral range from $1,600 per month for the smallest one-bedroom units to $2,700 per month for the largest two bedroom units, averaging about $2,100 per month. Management is reportedly offering one month of free rent for a 13-month lease with the free rent structured in the second month of the lease term. The property manager indicated that the building had received its final certificate of occupancy and expected leasing velocity to increase during the spring and summer based on the volume of inquiries.

Aside from the build quality of the units and the amenities, the biggest demand driver for the property is likely its accessibility. It benefits from being just steps away from the NJ Transit Dover station, which provides direct connections to New York City on the Morris & Essex and Montclair-Boonton lines. I-80 is just four miles north, and U.S. Route 46, which connects to I-287 is even closer. There are a number of parks and recreational areas close by including a playground a few blocks north. Schools, two supermarkets, restaurants, and entertainment options are also close by.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/ Unit ($)	Avg. Unit Size (SF)	Occupancy (%)
Modera Parsippany	Parsippany, NJ	8.0	212	2018	2,487	959	95.0
Woodmont Parc at Roxbury	Ledgewood, NJ	6.9	230	2019	2,298	1,099	97.0
Canfield Mews	Randolph, NJ	3.1	192	1999	1,970	932	99.0
The Boulders at Rockaway	Rockaway, NJ	1.5	128	2006	2,053	981	96.0
Avalon Wharton	Wharton, NJ	1.9	247	2014	2,004	817	97.0
Woodmount West	Mount Arlington, NJ	4.7	300	2016	2,036	1,150	99.3
Total/WA	**Various**	**Various**	**1,309**	**Various**	**2,141**	**999**	**97.4**
Transit Village	**Dover, NJ**	**n/a**	**214**	**2020**	**n.a.**	**794**	**15.4**

*Per the appraisal, with the exception of data for Transit Village, which is based on the February 2021 rent roll.

DBRS Morningstar NCF Summary

NCF Analysis	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,039,400	5,242,992	5,039,400	-3.9
Other Income ($)	457,777	317,443	256,000	-19.4
Vacancy & Concessions ($)	-302,364	-713,270	-471,604	-33.9
EGI ($)	**5,194,813**	**4,847,165**	**4,823,796**	**-0.5**
Expenses ($)	2,167,821	1,477,172	2,156,691	46.0
NOI ($)	**3,026,992**	**3,369,993**	**2,667,105**	**-20.9**
Capex ($)	48,150	53,500	53,500	0.0
NCF ($)	**2,978,842**	**3,316,493**	**2,613,605**	**-21.2**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF was $2,613,605, representing a -21.2% variance from the Issuer's stabilized NCF of $3,316,493. The primary drivers of the variance included variable operating expenses, real estate taxes, gross potential rents, and other income.

DBRS Morningstar generally estimated variable operating expenses based on the appraiser's stabilized estimates, resulting in a total stabilized expense ratio of 44.7%, compared with the Issuer's stabilized expense ratio of 30.5%. DBRS Morningstar also estimated real estate taxes based on the appraiser's stabilized tax estimate, which contributed to the higher stabilized expense ratio. The DBRS Morningstar estimated real estate taxes were approximately $3,727 per unit, compared with the Issuer's estimated real estate taxes of $2,265 per unit. DBRS Morningstar estimated gross potential rents based on the appraiser's stabilized market rent estimates for each unit, resulting in average monthly rental income of approximately $1,962 per unit, compared with the Issuer's estimated average monthly rental income of approximately $2,042 per unit. Reis reported average submarket asking rents of approximately $1,557 per unit as of Q4 2020, with properties of similar vintage to the collateral reportedly achieving higher average asking rents of approximately $2,542 per unit over the same period. DBRS Morningstar lastly estimated other income at the property based on the appraiser's stabilized estimate excluding late fees, resulting in total stabilized other income of $1,196 per unit, compared with the Issuer's stabilized estimate of $1,483 per unit.

DBRS Morningstar Viewpoint

The collateral was delivered to market in 2020, making it the newest vintage asset of the appraiser's competitive set. Per the Q4 2020 Reis report, properties constructed after 2019 represented just 3.0% of submarket inventory, properties constructed after 2010 represented just 14.0% of submarket inventory, and properties constructed before 1979 represented 68.0% of submarket inventory over the same period. Since completion, the property has leased up steadily, which provides some support that stabilization is achievable. Thus far, concessions are moderate for a full lease-up business plan at one month free on a 13-month lease. As of February 2021, the collateral was only 15.4% occupied, though at the time of DBRS Morningstar's inspection in April 2021, the on-site management indicated that occupancy was closer to 22.0% with leased occupancy having risen to approximately 30.0%. DBRS Morningstar believes that the collateral's new vintage relative to the market and its Average + property quality should provide favorable support to the property's ongoing lease-up efforts. Additionally, the loan is structured with a $2.2 million debt service reserve and a $500,000 operating capital reserve to support the asset and transaction through stabilization.

The property is generally well located within a semiaffluent New Jersey suburb with reported median household incomes of $71,559 and $88,154, per the appraisal, within a one- and three-mile radius, respectively, of the collateral as of 2020. The property benefits from its location just steps away from the NJ Transit Dover station, near I-80 just four miles north, and near U.S. Route 46, which connects to I-287. Also, a number of parks and recreational areas, schools, two supermarkets, restaurants, and entertainment options are also close by. Per the Q4 2020 Reis report, average submarket rents will increase approximately 1.5% annually over the five-year period ending December 2025 with submarket unit absorption forecast to outpace new construction by a ratio of 1.2:1.0 over the same period.

Initial loan proceeds of $44.6 million in addition to a borrower equity contribution of nearly $13.3 million financed the borrower's $53.0 million acquisition of the property, funded a $2.2 million interest reserve, covered nearly $2.2 million of closing costs associated with the transaction, and backed a $500,000 operating capital reserve. The three-year, floating-rate loan has one 12-month extension option that is exercisable subject to, among other criteria, the collateral's satisfaction of certain DSCR hurdles set forth in the loan agreement. The loan is IO through the fully extended loan term.

The fully funded loan represents a relatively high loan-to-purchase price ratio of 75.3% and a moderately improved loan-to-stabilized value ratio of 71.7% based on the appraiser's November 2022 stabilized value estimate of $62.2 million. The DBRS Morningstar Stabilized NCF represents a stabilized DSCR of only 1.10x and, holding all else constant, a relatively high breakeven occupancy rate of 89.2% based on the projected annual debt service payment of approximately $2.4 million. Per Reis, the collateral's Morris County submarket exhibited an average vacancy rate of 5.9% as of Q4 2020, with submarket vacancy rates generally forecast to decline to an average of 4.8% over the five year period ended December 2025. Additionally, the appraiser's competitive set exhibited a relatively high average occupancy rate of

97.4%. DBRS Morningstar has a negative view on the relatively low net worth and liquidity of the transaction guarantor, but believes the sponsor’s commitment to the collateral’s stabilization is sufficiently evidenced through its $13.3 million initial equity contribution.

With regard to the coronavirus, the magnitude and extent of performance stress posed to global structured finance transactions remains highly uncertain, even considering the fiscal and monetary policy measures and statutory law changes that have already been implemented or will be implemented to soften the impact of the crisis on global economies. Fortunately, the loan has with a $2.2 million debt service reserve and a $500,000 operating capital reserve to support the asset and transaction through stabilization.

Riverdale Portfolio 2

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
37.6
Loan PSF/Unit ($)
82,857
Percentage of the Pool (%)
7.6
Fully Extended Loan Maturity/ARD
April 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.7
DBRS Morningstar Stabilized DSCR (x)
1.1
DBRS Morningstar As-Is Issuance LTV (%)
83.3
DBRS Morningstar Stabilized Balloon LTV (%)
67.1
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Below Average

Debt Stack ($ millions)

Trust Balance
37.6
Pari Passu
0.0
Remaining Future Funding
1.6
Mortgage Loan Including Future Funding
39.2
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
8.1

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1970-1984
City, State	Hampton, VA	**Physical Occupancy (%)**	98.0
Units/SF	454	**Physical Occupancy Date**	March 2021

The loan is secured by the borrower's fee-simple interest in Riverdale Portfolio 2, a portfolio consisting of three Class C multifamily properties in Hampton, Virginia. The borrower is acquiring the properties for a purchase price of $45.0 million. Initial loan proceeds of $37.6 million along with borrower equity of $8.1 million will fund the purchase price, cover $663,680 of closing costs, reserve $209,627 for taxes, and escrow $10,100 for deferred maintenance. The loan is also structured with a $1.6 million future funding component that will be used for the borrower's capital improvement plan. Based on the fully funded $39.3 million whole loan balance, the loan exhibits DBRS Morningstar Issuance and Stabilized LTVs of 83.3% and 67.1%, respectively. The loan is IO throughout with a three-year initial term and two one-year extension options.

Portfolio Summary

Property	City, State	Units	Year Built	Occupancy (%)	In-place Rent ($/unit)	Cut-Off Date Loan Amount ($)	Cut-Off Date Loan Amount (%)	Cut-off Date Future Funding Amount ($)
Tidemill Farms	Hampton, VA	284	1970-1982	97.9	804	19,512,000	51.9	808,000
Sacramento TH	Hampton, VA	138	1978-1981	97.9	1,078	15,517,000	41.2	642,000
Cunningham	Hampton, VA	32	1984	100.0	1,000	2,588,000	6.9	107,000
Total/WA	**Hampton, VA**	**454**	**Various**	**98.0**	**901**	**37,617,000**	**100.0**	**1,557,000**


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis	T-12 January 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,717,803	6,471,372	5,681,713	5,226,096	-8.0
Other Income ($)	133,405	390,013	363,011	133,405	-63.3
Vacancy & Concessions ($)	-12,340	-323,569	-487,263	-378,892	-22.2
EGI ($)	**4,838,868**	**6,537,816**	**5,557,460**	**4,980,609**	**-10.4**
Expenses ($)	3,384,469	2,194,906	2,473,573	2,504,623	1.3
NOI ($)	**1,454,399**	**4,342,910**	**3,083,887**	**2,475,986**	**-19.7**
Capex ($)	0	125,125	158,900	113,500	-28.6
NCF ($)	**1,454,399**	**4,217,785**	**2,924,987**	**2,362,486**	**-19.2**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,362,486, representing a -19.2% variance from the Issuer's Stabilized NCF of $2,924,987. The main drivers of the variance were GPR and other income. DBRS Morningstar based GPR on the in-place rent roll dated March 12, 2021, plus monthly rent premiums of $100 per unit for the 264 units scheduled to be renovated, resulting in an average stabilized rent of $959 per unit. The Issuer concluded to an average stabilized rent of $1,043 per unit. DBRS Morningstar based other income on the T-12 ended January 2021 figure of $133,405, while the Issuer concluded to a much higher figure of $363,011.

DBRS Morningstar Viewpoint

The collateral consists of three Class C apartment complexes totaling 454 units in Hampton. The portfolio has demonstrated strong occupancy as it was at 98.0% as of the March 12, 2021, rent roll, which is in line with the Reis Hampton/York submarket by vintage vacancy of 2.9%. However, the properties were originally constructed between 1970 and 1984 and are now in need of a renovation to restore revenue performance in line with competitors. Specifically, the portfolio is achieving an average in-place rent of $901 per unit as of the March 12, 2021, rent roll, a figure significantly below the Reis Hampton/York submarket by vintage average rent of $1,087 per unit.

The borrower has budgeted $1.3 million ($5,011 per unit) to complete 264 unit renovations and $553,192 ($1,218 per unit) to complete general common area and site improvements. Interior renovations will generally encompass new vinyl flooring, refinished cabinets, new countertops, updated black or stainless-steel appliances, updated plumbing, and new light fixtures. Exterior renovations will include updates to window shutters, awnings, roofing, exterior lighting, property signage, and landscaping. While the interior renovations are expected to generate upside revenue, DBRS Morningstar considers the exterior updates to be general upkeep items that will not necessarily drive rents across the properties. DBRS Morningstar projects the 264 renovated units to achieve monthly premiums of $100 per unit, but this upside will only increase the portfolio's overall average rent to $959 per unit, which still remains well below the Reis Hampton/York submarket by vintage average rent of $1,087 per unit.

The portfolio has exhibited a considerably high expense ratio, particularly driven by high R&M and payroll expenses. Specifically, the portfolio had an expense ratio of 69.9% during the T-12 ended January 2021, which is markedly higher than the appraiser's expense comparable average of 42.1% and the Reis Hampton/York submarket average of 44.7%. During this period, the portfolio's R&M and payroll expenses were very high at $2,693 per unit and $2,176 per unit, respectively. DBRS Morningstar expects these to decrease as a result of the capital improvement project and change in ownership and management. Based on expense comparable properties provided in the appraisal and by the Issuer, DBRS Morningstar assumed a stabilized R&M expense of $1,500 per unit and a stabilized payroll of $1,100 per unit. The resulting DBRS Morningstar stabilized expense ratio of 50.3% reflects consideration to improvements following the acquisition while maintaining an expense ratio comfortably more conservative than the submarket and comparable averages.

Despite the borrower recently acquiring the properties for $45.0 million and yet to begin its capital improvement plan, the as-is appraised value is reported to be $47.1 million. Additionally, the as-is appraised value of $47.1 million ($103,789 per unit) is projected to increase to a stabilized appraised value of $76.0 million ($167,423 per unit), representing an increase of $63,634 per unit despite the business plan only having a scope of $1.6 million ($3,586 per unit) in capital improvements. Further, 11 multifamily loans securitized since 2016 within a five-mile radius of the subject have exhibited a WA cap rate of 6.0%, while the Issuer is assuming implied as-is and stabilized cap rates of 5.3% and 3.8%, respectively. DBRS Morningstar applied a cap rate adjustment to the loan to account for the variance between purchase price and as-is appraised value, a hefty lift in appraised value, and low implied cap rates. Based on the cap rate adjustment, the resulting DBRS Morningstar Issuance and Stabilized LTVs were 83.3% and 67.1%, respectively.

Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Below Average.

Laurelwoode Apartments

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
37.0
Loan PSF/Unit ($)
114,198
Percentage of the Pool (%)
7.4
Fully Extended Loan Maturity/ARD
April 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
1.4
DBRS Morningstar Stabilized DSCR (x)
1.5
DBRS Morningstar As-Is Issuance LTV (%)
78.7
DBRS Morningstar Stabilized Balloon LTV (%)
72.1
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
37.0
Pari Passu
0.0
Remaining Future Funding
3.0
Mortgage Loan Including Future Funding
40.0
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
12.1


Source: Appraisal.


Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2008
City, State	Magnolia, TX	**Physical Occupancy (%)**	94.4
Units/sf	324	**Physical Occupancy Date**	February 2021

The loan is secured by the borrower's fee-simple interest in Laurelwoode Apartments, a 324-unit multifamily property in Magnolia, Texas, approximately 40 miles north of the Houston CBD. Loan proceeds of $40.0 million, along with $12.1 million of sponsor equity, were used to acquire the property for a purchase price of $48.0 million, fund a $3.1 million capex business plan, and cover closing costs. The lender will be funding $37.0 million at closing with the remaining $3.0 million held back as a future funding component for the business plan. Based on the whole loan amount, the as-is and stabilized appraised values of $50.8 million and $55.5 million reflect an as-is and stabilized LTV of 78.7% and 72.1%, respectively. The floating-rate loan has a five-year fully extended term that is IO until maturity.


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis					
	T-12 January 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,437,751	4,809,625	4,718,798	4,538,287	-3.8
Other Income ($)	471,640	506,763	601,674	506,763	-15.8
Vacancy & Concessions ($)	-808,240	-358,581	-394,020	-455,677	15.6
EGI ($)	**4,101,151**	**4,957,807**	**4,926,452**	**4,589,373**	**-6.8**
Expenses ($)	1,813,288	2,036,564	2,209,093	2,247,043	1.7
NOI ($)	**2,287,863**	**2,921,243**	**2,717,359**	**2,342,331**	**-13.8**
Capex ($)	81,000	81,000	81,000	81,000	0.0
NCF ($)	**2,206,863**	**2,840,243**	**2,636,359**	**2,261,331**	**-14.2**

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 $2,261,331, representing a -14.2% variance from the Issuer's Stabilized NCF.

The primary drivers of the variance are GPR, other income, and vacancy. DBRS Morningstar is accepting 75.0% of the Issuer's anticipated rental premium on all renovated units. The resulting rental rate of $1,167 per unit is in line with rental data for similar properties in the market. Other income was set to the appraiser's stabilized figure. DBRS Morningstar concluded to a vacancy rate of 7.5%, which is slightly higher than the Issuer's stabilized vacancy rate of 6.0% and which is supported by both forward-looking Reis reports and internal comparables.

Coronavirus Pandemic Update

The acquisition loan was originated in April 2021, so the pandemic was taken into account at the time of loan origination. The property has remained 100.0% operational throughout the pandemic and has offered neither tenant-specific rent deferral nor forgiveness. Additionally, the sponsor did not miss any debt service payments in 2020.

DBRS Morningstar Viewpoint

Loan proceeds of $40.0 million, along with $12.1 million of sponsor equity, were used to acquire Laurelwoode Apartments for a purchase price of $48.0 million. The loan includes a $3.0 million future funding piece that will be used to renovate the property. Based on the whole loan amount, the as-is and stabilized values of $50.8 million and $55.5 million reflect an as-is and stabilized LTV of 78.7% and 72.1%, respectively. The floating-rate loan has a five-year fully extended term that is IO until maturity.

Built in 2008, the subject was 94.4% occupied as of February 2021. The property consists of 168 one-bedroom units, 144 two-bedroom units, and 12 three-bedroom units, averaging monthly rents of $880, $1,128, and $1,516 per unit, respectively. The borrower acquired the property in April 2021 and plans to complete a propertywide renovation using the $3.0 million of future funding provided by the lender.

The sponsor is a Dallas-based multifamily acquisition and management company that specializes in value-add properties. Two of the five principles are full-time multifamily operators who have experience in multifamily renovation. The company currently manages 2,000 units in the Dallas/Fort Worth and Phoenix markets and has more recently expanded into the suburban Houston market.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Landmark of Magnolia I & II	Magnolia, TX	1.2	360	2013	98.0	1,101	1,004
Enclave at Woodland Lakes	Conroe, TX	1.6	340	2018	89.7	1,200	866
Whispering Pines Ranch	The Woodlands, TX	2.1	300	2002	96.0	1,172	988
Grand Estates Woodland	Magnolia, TX	2.4	416	2014	94.0	1,020	874
Sanctuary at Jacobs Reserve	Conroe, TX	4.0	384	2017	91.4	1,248	968
Total/WA Competitive Set	**Various**	**Various**	**1,800**	**Various**	**93.8**	**1,144**	**938**
Laurelwoode Apartments	**Magnolia, TX**	**n/a**	**324**	**2008**	**94.4**	**1,176**	**829**

Source: Appraisal.

As seen in the appraiser’s competitive set above, the property achieves rental rates that are in line with the market average, which range between $1,020 and $1,248 per unit. The property also achieves a lower average vacancy compared to the competitive set, which ranges between 89.7% and 98.0%. The property is expected to achieve a stabilized rental premium in the coming years as the sponsor executes the business plan.

The property is located in Magnolia, within the Houston-The Woodland-Sugar Land, TX MSA. This is the fifth-largest MSA in the country by population and it has the seventh-highest GDP among U.S. markets. The subject is situated within the MSA’s Far NW/Montgomery County submarket, as identified by Reis. Per the Q4 2020 report, the submarket showed an average vacancy rate of 6.6% and 5.3% by vintage. Additionally, the average rental rate was $1,231 per unit and $1,189 per unit by vintage. Based on these statistics, Laurelwoode Apartment appears to be performing in line with the submarket.

Park Terrace

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
32.5
Loan PSF/Unit ($)
135,417
Percentage of the Pool (%)
6.5
Fully Extended Loan Maturity/ARD
February 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.5
DBRS Morningstar Stabilized DSCR (x)
1.0
DBRS Morningstar As-Is Issuance LTV (%)
90.0
DBRS Morningstar Stabilized Balloon LTV (%)
69.4
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average -

Debt Stack ($ millions)

Trust Balance
32.5
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
32.5
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
6.7

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1979
City, State	Forest Park, IL	**Physical Occupancy (%)**	65.0
Units/SF	240	**Physical Occupancy Date**	April 2021

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the interior and exterior of the property on Tuesday, April 20, 2021, at 10:30 a.m. Based on the guided management tour, DBRS Morningstar found the property quality to be Average (-).

The collateral consists of five mid-rise multifamily buildings totaling 240 units in Forest Park, Illinois, a near suburb of Chicago. The subject sits on the west side of Des Plaines Avenue, between Roosevelt Road to the south and I-290 to the north. The immediate areas consist of small office and retail buildings to the south, competing multifamily properties of similar vintage and single family homes to the east, and Forest Home Cemetery, which borders the property immediately to the north and west. Loyola University Medical Center is 1.5 miles southwest of the subject and employs hundreds of medical professionals in the area as well supports demand for retail, restaurant, and entertainment options in the market. With I-290 and the Forest Park CTA Blue Line Station 0.5 miles to the north, the property has easy access to the greater Chicagoland area as well as downtown Chicago and the local suburban cities of Forest Park, Oak Park, and Riverside.

Originally constructed in 1979, the subject was formerly operated as a condominium with each unit being individually owned. The sponsor purchased the individual units and collapsed one of the two condominium structures and is currently working through the litigation process of purchasing the one final unit of the second condominium structure as the owner is holding out on the sale. The improvements consist of five seven-story buildings with beige and red brick exteriors, metal balconies, and steel beams supporting the buildings over covered parking spaces. The sponsor noted that it is planning to paint the brick a light grey to give the exterior a more modern feel. The structures are surrounded by surface parking spaces that the sponsor plans to rent for $50 per space. The paved surfaces and parking lot were in average condition with cracks and alligatoring noted, but the sponsor mentioned it was going to seal and stripe the parking lot within the next two months. Landscaping at the property appeared well maintained and consisted of small trees, bushes, and ground cover. The sponsor plans to add flower beds and trim the trees to a higher canopy in order to provide building lobbies with more natural light.

Each building has a small lobby with a mailbox room leading into a small atrium room that features dated finishes consistent with 1970s construction. The sponsor plans to paint the lobbies with a modern grey and white color scheme, install new grey vinyl flooring, and install modern light fixtures. Each building has a common area laundry room, trash room, and bike room as well as a small office space. The sponsor is planning to add common area amenities consisting of a leasing office, fitness room, and cyber café to three of the buildings by converting the small office space at the respective buildings. Business plans also include adding a dog park and barbecue area to the southwest corner of the property, which is currently an open grassed area. Building interiors and hallways are tight and dated but the sponsor was in the process of painting hallways, updating lighting, and replacing carpets at the time of inspection.

The collateral consists of 120 one-bedroom/one-bathroom units (620 sf) and 120 two-bedroom/two-bathroom units (775 sf). While each unit is somewhat small, floorplan layouts are practical and each unit features a private balcony. Because each unit was previously owned by individual owners, unit finishes are of a wide range in style and quality. The sponsor aims to renovate units on an as-needed basis while renting the units with luxurious finishes as-is. Units that the sponsor will renovate will feature open kitchens with grey and white cabinets, white granite countertops, stainless steel appliances, and wood plank flooring. The sponsor plans to have all renovations throughout the property completed by the end of 2021. Overall, the property is in Average condition and should benefit from the sponsor's proposed business plan.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/Unit ($)	Avg. Unit Size (SF)	Occupancy (%)
520 Rentals	Forest Park, IL	0.7	50	1971	1,479	930	100.0
Circle Court	Forest Park, IL	1.1	38	1980	1,189	819	100.0
Madison West	Forest Park, IL	0.8	36	2020	2,100	1,090	72.0
Clarence & Harrison Apartments	Oak Park, IL	1.5	60	1927	1,354	766	97.0
100 Forest Place	Oak Park, IL	1.7	244	1987	1,809	928	92.3
Oak Park City Apartments	Oak Park, IL	2.0	125	1987	1,703	874	92.0
Total/WA	**Various**	**Various**	**553**	**Various**	**1,682**	**901**	**92.6**
Park Terrace	**Forest Park, IL**	**n/a**	**240**	**1979**	**1,350**	**825**	**65.0**

*Per Appraisal with the exception of data for Park Terrace, which is based on the September 2020 rent roll.

DBRS Morningstar NCF Summary

NCF Analysis

	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,740,379	4,263,235	3,945,600	-7.5
Other Income ($)	127,308	123,600	120,000	-2.9
Vacancy & Concessions ($)	-260,721	-336,188	-220,982	-34.3
EGI ($)	**4,606,966**	**4,050,647**	**3,844,618**	**-5.1**
Expenses ($)	1,793,231	1,772,762	1,782,588	0.6
NOI ($)	**2,813,735**	**2,277,885**	**2,062,030**	**-9.5**
Capex ($)	60,000	72,000	60,000	-16.7
NCF ($)	**2,753,735**	**2,205,885**	**2,002,030**	**-9.2**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,002,030, representing a -9.2% variance from the Issuer's stabilized NCF of $2,205,885. The main driver of the variance was GPR. For GPR, DBRS Morningstar is using a $1,370 per unit figure, which accounts for $200 per unit premiums on the 20% of the units that are expected to be vacated as the condominiums are converted to multifamily units. The Issuer is concluding a GPR based on $1,510 per unit, which is a $160 premium per unit over the in-place average rent.

Coronavirus Update

The loan originated in February 2021, so any impact from the pandemic was taken into account at origination. The property saw minimal operating deficiencies as renovations carried on ahead of schedule. There was an increase in vacancy over the past few months, which the sponsor noted was unrelated to the pandemic but correlated with the business plan of rolling units and completing unit renovations. Overall, the property is experiencing a slight loss of leasing momentum but doesn't appear to be significantly affected by the coronavirus pandemic.

DBRS Morningstar Viewpoint

The property is well located within the Chicago suburb of Forest Park and offers great access to major highways and public transportation in the area. Despite the delay in loan closing, which caused the vacancy rate to rise, the sponsor is making progress in its renovation plans and is ahead of schedule, with unit renovations expected to be complete by the end of 2021. The sponsor's business plan to improve the parking lot and landscaping, update the building lobbies, and add a leasing office, fitness room, cybercafé, dog park, and barbecue area while renovating units on an as-needed basis as they roll seems to be a sensible approach that should add value to the property. The owner that continues to hold out on the sale of a single unit in one of the condominium structures poses a risk to the performance of the loan as a potentially lengthy legal process may ensue. To account for this deconversion risk, DBRS Morningstar increased the business plan score, resulting in a DBRS Morningstar Business Plan Score of 2.73.

Per the DBRS Morningstar site inspection conducted on April 20, 2021, management reported the property to be around 70.0% occupied, which is a decline from the occupancy rate of 75.8% reported as of February 2021. While the sponsor is renovating units ahead of the original timeline because of the elevated vacancy, the 30.0% vacancy rate at Park Terrace is significantly higher than the appraiser's competitive set WA vacancy rate of 7.4%. Reis data per Q4 2020 show the Oak Park multifamily submarket vacancy rate to be 7.6% overall and 6.3% for properties of similar vintage to the subject. In-place WA rents of $1,350 per unit are low compared with the Reis-reported average of $1,415 per unit across all vintages and $1,707 per unit for properties of similar vintage to the subject. DBRS Morningstar is concluding a stabilized vacancy rate of 5.0%, which is in line with the appraisal assumption, and an average rental rate of $1,370 per unit, which is more conservative than the submarket averages.

The subject is in a DBRS Morningstar market rank of 4 and MSA 1, which represent suburban markets and which have historically shown high defaults and losses. Additionally, based on a loan balance of $32.5 million and as-is and stabilized appraised values of $36.1 million and $46.8 million, respectively, the loan exhibits a very high DBRS Morningstar As-Is LTV of 90.0% and DBRS Morningstar Stabilized LTV of 69.4%. The loan also shows a low DBRS Morningstar As-Is DSCR and Stabilized DSCR of 0.52x and 0.95x, respectively.

Avery Pompano Beach

Loan Snapshot

Seller	HGI
Ownership Interest	Fee Simple
Trust Balance ($ million)	29.3
Loan PSF/Unit ($)	203,125
Percentage of the Pool (%)	5.9
Fully Extended Loan Maturity/ARD	December 2025
Amortization	N/A
DBRS Morningstar As-Is DSCR (x)	0.8
DBRS Morningstar Stabilized DSCR (x)	0.8
DBRS Morningstar As-Is Issuance LTV (%)	68.0
DBRS Morningstar Stabilized Balloon LTV (%)	68.0
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average+

Debt Stack ($ millions)

Trust Balance	29.3
Pari Passu	0.0
Remaining Future Funding	0.0
Mortgage Loan Including Future Funding	29.3
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	(0.3)


Source: Appraisal.


Source: Appraisal.

Collateral Summary			
Property Type	Multifamily	**Year Built/Renovated**	2019 /n/a
City, State	Pompano Beach, FL	**Physical Occupancy (%)**	97.9
Units	144	**Physical Occupancy Date**	March 2021

The loan is secured by the borrower's fee-simple interest in Avery Pompano Beach, a 144-unit apartment complex in Pompano Beach, Florida. The loan is full-term IO throughout the initial three-year loan term as well as during the two one-year extension options. Loan proceeds of $29.25 million will be used to refinance existing debt of $28.0 million, pay closing costs, and fund an interest reserve of $221,813. The property was developed by the sponsor in 2019 for a total cost basis of $37.5 million. At closing, $278,188 of cash equity will be returned to the borrower.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Berkshire Lauderdale by the Sea	Ft. Lauderdale, FL	1.6	264	2015/n/a	93.0	1,858	991
Envy Apartments	Pompano Beach, FL	1.0	214	2020/n/a	63.0	2,318	1,014
Broadstone Oceanside	Pompano Beach, FL	1.2	211	2019/n/a	82.0	2,879	1,100
Bell Lighthouse	Pompano Beach, FL	3.8	249	2015/n/a	95.0	1,716	887
Total/WA Comp Set	**Various**	**Various**	**938**	**Various**	**84.2**	**2,155**	**993**
Avery Pompano Beach	**Pompano Beach, FL**	**n/a**	**144**	**2019 /n/a**	**97.9**	**1,847**	**952**

Source: Appraisal, except the subject's figures are based on the March 2021 rent roll.


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis	T-12 February 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	3,475,005	3,507,480	3,830,255	3,191,744	-16.7
Other Income ($)	116,247	140,000	244,431	116,247	-52.4
Vacancy & Concessions ($)	-1,079,490	-210,449	-363,874	-397,372	9.2
EGI ($)	**2,511,762**	**3,437,031**	**3,710,812**	**2,910,619**	**-21.6**
Expenses ($)	1,554,661	1,359,735	1,636,068	1,499,353	-8.4
NOI ($)	**957,101**	**2,077,296**	**2,074,745**	**1,411,266**	**-32.0**
Capex ($)	0	28,800	36,000	36,000	0.0
NCF ($)	**957,101**	**2,048,496**	**2,038,745**	**1,375,266**	**-32.5**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $1,375,266, representing a -32.5% variance from the Issuer's as-stabilized NCF of $2,038,745. The main drivers of the variance were GPR, vacancy, and other income. GPR was based on the March 2021 rent roll. DBRS Morningstar did not assume any upside potential over the as-is assumption as the sponsor's business plan does not include any unit or property renovations or upgrades that could lead to rental premiums. DBRS Morningstar estimated stabilized vacancy to be 9.7%, which is slightly lower than the Pompano Beach submarket overall rate of 11.6%, according to Reis Q4 2020 data. Lastly, DBRS Morningstar set other income to the T-12 ended February 2021. Expenses were set to the Year 1 budgeted amount inflated by 3.0%.

Coronavirus Update

With regard to the coronavirus pandemic, the magnitude and extent of performance stress posed to global structured finance transactions remains highly uncertain, even considering the fiscal and monetary policy measures and statutory law changes that have already been implemented, or will be implemented, to soften the impact of the crisis on global economies. Overall, the subject property experienced slower lease-up activity as a result of the coronavirus pandemic. As of December 2020, the property was well occupied at 88.9%.

DBRS Morningstar Viewpoint

The loan is secured by a recently built 144-unit multifamily property in Pompano Beach. The property has 87 one-bedroom units with an average size of 833 sf, 50 two-bedroom units with an average size of 1,181 sf, and 7 three-bedroom units with an average size of 1,436 sf. The subject sits adjacent to North Federal Highway (U.S. Route 1) within the Pompano Beach submarket. This location is 1.1 miles south of the Pompano Beach Airpark and within a 25-minute walk to Pompano Beach Park. Furthermore, the multifamily property is 2.2 miles east of I-95, linking the subject to various nearby cities in southern Florida, such as Boca Raton to the north and Fort Lauderdale to the south. The immediate area is suburban in nature with surrounding property uses consisting of smaller retail centers, restaurants, and other multifamily properties.

Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar considers the property quality to be Average. The sponsor for this loan is an experienced real estate developer with a history of successful projects for both market rate and low income housing multifamily properties within Florida and Texas. The sponsor invested $37.5 million toward the development of the subject property and will be repatriating $221,813 of cash equity at closing. However, even with the modest cash-out, the borrower will retain approximately $9.2 million of cash equity in the transaction following loan closing. Developed in 2019, the property features a strong amenity package that includes stainless steel appliances, private balconies, swimming pool, outdoor grilling areas, fitness center, and a two-story clubhouse.

As of March 2021, the property was 97.9% occupied, which is an outperformance of the Pompano Beach submarket overall vacancy rate of 11.6%, according to Reis Q4 2020 data. The sponsor's ongoing business plan for the property includes the stabilization of variable expenses and a reduction in concessions. Based on the March 2021 rent roll, the property demonstrated a WA rental rate of $1,847 per unit, which is below the WA of $2,155 per unit of comparable properties as identified by the appraiser. However, the WA in-place rent per unit is at a premium compared with the Pompano Beach submarket overall monthly rent of $1,486 per unit, and is generally in line with average rents of $1,948 per unit at a competitive set of properties within the immediate area, as per Reis Q4 2020 data. Based on the property's strong lease-up and its potential for future upside in rental rates, DBRS Morningstar believes that there is minimal business plan risk as exhibited by the moderate DBRS Morningstar Business Plan Score of 2.10.

The total mortgage loan balance of $29.25 million represents moderate issuance and balloon LTV of 68.0%, based on the as-is and as-stabilized appraised value of $42.0 million. Furthermore, the stabilized appraised value of $298,611 per unit falls within the recent sales comparables, as identified by the appraiser. that range from $234,940 per unit to $328,552 per unit and average $291,318 per unit. The issuer implied cap rate of 4.7% is consistent with the appraiser's concluded cap rate of 4.75%. In addition, the property is in a DBRS Morningstar Market Rank 5 and MSA Rank 2, both of which have historically shown lower loan PODs and LGDs compared with the CMBS multifamily sector as a whole. Given the location of the property and its credit metrics, the loan demonstrates an expected loss that is below the deal average. In aggregate, DBRS Morningstar believes that the stabilization of rents at the subject property is imminent and that the loan will perform well throughout the fully extended loan term.

Harper Place

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
28.0
Loan PSF/Unit ($)
143,590
Percentage of the Pool (%)
5.6
Fully Extended Loan Maturity/ARD
April 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.7
DBRS Morningstar Stabilized DSCR (x)
0.9
DBRS Morningstar As-Is Issuance LTV (%)
64.9
DBRS Morningstar Stabilized Balloon LTV (%)
63.7
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average+

Debt Stack ($ millions)

Trust Balance
28.0
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
28.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(6.4)

Source: Appraisal.


Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2020
City, State	Charleston, SC	**Physical Occupancy (%)**	76.9
Units/SF	195	**Physical Occupancy Date**	March 2021

This loan is secured by the borrower's fee-simple interest in Harper Place, a 195-unit garden-style apartment complex in Charleston, South Carolina. The loan is IO throughout the initial loan term and two one-year extension options. Loan proceeds of $28.0 million along with $12.1 million of borrower equity will be used to refinance $19.9 million of existing debt, cover closing costs of $1.9 million, and fund a $294,535 interest reserve. The property was developed in 2020 and is currently still in the lease-up process with an expected stabilization in fall 2021.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/ Unit ($)	Avg. Unit Size (SF)	Occupancy (%)
Atlantic at Grand Oaks	Charleston, SC	1.5	316	2018	1,366	1,045	81.0
Proximity Residences	Charleston, SC	0.3	199	2017	1,345	1,072	87.0
Bees Ferry Apartments	Charleston, SC	0.4	292	2014	1,309	1,044	95.0
The Heyward	Charleston, SC	1.5	260	2017	1,331	993	95.0
The Preserve at Essex Farms	Charleston, SC	1.7	284	2015	1,391	859	94.0
17 South	Charleston, SC	1.5	220	2017	1,535	930	91.0
Total/WA	**Charleston, SC**	**Various**	**1,571**	**Various**	**1,375**	**990**	**90.4**
Harper Place	**Charleston, SC**	**n/a**	**195**	**2020**	**1,290**	**1,086**	**76.9**

*Per Appraisal with the exception of data for Harper Place, which is based on the March 2021 rent roll.


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis				
	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	3,425,688	3,407,057	3,234,996	-5.1
Other Income ($)	477,000	437,351	320,724	-26.7
Vacancy & Concessions ($)	-345,116	-384,997	-494,933	28.6
EGI ($)	**3,557,572**	**3,459,410**	**3,060,786**	**-11.5**
Expenses ($)	1,422,763	1,508,733	1,538,136	1.9
NOI ($)	**2,134,809**	**1,950,677**	**1,522,650**	**-21.9**
Capex ($)	48,750	48,750	48,750	0.0
NCF ($)	**2,086,059**	**1,901,927**	**1,473,900**	**-22.5**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $1,473,900, representing a -22.5% variance from the Issuer's stabilized NCF of $1,901,927. The main drivers of the variance are GPR, vacancy, and other income. DBRS Morningstar calculated a stabilized GPR based on an average rental rate of $1,382 per unit and did not inflate rents over the stabilization period as DBRS Morningstar believes the property is near stabilization. The Issuer's stabilized GPR is based off an average rental rate of $1,456 per unit which is slightly below the appraisal's stabilized rental rate of $1,464 per unit. DBRS Morningstar concluded a stabilized vacancy rate of 10.0% while the Issuer applied a 6.0% vacancy rate. For other income, DBRS Morningstar used the Issuer's Year One projection while the Issuer inflated other income over the stabilization period.

Coronavirus Update

The loan originated in 2021, so the pandemic was taken into account at origination. The property saw minimal operating deficiencies, with no major increases in vacancy reported over the last few months. The property came online in early 2020 at the height of the pandemic which caused a slower than anticipated lease-up schedule, but the property is currently expected to reach stabilized occupancy levels in fall of 2021, which is behind the appraiser's anticipated stabilization date of April 2021.

DBRS Morningstar Viewpoint

The subject property is nine miles northwest of Charleston's CBD in the Central Charleston submarket. With close proximity to I-526 and US Hwy. 17, the property offers easy accessibility to the greater area.

The immediate surrounding area consists of a Walmart Supercenter directly to the north, and undeveloped land to the east, south, and west. Competitive apartment properties of similar vintage to the subject, Proximity Residences and Bees Ferry Apartments, are across State Road 57 to the north of the subject. Both of these garden-style apartment complexes were identified by the appraiser as rentals comparable with Harper Place. The 195-unit apartment complex consists of 78 one-bedroom/one-bathroom units (794 sf), 96 two-bedroom/two-bathroom units (1,060 sf), and 21 three-bedroom/two-bathroom units (1,453 sf). Common area amenities include a clubhouse, resident coffee lounge, yoga studio, outdoor swimming pool, grill station and dining area, and dog park. Unit interiors feature gray and white cabinets, granite countertops, nickel fixtures, stainless-steel appliances, hardwood floors, and private patios/balconies. Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average +.

The sponsor's business plan is to stabilize occupancy around 94.0% while burning off concessions, which is expected to be achieved by fall 2021. Per Reis Q4 2020 data, the Central Charleston submarket reported a 8.6% vacancy rate across all building vintages and an elevated vacancy rate of 34.5% while comparing properties of similar vintage to the subject. To address the submarket's elevated vacancy rates and the elevated vacancy rate of 23.1% as of the March 2021 rent roll, DBRS Morningstar applied a conservative vacancy rate of 10.% to the DBRS Morningstar Stabilized NCF, which is higher than the Issuer's concluded rate of 6.0% and the appraiser's concluded rate of 4.8%. The sponsor for this loan has more than 11 years of multifamily real estate experience in the Mid-Atlantic and Southeast region. Although the pandemic delayed the initial anticipated stabilization date of April 2021, DBRS Morningstar believes that there is minimal business plan risk as exhibited by the low DBRS Morningstar Business Plan Score of 1.38.

The total mortgage loan balance of $28.0 million represents a moderate issuance and balloon LTV of 64.9% and 63.7% based on an as-is and stabilized appraised values of $43.2 million and $43.9 million, respectively. The loan shows a comfortable stabilized DBRS Morningstar DSCR of 1.25x which is above the deal average of 1.00x. The property is in a DBRS Morningstar Market Rank of 2 and MSA 0 which represent tertiary markets and have historically shown high defaults and losses. Sponsorship for this loan is made up a TIC structure with 27 participants that hold title to the property. This structure makes it more difficult to resolve the loan if it were to default. To mitigate this risk, DBRS Morningstar increased the POD on this loan by applying a Weak sponsorship rank.

Tigertail Ave

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
24.8
Loan PSF/Unit ($)
177,394
Percentage of the Pool (%)
5.0
Fully Extended Loan Maturity/ARD
March 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.0
DBRS Morningstar Stabilized DSCR (x)
0.9
DBRS Morningstar As-Is Issuance LTV (%)
82.8
DBRS Morningstar Stabilized Balloon LTV (%)
71.4
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
24.8
Pari Passu
0.0
Remaining Future Funding
2.7
Mortgage Loan Including Future Funding
27.5
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
(0.1)

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Property Type	Multifamily	**Year Built/Renovated**	1966
City, State	Miami, FL	**Physical Occupancy (%)**	N/A
Units	140	**Physical Occupancy Date**	N/A

The loan is secured by the borrower's fee-simple interest in Coconut Grove, a 140-unit multifamily property in Miami. The borrower is acquiring the property for a purchase price of $31.0 million. Initial loan proceeds of $24.8 million along with borrower equity of nearly $10.0 million will finance the acquisition of the property, cover closing costs, and fund upfront reserves. A $2.7 million future funding component will be used for the sponsor's capital improvements plan. The loan is IO throughout, with a three-year initial term and two one-year extension options.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/Unit ($)	Avg. Unit Size (SF)	Occupancy (%)
Gables Grand Plaza	Coral Gables, FL	2.0	195	1998	2,729	1,064	98.0
Berkshire Coral Gables	Coral Gables, FL	1.2	275	2015	2,005	902	87.0
Residences at Village of Merrick Park	Coral Gables, FL	1.3	120	1999	2,632	1,197	92.0
The Mile	Miami, FL	1.5	120	2006	2,003	893	97.0
Grove Station Tower	Miami, FL	0.7	184	2014	1,988	1,006	95.0
Mayan Towers & Villas	South Miami, FL	3.7	145	2016	1,308	575	97.0
Milagro Coral Gables	Miami, FL	1.6	237		2,074	879	93.0
Total/WA	**Various**	**Various**	**1,276**	**Various**	**2,106**	**927**	**93.5**
Coconut Grove	**Miami, FL**	**N/A**	**140**	**1966**	**1,872**	**631**	**N/A**

*Per Appraisal with the exception of data for Coconut Grove, which is based on the Asset Summary Report.


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis				
	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	3,217,200	3,337,086	3,144,960	-5.8
Other Income ($)	181,450	151,944	167,079	10.0
Vacancy & Concessions ($)	-193,032	-260,015	-362,052	39.2
EGI ($)	**3,205,618**	**3,229,016**	**2,949,987**	**-8.6**
Expenses ($)	1,342,659	1,248,171	1,380,518	10.6
NOI ($)	**1,862,959**	**1,980,845**	**1,569,468**	**-20.8**
Capex ($)	42,000	54,040	53,189	-1.6
NCF ($)	**1,820,959**	**1,926,805**	**1,516,280**	**-21.3**

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 $1,516,280, representing a -21.3% variance from the Issuer's Stabilized NCF of $1,926,805. The main drivers of the variance were GPR, operating expenses, and vacancy. DBRS Morningstar concluded to stabilized rents of $1,872 per unit, based on the sponsor's uninflated market rent conclusions. The Issuer's stabilized GPR reflects rents of $1,986 per unit. DBRS Morningstar generally based operating expenses on the appraiser's stabilized conclusions. Additionally, DBRS Morningstar concluded to a stabilized vacancy of 7.9% per Reis' submarket 5-year average, while the Issuer concluded to a stabilized vacancy of 5.0%.

DBRS Morningstar Viewpoint

Originally constructed in 1966, the collateral previously operated as a 140-key Residence Inn by Marriott. The sponsor acquired the property with plans to turn it into a 140-unit multifamily property. With a total renovation budget of $3.3 million, the sponsor has $1.5 million ($10,714 per unit) allocated for interior improvements, and the remainder will be used to complete upgrades to the exterior, common areas, and amenities. To supplement pre-existing amenities, the sponsor plans to add a barbecue area, co-working space, a game room, a gym, a kitchen, a movie theater, and mail/storage lockers. Upon renovation, the property will consist of 32 studio, 67 one-bedroom, 32 two-bedroom one-bathroom, and nine two-bedroom two-bathroom units, with an average size of 631 sf.

The property is in Coconut Grove, about 3.5 miles southwest of the Brickell business district and 4.5 miles southwest of downtown Miami. Coral Gables and the University of Miami are about three miles west. This location provides access to a number of employment centers in the area.

The property is in the Reis defined South Beach/Miami submarket of Miami. Per Reis, the submarket average rent is $2,171 per unit as of Q4 2020. The appraiser also identified several competitive properties, with rents ranging from $1,308 to $2,729 per unit and occupancy ranging from 87.0% to 98.0%. DBRS Morningstar concluded to stabilized rents of $1,872 per unit, comfortably in the middle of the appraiser's identified comparables. Additionally, Reis reported that the submarket vacancy has ranged between 4.7% and 11.7% over the past five years, and is expected to average 7.3% over the next five years, peaking at 8.5% in 2021. The submarket saw an influx of new supply since 2018 with more than 1,684 units coming online, which contributed to the increase in vacancy. Although Reis has forecast an improvement in vacancy to 6.6% by the end of 2026, DBRS Morningstar concluded to a stabilized vacancy of 7.9%, on par with the submarket's five-year average. Reis also reported that developers are expected to deliver 834 market rate rentals to the submarket, representing 8.7% of the new construction introduced to Miami, before year-end 2022.

Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average. The photos provided depict units with standard finishes, appliance packages, and no obvious deferred maintenance. Additionally, the sponsor is a Miami-based, integrated real estate company with approximately 12 commercial and multifamily properties under ownership and/or management.

The fully funded loan represents an LTV of 71.4% based on the appraiser's stabilized value of $38.5 million. Additionally, the DBRS Morningstar As-Is NCF represents a 0.00x DSCR and the DBRS Morningstar Stabilized NCF reflects a 1.29x DSCR based on the fully funded loan annual debt service. The elevated LTV in tandem with the low DSCRs present significant term default risk and may pose challenges when exercising the loan's extension options or trying to refinance. The sponsor, a Miami-based real estate investment firm, contributed nearly $10 million to the transaction, which reflects favorably on its commitment to the success of the project.

Drumcastle Apartments

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
22.8
Loan PSF/Unit ($)
89,089
Percentage of the Pool (%)
4.6
Fully Extended Loan Maturity/ARD
April 2026
Amortization
N/A
DBRS Morningstar As-Is DSCR (x)
0.6
DBRS Morningstar Stabilized DSCR (x)
1.0
DBRS Morningstar As-Is Issuance LTV (%)
89.1
DBRS Morningstar Stabilized Balloon LTV (%)
63.1
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average-

Debt Stack ($ millions)

Trust Balance
22.8
Pari Passu
0.0
Remaining Future Funding
1.7
Mortgage Loan Including Future Funding
24.5
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
7.2

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Property Type	Multifamily	**Year Built/Renovated**	1949
City, State	Baltimore, MD	**Physical Occupancy (%)**	83.2
Units	256	**Physical Occupancy Date**	April 2021

The loan is secured by the borrower's fee-simple interest in Drumcastle Apartments, a 256-unit multifamily property in Baltimore. The borrower is acquiring the property for a purchase price of $27.5 million. Initial loan proceeds of $22.8 million along with $7.2 million of borrower equity will finance the acquisition of the property, cover closing costs, and fund a debt service reserve with a minimum of three months of debt service. There is a $1.7 million future funding component that will cover the sponsor's capital improvements plan. The loan is IO throughout with a three-year initial term and two, one-year extension options.

Competitive Set

Property	Location	Units	Year Built	Avg. Rent/Unit ($)	Avg. Unit Size (sf)	Occupancy (%)
Walker Manor Apartments	Baltimore, MD	201	1974	1,227	702	97.5
Loch Raven Village	Parkville, MD	495	1942	1,152	793	96.2
Northbrooke Township	Parkville, MD	702	1965	1,053	735	99.3
Yorkewood Apartments	Baltimore, MD	286	1948	1,016	761	96.5
Rodgers Forge	Baltimore, MD	497	1947	1,604	863	98.4
Total/WA	**Various**	**2,181**	**Various**	**1,212**	**778**	**97.9**
Drumcastle Apartments	**Baltimore, MD**	**256**	**1949**	**939**	**700**	**83.2**


Source: Appraisal.


Source: Appraisal.

DBRS Morningstar Analysis

DBRS Morningstar NCF Summary

NCF Analysis	T-12 December 2020	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	2,864,470	3,915,866	3,642,827	3,314,940	-9.0
Other Income ($)	60,504	178,469	193,406	143,228	-25.9
Vacancy & Concessions ($)	-249,803	-195,794	-395,344	-262,739	-33.5
EGI ($)	**2,675,171**	**3,898,541**	**3,440,889**	**3,195,429**	**-7.1**
Expenses ($)	1,496,408	1,635,566	1,723,287	1,701,798	-1.2
NOI ($)	**1,178,763**	**2,262,975**	**1,717,602**	**1,493,631**	**-13.0**
Capex ($)	0	69,935	89,600	74,240	-17.1
NCF ($)	**1,178,763**	**2,193,040**	**1,628,002**	**1,419,391**	**-12.8**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $1,419,391, representing a variance of -12.8% from the Issuer's stabilized NCF of $1,628,002. The main drivers of the variance were GPR and operating expenses. DBRS Morningstar concluded stabilized rents of $1,085 per unit, estimating a $250 per unit premium over in-place rents to the 150 units being renovated. The Issuer estimated $350 per unit premiums for the renovated units. In terms of operating expenses, DBRS Morningstar generally inflated the year 1 budgeted expenses by 10.0%, assuming a three-year stabilization period.

DBRS Morningstar Viewpoint

Originally constructed in 1949, the collateral consists of a 256-unit, Class B apartment complex in Baltimore. All 256 units are two-bedroom, two-bathroom units, with an average unit size of 700 sf. The subject sits just six miles north of the Baltimore CBD in the Reis-identified Towson/Timonium/Hunt Valley submarket. The immediate surrounding area is mature and urban in nature. While the property does not serve as student housing, the area is heavily influenced by the universities in the area, including Towson University, Loyola University Maryland, Johns Hopkins University, and Morgan State University, all within four miles of the subject. Access to York Road is within a half mile of the subject and is lined with commercial developments including grocery stores, restaurants, and national retailers.

Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average -. Photos in the appraisal show that the property is constructed with wood framing and a brick exterior. The interiors have Class B/C standard finishes. Built in 1949, the property is of an older vintage, and Reis reported that only 33% of the Towson/Timonium/Hunt Valley submarket was built before 1970. The sponsor expects its planned renovations to improve the overall property quality and elevate the property's positioning in the local market.

As of April 12, 2021, the property was 83.2% occupied, and the borrower plans to renovate 150 units over the next three years. The borrower's $2.2 million capital improvements plan will be funded by the $1.7 million future funding component of the loan, with the remaining funding coming from the borrower. Interior renovations total $2.1 million ($8,567 per unit) and will include adding in-unit washers/dryers; upgrading appliances, countertops, and cabinets; and addressing regular maintenance. The sponsor estimates the exterior renovations at just under $100,000 and will add a dog park, playground, signage, and barbecue pit to the property's amenity package. The sponsor for this loan is a value-add developer with a portfolio of multifamily properties in Pennsylvania and New Jersey, with experience performing full property renovations and partial renovations. Per the April 2021 rent roll, the property has an average in-place rent of $932 per unit. DBRS Morningstar concluded that the 150 units being renovated will achieve premiums of $250 per unit based on the appraiser's identified competitive set. The appraiser's competitive set exhibits an average rent of $1.65 psf, in line with the renovated units achieving rents of $1.69 psf. The collateral historically operated around 93.4% occupancy over the past three years, with the April 2021 rent roll reflecting 83.2% occupancy. The submarket demonstrates strong occupancy, above 95.0% in Q4 2020 and will stay above 94.0% over the next five years, per Reis. As such, DBRS Morningstar believes the property will stabilize around 93.4% occupancy, in line with the property's historical performance and strong submarket.

The fully funded loan, with a total balance of $24.5 million represents a moderate DBRS Morningstar Stabilized LTV of 63.1% based on the appraiser's stabilized value of $38.8 million. However, the DBRS Morningstar As-Is Issuance LTV (including future funding) is elevated at 89.1%. The property is in a DBRS Morningstar Market Rank of 4, which results in a POD penalty, although the property is in DBRS Morningstar MSA Group 2, which is credit positive. Given the credit metrics, location, and qualitative adjustments, the loan has an E/L above the deal WA E/L.

Transaction Structural Features

Credit Risk Retention: HGI CFI REIT, the securitization sponsor, will be responsible for compliance with the U.S. risk retention requirements and intends to satisfy such requirements through the purchase and retention of owner of an eligible horizontal residual interest. As of the closing date, HGI Credit Fund I REIT, LLC (the Retention Holder), a majority-owned affiliate of HGI CFI REIT, will retain the Preferred Shares, which equal at least 5.0% of the fair value of all securities in the transaction, to satisfy U.S. Credit Risk Retention Rules. Additionally, the transaction is being structured with the intent to comply with the EU retention rules under Regulation (EU) 2017/2402. The Retention Holder will also acquire 100% of the Class F Notes and the Class G Notes on the Closing Date.

Preferred Shares: The Preferred Shares are equity of the Issuer and will not be secured by any of the mortgage loans. The Preferred Shares are subordinate to all classes of notes in all respects.

Collateral Manager: Harbor Group International, LLC, will serve as the Collateral Manager and provide certain advisory and administrative functions with respect to the collateral interests. The Collateral Manager is obligated to perform its duties according to the Collateral Management Agreement, including the Collateral Management Standard. The Collateral Manager is an affiliate of the holder of the Preferred Shares, the holder of the Future Funding Participations, and the Seller. The special servicer may be removed with or without cause, and a successor special servicer may be appointed, in each case at any time and at the direction of the Collateral Manager.

Delayed-Close Loans: Glenmary Pointe (the Delayed Close Mortgage Asset) are expected to close after the cut-off date but prior to the 90th day following the closing date (purchase termination date). The Issuer may acquire each Delayed Close Mortgage Asset without regard to the eligibility criteria (but subject to the Acquisition Criteria) on either the closing date or any time on or prior to the purchase termination date (90 days following the closing date), but in each case only so long as the terms of such Delayed Close Mortgage Asset are not materially different from the terms described in the Preliminary Offering Memorandum (POM). If the Delayed Close Mortgage Asset are not acquired prior to the 90th day following the closing date, then the Delayed Close Mortgage Asset may be acquired during the ramp-up acquisition period in accordance with the terms of other ramp-up Mortgage Assets, including the eligibility criteria and Acquisition Criteria.

Future Funding Participations: Certain Mortgage Assets will be a participation interest in a mortgage loan or senior note (participated mortgage loan) that has been participated (or split) into any combination of: (1) a fully funded senior, senior pari passu, or pari passu participation interest or senior note which will be held by the Issuer and will be part of the Collateral; (2) an unfunded future funding participation interest that will not be held by the Issuer and will not be part of the Collateral (future funding participation); and (3) funded pari passu or junior participation interests or notes that will not be held by the Issuer and will not be part of the Collateral (funded companion participation and, with any future funding participation, a companion participation). Companion participations (unless later acquired, in whole or in part, during the Reinvestment Period or Replenishment Period in accordance with the applicable criteria) will not be assets of the Issuer and will not be part of the Collateral.

Thirteen of the closing date participations, representing approximately 47.3% of the Aggregate Mortgage Asset Cut-Off Date Balance, are participation interests in participated mortgage loans that also have future funding participations. As of the Closing Date, all of the future funding participations will be held by affiliates of the seller, and not by the Issuer. The Future Funding Holder as the holder of the related Future Funding Participation (or a permitted transferee pursuant to the terms of the related Participation Agreement) will have the sole obligation under each of the Participation Agreements to make future advances under the Future Funding Participations. Once funded, such participation may be transferred in accordance with the terms of the related Participation Agreement and the Issuer may, but is not obligated to, acquire such funded participation interest as a Ramp-Up Mortgage Asset or as a Reinvestment Mortgage Asset.

Ramp-Up Acquisition Period: The transaction includes a ramp-up acquisition period which will be determined by the earliest of (1) the sixth Payment Date, (2) the first date on which all funds in the Unused Proceeds Account have been used to purchase Ramp-Up Mortgage Assets and, if applicable, Delayed Close Mortgage Asset, and (3) the date that the Collateral Manager determines, in its sole discretion, that investment in Ramp-Up Mortgage Assets is no longer practical or desirable and notifies the Trustee of such determination. During this time, the Issuer will fund an Unused Proceeds Account with the proceeds of the issuance of the Notes and the Preferred Shares that are not otherwise used to (1) pay certain fees and expenses, (2) acquire Ramp-Up Mortgage Assets on the Closing Date, (3) repay amounts owed in respect of certain pre-Closing Date financing arrangements or (4) undertake certain related activities. The Indenture will provide that, during the Ramp-Up Period, Ramp-Up Mortgage Assets may be acquired by the Issuer, at the direction of the Collateral Manager, with funds on deposit in the Unused Proceeds Account, provided that no EOD has occurred and is continuing and such Ramp-Up Mortgage Assets satisfy the Eligibility Criteria and the Acquisition Criteria. Any Ramp-Up Mortgage Assets acquired by the Issuer during the Ramp-Up Period will have the benefit of representations and warranties similar to the representations and warranties provided with respect to the Closing Date Mortgage Assets. At the end of the Ramp-Up Period, any amounts remaining in the Unused Proceeds Account up to and including $5,000,000 will be deposited into the Reinvestment Account. Any amounts in excess of $5,000,000 will be transferred to the Payment Account and applied as Principal Proceeds in accordance with the Priority of Payments. After the Ramp-Up Completion Date, the Issuer will be required to provide, or cause the Collateral Manager to provide, a No Downgrade Confirmation from DBRS Morningstar with respect to the Closing Date ratings of the Notes to the Trustee and Note Administrator.

Reinvestment: During the Reinvestment Period, the Issuer may acquire one or more Reinvestment Mortgage Assets that satisfy the Eligibility Criteria, the Acquisition Criteria, and the other conditions set forth in the Indenture. The Reinvestment Period is the period beginning on the Closing Date and ending on and including the first to occur of the following events or dates: (1) the end of the Due Period related to the Payment Date in November 2022, (2) the end of the Due Period related to the Payment Date on which all of the Notes are redeemed as described in the POM, and (3) the date on which principal of and accrued and unpaid interest on all of the Notes is accelerated following the occurrence and continuation of an EOD.

No Downgrade Confirmations: Certain events within the transaction, including Significant Modifications, require the Issuer to obtain Rating Agency Confirmation (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 not required to obtain RAC for acquisitions of funded companion participations less than $1.0 million.

Administrative Modifications and Criteria-Based Modifications: The collateral manager may, but is not required to, direct and require the special servicer to administratively process any Administrative Modification or any Criteria-Based Modification in accordance with the Collateral Management Standard.

Criteria-Based Modification means a modification, waiver, or amendment to a Mortgage Loan that is directed by the Collateral Manager that would (1) result in a change in interest rate (other than as a result of any modification in accordance with clause (2) of the definition of Administrative Modification), (3) result in a delay in the required timing of any payment of principal, (4) result in an increase in the principal balance of such Mortgage Loan that will be allocated solely to the related Companion Participation, (5) result in a change of maturity date or extended maturity date, or (6) permit the indirect owners of the related borrower to incur additional indebtedness in the form of mezzanine loans or preferred equity.

A Criteria-Based Modification for a Mortgage Loan (or related Mortgage Asset) will be permissible only if, immediately after giving effect to such modification, (1) not more than nine Criteria-Based Modifications have been effectuated; (2) the Acquisition Criteria are satisfied; (3) the related Mortgage Asset complies with the Eligibility Criteria (for this purpose, assuming the related Mortgage Asset was treated as a Reinvestment Mortgage Asset acquired on the date of the modification), as adjusted by the EC Modification Adjustments; and (4) an Updated Appraisal is obtained with respect to the Mortgage Asset. The EC Modification Adjustments include a provision that if such Criteria-Based Modification does not involve an increase in the principal balance of the related Mortgage Loan or the indirect owners of the related borrower incurring additional indebtedness in the form of a mezzanine loan or preferred equity, there is no requirement to obtain a No Downgrade Confirmation from DBRS Morningstar.

Administrative Modification means any modification, waiver, or amendment directed by the Collateral Manager that relates exclusively to (1) with respect to any Serviced Mortgage Loan, Loan-Level Benchmark Replacement Conforming Changes, or (2) with respect to any Serviced Mortgage Loan that is not a Credit Risk Mortgage Asset, Specially Serviced Loan, or Defaulted Mortgage Asset, exit fees, extension fees, financial covenants (including cash management triggers) relating to debt yield, debt service coverage, or loan-to-value, prepayment fees, yield or spread maintenance provisions, reserve account minimum balance amounts and purposes, or waivers of a borrower being required to obtain an interest rate cap agreement in connection with an extension when the extension is for 90 days or less.

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 Class F Notes and the Class G Notes and pay dividends to the Preferred Shares and make certain other payments on the following Payment Date must instead be used to pay principal of first, the Class A Notes; second, the Class A-S Notes; third, the Class B Notes; fourth, the Class C Notes; fifth, the Class D Notes; and sixth, the Class E Notes, in each case, to the extent necessary to cause the Note Protection Tests to be 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 Mortgage Assets. The Par Value Test will be satisfied if the Par Value Ratio is equal to or greater than 120.06%. The Interest Coverage Test will be satisfied if the Interest Coverage Ratio is equal to or great than 120.0%.

Advancing Agent and Backup Advancing Agent: HGI Credit Fund I REIT, LLC will serve as Advancing Agent with respect to certain interest payments on the Class A, A-S, and B offered notes subject to a determination of recoverability. If the Advancing Agent fails to make such payments, the Note Administrator, Wells Fargo Bank, National Association, will serve as Backup Advancing Agent and be required to advance certain delinquent scheduled interest payments, as applicable, to the extent that the Master Servicer or Trustee deems such advances to be recoverable.

Controlling Class: The Class A Notes are the controlling class, so long as any Class A Notes are outstanding; then the Class A-S Notes, so long as any Class A-S Notes are outstanding; then the Class B Notes, so long as any Class B Notes are outstanding; then the Class C Notes, so long as any Class C Notes are outstanding; then the Class D Notes, so long as any Class D Notes are outstanding; then the Class E Notes, so long as any Class E Notes are outstanding; then the Class F Notes, so long as any Class F Notes are outstanding; then the Class G Notes, so long as any Class G Notes are outstanding. 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.

Deferrable Floating-Rate Notes: The Class C, D, E, F, and G Notes (deferrable notes) allow for deferred interest on the deferrable notes. To the extent that interest proceeds are not sufficient on a given payment date to pay accrued interest, interest will not be due and payable on the payment date and will instead be deferred. 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 assigned by DBRS Morningstar contemplate the timely payments of distributable interest and, in the case of the deferred interest, the ultimate recovery of deferred interest (inclusive of 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.

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

This report is based on information as of May 3, 2021. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

Glossary

ADR	average daily rate	**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
CoStar	CoStar Group, Inc.	**OSAR**	operating statement analysis report
CREFC	CRE Finance Council	**PCR**	property condition report
DPO	discounted payoff	**P&I**	principal and interest
DSCR	debt service coverage ratio	**POD**	probability of default
EGI	effective gross income	**PIP**	property improvement plan
EOD	event of default	**PILOT**	property 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	**STR**	Smith Travel Research
LC	leasing commission	**SPE**	special-purpose entity
LGD	loss severity given default	**TI**	tenant improvement
LOC	letter of credit	**TIC**	tenants in common
LOI	letter of intent	**T-12**	trailing 12 months
LS Hotel	limited-service hotel	**UW**	underwriting
LTC	loan-to-cost	**WA**	weighted average
LTCT	long-term credit tenant	**WAC**	weighted-average coupon
LTV	loan-to-value	**x**	times
MHC	manufactured housing community	**YE**	year end
MTM	month to month	**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 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 (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 revenues earned by a property's ongoing operations less the expenses associated with such operations and the capital costs of tenant improvements, leasing commissions and capital expenditures (or reserves). Moreover, NCF is net operating income less tenant improvements, leasing commissions and capital expenditures.	
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 revenues 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.	

About DBRS Morningstar

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We rate more than 3,000 issuers and nearly 60,000 securities worldwide, providing independent credit ratings for financial institutions, corporate and sovereign entities, and structured finance products and instruments. Market innovators choose to work with us because of our agility, transparency, and tech-forward approach.

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